



An IS/ISO 9001, An IS/ISO 14001
& IS: 18001 Company



SURYA ROSHNI LIMITED

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SRL/se/yks/23-24/15

August 21, 2023

The Secretary
The Stock Exchange, Mumbai
MUMBAI - 400 001
Scrip Code: 500336

The Manager (Listing Department)
The National stock Exchange of India Ltd
Mumbai – 400 051
NSE Symbol: SURYAROSNI

Dear Madam, Sirs,

Sub: Annual Accounts for Financial Year 2022-23 of Surya Roshni Limited ('the Company')

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the 50th Annual Accounts of Surya Roshni Limited for the Financial Year 2022-23 along with the Notice of 50th Annual General Meeting (Annual Report 2022-23). The Annual Report is also available on the website of the Company at <https://surya.co.in>.

The Annual Report is being sent only through electronic mode, to those Members whose e-mail address are registered with the Company / Registrar and Transfer Agent / Depository Participants / Depositories as on August 18, 2023. This is in compliance with the SEBI Circulars dated May 12, 2020, January 15, 2021, May 13, 2022 and January 5, 2023 and applicable Circulars issued by Ministry of Corporate Affairs in this regard from time to time.

This is for your information and records.

Thanking you,

Yours faithfully,
For Surya Roshni Limited

B. B. Singal
CFO & Company Secretary

Encl.: Annual Report 2022-23



SURYA

*Solid core.
Sustained growth.*

Annual Report
2022-23

Surya Roshni Limited





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Or simply scan:



For online version of this annual report, visit:

https://surya.co.in/wp-content/uploads/2023/08/Annual-Report_2022-23.pdf

Forward-looking statement

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

Maintaining Our Solid Foundation of Financial Performance in 2022-23

3% ^

₹ 7,997 crore

REVENUES

38% ^

₹ 620 crore

EBITDA

64% ^

₹ 336 crore

PROFIT AFTER TAX

20% ^

₹ 1,863.59 crore

NET WORTH

670 bps ^

22.9%

ROCE

560 bps ^

19.7%

ROE

^ Growth in 2022-23 over 2021-22

Investor Information

Market Capitalisation as on 31 st March, 2023	₹ 3,579.57 crore
BSE Code	500336
NSE Symbol	SURYAROSNI
Bloomberg Code	SYR:IN
Dividend Declared	₹ 7 Per Share (including the Interim Dividend of ₹ 3 Per Share)

Building on Our Solid Foundation

We continue to build resilience and grow our business sustainably to create long-term value for all stakeholders.

WE ARE...

...a growing business

We are consistently growing in sales which underlines the solid demand for our products. Our revenues continue to grow despite the difficult global backdrop. We remain steadfast in our ongoing focus on premiumisation, cutting-edge and trendy product launches, aggressive marketing campaigns, and geographical expansion.

...creating capacities for the future

We successfully commissioned our new large-diameter section pipe facility at Gwalior, utilising Direct Forming Technology (DFT) in 2022-23. This has allowed us to increase our production capacity by 36,000 MTPA across new product categories. Additionally, we are currently in the process of setting up an expansion project in Hindupur, Andhra Pradesh, with an investment of ₹ 75 crore to manufacture GP and CR coils/pipe. Further, we are setting up an ERW pipe mill for large-dia pipes with an investment of ₹ 75 crore. This investment is aimed at adding a proposed capacity of 1,00,000 metric tonnes per annum at the Anjar plant in Gujarat.

...built to remain agile and resilient

We maintained leadership in the traditional channel of distributors, building new kinds of value-accretive businesses for strong revenues and profitability. Our global footprint and robust, multisite, cost-efficient

manufacturing, along with strong and long-lasting relationships with our customers enable us to be agile and resilient.

...maintaining a prudent mix

We are driving strategic value creation by reinforcing the market leadership position and driving change through investment in value-added products. We are de-risking our business through a consistent balance between B2B and B2C areas.

...a company with strong financial position

We have a strong balance sheet and continuing high cash conversion. Our debt-equity reduced to 0.22x as on 31st March, 2023 compared to 0.37x as on 31st March, 2022. We enjoy lower leverage, healthy financial ratios, reaffirmed credit ratings, strong working capital management, and lower finance cost. These are some of the encouraging indicators of our robust financial management.

...focused on creating sustainable value

We are creating sustainable value by investing in our people, prioritising our customers, strengthening our supply chain, growing our product portfolio, and maintaining a strong cash position. We proactively engage with our stakeholders to understand and factor-in their interests and expectations in our business decision-making process to create enduring value.

REINFORCING OUR SOLID CORE

#1

MANUFACTURER AND
EXPORTER OF GI PIPES

Largest

EXPORTER OF
ERW PIPES

Leading

API PIPE
MANUFACTURER

Among Top 3

BLACK PIPES
MANUFACTURER

One of the Top Leading

CONSUMER LIGHTING MANUFACTURING
BRANDS IN INDIA

One of the Largest

RURAL-BASED DISTRIBUTION
NETWORK IN INDIA FOR LIGHTING
AND CONSUMER DURABLE

Nurturing a Solid Core for Sustained Growth

Incorporated in 1973, Surya Roshni Limited (hereafter referred to as 'Surya Roshni' or 'Our Company' or 'We') has grown from strength to strength to become one of India's largest Steel Pipes and Lighting company. We are one of the largest conglomerates in India, and export to several countries around the world. The 'Prakash Surya' and 'Surya' brands stand for quality, innovation, and the latest technology.

We started with the manufacturing of steel tubes and later, diversified into lighting in 1984, PVC pipes in 2010 and consumer durables like fans and home appliances in 2014-15. We possess a strong pan-India presence in the rural and semi-urban areas through our extensive dealer network across both our businesses.

We stand tall on our commitment to deliver quality systems and environmental issues. This is further enabled by our ISO 9001:2008, ISO 14001:2004, and OHSAS 18001:2007 certifications and products that are accredited with international performance of safety standards. We are also known for being one of the most trusted and registered brands with various government departments, institutions, and international buyers.

45+

YEARS OF ROBUST EXPERIENCE

6

MANUFACTURING FACILITIES

50+

COUNTRIES EXPORTED

3,310

EMPLOYEE BASE ON PAYROLL



OUR VISION

Committed towards a Better Tomorrow

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



OUR MISSION

Energising Lives and Beyond

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



OUR VALUE PILLARS



Customer Satisfaction

Passion towards customer satisfaction through exceptional products and services.



Social Responsibility

Help mother nature in contributing to the economic development through eco-friendly products, while improving the quality of life of the work force as well as of the local community and society at large.



Integrity

Adhering to moral principles, we share an undivided spirit. This integrity is a virtue that is reflected in our personal lives, financial transactions, and business deals.



Surya Parivar

A principle-centric, close-knit family which stands high on the pillars of trust, team spirit and mutual respect.

OUR BUSINESS IN 2022-23

Revenue

₹ 6,452 crore

STEEL PIPES AND STRIPS

₹ 1,545 crore

LIGHTING AND CONSUMER DURABLES

Segmental Sales

81%

STEEL PIPES AND STRIPS

19%

LIGHTING AND CONSUMER DURABLES

Segmental EBITDA

80%

STEEL PIPES AND STRIPS

20%

LIGHTING AND CONSUMER DURABLES

OUR BRANDS

Our Steel Pipes and Strips are sold under the brand name 'Prakash Surya' and lighting products are sold under the brand name 'Surya'. Both brands stand for quality, innovation, and the latest technology.



BUSINESS MODEL

Powering Our Value Creation Capability

At Surya Roshni, our business model seeks to create value for all stakeholders by improving our profitability and cash flow to deliver sustainable returns.

INPUTS



Financial Capital

Our key financial resources include equity, internal accruals, and debt. Our strong balance sheet is the foundation that drives our growth strategies and enables us to create exceptional value for our stakeholders.

₹ 1,864 crore

Equity

₹ 404 crore

Debt



Manufacturing Capital

Our world-class manufacturing facilities, along with the infrastructure that supports our logistics, warehousing, and sales enable us to deliver quality offerings to the market. Besides, we invest in best-in-class technologies to enhance the quality of our products and increase efficiency of our operations.

4

Steel pipes and strips facilities

2

Lighting facilities



Intellectual Capital

We have a dedicated R&D centre called the Surya Technology & Innovation Centre in Noida. The Centre drives innovation to achieve operational efficiencies as well as enable new product development.



Distribution Capital

We have a robust distribution network (including trade network and retail outlets) and decentralised depot networks. This ensures smooth movement of logistics, prompt delivery, and customer satisfaction, aptly supported by strong marketing and publicity initiatives.

21,000+

Steel pipes and strips pan-India dealers/retailers

250+

Steel pipes and strips distributors

2,50,000+

Lighting and consumer durables retail outlets



Human Capital

Our workforce is our main value creator, driving growth through expertise, knowledge, and performance excellence. Over the years, we have developed a holistic employee value proposition which has enabled us to attract and retain top talent, and operate in a high-performing culture.

3,310

Employee base



Social and Relationship Capital

We have a multi-stakeholder approach and believe that time-tested relationships play a key role in enhancing long-term stakeholder value. Thus, we factor-in the interests of all our stakeholders while devising our business growth strategy.

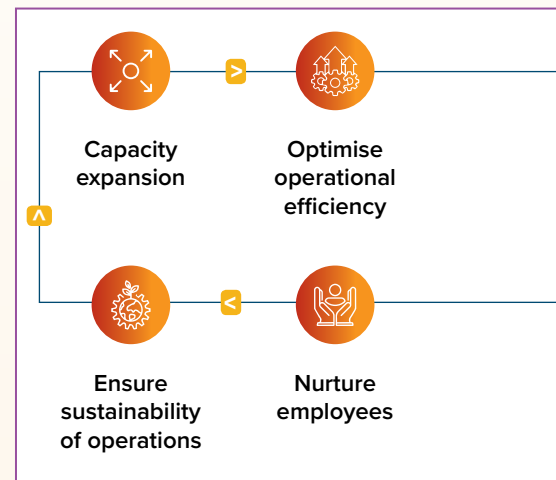


Natural Capital

Our operations rely on natural resources, and we recognise the impact of our business on ecosystems. We believe in conserving natural resources and focus on utilising them in an optimal manner. Our investments towards usage of renewables is testimony to our commitment towards the environment.

VALUE DRIVERS

Strategic Objectives



Strategic Imperatives



Manufacturing Facilities

- ▶ Strategic investment in technology upgradation
- ▶ Strategic locations
- ▶ Strengthening backward integration through PLI



Distribution Network

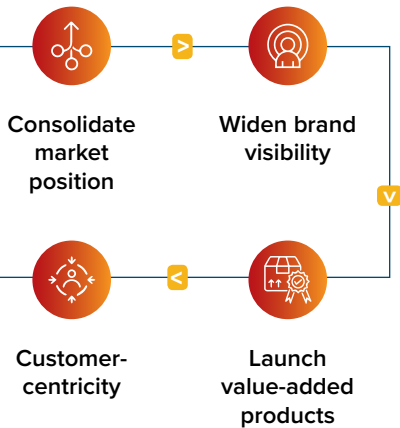
- ▶ Enhanced engagement
- ▶ Consistent policies, effective schemes
- ▶ Omni-channel presence



Brand Equity

- ▶ Brand building through consistent advertising
- ▶ ATL and BTL activities

OUTCOMES



Product Range

- ▶ Strong product portfolio
- ▶ Value-added products driving higher profitability



SCALABILITY



DIVERSIFICATION

SUSTAINED GROWTH AND IMPROVED PROFITABILITY



STEEL TUBES AND PIPES

- ▶ In 2022-23, our Company reported a revenue of ₹ 6,452 crore, a slight increase from ₹ 6,402 crore in 2021-22
- ▶ Our steel pipes trade business grew by 19%, spiral pipe by 8%, and API exports by an impressive 211% in 2022-23

- ▶ The total orders booked at the end of 2022-23 exceeded ₹ 850 crore
- ▶ Our EBITDA/MT for 2022-23 improved to ₹ 6,496 from ₹ 4,648 YoY, on account of favourable product mix of value-added products and exports
- ▶ We launched a 30" galvanised pipe in India and a 2" 5CT pipe for exports
- ▶ We remain committed to exporting value-added products and expanding our geographical footprint
- ▶ Our expansion project at Hindupur is proceeding as scheduled
- ▶ We are setting up an ERW pipe mill for manufacturing 18" to 24" large-dia pipes at our existing facilities with a capex of ₹ 75 crore



LIGHTING AND CONSUMER DURABLES

- ▶ In 2022-23, our LED lighting business saw a robust revenue growth of 27%, due to strong sales in both B2C and B2B segments
- ▶ Our consumer lighting business experienced a 12%

- revenue increase with an emphasis on higher growth for value-added products
- ▶ The professional lighting segment witnessed a significant YoY revenue growth of 38% due to strong order inflow
- ▶ The addition of new products led to a YoY revenue growth of 25% in the home appliances business
- ▶ The cost of LED lighting bulb replacement continued to decrease, falling from 678 bps to 457 bps
- ▶ There has been a remarkable growth in new-age smart LED products
- ▶ We intensified our advertising and marketing activities to enhance market share and brand visibility
- ▶ We also undertook increased dealer and distributor engagement through various initiatives

OUR OPERATIONS

Sustaining Growth with Solid Presence

We have six state-of-the-art manufacturing facilities across India in Haryana, Madhya Pradesh, Andhra Pradesh, Gujarat, and Uttarakhand. We have an advanced lighting research and development centre (R&D) called the Surya Technology & Innovation Centre (STIC) at Noida (NCR).

STEEL PIPES AND STRIPS SEGMENT



Anjar, Gujarat



Bahadurgarh, NCR-Delhi



Hindupur, Andhra Pradesh



Gwalior, Madhya Pradesh

LIGHTING SEGMENT



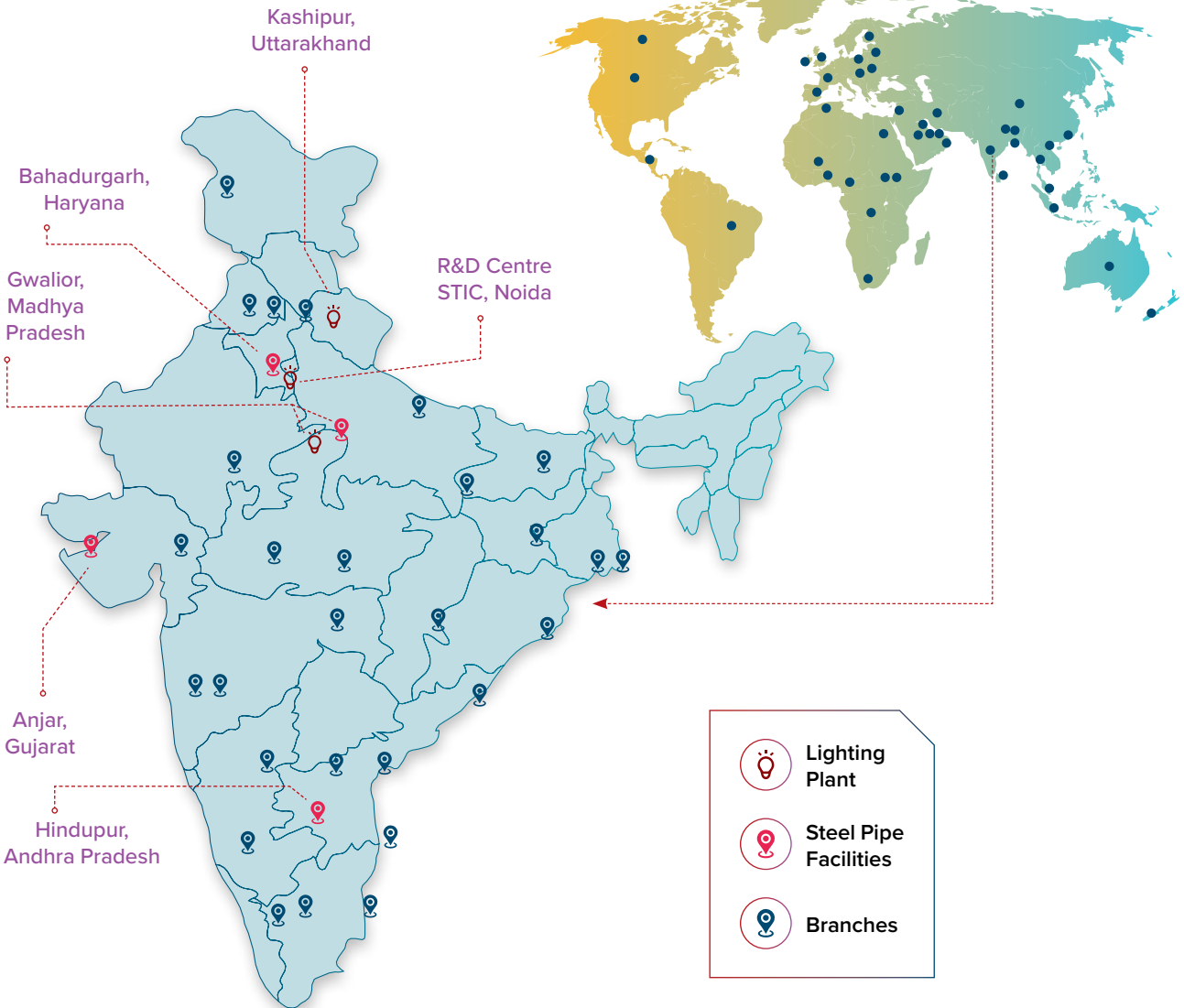
Kashipur, Uttarakhand



Gwalior, Madhya Pradesh

MAKING IN INDIA FOR THE WORLD

Global Footprints



CAPACITY EXPANSIONS

Commissioned Section Pipe DFT Plant

During 2022-23, we commissioned the large-dia section pipe facility with Direct Forming Technology (DFT) at Gwalior, adding a capacity of 36,000 MTPA of new product categories. This expansion will enable us to enhance our presence in both domestic and export markets, serving key sectors such as infrastructure and urban development.

Setting-up GP and CR Coils/Pipe Facility

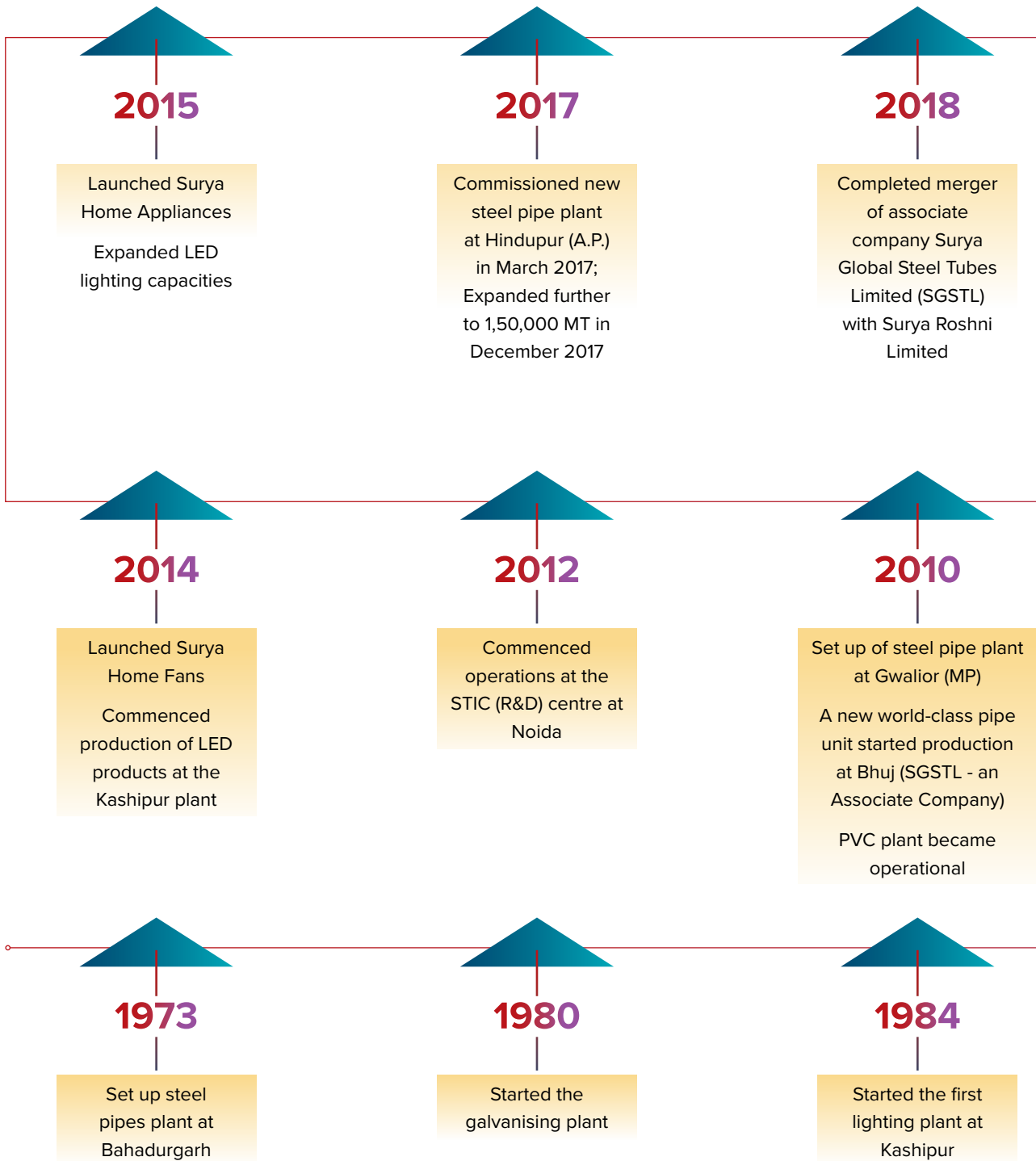
We are setting up an expansion project with an outlay of ₹ 75 crore at Hindupur, Andhra Pradesh to manufacture GP and CR coils/pipe. The purpose of this project is to ensure the availability of GP and CR coils at a cost lower than the market price, catering to the South Indian market.

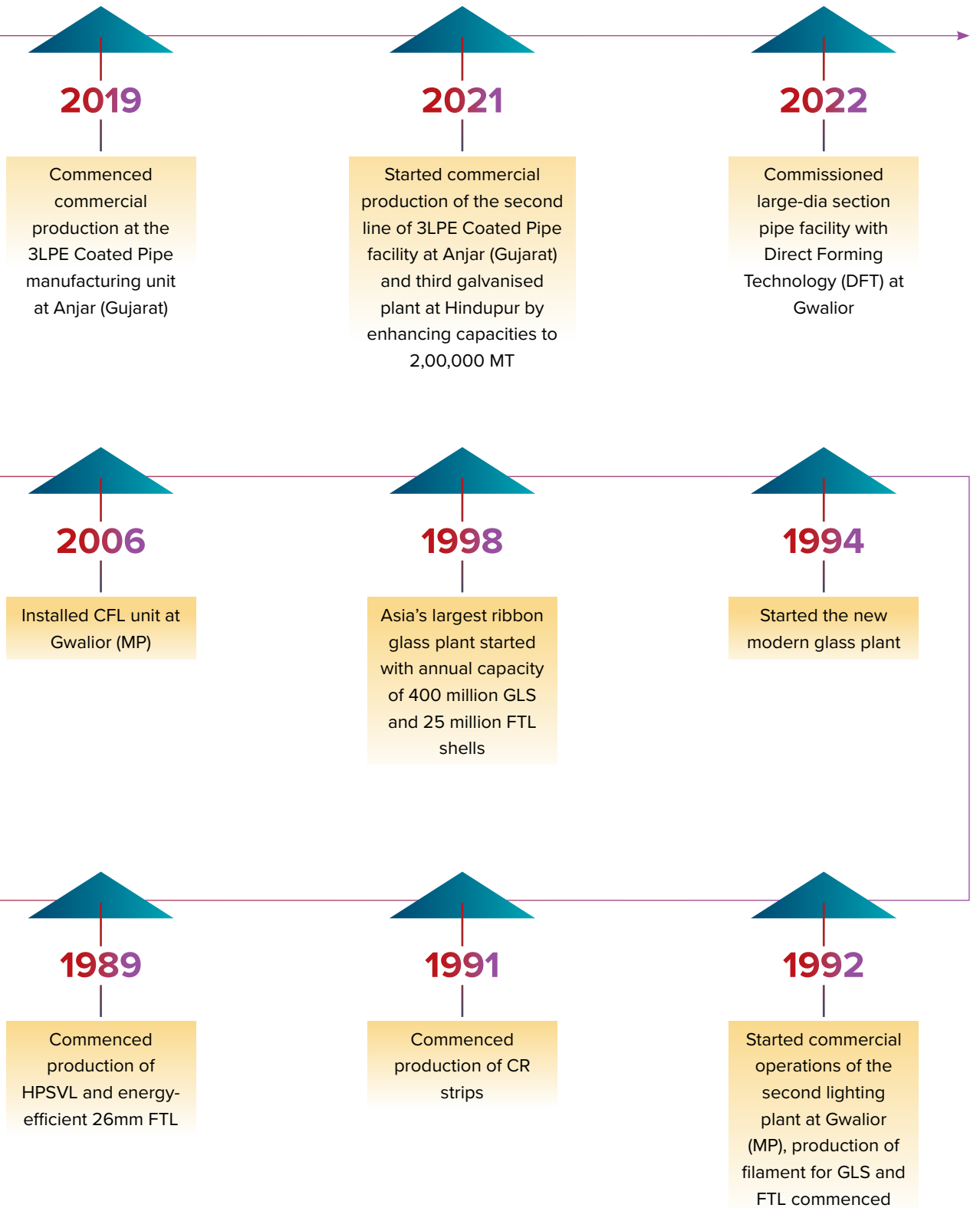
Setting up Large-dia Pipe (18" to 24") Facility

Setting up a new ERW Pipe Mill to meet the increasing demand for larger diameter pipes, ranging from 18" to 24", with an investment of ₹ 75 crore will position us at a higher capability level in terms of size range. Additionally, it will enhance our presence in the Oil and Gas markets. Moreover, the mill will address the significant demand generated by numerous irrigation and water distribution projects initiated by the Government of India. These projects require large size ranges, specifically 18" to 24", for efficient transportation of water from sources to distribution hubs.

MILESTONE

The Growth Journey





CORPORATE OVERVIEW

STATUTORY REPORTS

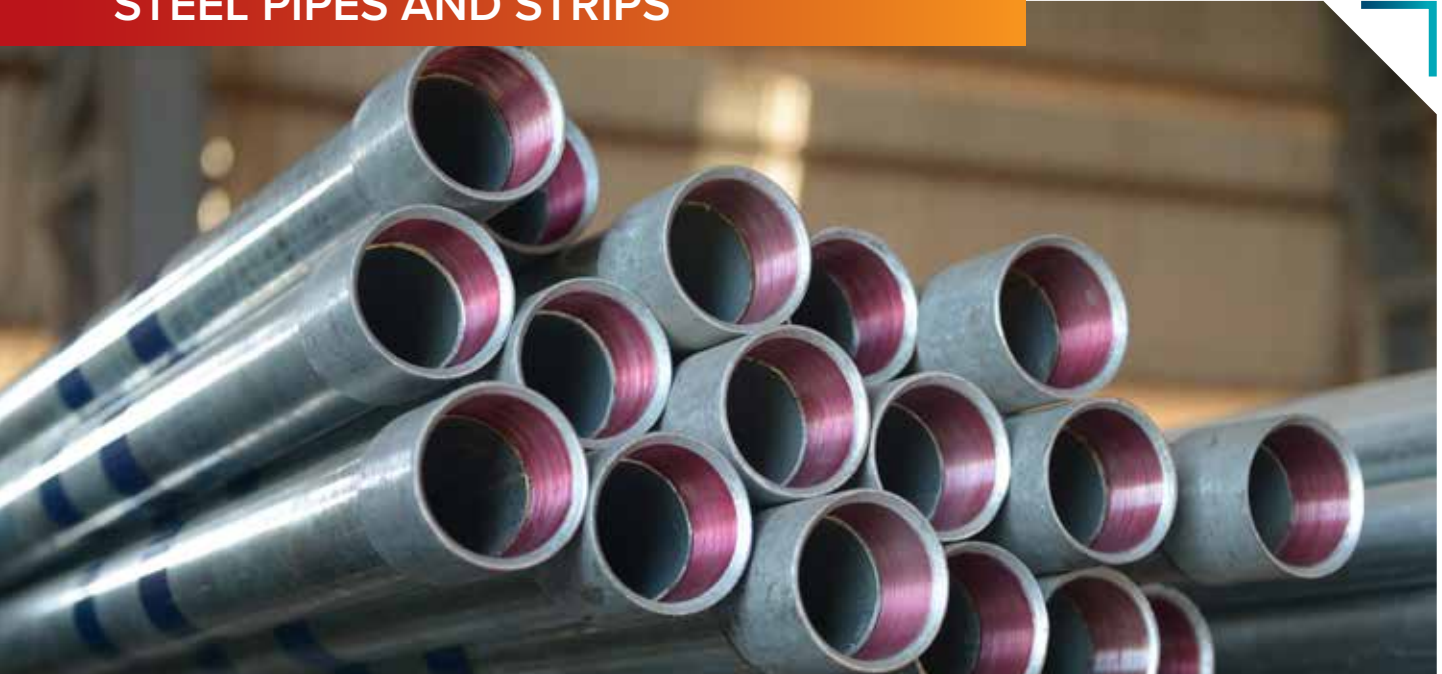
FINANCIAL STATEMENTS

OUR BUSINESS SEGMENTS

Strengthening Our Offerings through Our Solid Segments

At Surya Roshni, we have cemented our position as a renowned name in the business of steel pipes and strips and lighting and consumer durables.

STEEL PIPES AND STRIPS



More than four decades earlier, we started manufacturing steel pipes and have been growing ever since. We are considered to be one of the largest GI pipe manufacturers in India and are always committed towards solid manufacturing and innovation.

#1

ERW GI PIPE
MANUFACTURER IN INDIA

#1

EXPORTER OF ERW PIPES
FROM INDIA (50+ COUNTRIES)

Top 3

PLAYERS IN
BLACK PIPES

21,000+

PAN-INDIA
DEALERS/RETAILERS

6

PRODUCT CATEGORIES OF PIPES - STRUCTURAL,
GI, API GRADE & SPIRAL, BLACK AND CR STRIPS

4

MANUFACTURING LOCATIONS IN HARYANA, MADHYA
PRADESH, GUJARAT, AND ANDHRA PRADESH

12.76 lakhs MTPA

TOTAL CAPACITY ACROSS CATEGORIES

51%

VALUE-ADDED PRODUCTS OF TOTAL REVENUE

250+

DISTRIBUTORS

Segment Strengths

- ▶ 50 years of brand presence in India, under the brand name 'Prakash SURYA'; emerging as a trusted brand with in-depth understanding of customer aspirations and trends
- ▶ Rigorous quality control mechanisms in place to ensure that products are top-of-the-line and rejection rates are low, thereby allowing minimal customer complaints
- ▶ Equipped with high-end Direct Forming Technology (DFT)



Growth Strategies

Technology Upgradation

We have made strategic investments in technology upgradation. We have got a 3LPE coating plant from Selmer, Netherlands and installed large-dia section pipe facility commissioned with DFT technology at Gwalior.

Value-added Products

We will drive high growth in API pipes and exports of value-added products to improve market share, margins, and profitability.

Prudent Mix

We are diversifying our customer and product mix to help us de-risk the steel price volatility.

Cost Efficiencies

We are driving continuous process improvement and energy saving, and increasing yield for cost-effectiveness.

Brand Equity

We are undertaking continuous brand development activities to grow as a prominent player.

Distribution Network

We are facilitating continuous engagement with country-wide dealers, distributors, retailers, and influencers.

PRODUCT RANGE

GI Pipes



Application Areas

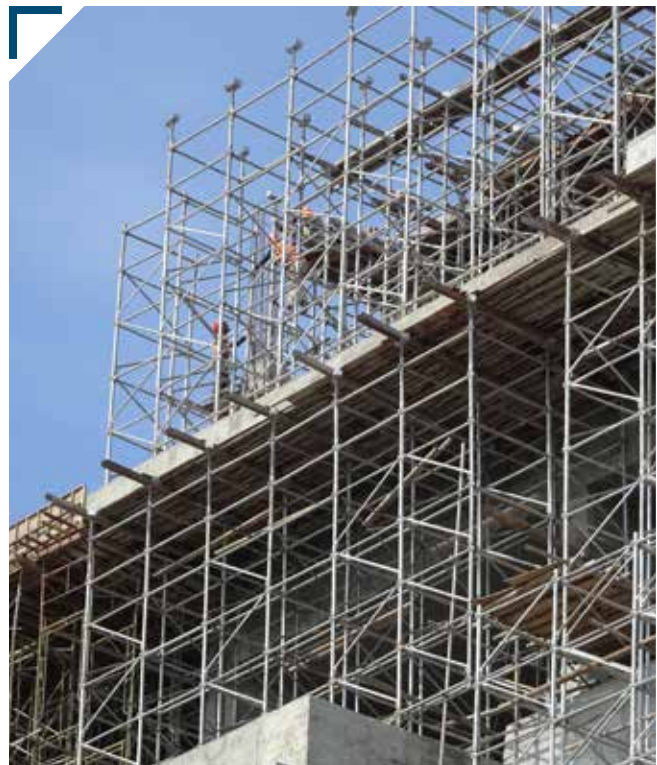
Agriculture and Irrigation, Casing and Tubing, Water Transportation, Plumbing, Green Houses, Fire Fighting, Street Light Poles, and Solar Panels.



Black Pipes

Application Areas

Construction, Fabrication, Fencing, Metro Railway Platforms, Airports, Powder Coating, Sign Boards, Industrial Application, and Scaffoldings.



Hollow Section Pipes



Application Areas

Infrastructure – Airport, Metro, Railways, Warehousing, Industrial Infrastructure, Urban Development, Solar Structures, Electrical Poles, and Telecom Towers.

API/3 LPE Coated Spiral Pipes



Application Areas

Oil and Gas Pipelines, Oil Well Casing, Water Transportation, and City Gas Distribution.

Spiral Pipes



Application Areas

Water, Infrastructure and Oil & Gas Transportation.

CR Strips



Application Areas

Auto Components, Electrical Stampings for Motors, Cycle Rims, Umbrella Tubes & Rips, and Furniture & Fittings.

Leadership in Export of ERW Pipes

We are proud to be the largest exporter of ERW Pipes (GI and Black Pipes), supplying to over 50 countries across the globe including the USA, Australia, Canada, Mexico, Middle East, Europe, and Africa. Our recently commissioned large-diameter section pipe facility (up to 300*300 mm) with Direct Forming Technology at Gwalior has further enhanced our export capabilities of Hollow Section Pipe worldwide. Our focus is on increasing our order share in Egypt for small gas paint pipes and exporting value-added products such as grooved, 30*30 section, and blue painted hollow coated pipes. Additionally, we are exploring opportunities for geographical expansion to grow our business further.

LIGHTING AND CONSUMER DURABLES



Over the years, we have seamlessly transitioned from conventional lighting to becoming one of the leading players in LED lighting in the industry. We have one of the largest manufacturing capacities in India for LED lighting. We entered the consumer durable segment with fans and gradually developed a strong portfolio of home appliances.

2,50,000+

RETAIL OUTLETS

300+

RTF

2,500+

DSPs

One of the Top Leading

CONSUMER LIGHTING MANUFACTURING
BRANDS IN INDIA

Second

IN KARNATAKA, DELHI, MAHARASHTRA, BIHAR,
RAJASTHAN AND UTTARAKHAND, AMONG OTHERS

Leader

IN VARIOUS STATES SUCH AS ANDHRA PRADESH, TELANGANA,
MADHYA PRADESH, CHHATTISGARH, UTTAR PRADESH, AND JHARKHAND

SEGMENT CAPACITIES

90 million Pieces p.a.

LED BULBS

10 million Pieces p.a.

LED TUBES & FITTINGS

3.60 million Pieces p.a.

LED STREET LIGHTS

200 million Pieces p.a.

GLS



Our Solid Segment Strengths

- ▶ Emerging as a leading fast moving electrical goods (FMEG) player
- ▶ Establishing brand equity through consistent advertisements, ATL and BTL activities, under the brand name 'Surya'
- ▶ Having one of the most deep-rooted distribution networks in India, with larger revenue share from semi-urban and rural markets
- ▶ Focussing on strong dealer relations and secondary demand generation
- ▶ Establishing strong position in professional lighting with smart lighting solutions
- ▶ Penetrating successfully into FMEG categories - fans and home appliances
- ▶ Establishing comprehensive service network across India
- ▶ Ensuring decentralised branch/depot network system for quick logistical movements, prompt delivery, customer feedback and satisfaction

Growth Strategies

The Surya Brand

Sensitise new-age consumers about the LED lighting and consumer durable products range.

New Products

Introduce new products across categories and price points, in alignment with the fast-evolving consumer preferences.

Manufacturing Efficiency

Focus on automation, speed, size, and backward integration for better output.

Distribution Network

Enhance retail network in existing and new markets, including Tier-III and Tier-IV towns, to deepen market penetration through omni-channel dealers, distributors contractors, developers, and architects among others.

Strengthening B2B Capabilities

Focus on building the right team and strong ecosystem of vendors; deliver customised and integrated smart lighting solutions; and focus on infrastructure, monument lighting, airports, and bridges.

PVC Pipes

Utilise 10,200 MTPA capacity to leverage the sizeable business opportunity with strong branding of 'Prakash Surya' and distribution network.

PRODUCT RANGE

Lighting



Consumer Lighting

- ▶ LED lamps
- ▶ LED downlighters
- ▶ LED streetlights
- ▶ LED batten and luminaires
- ▶ Smart LED lighting
- ▶ Conventional lamps – GLS, FTL, and HID

- ▶ Value-added offerings like colour changers, smart lighting, auto-dimming, app-based lights, COB downlights, track spot lights, power track, LED string strips lights and radar LED lamp

Professional Lighting

- ▶ Indoor commercial
- ▶ Industrial
- ▶ Street lighting
- ▶ Flood lighting
- ▶ Landscape lighting
- ▶ Solar lighting
- ▶ Sensors
- ▶ Retail lighting
- ▶ Facade lighting
- ▶ Highmast lighting



Fans



- ▶ Ceiling fans (including products like anti-dust, antibacterial, energy efficient, high-air-delivery and BLDC fans)
- ▶ Smart fans in all BEE star ratings having innovative features such as anti-dust unique design, energy efficient and high air delivery fans
- ▶ Table, pedestal, and wall fans (TPW)
- ▶ Domestic and industrial exhaust fans

Home Appliances



Food Preparation and Cooking

- ▶ Juicer, mixer, and grinder
- ▶ Mixer grinder
- ▶ Electric kettles
- ▶ Rice cookers
- ▶ Vegetable chopper
- ▶ Infrared, induction and other cooktops
- ▶ Sandwich maker

Garment Care

- ▶ Dry iron
- ▶ Steam iron

Heating Appliances

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

Climate Control

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

PVC Pipes and Fittings

Applications

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



Glimpses of Recently Completed Projects

AHMEDABAD AIRPORT FACADE



KOKRAJHAR FOOTBALL STADIUM



NARMADA BRIDGE FACADE



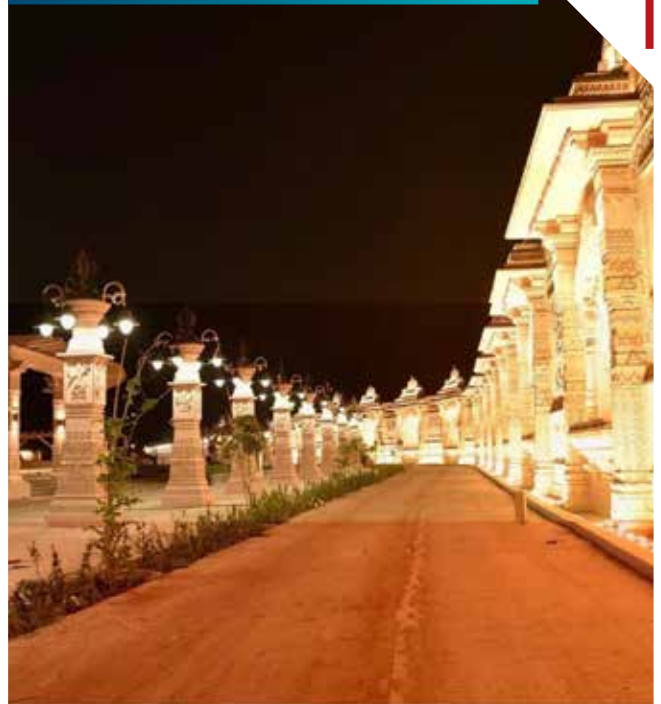
TAWI RIVER BRIDGE, JAMMU



KURLA BRIDGE EXTENSION



MAHAKAL LOK PROJECT, UJJAIN



BRAND PROMINENCE

Enhancing Visibility with Solid Campaigns

We are driving competitive advantage by shaping a compelling brand recall through strategic campaigns and activities.

We undertake brand promotion through extensive TV print advertisements, BTL activities, and digital campaigns.

Sustained Growth of 'Prakash Surya' Brand Across Channels



Since 1973, 'Prakash Surya' has developed a strong leadership position with a major B2C contribution to the top-line. We are the leaders in ERW GI pipes in the domestic market. We also have an established dealer and distributor network with a strong presence in Tier-II cities and rural India. Our focus is now on taking the brand to a wider consumer base through various channels.

- ▶ Advertisements across TV, print, digital media, to build brand franchise
- ▶ Focus on value-added products
- ▶ Participation in major industry events and dealer meets and engagement with channel partners

Sustained and Solid Brand Campaigns of Surya Lightings

Winning in B2C

Winning in B2C

Expanding Capabilities

Strong professional lighting team and robust ecosystem with vendors

Developing Products and Solutions

Customised products and integrated hyphenated smart lighting

Strengthening Customer Relationships

Direct B2B projects along with opportunities across infrastructure, monument lighting, airports, and bridges

Surya is the Associate Sponsor of U Mumba Kabaddi Team

Reflections, Past Achievements and Developments





From humble beginnings to becoming an industry leader, we have consistently embraced innovation, craftsmanship, and a relentless pursuit of quality. With unwavering dedication and a commitment to customer satisfaction, we have earned the trust and loyalty of millions of customers. We will continue to inspire progress and leave a lasting legacy for generations to come.

Dear Shareholders,

India has emerged as the world's fastest-growing major economy, despite facing challenges due to global recession, inflation, public debt, and squeezed household incomes. This economic growth can be attributed to key reforms such as the liberalisation of India's economy, reduction of bureaucracy and corruption, investment in infrastructure, and improvement in access to finance for small and medium-sized enterprises. As a result, India has become a major player in the global economy, with projections for continued growth in the future.

Despite a challenging operating environment, we are proud to report our achievements for the year 2022-23. Our unwavering focus on delivering quality products and services has resulted in exceptional results, with our revenue reaching an impressive ₹ 7,997 crore, from the previous year's figures. We have sustained our growth momentum, driven by value-added products across all segments. Additionally, we have reported a substantial improvement in our gross margins, which can be attributed to stable input costs. We continued to maintain positive cash conversion cycles and successfully reduced our debt by ₹ 179 crore in 2022-23, leading to a remarkable 30% reduction in finance costs.

We are pleased to recommend a dividend of ₹ 4 per equity share on the paid-up equity capital for the year 2022-23, subject to their approval at the forthcoming AGM. Our relentless emphasis on innovation, product and market development, premiumisation, and strong brand equity has contributed significantly to our performance. The industry is currently experiencing growth, with an increasing demand for environment-friendly solutions. This shift towards sustainability presents exciting opportunities for our businesses.

STEEL TUBES AND PIPES

Opportunities in the water segment

The 'Har Ghar Nal Se Jal' initiative aims to provide safe and sufficient drinking water to 150 million Indian households by 2024. Currently, only 55.62% of rural families have access to such water. A significant portion of around ₹ 70,000 crore, is allocated to the Jal Jeevan Mission in the union budget 2023-24. We are well-positioned to capitalise on opportunities within the water segment. With existing capacities for GI pipes and a robust presence in the rural regions of India, we are set to chart a strong growth trajectory.

Opportunities in the oil and gas segment

With India's processing capacity expected to reach 298 MT by 2025, there is a growing demand for oil and gas pipelines due to the aggressive expansion push from state refiners. During 2022-23, we secured orders for the supply of 3LPE-coated steel pipes for City Gas Distribution (CGD), pipelines and other pipelines in different geographical areas. The order presents an opportunity for us to leverage our expertise in delivering premium steel pipes. Continuous orders reinforce our position as a premium player in delivering high-quality products to the oil & gas sector.

LIGHTING AND CONSUMER DURABLES

Opportunity in Rural Areas

India has achieved an impressive growth in rural electrification, with coverage increasing from 55% in 2011 to 99% in 2022. This expansion of access to electricity has resulted in an increase in demand for consumer durables in rural areas. With greater access to electricity, the use of lights and durable goods is expected to grow in the rural areas, leading



Our dedicated CSR team is committed to responsibly giving back to society through initiatives focussed on health, skill development, and education. Moreover, we are also committed to developing eco-friendly products, optimising our resources, and minimising our carbon footprint in order to conserve the environment. We remain committed to consolidating our capabilities with a focus on scale, expanding our geographic reach, and maximising our portfolio. In doing all this, we also ensure upholding our organisational values and delivering the highest standards of quality across businesses. 

to an increase in energy consumption. We have a well-established distribution network. A significant portion of our income comes from semi-urban and rural marketplaces, which makes us well-positioned to capitalise on this growth and participate in the rural growth story.

Government Initiative

The Indian Government's emphasis on LED lighting for street lighting and national monuments has resulted in improved energy efficiency and enhanced visual appeal of key cities and historical sites. This provides an opportunity for companies like ours to offer innovative LED lighting solutions for Government's various projects. It is also driving up the demand in the commercial and residential sectors. As a major player in the consumer lighting segment, we have made significant strides in the professional lighting sector with our customer-centric approach and smart lighting solutions.

PLI Scheme

The Indian Government's production-linked incentive (PLI) scheme for LED lighting components manufacturers aims to boost local manufacturing, create employment opportunities, and attract global investments by encouraging companies to increase their production capacity and invest in R&D for new products. Surya Roshni is expected to benefit from the scheme, as we have recently started a manufacturing facility for LED components under the large investment category to expand into the FMEG categories.

We are currently witnessing growth in various segments driven by a combination of factors. This includes an increasing mix of value-added products, a strengthened balance sheet, strong value propositions, and cost rationalisation efforts. Furthermore, with the recent commissioning of DFT technology in steel tubes and pipes, we are well-positioned to capitalise on additional export opportunities. Moreover, an expansion project with an outlay of ₹ 75 crore is underway at Hindupur, Andhra Pradesh, to manufacture GP and CR coils/pipes, aiming to provide these products at a lower cost than the market price while ensuring their availability in the South Indian

market. In the lighting and consumer durables segment, we continue to remain competitive in the organised space with our modern offerings and have successfully maintained our market share.

We strive to contribute to sustainable development while also improving the quality of life for our workforce, local communities, and the society at large. We are also steadfast in our commitment to protect the environment even as we achieve sustained growth with a solid core.

We are a team of over 3,300 professionals across our businesses. We nurture a performance culture by continuously building capabilities and implementing robust performance measurement systems. We are fostering leadership through trust, inclusiveness, empowerment, and openness for better outcomes, across all levels of the organisation.

Our dedicated CSR team is committed to responsibly giving back to society through initiatives focussed on health, skill development, and education. Moreover, we are also committed to developing eco-friendly products, optimising our resources, and minimising our carbon footprint in order to conserve the environment. We remain committed to consolidating our capabilities with a focus on scale, expanding our geographic reach, and maximising our portfolio. In doing all this, we also ensure upholding our organisational values and delivering the highest standards of quality across businesses.

As we look to the future, we see opportunities ahead. With a strong financial foundation and operational acumen, we are distinctly positioned to leverage the momentum from our current operations and successfully execute both current and future strategic growth initiatives.

On behalf of the Board, I would like to express my gratitude to all our customers, shareholders, bankers, partners, and other stakeholders for their continued trust and support.

Best Wishes,
Jai Prakash Agarwal
Chairman

Accelerating Balanced Growth

As we embark on our Golden Jubilee year in 2023-24, we are determined to build upon our past successes and propel our growth momentum to new heights.

RAJU BISTA (RB)



VINAY SURYA (VS)



HOW HAS BEEN THE YEAR UNDER REVIEW?

RB I am delighted to share that we have achieved outstanding performance with record revenue and growth in profitability in 2022-23. Our progress towards our long-term strategic goals has also been significant, positioning us for sustained success in the future.

It is noteworthy that we have achieved this progress despite operating in a challenging environment characterised by steep corrections in commodity prices, constant depreciation of domestic currency, and sustained inflationary pressures.

Our success is a testament to our dedication to providing our customers with the highest-quality products and services. We have made substantial investments in technology, infrastructure, and talent. We have also remained committed to innovation, efficiency, and collaboration.

VS It is my pleasure to report that our strategy to drive holistic excellence has resulted in promising business momentum, despite the challenges faced. The company posted impressive numbers, especially with a healthy improvement in margins and return ratios. This has been possible due to our focus on improving the product mix, stringent cost control, prudent financial management, significant reduction in debt, and operating leverage.

I take immense pride in the dedication and hard work exhibited by our team, which has enabled us to achieve exceptional performance across all areas of our businesses. Their tireless efforts have been pivotal in driving our success and maintaining our position as a leader in the industry.



WHAT HAS BEEN THE OVERALL FINANCIAL PERFORMANCE FOR 2022-23?

RB In 2022-23, we witnessed robust growth in EBITDA by 38% and PAT by 64%. This can be attributed to the improved product mix across all business verticals. Our efforts to manufacture premium value-added products have resulted in effective capacity utilisation, leading to improved EBITDA over the years and growing profitability.

Moreover, we have taken significant steps to reduce our debt burden. With the complete repayment of long-term debts, our Company's debt cost has reduced significantly. Currently, we only have a debt of ₹ 404 crore, and our aim is to become a zero-debt company within the next two years.

VS In 2022-23, we reduced our debt by ₹ 176 crore and continued to remain long-term debt-free, thus reducing interest expenses significantly. This resulted in a reduction of the debt-to-equity ratio from 0.37x in March 2022 to 0.22x in March 2023. Our return on capital employed (RoCE) improved by 670 basis points to 22.9% for 2022-23 from 16.2% in 2021-22, while return on equity (RoE) improved by 560 basis points to 19.7% in 2022-23 from 14.1% in 2021-22. Moreover, we were able to improve our lighting working capital days from 60 in 2021-22 to 53 in 2022-23. We intend to utilise funds judiciously, with an optimal capital allocation strategy, to drive sustainable growth and enhance shareholder value.



HOW HAVE BOTH BUSINESS SEGMENTS PERFORMED?

RB In the lighting and consumer durables segment, we reported an impressive 16% revenue growth in LED lighting in 2022-23. The latest and innovative lighting solutions, such as LED battens and down-lighters, have experienced substantial volume growth by 47% y-o-y. These new products were well received in the market, and we remain well-positioned to leverage our strong brand and distribution network. Our focus on productivity and efficiency improvement programmes, along with the adoption of the latest technology solutions, has contributed significantly towards cost reduction and faster turnaround time.

In the Steel Pipes and Strips segment, we achieved an impressive PBT growth of 80% in 2022-23, driven by a higher share of value-added products, particularly in API-coated pipes and exports. Despite several challenges, we have managed to achieve operational excellence through effective de-bottlenecking at our Hindupur, Malanpur, and Anjar plants. This has resulted in improved product visibility, margins, and savings in overhead costs, leading to a better product mix and healthy profitability.

VS During 2022-23, our lighting and consumer durables segment experienced a strong uptick in sales, particularly in the latest and trendy product lines such as LED battens and downlighters. This growth can be attributed to the strong brand equity we have built over decades, and our aggressive advertising and marketing strategy. We are investing heavily in visibility enhancement through store excellence, in-house merchandising, in-store displays, and direct engagement with electricians. We also strengthened our semi-urban and urban distribution network, which is now one of the largest in the industry. Our emphasis on advertising and branding activities has also helped improve brand equity and increase customer awareness.

During 2022-23, the steel pipes and strips division witnessed growth across all B2B and B2C business verticals. This growth was mainly driven by a strong demand for exports, API-coated pipes, and spiral pipes, which further provides a positive revenue outlook for 2023-24.



WHAT IS THE ROADMAP FOR BOTH BUSINESS SEGMENTS?

RB Going forward, in our lighting and consumer durables segment, we plan to launch various above-the-line (ATL) and below-the-line (BTL) campaigns in 2023-24. This will enable us to further enhance our outreach program. Moreover, we have received numerous order inquiries and will continue to participate in multiple smart lighting projects in the professional lighting segment. The professional lighting division has delivered several prestigious projects during the year, and our Company has a strong order book in place. We will continue to aggressively build this order book in 2023-24 as well.

The steel pipes and strips business has been performing well, with a strong order book for exports, API-coated pipes, and spiral pipes. These factors are expected to significantly contribute to our revenue growth and improve our profit margins. We have been investing in the latest technology and equipment to ensure that we can meet the demands of our customers in a timely and efficient manner.

VS In the years ahead, the focus of our lighting and consumer durables segment will be on expanding the market share, increasing our geographic penetration, augmenting our distribution network, increasing wallet share of newer categories, and driving growth in professional lighting. As a company, we are dedicated to delivering innovative solutions that meet the evolving needs of our customers. Our investment in technology, coupled with a focus on collaboration and efficiency, has helped us achieve outstanding results.

In the steel pipes and strips segment, we have commissioned large-dia section pipe facility with DFT at Gwalior. This is expected to further accelerate revenue and realisations. Alongside our focus on innovation and efficiency, we place great importance on building strong relationships with our customers. We take pride in our ability to develop strong partnerships with our clients, and remain committed to providing exceptional customer service and support.



WHAT ARE YOUR CONCLUDING THOUGHTS?

RB Looking towards the future, we are thrilled about the opportunities that await us. Our commitment to driving innovation, enhancing efficiency, and fostering collaboration throughout our organisation will persist, as we aim to provide superior solutions to our customers. We believe that upholding these fundamental principles will enable us to achieve sustained growth and success in the years ahead. We are excited about what the future holds and remain optimistic about the prospects ahead. We are confident of our ability to deliver excellent outcomes for our shareholders, customers, and stakeholders.

VS Our sustained focus on execution with excellence across all areas of our business has enabled us to grow and generate sustainable value. As we move ahead, we are determined to build on our achievements and achieve even greater outcomes in the years to come. Our investments in our people, technology, and processes will persist to ensure that we remain ahead of the curve in our industry.

BOARD OF DIRECTORS

Leading with A Solid Board at the Core



MR. J. P. AGARWAL
Executive Chairman

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



MR. RAJU BISTA
Managing Director

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



MR. VINAY SURYA
Managing Director

Mr. Surya is an M.B.A. from Swinburn University, Australia and possesses a vast experience of over 24 years in marketing, exports, commercial, financial, and operational fields, with good knowledge of corporate governance, audit and administration.



MRS. URMIL AGARWAL
Director

Mrs. Agarwal possesses over four decades of experience with sound business acumen and understanding of both the businesses of the Company.



MR. T. S. BHATTACHARYA
Independent Director

Mr. Bhattacharya is an Ex-MD of State Bank of India has an illustrious professional career in banking and financial sector.



MR. S. S. KHURANA
Independent Director

Mr. Khurana is an Ex-Chairman of Railway Board and Ex-officio Principal Secretary to the Government of India.



MR. SUNIL SIKKA
Independent Director

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



MS. SURUCHI AGGARWAL
Independent Woman Director

Ms. Suruchi is a renowned and eminent practicing advocate in the Supreme Court of India, Delhi High Court, and other courts.



MR. TEKAN GHANSHYAM KESWANI
Independent Director

A post graduate in management (FMS Delhi) and a fellow member of ICAI with 45+ years of experience in commercial, administration and financial fields.



MR. NARESH AGARWAL
Independent Director

Mr. Agarwal is an energetic and dynamic person possessing vast experience of over 3 decades with deep-rooted knowledge of marketing and operations. He holds directorship in Santosh Timber Trading Company Limited and Atlantic Wood Private Limited.



MR. KAUSTUBH N. KARMARKAR
Whole Time Director

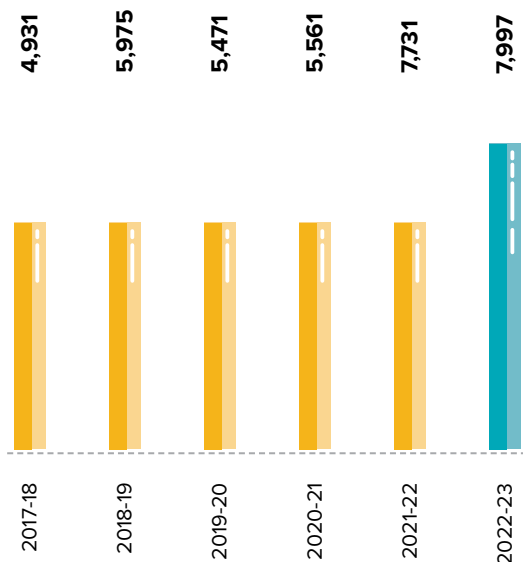
Mr. Karmarkar possesses vast experience of over 23 years in the field of management and human resources and planning.

KEY PERFORMANCE INDICATORS

Measuring Our Sustained Progress

Revenue From Operations

(₹ in crore)

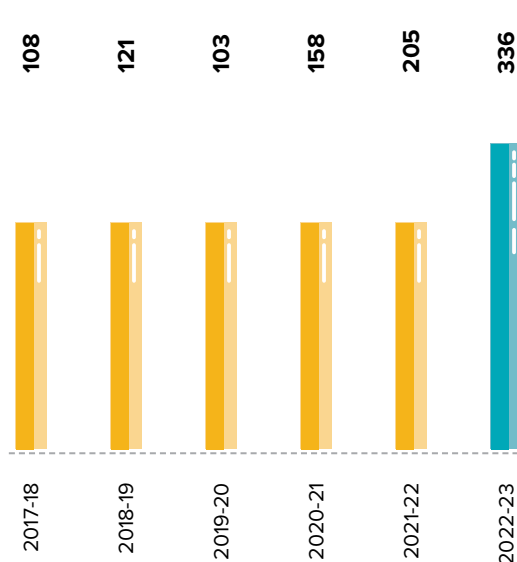


10.15%
5-YEAR CAGR

3%
Y-O-Y

Profit After Tax

(₹ in crore)



25.41%
5-YEAR CAGR

64%
Y-O-Y

Earnings Per Share

(₹)

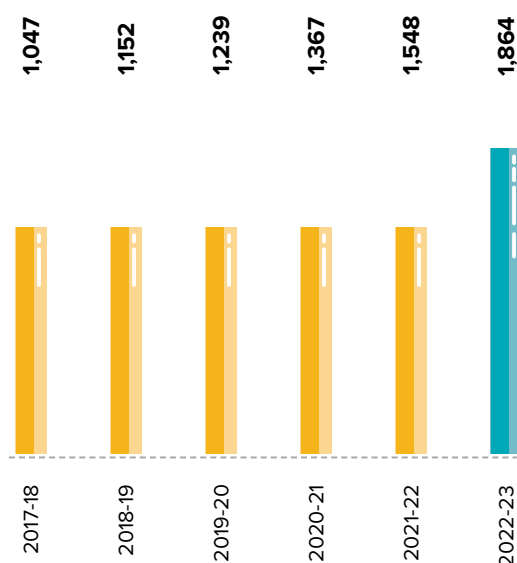


25.88%
5-YEAR CAGR

63%
Y-O-Y

Net Worth

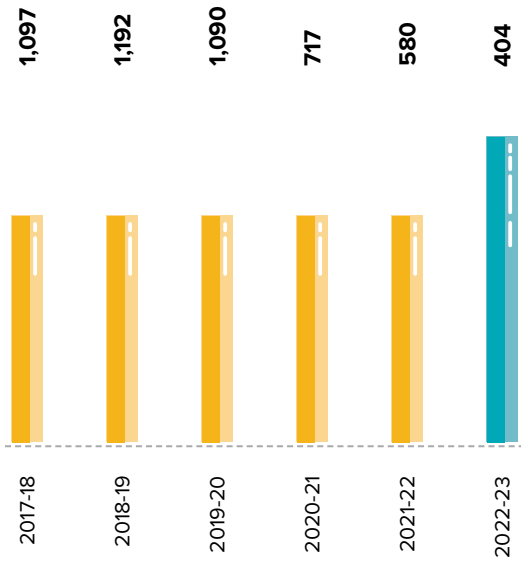
(₹ in crore)



12.23%
5-YEAR CAGR

20%
Y-O-Y

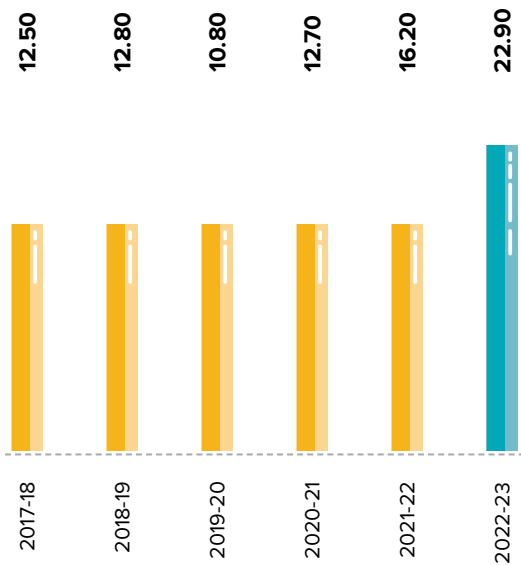
Debt (₹ in crore)



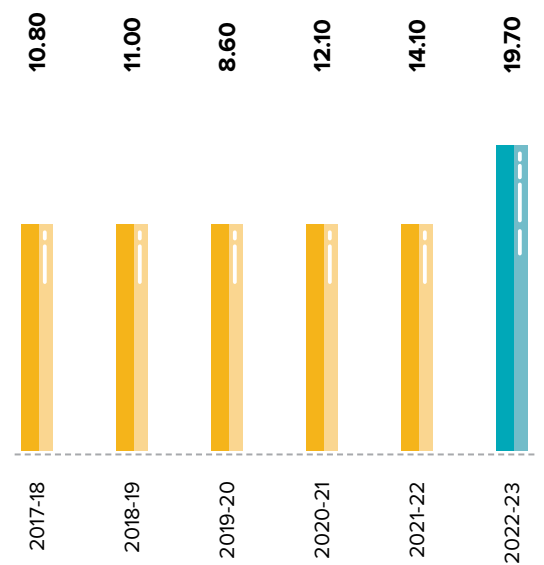
Debt Equity (x)



Return on Capital Employed (%)



Return on Equity (%)



Engaging and Collaborating for Sustained Inclusive Growth

We focus on what matters as engaging with our stakeholders is fundamental for us. We encourage a productive dialogue with our stakeholder groups to identify their interests and meet their expectations. This approach has helped us build trust and create lasting bonds.



SHAREHOLDERS



CUSTOMERS

WHY WE ENGAGE

We are committed to a transparent engagement with shareholders to ensure clear understanding of how our Company performs in all areas. This includes everything from strategic and financial performance to environmental, social and governance.

We prioritise the ability to meet fast-evolving consumer needs, as a consumer-centric company. Delivering quality products and expanding our consumer base is key to our sustainable growth journey.

HOW WE ENGAGE

We encourage engagement throughout the year and are transparent in all areas of the business. Our management team and IR teams have quarterly sessions with current and prospective investors to ensure they understand our investment proposition, ESG performance and current performance. Moreover, we provide timely response to shareholder queries.

We ensure that our sales teams frequently engage with our focus customers to understand our performance and explore new opportunities. We also conduct market research to derive insights on emerging trends and preferences.

KEY TOPICS DISCUSSED

- ▶ Business strategy and execution plan
- ▶ Consistency in financial performance and returns
- ▶ Sound corporate governance
- ▶ ESG priorities and strategy

- ▶ Broad portfolio with ample choices across categories
- ▶ Responsible and inclusive marketing
- ▶ Value for money

HOW WE RESPONDED

- ▶ Focused decisions and actions
- ▶ Strong delivery on financial performance
- ▶ Adherence to highest standards of transparency and integrity
- ▶ Constitution of best-in-class Board with strong governance mechanisms
- ▶ Focus on ESG with transparent and detailed disclosures

- ▶ Working with the customer to get the most effective solution
- ▶ Increasing development spend
- ▶ Manufacturing and sourcing, high-quality products and maintaining environmental standards
- ▶ Making products available at multiple price points and offering tangible value
- ▶ Creating product and technology roadmaps based on emerging trends



OUR PEOPLE

We consider our workforce as our asset, and their health, safety and well-being are paramount. It is important for us to engage our team and have all our colleagues committed to our vision.

We believe communication is best from line managers to teams. Thus, while we have regular town halls with senior management, we work to ensure that the messages are cascaded and discussed. We track the performance of all our team members and provide inputs to grow and excel.

- ▶ Health, safety, and well-being
- ▶ Growth through learning and development opportunities
- ▶ Sense of belonging and purpose
- ▶ Diversity and inclusion

- ▶ Implementing smart recruitment methodologies
- ▶ Enhancing retention and succession planning
- ▶ Engaging more with the workforce



SUPPLIERS

We consider our suppliers as a critical part of our supply chain, and need them to work in partnership with us. The aim is to increase the strength of the supplier base.

We hold regular business reviews with our key suppliers to monitor performance and understand their challenges, issues, and concerns throughout the year.

- ▶ Code of Conduct
- ▶ Supplier performance
- ▶ Component shortages and mitigation and expedition

- ▶ Integrated business planning
- ▶ Supplier training
- ▶ Consolidation of our supplier base with a focus on high quality
- ▶ Working with distributors to secure long-term demand for key components



COMMUNITIES AND OUR ENVIRONMENT

We engage with the communities that we operate in to build trust and drive intervention across health, skill development, and education. Moreover, we strive to minimise the impact we have on the environment.

We focus on the key areas, including how we can support local causes and issues, and undertake need-based impact-led interventions. We also help to look after the environment by minimising our ecological footprint.

- ▶ Understanding concern areas from communities and having a larger impact with the support of our employees
- ▶ Sharing our sustainability strategy with communities

- ▶ Annual reviews and checks
- ▶ Emission reduction plans and targets
- ▶ Water conservation practices
- ▶ Upliftment programmes for the marginalised

Driving Environment Stewardship with a Solid Belief

We are conscious of the impact of our business on the environment and are committed to conducting our operations responsibly. We recognise the importance of preserving the environment and reducing emissions and waste generation.



Managing Environmental Performance

Environmental management at Surya Roshni includes the sustainable handling of energy, water, waste, and chemicals as well as controlling air pollution. Our environmentally conscious design and recycling of products play an important role in this regard. These objectives are defined in our EHS guidelines and are therefore mandatory for all operational locations across the country. In order to continually monitor the degree of achievement of our objectives for environmental protection, we have created an organisation with clearly defined areas of responsibility and system management. This is certified according to the international standard ISO 14001 for continuous improvement in processes.

WE WILL STRIVE TO IMPROVE OUR ENVIRONMENTAL PERFORMANCE BY:

- ▶ Complying with all relevant environmental legislation and regulations as they relate to each location and community we operate in
- ▶ Employing best practices to maximise the efficient use of resources to minimise waste and prevent pollution
- ▶ Focusing on promoting an environment of continuous improvement and risk mitigation by identifying objectives and setting measurable goals
- ▶ Considering and responding to environmental issues through all phases of our product lifecycle
- ▶ Communicating our environmental policy and objectives to our suppliers and employees, and encouraging their participation in environmental best practices

Energy and Greenhouse Gas Emissions



We want to set the standard for green business practices in our industry. Wherever possible, we look to embed sustainability initiatives at our sites to reduce our carbon impact.

- ▶ We have transitioned our Manufacturing Glass Shell, Aluminium Caps, and Lamp Assembly operations from using fossil fuels such as Furnace oil and HSD to Natural Gas.
- ▶ Implemented Gas-based Gen Sets for power backup.
- ▶ Upgraded from reciprocating type compressors to screw type compressors, which are more energy efficient.
- ▶ Implemented various energy-saving projects, including VFD installation in blowers and replacement of flat belts in combustion blowers, to conserve energy.

Environmental Protection at Our Production Sites



The responsibility of protecting the environment at our Company level lies on the shoulder of the management. At individual plants, managers and their department heads are responsible for practical implementation. The plants receive support and advice from our environmental experts on energy, water, waste, chemicals, and air pollution.

Waste Management and Recycling



Our manufacturing processes produce relatively little waste. However, we are committed to reducing waste generation where we can. Our lamps only contain a minimum amount of environmentally damaging substances and we do not use unnecessary packaging materials. Our packaging material is eco-friendly (to the extent possible). We continuously work on improving our products to make them recyclable to the extent possible. While developing new products, we reduce the number of harmful substances or, if possible, completely replace them with harmless substances.

Nurturing a Solid Future with a Motivated Team

We are committed to fostering a diverse, inclusive, and safe environment where all people grow and excel. We believe that it is possible to achieve superior business and personal outcomes by honing everyone's skills, abilities and experiences.

We look after our employees, support their training and development, recognise cultural differences, respect their human rights, and promote a fair working environment with equal opportunities for all.

3,310

EMPLOYEE BASE



Health and Wellbeing

The well-being of our employees is of utmost importance, and we prioritise creating a safe and secure work environment for everyone. We strictly adhere to industry regulations and guidelines, implementing robust safety measures and providing appropriate training to all employees. Regular safety audits and inspections are conducted to identify and address any potential risks or hazards promptly.



Engagement

Our workforce, characterised by their unwavering commitment and exceptional competence, serves as the main force behind delivering world-class products to our consumers. We place great importance on engaging our employees throughout the year through various initiatives, ensuring their motivation remains high. By fostering a motivated environment, we encourage our employees to work diligently and achieve both personal and organisational goals.



Learning and Development

Ensuring that every talent within the organisation has access to the right platform and resources to thrive professionally is a top priority. We understand the significance of nurturing each employee and recognising their valuable contributions, as this actively contributes to their personal and professional growth. As part of this process, any identified training needs are carefully analyzed and incorporated into an annual training plan, which is then implemented accordingly. By doing so, we empower our employees with the necessary skills and knowledge to excel in their roles and enjoy a fulfilling career journey.



Diversity and Inclusion

We are building a diverse and inclusive organisation. Diverse experiences, views and opinions allow us to explore more options when it comes to decision making. This results in better outcomes for the business and our stakeholders. We operate globally and recognise the cultural differences that may exist in which we do business in. A truly diverse workforce reflects our markets and can help us succeed therein. We are committed to equality of opportunity in all our employment practices, procedures, and policies. While hiring or promoting someone, we choose the best candidate irrespective of age, race, national origin, disability, religion, gender, sexual preference, and marital status.

CORPORATE SOCIAL RESPONSIBILITY

Sustaining the Community with Care

We are relentlessly working towards strengthening a sustainable ecosystem through our dedicated CSR implementing agency – Surya Foundation. The Foundation is driving strategic need-based interventions in the areas of health, skill development, and education. As a part of this, we assess the needs of the community through periodic interactions with various stakeholder groups.

Some activities in this regard include personality development camp, tree plantation in rural areas, sports tournaments, silai kendra, Swachhata abhiyaan, blood donation camp, national youth day celebration, go-utpaad training camp, dakshata varg, madhumakkhi training camp and diary training camp, among others.

₹ 4.23 crore
AMOUNT SPENT ON CSR
ACTIVITIES IN 2022-23



BHARAT DARSHAN



GO PUJAN



COMPUTER TRAINING



DAKSHATA VARG



EYE CHECKUP



ROG MUKT ABHIYAAN



MINI PERSONALITY DEVELOPMENT CAMP



GO-UTPAD TRAINING



HANDICRAFT



NAKSHATRA VATIKA



GRAMEEN GAURAV SAMMAN



HEALTH CAMP



SAINIK SAMMAN



NASHA MUKTI RALLY



VIJAY DIVAS



PHYSICAL CAMP



SWACHHATA ABHIYAAN



NATUROPATHY DAY



POSHAN VATIKA



PLANTATION



SHG TRAINING



SPORTS TOURNAMENT



RUN FOR UNITY



TEACHER PERSONALITY DEVELOPMENT CAMP (TPDC)



TPDC BHUJ



TPDC MP



WATER CONSERVATION



GOVERNANCE

Advancing with Solid Governance at the Core

At Surya Roshni, our long-term sustainability is closely linked to our governance framework. We believe in encouraging good corporate governance practices across the entire organisation, emphasising the intrinsic value of attaining the highest levels of accountability, awareness, and equity.

Board of Directors

The Board of Directors has the primary objective of protecting the interests of shareholders by seeking opportunities for growth in our core business. The Board is collectively responsible for the governance of our Company on behalf of shareholders and is accountable to them for its long-term success. The Board oversees financial performance and strategy, capital allocation and market exposure, as well as our Company's overall risk profile.

Board Committees

The Board Committees play a crucial role in our Company and are constituted to review and deal with specific concerns and impact areas. The Board supervises the execution of its responsibilities through the Committees and is responsible for their actions. The Chairman of the respective Committees informs the Board about the summary of the discussions held in the Committee Meetings. The minutes of each such Committee meeting are placed before the Board for review, at regular intervals. Currently, there are six Committees of the Board.

Audit Committee

Oversees our Company's financial reporting process and the disclosure of financial information to ensure that it is correct, sufficient, and credible.

Stakeholders' Relationship Committee

Takes care of redressal of grievances of shareholders and other security holders. Some of the grievances addressed include transfer/transmission of shares, the issue of duplicate share certificates, and other related matters.

Corporate Social Responsibility Committee

Formulates and recommends a CSR policy to the Board, which indicates the activities to be undertaken by our Company. Area activities to be undertaken includes rural development projects and promoting healthcare. Detailed report form part of Board Report in Annexure IV.

Nomination and Remuneration Committee

Drives appointment/re-appointment and removal of directors along with a recommendation of remuneration of the directors, key managerial personnels (KMPs) and senior management personnels. Also undertakes evaluation of the performance of the Board, its committees and individual directors and reviews its implementation and compliances.

Committee of Directors

Ensures that all decisions are taken in the best interests of the organisation and that their role is carried out effectively.

Risk Management Committee

Overviews and monitors the overall risks to the operations of the organisation, understanding the potential threats and the likelihood of their occurrence. Enables appropriate actions to address the most likely threats and risks.

6

INDEPENDENT DIRECTORS

7

NON-EXECUTIVE DIRECTORS

4

EXECUTIVE DIRECTORS

2

WOMEN DIRECTORS

COMPOSITION OF COMMITTEES

Audit Committee

- ▶ **Mr. Tara Sankar Sudhir Bhattacharya**,
Chairman; Independent
- ▶ **Mr. Surendra Singh Khurana**,
Member; Independent
- ▶ **Mr. Sunil Sikka**,
Member; Independent
- ▶ **Mr. Vinay Surya**, Member,
Executive; Non-Independent

Stakeholder Relationship Committee

- ▶ **Mr. Sunil Sikka**,
Chairman; Independent
- ▶ **Mr. Surendra Singh Khurana**,
Member; Independent
- ▶ **Mr. Raju Bista**,
Member; Executive; Non- Independent

Corporate Social Responsibility Committee

- ▶ **Ms. Suruchi Aggarwal**,
Chairperson; Independent
- ▶ **Mr. Jai Prakash Aggarwal**,
Member; Executive; Non-Independent
- ▶ **Mr. Raju Bista**,
Member; Executive; Non-Independent
- ▶ **Mr. Kaustubh N. Karmarkar**,
Member; Executive; Non-Independent

Nomination and Remuneration Committee

- ▶ **Mr. Surendra Singh Khurana**,
Chairman; Independent
- ▶ **Ms. Suruchi Aggarwal**,
Member; Independent
- ▶ **Mrs. Urmil Agarwal**,
Member; Non-Executive; Non-Independent

Committee of Directors

- ▶ **Mr. Sunil Sikka**,
Member; Chairman; Independent
- ▶ **Mr. Raju Bista**,
Member; Executive; Non-Independent
- ▶ **Mr. Vinay Surya**,
Member; Executive; Non-Independent

Risk Management Committee

- ▶ **Mr. Sunil Sikka**,
Chairman; Independent
- ▶ **Mr. Kaustubh N. Karmarkar**,
Member; Executive; Non-Independent
- ▶ **Mr. Vinay Surya**,
Member; Executive; Non-Independent
- ▶ **Mr. Tarun Baldua**,
Member; ED & CEO - Steel Operations

KEY MANAGERIAL PERSONNEL



MR. TARUN KUMAR BALDUA
ED & CEO - Steel Operations

Mr. Baldua is a qualified CA with over 3 decades of experience in several businesses. He is also the chairman of Cold Rolled Steel Manufacturers Association (CORSM) and Vice President of India Pipe Manufacturers Association (IPMA).



MR. JITENDRA J. AGRAWAL
CEO - Consumer Lighting & Durables

Mr. Jitendra is an experienced global business leader with over 28 years of experience in managing diverse businesses. Prior to Surya, Mr. Jitendra was with Luminous (a Schneider electric company), as a SR. Vice President, responsible for their consumer electrical business for 8 years and before that as a Senior Director at Philips Lighting for 19 years.

Mr. Jitendra holds a degree in electrical and electronics engineering from Mangalore University, batch 1995, and additionally completed Leadership Development Programme from The Wharton School.



MR. B. B. SINGAL
CFO & Company Secretary

Mr. Singal is a qualified Chartered Accountant, Company Secretary and Cost Accountant with vast experience of more than 28 years in strategic planning, profitability management, financial planning, budgeting, accounting, taxation, compliances and governance.

Corporate Information

REGISTERED OFFICE

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

HEAD OFFICE

2nd Floor, Padma Tower - 1,
5, Rajendra Place, New Delhi - 110008
E-mail: cs@surya.in

WORKS - STEEL DIVISIONS

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

WORKS - LIGHTING DIVISION

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

STATUTORY AUDITORS

Ashok Kumar Goyal & Co.
Chartered Accountants

COST AUDITORS

R. J. Goel & Co.

BANKERS

1. State Bank of India
2. HDFC Bank Limited
3. Bank of Baroda
4. Union Bank of India
5. Punjab National Bank
6. Canara Bank
7. IDBI Bank Limited
8. DCB Bank Limited

Management Discussion and Analysis



PART

I

Company Review

Surya Roshni stands tall as a major player in the Indian business landscape, scaling greater heights with its strategic decisions. Having been founded in 1973, the Company has come a long way to emerge as an entity with a remarkable turnover of around USD 1 billion. The driving force behind its momentous success is the exceptional leadership of Mr. J. P. Agarwal, whose vision and strategic direction have enabled the Company to establish a leading position in both its core business segments: Steel Pipes & Strips and Lighting & Consumer Durables. Along its journey, Surya Roshni's success has stood as a testament to its unwavering commitment to excellence, innovation, and customer satisfaction.

Surya Roshni started its journey with manufacturing steel pipes in Bahadurgarh, Haryana. Over the years, the Company diversified its product portfolio to expand further. It ventured into lighting industry in 1985 and established facilities in Kashipur, Uttarakhand. The Company continued on the path of expansion and added PVC pipes to its portfolio in the year 2010. In 2014-15, it ventured into the production of consumer durables, including fans and home

appliances. The Company's brands, 'Surya' and 'Prakash Surya', have become household names in India, along with 50 other countries, owing to their exceptional quality and reliability.

Surya Roshni specialises in manufacturing a diverse array of products in the Steel Pipes & Strips category. These products cater to multiple industries such as agriculture, infrastructure, oil & gas, water, and construction. The Company's comprehensive range of offerings makes them a reliable and preferred choice among customers from these industries. The Company continues to hold a leadership position in this sector, being the largest manufacturer of Galvanised Iron (GI) pipes and the largest exporter of Electric Resistance Welded (ERW) pipes in India. Its offerings for the oil & gas sector are approved by the American Petroleum Institute (API). The Company stands to benefit from the evolving opportunities across its end-user segments in India and globally. The 3LPE coating line is set to further bolster its capabilities in the oil & gas and city gas distribution sector.

Surya Roshni's lighting and consumer durables segment consists of a broad portfolio of products that cater to a wide range of customer needs. The Company offers an extensive

array of products, ranging from traditional lighting solutions to cutting-edge professional lighting systems. Its product portfolio includes light-emitting diode (LED) lamps, LED battens, LED Down-lighters, LED street lights, fluorescent tube lights (FTL), general lighting service (GLS) lamps, and high-intensity discharge (HID) lamps, among others. The Company's vision of 'Lighting Every City Every Home' has been its growth driver. With its comprehensive lighting solutions, it has emerged as the second-largest lighting company in India.

Surya Roshni's R&D facility in Noida is dedicated to driving innovation in the LED segment. Through its pursuit for excellence, The Company has gained widespread acceptance among the masses, making it a leader in the industry's transition from conventional lights to LED solutions.

The Company's consumer durable business offers a variety of fans and home appliances, including mixer grinders, induction cooktops, toasters, irons, water heaters, and air coolers, among others. This segment is steadily expanding its presence in the Fast Moving Electrical Goods (FMEG) space.

Surya Roshni's strong dealer and distribution network has enabled the Company to reach customers across the country, particularly in Tier-II, Tier-III cities, and rural areas. It has consistently generated value for its stakeholders through its strong brand equity, robust quality, continuous innovations, sound financials, seamless operational efficiency, and prudent management.



PART II

Industry Structure and Developments

Indian economy has made significant progress in recovering from the Covid-19 pandemic. Private consumption has been a key driver of this growth. Consumer sentiment has improved with the easing of restrictions and the deployment of vaccines. It led to a spur in spending on contact-based services, which were hit hard by the pandemic. Government's efforts to vaccinate the population have paid off, with near-universal vaccination coverage contributing to the resilience of the economy.

On the other hand, Indian economy is also negotiating a significant challenge in terms of inflation. The Russia-Ukraine conflict aggravated the inflationary pressures, making it difficult for the Government and RBI to rein in prices. While global commodity prices have eased, it took until November 2022 for retail inflation to fall below the RBI's upper tolerance target. Hence, it is absolutely critical for the Government and RBI to continue to monitor the inflation scenario closely and take appropriate measures, as and when needed.

Notwithstanding these headwinds, the optimistic growth forecasts for India for 2022-23 stand at 6.5-7.0%. This is a testament to the resilience of the economy and the Government's efforts to revive growth. With the continuation of the Government's support through targeted measures, such as providing fiscal boost to sectors that are still struggling. By doing so, India can continue to build on the progress made and return to its pre-pandemic growth trajectory.

With its well-established brand and a versatile range of products, Surya Roshni is strategically positioned to penetrate multiple sectors and markets. This allows the Company to enjoy a significant advantage in terms of its growth potential. Its extensive presence in rural and semi-urban areas allows the Company to reach a wider customer base and expand its market share. Furthermore, with the increasing focus on infrastructure development, particularly in the agriculture, construction, and water sectors, Surya Roshni is well-positioned to leverage these growth opportunities through its steel pipes & strips segment. Additionally, with the rising demand for energy-efficient lighting solutions, the lighting and consumer durables segment has significant growth potential. This is further aided by the Company's strong focus on research and development in the LED segment. With Surya Roshni's strategic positioning across various sectors, markets, and regions, the Company is poised to scale greater heights with strong growth in the future.

a) Steel Tubes and Pipes

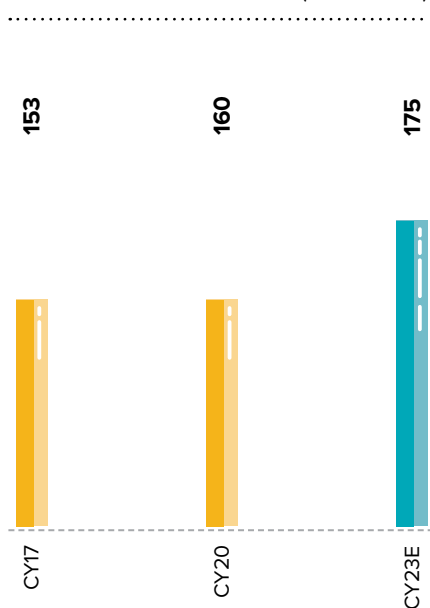
Global Overview

Steel pipes play a crucial role in the transportation of fluids such as water, oil, and gas. These pipes are developed with a focus on factors such as yield strength, ductility, pressure rating, and inside diameter. Steel pipes are extensively used in the downstream, upstream, and midstream processing of crude oil and petroleum.

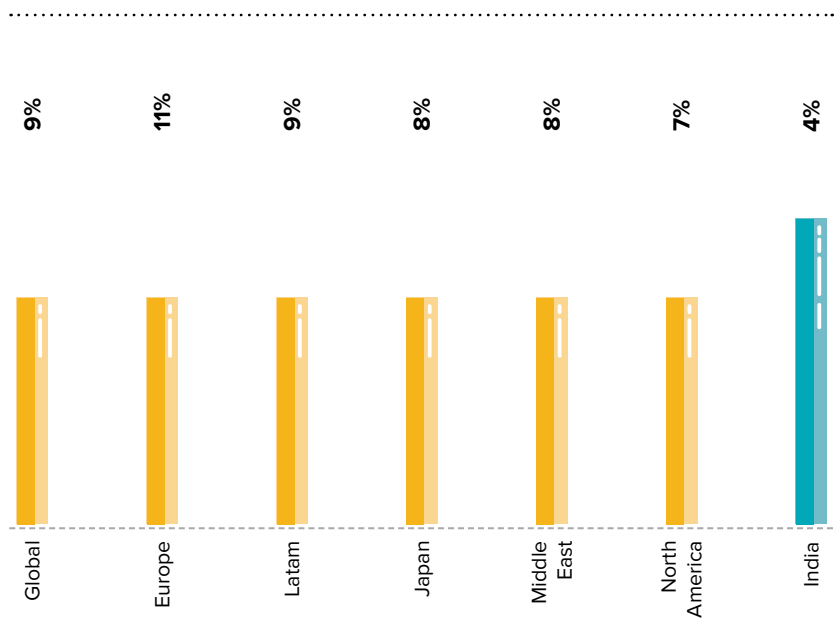
According to industry reports, the global steel pipes and tubes market was valued at USD 160 billion in CY20 and is expected to clock in a CAGR of 3% from 2020 to 2023, with a projected market size of USD 175 billion in CY23. This growth can be attributed to the increasing demand for the transportation of oil and gas, driven by the rise in production of these commodities. Moreover, the growth in industrialisation, urbanisation, and manufacturing sectors, particularly in developing economies, is contributing to the increase in demand for steel pipes.

The steel industry has made significant strides in reducing greenhouse gas emissions, and structural steel has been widely recognised as a leading green construction material. With a focus on sustainability, the structural steel industry has established itself as a key player in the construction industry.

Global Market Size (USD billion)



Structural Steel as a % of Steel Consumption



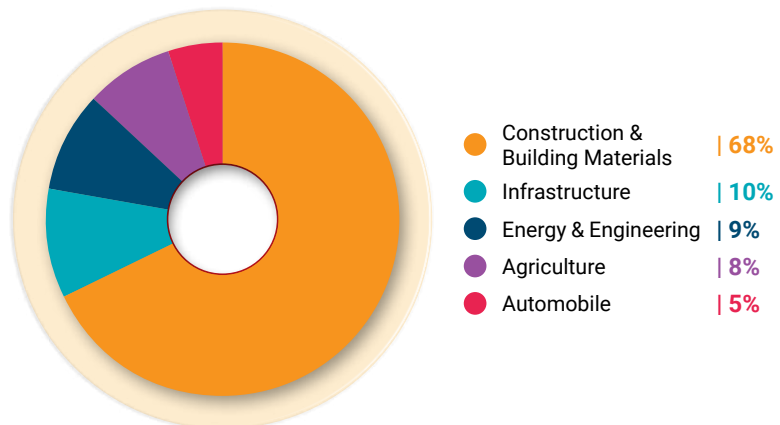
(Source – Anand Rathi Investment Services – Surya Roshni Limited)

Indian Overview

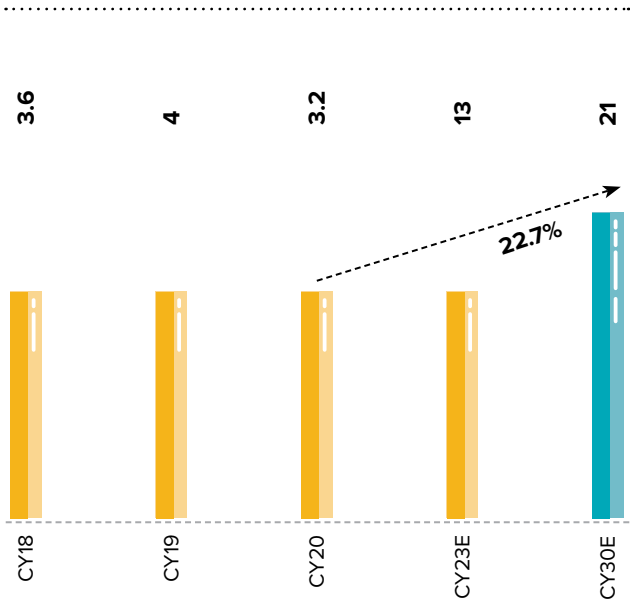
The steel tubes and pipes industry in India is expected to grow rapidly, driven by high standards set by national and international specifications and widespread application in major industries. The industry is projected to expand by 21% from CY20 to CY30E, mainly due to rising urbanisation, the need for water transportation, various agriculture and irrigation development projects, and the National Jal Jeevan Mission (NJJM) launched by the Ministry of Jal Shakti (MJS).

The NJJM's goal is to provide 'Functional Household Tap Connection (FHTC)' to every rural household in India by 2024, leading to a surge in demand for steel tubes and pipes, which are essential in establishing a robust water supply infrastructure across rural India. Therefore, the steel tubes and pipes industry is poised for substantial growth in the years to come, owing to their versatility and widespread use in various sectors.

Application of Steel Tube Pipes



Industry Growth Rate (million tonnes)



(Source – Anand Rathi Investment Services – Surya Roshni Limited)

Global Overview

Water

India’s alarming water scarcity pose a major challenge for the country’s sustainable development. The problem is further highlighted by the fact that only 4% of the world’s freshwater resources are available to sustain 18% of the global population, underscoring the enormity of the issue. The over-dependence on groundwater has led to unsustainable consumption, making India the world’s largest extractor of groundwater. This is a cause for concern as groundwater is a finite resource, and its depletion can lead to serious consequences for the environment and human health.

The projected water demand being twice the available supply – as stated by Niti Aayog – is alarming. If not addressed, this can lead to severe water scarcity for millions of people, with an eventual loss in the country’s GDP. The impact of climate change and population growth on India’s water resources is too huge to ignore. The increasing contamination and pollution of major rivers further aggravates the situation.

The lack of access to potable water is a serious health risk for millions of people, especially in rural areas. The Government’s efforts to provide piped water to every household under the ‘Jal Jeevan Mission’ is a positive step in this direction. Nonetheless, it is of critical importance to prioritise the sustainability of the water supply and avoid further burdening the already over-utilised water resources.

With increased focus on water and irrigation segments in the Union Budget 2022-23 and the allocation of ₹ 862 billion towards the Ministry of Jal Shakti, India’s water scarcity challenge is finally getting addressed. The creation of the

National Interlinking of Rivers Authority (NIRA) is also a crucial development as it will facilitate the planning, investigation, financing, and implementation of river interlinking projects in the country.

The interlinking of rivers through reservoirs and canals can significantly increase the scope and reach of irrigation, imparting a positive impact on agriculture and the rural economy. Nevertheless, it is essential to ensure that such projects are implemented sustainably and do not adversely impact the environment, including the biodiversity of river systems.

Surya Roshni is well-positioned to leverage the opportunities within the water segment. Its existing capacities for GI pipes and a robust presence in the rural regions of India are set to enable the Company chart a strong growth trajectory.



Infrastructure Development

The steel tubes and pipes industry is heavily reliant on infrastructure development as a key growth driver. This is evident from the fact that the construction and building sectors account for around 60% of the end-use steel consumption in the domestic market. With a continued focus on infra projects, there is a sustained long-term growth potential for steel demand. The increased allocations to flagship schemes like ‘Pradhan Mantri Awas Yojana’ and ‘Jal Jeevan Mission’ are positive indicators for the long steel and pipe manufacturers, as these projects will increase the demand for steel tubes and pipes.

The proposed investment of ₹ 75,000 crore for 100 critical transport infrastructure projects, spanning across ports, coal, steel, fertiliser and food grains sectors, will drive the demand. Furthermore, the increased capex for infrastructure development to ₹ 10 lakh crore in the Budget and a capital outlay made for development/redevelopment/modernisation of new/old railway stations, fuel the demand for steel tubes and pipes.

The critical infrastructure developments, such as railways and airports, are set to improve regional connectivity and generate employment opportunities, leading to long-term economic growth. Government's determination to promote long-term development through improved infrastructure is expected to drive the growth of the steel tubes and pipes industry in India.

Surya Roshni is well-equipped to meet the increasing demand for steel pipes in the infrastructure industry. Its international-standard pipes, with larger diameter, higher thickness and higher strength, will help the Company flourish with the necessary traction.



Oil & Gas

As the oil & gas industry continues to evolve, steel has become even more effective and reliable due to advances in technology and the development of new building materials. In the years to come, steel is likely to become even more pivotal to help the oil sector progress. Many steel pipes are specifically designed for use in the oil & gas industry. Due to their extensive range of benefits, steel pipes play a key role during the transport of hazardous materials, crude oil, and natural gas.

The oil & gas downstream market is poised for growth in India as the country's energy demand is expected to increase by 50% in the next two decades. The demand

for petroleum fuels is likely to remain strong, favouring the growth of the oil & gas downstream market. This, in turn, is set to lead higher demand for steel tubes and pipes in the industry.

India currently boasts the world's fourth-largest refining capacity, with a whopping 250 million metric tonnes (MMT). This capacity is expected to increase to 298 MMT per annum by 2025, thanks to strong investments worth ₹ 2 trillion (USD 27 billion), planned by Indian state refiners. This investment is expected to drive the demand for steel tubes and pipes in the oil and gas industry, making it a key growth driver for the steel tubes and pipes sector in India.

(Source – Indian firms plan to invest \$27 bln to boost refining capacity by 2025 | Reuters)

The drive towards decarbonisation and diversification of the energy mix is critical for India to combat increasing emission risks and address climate change concerns. As part of this initiative, India is aggressively building its gas infrastructure. Natural gas is finding multiple uses in the country's energy system. The increased use of natural gas is crucial in meeting air quality and near-term emissions goals.

India aims to become a natural gas-driven economy by increasing the share of natural gas in the country's energy basket from around 6% to 15% by 2030. As of September 2021, the national gas grid had 21,735 km of pipelines, laid out as part of the Gas Grid Expansion initiative. The Government further targets to increase pipeline coverage by around 60% to 34,500 km by 2024-25. By 2027, all states in India are expected to be connected by a trunk national pipeline network.



This growth in the gas infrastructure is expected to have a positive impact on the steel tubes and pipes industry, as these materials are used extensively in the construction of gas pipelines. As India continues its drive towards a natural gas-based economy, the demand for steel tubes and pipes is expected to grow, providing a boost to the sector.

(Source – Oil and Gas Industry in India - Investment Opportunities & FDI (investindia.gov.in))

Surya Roshni, as a dominant player in the steel pipes market, is well-positioned to capitalise on the growing demand for steel pipes in the oil & gas segment. The Company is set to leverage its diverse product offerings, including API, 3LPE Coated, and Spiral Pipes to cater to this demand.

Furthermore, Surya Roshni has established itself as a premium player in delivering high-quality products to the City Gas Distribution (CGD) sector. Total order book in hand amounted to ₹ 850 crore (GST included) (API, Exports and Actual Users) for oil and gas sector projects. These pipes are to be laid in four geographical areas in the states of Rajasthan, Bihar, Jharkhand and West Bengal. The order is to be executed within 8.5 months. This presents another opportunity for the Company to leverage its expertise in delivering premium steel pipes to this rapidly growing segment.



Renewable Energy

The solar power industry is leading a surge in demand for steel tubes and pipes with its increasing focus on renewable energy sources. These essential components are critical for the production of solar panels. In addition, steel pipes are used in the transportation of various components of solar panels and also in the manufacturing of the panel's support structures.

Steel piping is crucial to connect the solar panels to the electrical grid, wire the solar cells, move the liquid-cooled plumbing systems, and transport thermal water. With each phase of solar power construction relying on the versatility of steel to facilitate effective implementation of the job, the demand for steel pipes in the solar power industry is set to rise further.

As more businesses and homeowners shift towards renewable energy sources and the solar power industry continues to boom, steel piping is set to play an increasingly critical role. This creates ample business opportunities for the steel tube and pipe industry to grow and flourish around the globe. The demand for renewable energy sources continues to drive the need for steel pipes in the solar power industry.

Surya Roshni caters to the requirements of the solar panel industry with its offering of GI pipes that provide structural support as well as fulfill transportation needs.

Automobile

The automobile industry continues to witness growing vehicle registrations driven by a preference for personal mobility and pent-up demand. Even the increasing raw material costs and global semiconductor shortage could not dampen the prospect of the industry. It is also shifting towards the production of electric vehicles in line with global trends. Furthermore, the Indian Government is promoting the production and commercialisation of electric vehicles through initiatives such as FAME II and BS VI norms.

In this evolving automotive landscape, Surya Roshni is well-positioned to serve the sector's specific requirements with its narrow range CR sheet offerings, tailored-made to suit the industry's unique needs. With the popularity of electric vehicles on the rise, the Company may consider exploring potential avenues for expanding its offerings within this segment.

Growing Organised Players

Customers have shown a preference for the organised sector due to their larger production capacities and stringent quality control measures. These companies have also demonstrated their ability to adjust their production volume in response to changing market demand, as evidenced during the Covid-19 pandemic. The organised sector's growing dominance is expected to be a boon for companies, such as Surya Roshni, as the share of unorganised and smaller players decreases. This shift is likely to improve pricing power and margins, particularly in the ERW segment, which has historically been highly fragmented.

Exports

The steel pipe market is expected to experience a steady growth trajectory globally with market values projected to reach an impressive USD 151,905 million by 2032. The growth drivers include the surge in oil & gas production to meet transportation demands. To tap the opportunities, emerging in the international market, Surya Roshni has established a presence in the Middle East and is expanding into Australia, Singapore, South East Asia, and the UK. The Company is exporting products like GI Pipes and Coated Pipes for use in fire-fighting, water transportation, and seaside pipelines.

With the Indian Government's emphasis on promoting domestic manufacturing through strategic initiatives like 'Make in India' and 'Atmanirbhar Bharat', Surya Roshni is well-positioned to reap the benefit. Surya Roshni's newly-established DFT technology facility in Malanpur puts the Company in a prime position to capitalise on emerging opportunities in the inch-to-inch market for section pipes in the US and Canada.





b) Lighting and Consumer Durables

Lighting

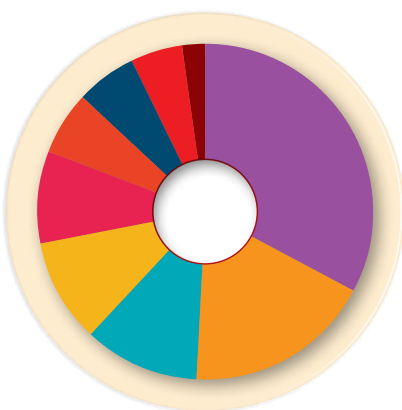
Global Overview

The market for lighting fixtures and luminaires has undergone a significant transformation in recent years, with LED lights replacing incandescent bulbs and CFLs. LED lights are highly energy-efficient, making them an increasingly popular choice for both residential and commercial use. With a broad range of options available, consumers have a variety of choices to meet their illumination needs.

In addition to their energy efficiency, LED lights are highly durable and long-lasting, available in different wattages, colours, and designs to suit any environment. The general lighting and automotive sectors account for over half of the lighting fixtures produced worldwide, with other sectors such as videowall, consumer, large display backlight, and mobile appliances comprising smaller percentages of production.

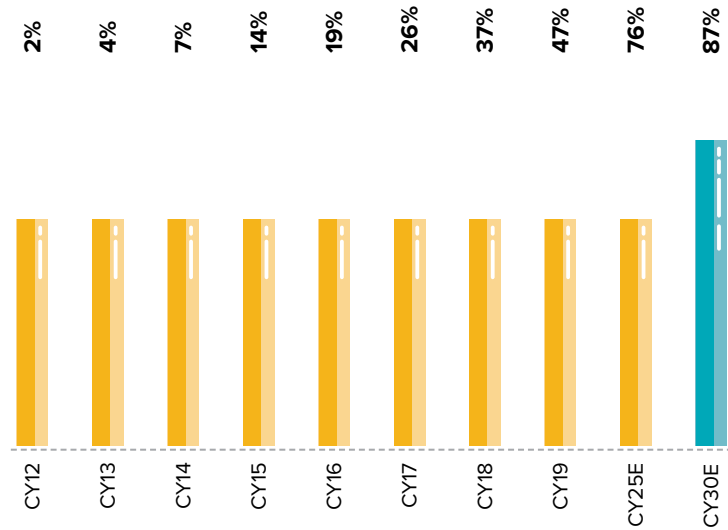
LED lights have become one of the most popular lighting technologies worldwide due to their numerous benefits, and their usage is expected to increase further. Industry reports project that LED lighting penetration will reach 87% by 2023, propelled by rising environmental concerns and favourable government initiatives.

Application of LED lights



- General lighting | 33%
- Automotive | 18%
- Video wall | 11%
- Consumer & others | 10%
- Large display backlight | 9%
- Mobile appliances | 6%
- Architecture lighting | 6%
- Invisible LED | 5%
- Micro & mini LED | 2%

LED penetration to ramp up



(Source – Anand Rathi Investment Services – Surya Roshni Limited)

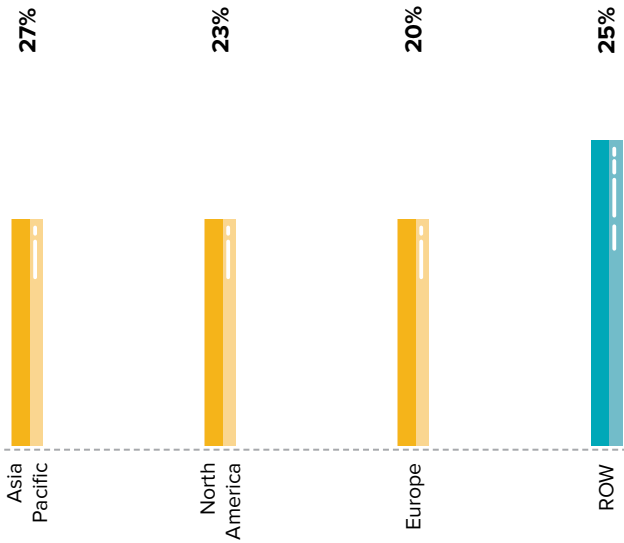
Indian Overview

Lighting, also referred to as illumination, is the purposeful arrangement and use of lighting fixtures to achieve both aesthetic and practical effects. Lighting solutions are used in various settings such as shopping complexes, rooms, streets, and other locations. Lighting plays a huge role in all industries. The Indian lighting industry reached USD 3.4 billion in 2022. Looking forward, the market is anticipated to reach USD 11.9 billion by 2028, exhibiting a CAGR of 23.38% during 2023-28. The industry is benefitting from the high presence of numerous market players, coupled with the rapid increase in the population in the country. The rise in Government initiatives towards LED lighting and growing constructional industry have fuelled the growth.

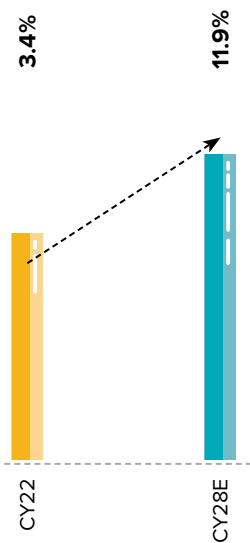
(Source – Indian LED Lighting Market Size, Trends and Forecast 2023-28 (imarcgroup.com))

Firstly, the market is driven by the escalating demand for two words lighting solutions in the country. In addition, the growing awareness among individuals regarding the low power consumption and eco-friendly nature of LED lights represents a major growth-inducing factor. LED lights have swiftly gained prominence among consumers owing to their numerous advantages over conventional lighting technology. Secondly, the Government of India is undertaking various initiatives to promote the usage the LED lights. For instance, under the Street Lighting National Program (SLNP), over 2.1 million incandescent and fluorescent streetlights were replaced with LED streetlights across the country. This, coupled with the rising product adoption in the automotive industry to manufacture rear lamps, headlamps, turn signals, and brake lights, is positively influencing the market growth. Rapid urbanisation is creating increased demand for lighting solutions, particularly in commercial and public spaces. In addition, the declining prices of LEDs, coupled with the introduction of cost-effective smart LED lighting solutions with improved controls, contribute to the growth of the industry. Finally, upcoming smart building projects are adding to the demand for innovative lighting solutions

Expected Growth of Global LED Markets (2019-24)



Market Size of Consumer Lighting (USD billion)



(Source – Anand Rathi Investment Services – Surya Roshni Limited)



Consumer Durables

FANS

The Indian market for fans presents a diverse range of options, including ceiling fans, table fans, stand fans, and wall fans. The Indian ceiling fan market reached 41.2 million units in 2022 and is further expected to reach 47.5 million units by 2028, registering a CAGR of 2.3%. The growth of this market will be driven by the expansion of the residential sector, advancements in the retail, real estate and hospitality sectors, an increase in consumer income and a wider reach of electricity. Furthermore, there is a growing demand for smart fans that provide additional features such as lighting, decorative aesthetics, dust and noise control, and anti-bacterial properties. This trend caters to both the premium and low-cost consumer segments, is expected to register a further uptick.

(Source – India Ceiling Fan Market Share, Size and Industry Report 2023-28 (imarcgroup.com))

DOMESTIC APPLIANCE

The domestic appliances industry is currently experiencing a significant expansion, attributed to the constantly evolving lifestyles of modern society. Owing to the increase in the number of working couples, single-person households, and a growing migrant population, the demand for domestic appliances has hit an all-time high. The proliferation of new homes and offices, combined with the emergence of a hybrid work culture, is driving the demand for these products even further.



PVC PIPES

PVC pipes have emerged as a crucial component in India's housing, infrastructure, and agricultural sectors. The demand for these versatile pipes is on the rise consistently. The housing sector has been booming, thanks to the Government's tax incentives and the availability of easier financing options for prospective homeowners. Meanwhile, the steadfast commitment of the Government to invest in irrigation, housing, and sanitation has only added fuel to the fire. Schemes like 'Housing for All', 'AMRUT', and the 'Prime Minister Agriculture Irrigation Scheme' have created a burgeoning demand for PVC pipes.

The versatility of PVC pipes is one of the primary reasons for their widespread popularity. They have become increasingly popular in plumbing and piping applications due to their ease of transportation and ability to handle hot and cold-water plumbing. Led by the PVC pipes, India's housing, infrastructure, and agricultural sectors are poised for tremendous exponential growth in recent future.



Opportunities and Growth Drivers

Rapid Urbanisation

India's economic growth and development are being propelled by the crucial factors like the growing urbanisation and the rise of the middle-income class. With more people moving to urban areas and a steady increase in their purchasing power, there is a rising demand for consumer durables such as electronics, appliances, and other household goods.

This trend is expected to continue, and it presents a significant opportunity for the companies, operating in the consumer durables sector. These entities can take advantage of this growing market by offering innovative products and services, tailored to the needs of urban consumers.

However, the growth in urbanisation also presents some challenges, such as the need for infrastructure development to support the increasing population. Businesses will need to work closely with local governments to ensure that adequate infrastructure is in place to support their operations and meet the needs of the growing urban population.

The growing trend towards urbanisation and the burgeoning demand for consumer durables and FMEG products provide an excellent opportunity for companies like Surya Roshni to further expand their business and meet the needs of consumers.

Development of Rural Areas

The recent progress in electrification coverage in rural India is a crucial development that is set to positively impact the country's economic growth and overall development. With household electrification levels improving from 55% in 2011 to 99% in 2022, rural households can now enjoy access to basic necessities like lights, fans, and other consumer appliances.

This increased access to electricity is expected to drive demand creation for the consumer durables sector in rural India. Rural households, having access to electricity, are set to generate an increased demand for products like refrigerators, televisions, and other consumer goods. This presents a significant opportunity for businesses operating in the consumer durables sector to tap into this growing market.

Furthermore, with improved access to electricity, rural communities are set to engage in economic activities more productively compared to the earlier years. This window of opportunity is expected to generate more jobs and the growth of small and medium-sized enterprises in rural areas.

While the consumption of electricity will rise in the rural area so will the usage of lights and consumer durables. Surya Roshni has positioned itself to capture the rural market as the most deep-rooted distribution network, with major revenue coming from semi-urban and rural markets.

Government Initiative

The Indian Government's proactive steps in embracing LEDs for street lighting in major cities, along with the architectural lighting for national monuments have a strong and encouraging impact on the lighting industry. These efforts are not only aimed at improving energy efficiency but also at uplifting the visual appeal of historical sites and key cities.

With the Government's continued focus towards the adoption of LED lighting technology, the demand for LED lighting solutions from businesses operating in this sector is slated to grow. This presents an opportunity for companies to tap

into this growing market and offer innovative LED lighting solutions to suit the requirements of the Government and its various projects. It is expected to drive up the demand for LED lighting solutions in the commercial and residential sectors as well.

Surya Roshni has established itself as a formidable player in the consumer lighting segment, ranking second in the country. With the innovative and customer-centric approach of the Company, it has made significant strides in the professional lighting sector, particularly through its smart lighting solutions.

PLI Scheme

The Indian Government's Production-Linked Incentive (PLI) scheme for white goods is a significant step towards enhancing the global competitiveness of Indian air conditioner and LED lighting manufacturers. The scheme provides incentives to manufacturers who meet certain production targets. The budgetary outlay of ₹ 6,238 crore, in this direction, is to be disbursed over a seven-year period, from 2021-22 to 2028-29. The objective of the scheme is to encourage companies to increase their production capacity and invest in research and development to design new and innovative products. This, in turn, is expected to boost local manufacturing and sourcing of components and create employment opportunities in India. Furthermore, the scheme is expected to attract targeted global investments. The development of a component ecosystem within India by earmarking different segments for specific types of components is the focus of the scheme.

These enhanced opportunities are projected to help Surya Roshni to successfully penetrate FMEG categories, including fans, home appliances and lighting solutions. To reap the benefits, the Company has commenced a manufacturing facility for LED components under the PLI scheme for the 'Large Investment' category.



PART III

Operational Review

1) Steel Pipes and Strips

The steel pipes and strips division of Surya Roshni is responsible for manufacturing a diverse range of steel pipe products, catering several rapidly growing industries, including construction, infrastructure, oil & gas, water, and agriculture. The state-of-the-art manufacturing facilities of the Company are based in Haryana, Gujarat, Madhya Pradesh, and Andhra Pradesh. The Company has been steadily growing over the past six years in order to take advantage of the increased demand, derived from new opportunities. All of the products are marketed under the 'Prakash Surya' brand and shipped to more than 50 nations, with the Gulf Cooperation Council (GCC) owning the majority of those exports. The Company's pipes have been instrumental in the construction of several iconic structures, including the Burj Khalifa, Dubai International Airport, Dubai Expo, and the stadiums of FIFA world cup Qatar 2022.

Key Financials

(₹ in crore)

PARTICULAR	2022-23	2021-22
Revenue	6,451.89	6,402.06
EBIDTA	497.17	342.20
EBIDTA Per Ton (₹)	6496	4648
Cash Profit	457.41	286.49
Profit Before Tax	368.86	204.45

Government Initiatives Driving Demand

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

Application Areas

GI PIPES

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

BLACK

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

HOLLOW

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

PRODUCT OFFERINGS

A) ELECTRIC RESISTANCE WELDING (ERW STEEL PIPES)

The ERW pipes, made by Surya Roshni, with a wide range of construction projects. These include scaffolding, casing, and bore well tubing as well as in agricultural, water transportation, firefighting, irrigation, greenhouses, and other industries. Additionally, they are employed in the long-distance transportation of liquids such as water, gas, oil, chemicals, and others. The product meets all national and international quality standards.

Our Edge

- ▶ Leading manufacturer of ERW GI Pipes in India
- ▶ Key exporter of ERW Pipes, with 60% market share
- ▶ Pan-India presence for GI Pipes, with leadership position in South India and one among the top three in North India
- ▶ Dominant presence in the organised segment
- ▶ Resilience amidst difficult industry conditions
- ▶ Manufacturer of products equipped to cater to the hilly regions of India, providing the pipes required for housing in Jammu & Kashmir, Uttarakhand, and Himachal Pradesh, among others
- ▶ Capability to produce margin-accretive, value-added offerings such as coated pipes, alkyd pipes, grooved, red oxide primer pipes and heat-treated pipes, among others



- ▶ Demonstrated capability of providing high-quality durable pipes to prominent industry names such as IOCL, BPCL, BGRL, Gujarat Gas, MNGL and MGL, among others
- ▶ Accredited to all major PMC committee such as EIL and Mecon, among others

B) API PIPES

The Company produces international quality API pipes, such as the 3LPE, 3LPP, and FBE (single and dual layer). The epoxy coatings provide rust resistance while enhancing durability. Selmers in the Netherlands provided the Company a world-class 3LPE Coating plant machinery. The pipe is commonly used in the transportation of petroleum and natural gas, as well as in city gas distribution and water pipes. The ongoing emphasis of the Government on these high-growth areas are going to benefit the Company in the long-run.

Our Edge

- ▶ Produces a diverse range of pipes, including EN, BS, AUSTRALIA and ASTRA GRADE
- ▶ Utilises the existing offline capacities post-expansion efficiently, to achieve cost efficiencies and improved margins
- ▶ Boasts accreditations from major PMC such as EIL and Mecon, among others
- ▶ Certifications of ISO 9001, 14001 & 18001



D) COLD ROLLED STRIPS AND SHEETS

The Company processes Cold Rolled Steel Strips (CR sheets), with a width of up to 720 mm and thickness of 0.3 to 0.6 mm. These strips offer a variety of outstanding properties, including easy formability and a smooth, clean surface. The CR sheets are available in both wide and narrow range. While the wide range is used in the downstream operations by large players, narrow range caters to the niche and customised requirements of the customers. The Company manufactures narrow range CR sheets which help in production of electrical stamping. This stamping is used in a wide range of products, including motors, cycle and 2-wheeler rims, automobile components, furniture and fitting, drums and barrels, umbrella ribs and tubes and in miscellaneous engineering applications.

Our Edge

- ▶ Offers consistent quality for the end-user segment
- ▶ Sells products across NCR and different markets of North India
- ▶ Leverages small order sizes to yield good returns and keeps the unit fully-engaged across the year



9,25,000 MT

ERW Pipes

(INCLUDING GI CAPACITIES OF 3,60,000)

2,00,000 MT

Spiral Pipes

(INCLUDING OFFLINE CAPACITIES OF 1,40,000 MT)

1,15,000

CR Sheets

3 LPE Coating Facilities

External: 27,50,000 SQ. MTR.

3 LPE Coating Facilities

Internal: 11,00,000 SQ. MTR.

36,000 MT

SECTION STEEL PIPES - DFT

Key Highlights: 2022-23

- ▶ Dominates market as largest exporter of ERW Pipes (GI and Black Pipes)
- ▶ Exports to 50+ countries across the globe, including USA, Australia, Canada, Mexico, Middle East, Europe and Africa
- ▶ EBITDA/MT improved to ₹ 6,496 as compared to ₹ 4,648 YoY, on account of favourable product mix
- ▶ Volume growth of 4% despite the flattish revenue growth
- ▶ Continued robust order inflow and enquiry generation in exports and API-coated pipes & OEM. The order book stood at ₹ 850 crore including actual user order book

Future Strategies and Outlook

Steel tubes and pipes manufacturers aim to maintain a positive export momentum of value-added products, particularly API pipes, to various regions, including the Middle East, Europe, and Australia, despite facing geopolitical challenges. The Company intends to increase its market share in GP pipes by participating in the Government's 'Jal Jivan Mission.' Furthermore, the Company anticipates that due to massive capex spending, there will be a demand for higher thickness and higher gauge material in India. This, in turn, will lead to a peak in demand for the DFT-based pipes in the coming years. In addition, the Company plans to cater to the 'inch-to-inch' pipes market in Canada and the US, resulting in incremental exports for the Company.



2) Lighting and Consumer Durables

LIGHTING

Surya Roshni ventured into lighting in 1984 and has successfully transitioned over the last few years from being one of the market leaders of conventional lighting to becoming one of the leading LED lighting players. The Company has state-of-the-art manufacturing facilities at Kashipur, Uttarakhand, and Malanpur, Madhya Pradesh. Besides, it also has an advanced R&D centre, the 'Surya Technology & Innovation Centre' (STIC), at Noida. The Company is engaged in the manufacture and sales of Conventional Lighting (GLS, Tube lights) and energy-efficient LED Lighting (LED bulbs, tube lights, battens, downlighters, and other luminaires) in the consumer segment. Furthermore, it produces advanced Smart LED products for street lighting, infrastructure, industry, office, and retail segments in the professional segment.

Over time, the Company has earned a reputation as a reliable and highly-regarded brand in the lighting industry. It takes pride in being recognised as the second-leading manufacturer player in the consumer lighting segment.

Value Creation in Lighting

- ▶ Increased sales volumes, revenues, and profits over the years
- ▶ Diversified the product portfolio, with strong market leadership in the organised sector
- ▶ Launched over 200 new products over the last three years
- ▶ Developed strong bonding with distributors, dealers, and retailers, leading to high loyalty
- ▶ Developed a pan-India reach, with a very strong semi-urban and rural presence
- ▶ Created a strong brand, well-accepted across India and globally
- ▶ Reduced energy consumption through continuous energy conservation initiatives

Key Financials

(₹ in crore)

PARTICULAR	2022-23	2021-22
Revenue	1,545.17	1,332.93
EBITDA	122.34	106.47
Cash Profit	117.25	98.53
Profit Before Tax	90.39	72.19

PRODUCTION CAPACITY (P.A.)

90 Million Pieces

LED BULBS

10 Million Pieces

LED TUBES & FITTINGS

3.60 Million Pieces

LED STREET LIGHTS

200 Million Pieces

GLS

Key Highlights: 2022-23

- ▶ LED revenue grew by 27% and **reached very close to ₹ 1000 crore**, backed by value-added products like LED battens and down-lighters. LED Street light grew by 61%
- ▶ Professional Lighting witnessed 38% growth in revenue
- ▶ Investment under PLI scheme is as per plan and will benefit from in-house manufacturing of components at reduced cost
- ▶ Total borrowings as of 31st March is at their lowest ever



CONSUMER DURABLES

FANS

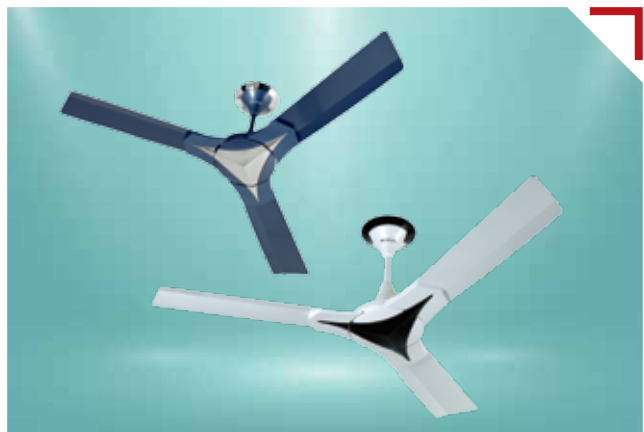
Surya Roshni made a significant breakthrough in 2014 by venturing into the fans category. The Company has achieved the remarkable feat of reaching the 100-crore mark faster than any other organisation. The Company offers a wide variety of contemporary designs, from designer fans to more affordable options. The extensive selection includes BLDC fans, pedestal, wall, table, ceiling, pedestal, and industrial and domestic exhaust fans. Smart premium fans with anti-dust, anti-bacterial, high-air-delivery, and energy-efficient features are part of the Company's product portfolio.

HOME APPLIANCES

Since its entry into the home appliances market in 2015, Surya Roshni has continued to deliver a unique value proposition to its customers through its exceptional products.

The business serves Indian consumers' needs across six major product categories.

CATEGORY	PRODUCTS
 Food Preparation	<ul style="list-style-type: none"> ▶ Mixer Grinders ▶ Juicer Mixer Grinders
 Kitchen Appliances	<ul style="list-style-type: none"> ▶ Gas Cook Tops – Glass and Stainless Steel Bodies
 Cooking	<ul style="list-style-type: none"> ▶ Induction Cook Tops ▶ Aqua Kettles ▶ Indi Cook Rice Cookers ▶ Sandwich Maker ▶ Pop-up Toaster
 Garment Care	<ul style="list-style-type: none"> ▶ Dry Iron ▶ Steam Irons
 Heating Appliances	<ul style="list-style-type: none"> ▶ Storage Water Heater ▶ Instant Water Heater
 Climate Control	<ul style="list-style-type: none"> ▶ Oil-Filled Radiator ▶ Halogen Heater ▶ Quartz Heater ▶ Carbon Heater ▶ Room Cooler



Future Strategies and Outlook

Surya Roshni remains focussed in its commitment to sustain its high-growth trajectory in the consumer lighting segment. To achieve this, the Company is prioritising the improvement of its distribution channels, while expanding its reach across urban, semi-urban, and rural areas throughout India. The Company is set to introduce several new LED lamps, battens, and downlighters, with a special emphasis on smart lighting solutions. Additionally, Surya Roshni plans to continue to aggressively drive channel financing to augment its growth prospects.

In the professional lighting segment, the Company will strengthen its key account management, project execution capabilities, and design teams to concentrate on customers and improve its ability to execute projects. With continuous efforts and focus on improving the distribution and reach across urban, semi-urban and rural India. Surya Roshni has been able to achieve high growth momentum over the years and is scheduled to launch new products in various segments, including smart products and solutions, with a focus on high-growth areas such as façade and solar lighting.

In the consumer durables segment, the Company aims to focus on gaining market share in both fans and appliances through expanding the product range of fans, across types and price points. The Company would also launch several new products in appliances, including water heaters, room heaters, mixer grinders, and induction cooktops. Going ahead, to leverage its distribution network across the tier cities, the Company will be focussing on aggressive advertising and promotions which will enhance its brand visibility as well.

Surya Roshni is committed to aggressively promoting its brand visibility through above-the-line and below-the-line advertising. It continues to invest in automation and upgrading its systems to improve efficiency and productivity. The Company is also investing in the PLI scheme for LED lighting to gain further business advantages.

Surya Roshni thrives as a trusted brand, with its consumer-centric approach, focus on innovation and quality, and broad range of products. With a strong distribution network, experienced management, efficient working capital management, and supportive Government initiatives such as 'Atmanirbhar Bharat' and the PLI scheme, it will further enable the Company to achieve sustainable growth.



Business Growth Enablers

Manufacturing Facilities

Manufacturing Facilities of Steel Tubes and Pipes

LOCATION	PRODUCTS
Anjar	ERW and Spiral Pipes (GI, Black, Section) and API Pipes with 3LPE Coating
Hindupur	ERW (GI, Black and Section), along with GP Pipes
Malanpur	ERW (GI, Black and Section) Section Steel Pipes - DFT
Bahadurgarh	ERW Pipes (GI, Black, Section), API Pipes, CR Strips & Sheets

These plants are suitably equipped with high-end machines ranging from slitting lines, pipe mills, galvanising units, finishing machines and fail-safe & high-pressure hydro machines along with adequate handling facilities.

Manufacturing Facilities and R&D Centre of Lighting

LOCATION	PRODUCTS
Kashipur	<ul style="list-style-type: none"> LEDs (lamps, streetlights, downlighters and battens), HID T5 and filaments MCPBs Drivers
Malanpur	<ul style="list-style-type: none"> Plant manufacturing LEDs (lamps, streetlights, decorative lighting) Conventional lights (GLS and FTL) Glass shells Caps MCPBs Drivers
Surya Technology & Innovation Centre (STIC) at Noida	<ul style="list-style-type: none"> Innovation centre for adapting latest lighting trends, approved by DSIR and NABL Focus on in-house development of LED products



Strong Brand

Surya Roshni has consistently promoted its brands through various forms of advertising, under the names 'Prakash Surya' for the steel pipes & strips segment and 'Surya' for the lighting products. With strong promotional endeavours, the Company has built greater visibility for its products.

Wide Distribution

The Company's products enjoy a nationwide reach owing to the strong dealer and distributor networks. Moreover, the decentralised branch and depot networks facilitate quick delivery turnaround to customers.

Diversified Business and Presence

The Company provides a huge selection of products in both business verticals. These goods are offered for sale all over India and exported to more than 50 nations. As a result, the Company has built long-term sustainability and de-risked itself from risks unique to a particular industry or region.

Dynamic Team

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

PART V

Financial Review

Key Financials

PARTICULARS	STANDALONE		CONSOLIDATED	
	For the year ended 31 st March		For the year ended 31 st March	
	2023	2022	2023	2022
Revenue from Operations	7,995.95	7,730.07	7,996.71	7,730.82
Other Income	5.22	5.72	5.35	5.80
Total Revenue	8,001.17	7,735.79	8,002.06	7,736.62
EBITDA	619.18	448.20	619.51	448.68
Finance Costs	44.84	63.63	44.85	63.65
Cash Profit	574.34	384.57	574.66	385.03
Depreciation and Amortisation Expenses	115.41	108.38	115.41	108.38
Net Profit Before Tax	458.93	276.19	459.25	276.65
Tax Expenses	123.65	71.62	123.73	71.73
Net Profit After Tax	335.28	204.57	335.52	204.92
Other Comprehensive Income	(0.43)	0.42	(0.43)	0.42
Total Comprehensive Income	334.85	204.99	335.09	205.34
EPS (Basic in ₹)	62.74	38.33	62.78	38.40
EPS (Diluted in ₹)	61.62	37.60	61.67	37.66

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

In the fiscal year under review:

- ▶ The revenue from the Company's operations was reported at ₹ **7,995.95** crore as compared to ₹ 7,730.07 crore in the previous year.

- ▶ EBITDA reported at ₹ **619.18** crore as compared to ₹448.20 crore in the previous year.
- ▶ Profit Before Tax stood at ₹ **458.93** crores as compared to ₹276.19 crore in the previous year.
- ▶ Profit after tax stood at ₹ **335.28** crore as compared to ₹204.57 crore in the previous year

Key Financial Ratios

RATIO	STANDALONE			CONSOLIDATED		
	2022-23	2021-22	% Change	2022-23	2021-22	% Change
Debtors Turnover (Days) \$	34	43	(20.93)	34	43	(20.93)
Inventory Turnover (Days) \$\$	53	47	12.77	53	47	12.77
Interest Coverage Ratio &	13.81	7.04	96.16	13.81	7.05	95.89
Current Ratio*	1.92	1.51	27.15	1.92	1.51	27.15
Debt Equity Ratio**	0.22	0.38	(42.11)	0.22	0.37	(40.54)
Operating Profit Margin (%) #	7.74	5.80	33.45	7.75	5.80	33.62
Net Profit Margin (%)	4.19	2.65	58.11	4.20	2.65	58.49
Return on Net Worth (%) @	19.69	14.06	40.04	19.67	14.06	39.90

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

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

& Interest (Finance Cost)/EBITDA

* Current Assets/Current Liabilities

** Debt (Working Capital + Long Term Debts including Current Maturity of Long-Term Loans)/Equity

Operating Profit (excluding other income)/Revenue from operation

@ Profit for the Year/Average Net Worth

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

Interest Coverage Ratio improved due to a substantial reduction in Interest cost and NIL Debt repayment obligation with higher earnings of the current year.

Current Ratio improved due to a substantial reduction in Current Liabilities in comparison to last year while no major change in Current Assets.

Operating Profit Margin Ratio improved due to a substantially increased operating profit achieved due to an increased share of value-added products and a product mix that resulted in higher profit Margins.

Debt Equity Ratio improved due to a substantial reduction in Debt and increased Total Equity with higher profitability of the current year.

Net Profit Margin Ratio increased due to a substantial increase in Profit after Tax while no major changes in Turnover.

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

- ▶ Protecting brand value through strategic control and operational policies.
- ▶ Establishing a framework for the Company's risk management process and ensuring company-wide implementation.
- ▶ Ensuring systematic and uniform assessment of risks, related to different functions of the Company wherever applicable, through the adoption of best practices.
- ▶ Ensuring sustainable business growth with stability and promoting an upbeat approach towards risk management and mitigation.

Risk Framework

- ▶ Identification of risks under various categories like operational, financial, regulatory, technological, and those that are related to human resources.
- ▶ Assessment of risks in terms of severity of impact and likelihood of occurrence.
- ▶ Assignment of responsibilities.
- ▶ Development of mitigation plans which create value for the business.
- ▶ Monitoring and reporting.

The Company has an established framework for the identification of internal and external risks specifically faced by the Company, particularly including financial, operational, sectoral, sustainability (particularly, ESG-related risks), or any other risk, and to ensure that appropriate methodology, processes, and systems are in place to monitor and evaluate risks associated with the business of the Company.

The business plan is a crucial subject of risk management. The Business continuity plan (BCP) involves any and all risks that can affect the Company's operations, making it an important part of the organization's risk management strategy.

In compliance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, as amended, the Board has constituted the Risk Management Committee. The Risk Management Committee has formulated an extensive Risk Management Policy. The Policy is aimed to develop a continuity device plan to manage the disruption. Further, the Company has in place a mechanism whereby the Risk Management Committee of the Board defines risk exposures, measures them, and implements appropriate actions to control the risk. This approach helps in making an assessment and management of the risks in financial, operational, and project-based areas in a timely manner.

PART

VI

Risk Management

Surya Roshni is dedicated to ensuring effective risk management and has implemented a structured approach to achieve this goal. The Company regularly monitors and assesses potential risks across its operations and develops strategies to mitigate these risks. The Company has in place internal control systems that are appropriate for its size and stature and has established an adequate risk management system. These systems ensure that the Company's assets are protected, and that fraud and errors are prevented and detected. Furthermore, accurate and complete accounting records are maintained, and trustworthy financial information is produced as a result of these systems. Additionally, the Company's internal control systems ensure strict compliance with all applicable laws and regulations. By adopting this structured approach to risk management, Surya Roshni is able to conduct its operations with transparency and uphold ethical standards. In the process, the Company minimizes potential risks and maximizes value for its stakeholders.

Key Objectives

- ▶ Identifying current and future material risk exposures of the Company and ensuring that they are appropriately mitigated, minimised, and managed.

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

RISK TYPE	RISK DEFINITION	RISK MITIGATION
Technology Risk	The ever-evolving nature of technology creates the risk of obsolescence, followed by higher, ineffective maintenance costs.	The Company puts in efforts to stay abreast and equipped with relevant and effective technological know-how for development of new products. This is backed by state-of-the-art R&D facilities that is maintained and upgraded from time-to-time.
Financial Risk	Vulnerability of investments to fluctuations in interest rates, leading to potential losses or increased costs.	The Company continuously tracks the changes in benchmark while monitoring and controlling the interest cost by using innovative financial products and utilisation of various facilities from banks linked to MCLR / alternate benchmark rates, reset clauses, and pre-payment options.
Regulatory Risk	Non-compliance to stringent regulatory and environment norms may result in liabilities and loss of brand reputation.	The Company strictly complies with all statutes applicable to its operations. There are trained staff members entrusted with regulatory responsibilities which are monitored and reported at the highest levels. The Company also uses services of legal and regulatory consultants.
Forex Fluctuation Risk	The Company deals in exports/imports of products in business and borrowings which are subjected to currency fluctuations.	For countering exposure to foreign exchange volatility, the Company has formulated a foreign exchange hedging policy to protect the margins in manufacturing, marketing and financing on a fully hedged basis.
Human Resources Risk	Inability to retain the right skills and talent in the business can lead to labour unrest and/or hamper good industrial relations. Ultimately, hindering work and progress.	The Company strives to acquire, retain as well as train manpower to run its operations. Additionally, the Company periodically reviews its senior management team to ensure continuity in leadership.
Commodity Price Risk	Businesses that procure several commodities face increased risk, following price fluctuations that could lead to business losses.	In order to manage the commodity price risk, the Company nurtures flexible channels of supply to better absorb the sudden price change effects. Additionally, a comprehensive risk assessment framework helps to manage the risks and in building a portfolio of value-added products for lowering commodity price risk.

The risk management group has taken several steps to develop solid BCP, which includes:

- ▶ Business Impact Analysis, that identifies the effects of disruption of business functions and processes
- ▶ Make decisions about recovery priorities and strategies
- ▶ Identify and implement steps to recover critical business functions

▶ A continuity device a plan to manage the disruption

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

Internal Control Systems

The Company has an effective internal control system that is sufficient for its size and type of business. It is a crucial element of the Company's corporate governance. A capable and independent internal audit department looks after the evaluation and enhances internal control and governance efficacy. Operational and systems audits are the main areas of focus for internal audit. Hiring seasoned professionals strengthens the function as well. The Internal Audit function reports to the Chairman of the Audit Committee to preserve its objectivity and independence. The Audit Committee of the Board is periodically informed of significant internal audit findings, accounting standard compliance, risk management, and control system developments. Further, this Committee evaluates the suitability and efficacy of the internal audit's inputs and makes recommendations for strengthening the control systems.

The Company has an extensive budgetary control system, which is regularly examined by the Management. Surya Roshni has a well-defined Management Information System with clear organisational structures and authorisation levels for business transactions. The Company's internal financial controls are adequate and operate effectively, ensuring the orderly and efficient conduct of its business. These include adherence to its policies, safeguarding its assets, preventing and detecting frauds and errors, maintaining accuracy, and ensuring the completeness of its accounting records. The process further enables it to make timely preparations of reliable financial information. Surya Roshni also undertakes external audits for efficient audit and control for its branches and depots, along with specialised functions like taxation.

Human Resources and Industrial Relations

Surya Roshni owes its success to the hardworking and dedicated individuals who foster a positive work environment through their unwavering commitment and diligence. The Company places a high value on creating a dynamic workplace culture that prioritises performance and puts candidates and clients at the centre of their philosophy. To attract, develop, and retain the best talent, the Company has developed an employee value proposition. This aims to foster growth and provides all the necessary support to stay motivated and driven to achieve strategic goals.

The Company also recognizes and rewards top performers and achievers through their 'Surya Parivar' programme - a part of their rewards and recognition initiative. Additionally, the Company has established amicable industrial relations by promoting increased worker-level engagement. Various initiatives are undertaken in this direction, including formal and informal communication and training forums. As of 31st March, 2023, the Company had a total of 3,310 employees on its direct payroll.

Corporate Social Responsibility

Surya Roshni remains focussed on its endeavour to continue as a responsible corporate citizen and recognizes the importance of promoting social development. The Company believes that building capacity within society is crucial to achieve sustainable growth. Therefore, Surya Roshni focuses on societal well-being and ecological responsibilities as its key areas of Corporate Social Responsibility (CSR) endeavours.

The Company's CSR policy is outlined in Annexure IV of the Board's Report, where the key objectives are mentioned. The Company has discharged its CSR responsibilities through the Surya Foundation, which works in various areas such as Rural Development Programme (Adarsh Gram Yojana Project), Promoting Healthcare (including Preventive Health Care), and other projects covered under Schedule VII of the Companies Act, 2013.

Surya Roshni's CSR activities are diverse and include programs like the personality development camp, Bhoomi Suposhan, Go-Utpad Training Camp, Gram Gaurav Mela, plantation of rural area, sports tournament, Poshan Vatika, Selai Kendra, Swastya Shiver, etc. The Company also emphasizes literacy and personality development of youth through its CSR activities.

During the year under review, the Company spent ₹ 4.23 crore on corporate social activities on a consolidated basis, which is not less than 2% of the average net profits made by the Company during the three preceding financial years. Surya Roshni remains steadfast in its commitment to promote social development and create a positive impact on society, striving to make a meaningful difference in the lives of people.

Cautionary Statement

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

BOARD'S REPORT

To the Members,

The Board of Directors hereby submits the Fiftieth (50th) report of the business and operations of the Company along with the audited financial statements, for the financial year ended 31st March, 2023. The Consolidated performance of the Company and its wholly –owned subsidiary has been referred to wherever required.

1 RESULTS OF OPERATIONS AND STATE OF AFFAIRS:

Particulars	(₹ in crore)			
	Standalone		Consolidated	
	For the year ended 31st March,		For the year ended 31st March,	
	2023	2022	2023	2022
Revenue from Operations	7,995.95	7,730.07	7,996.71	7,730.82
Other Income	5.22	5.72	5.35	5.80
Total Revenue	8,001.17	7,735.79	8,002.06	7,736.62
EBITDA	619.18	448.20	619.51	448.68
Finance costs	44.84	63.63	44.85	63.65
Cash Profit	574.34	384.57	574.66	385.03
Depreciation and amortisation expenses	115.41	108.38	115.41	108.38
Net Profit Before Tax (PBT)	458.93	276.19	459.25	276.65
Tax Expenses	123.65	71.62	123.73	71.73
Net Profit After Tax (PAT)	335.28	204.57	335.52	204.92
Other Comprehensive Income	(0.43)	0.42	(0.43)	0.42
Total Comprehensive Income	334.85	204.99	335.09	205.34
EPS (Basic in ₹)	62.74	38.33	62.78	38.40
EPS (Diluted in ₹)	61.62	37.60	61.67	37.66

Standalone Financial Highlights:

During the year under review, the revenue from operations of the Company is ₹ **7,995.95** crore as compared to ₹ 7,730.07 crore last year registered an increase of **3.44%**, EBITDA was ₹ **619.18** crore as compared to ₹ 448.20 crore last year registered an increase of **38.15%**, Profit before tax stands at ₹ **458.93** crore as compared to ₹ 276.19 crore last year, registered an increase of **66.17%** and Profit after tax stand at ₹ **335.28** crore as compared to ₹ 204.57 crore last year, increased by **63.89%**.

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

With consistent reduction in debt levels including prepayments culminating into reduced finance cost, deeper market penetration in rural and semi-urban markets with diversified product profile, nation-wide marketing network, established brand name,

experienced management brings overall synergy and greater integration.

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

Consolidated Financial Highlights:

The Company has a sole wholly-owned subsidiary company namely **SURYA ROSHNI LED LIGHTING PROJECTS LIMITED**, which was incorporated as Special Purpose Vehicle (SPV). In the fiscal year under review, the revenue from operations of the Group is ₹ **7,996.71** crore as compared to ₹ 7,730.82 crore last year registered an increase of **3.44%** EBITDA was ₹ **619.51** crore as compared to ₹ 448.68 crore last year registered an increase of **38.07%**, Profit before tax stands at ₹ **459.25** crore as compared to ₹ 276.65 crore last year, increased by **66.00%** and Profit after tax stands at ₹ **335.52** crore as compared to ₹ 204.92 crore last year registered an increase of **63.73%**.

BOARD'S REPORT (Contd.)

The Company's continuous focus on working capital optimisation of working capital cycle stands to 64 days in FY 2022-23 and RoCE has improved by 670 basis points to 22.9% for FY 2022-23 from 16.2% in FY 2021-22, while RoE has improved by 560 basis points to 19.7% in FY 2022-23 from 14.1% in FY 2021-22.

DEBT REDUCTION

Through consistent efforts over the past few years, today, the Company have become a **Term Debt Free Company**, resulted in lowering debt equity ratio to 0.22. The Company's balance sheet has been further strengthened by lowering of the debt equity ratio.

STEEL PIPES & STRIPS

The steel tubes and pipes industry showed resolute strength during the period in India is expected to grow rapidly, driven by high standards set by national and international specifications and widespread application in major industries. India's steel consumption growth to be healthy at 8% to 10% in FY24 led primarily by infrastructure push; With rising urbanisation, the need for water transportation, various agriculture and irrigation development projects, and the National Jal Jeevan Mission (NJJM) launched by the Ministry of Jal Shakti (MJS) provide ample growth opportunities.

The NJJM's goal is to provide 'Functional Household Tap Connection (FHTC)' to every rural household in India by 2024, leading to a surge in demand for steel tubes and pipes, which are essential in establishing a robust water supply infrastructure across rural India. Therefore, the steel tubes and pipes industry is poised for substantial growth in the years to come, owing to their versatility and widespread use in various sectors.

Surya being the largest exporter of ERW pipes and largest producer of ERW GI Pipes in India. manufactures ERW Steel pipes (GI Black, Hollow Section), API & Welded pipes, Spiral, 3LPE Coated pipes & CR strips having wide applications of its products in Agriculture, Infrastructure, Oil & Gas and Construction sectors. The Company products are approved by API (American Petroleum Institute) for Oil & Gas sector. During the year, the Company value added products which have better EBITDA per ton have yielded results and Company was able to deliver a remarkable growth in its sales with improved margins.

During the year under review, the segment reported robust performance both in the top and bottom line on count of strengthening of product portfolio. The

Revenue of the segment stands at ₹ **6,451.89** crore in FY 2022-23 as compared to ₹ 6,402.06 crores during FY 2021-22 with better product mix, increased share in high value-added products, driven by all divisions of B2C and B2B. The EBITDA during the year increased by **45.29%** and stands at ₹ **497.17** crore in FY 2022-23 as compared to ₹ 342.20 crore registered in FY 2021-22. The EBITDA per tonne has shown further improvement by about **39.76%** to ₹ **6,496** in FY 2022-23 as compared to ₹ 4,648 per metric ton last year. The cash profit improved by **59.66%** in FY 2022-23 to ₹ **457.41** crores from ₹ 286.49 crore as registered in FY 2021-22. The PBT for the year further improved by **80.41%** to ₹ **368.86** crores as compared to ₹ 204.45 crores in FY 2021-22.

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

The Steel pipes and strips performance during the year under review looks promising with higher contribution from value added products viz. API, GI Pipes and Exports, which will continue to drive improvement in EBITDA margins. The Company is well-positioned to leverage the opportunities. Its existing capacities for GI pipes and a robust presence in the rural regions of India are set to enable the Company chart a strong growth trajectory.

ANJAR (KUTCH)

As the oil & gas industry continues to evolve, steel has become even more effective and reliable due to advances in technology. In the years to come, steel is likely to become even more pivotal to help the oil sector progress. Steel pipes are specifically designed for use in the oil & gas industry. Due to their extensive range of benefits, steel pipes play a key role during the transport of hazardous materials, crude oil, and natural gas.

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

The Company has established world's one of the best 3LPE Coating facility having latest technology

BOARD'S REPORT (Contd.)

from Selmer, Netherland at its unit with an installed capacity of 27,50,000 Sq. mtr. for External and 11,00,000 Sq. Mtr. Internal Coating for pipes ranging from 4" to 64" diameter.

The order book continued to grow, particularly the value added products such as API coated pipes and exports. The Company has a strong **order book of around ₹ 850 crores in hand for API, Exports and Actual Users, which provides a good revenue visibility over a short to medium term.** The Company is witnessing strong enquiry flow, which should further improve the order book in the coming quarters.

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

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

DIRECT FORMING TECHNOLOGY (DFT) AT MALANPUR (M.P.)

The state-of-art imported mill for manufacturing of Heavy Structural Hollow Square / Rectangular Section Steel Tubes (up to 300 * 300 mm) of sizes > 6 mm to 12 mm with Direct Forming Technology (DFT) at Malanpur (M.P.) with an installed capacity of 36,000 MTPA, which commenced commercial production on 14th April, 2022 is performing as per expectations during the year. The new technology (DFT) not only paves an innovative route of high tech designed methodology to produce ERW Structural Steel Section Pipes and simplify the process by reducing the time & labour of producing customised hollow section pipes and makes operation setting accurate, easy and efficient but it also enabled to improve our value

added offerings of large diameter heavy structural pipes, resulted into creation of a larger and stronger steel pipes business with economies of scale.

The advantages derived through manufacturing from Direct Forming Technology (DFT), are:

1. Heavy structural pipe with higher dia and thickness which was not in the product mix earlier will now be used in a different segment of heavy infra projects like Airports, Railway etc. and also a big potential to export.
2. Speeds up the Hollow Section formation.
3. Just in Time Delivery to the customers even in small lots due to its faster changeover of sizes methodology at substantial reduced time.
4. Process is Autonomous & Computer measured with assured perfect pipe quality, dimensions and corner radius control.
5. High automation level

With the operation of the new technology (DFT), the Company will be immensely benefitted as good demand is foreseen from the domestic and export front to which it caters.

CONCLUSION

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

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

LIGHTING & CONSUMER DURABLES

The market for lighting fixtures and luminaires has undergone a significant transformation in recent years, with LED lights replacing incandescent bulbs. LED lights are highly energy-efficient, making them an increasingly popular choice for both residential and commercial use.

LED lights have become one of the most popular lighting technologies worldwide due to their

BOARD'S REPORT (Contd.)

numerous benefits, and their usage is expected to increase further. Industry reports project that LED lighting penetration will reach 87% by 2023, propelled by rising environmental concerns and favourable government initiatives.

During FY 2022-23 the Company registered Consolidated Revenue from operations of ₹ **1,545.17** crore as compared to ₹ 1,332.93 crores in FY 2021-22 an increase of **15.92%**. The EBITDA and Cash Profit had been ₹ **122.34** crore and ₹ **117.25** crore respectively in FY 2022-23 as compared to ₹ 106.47 and ₹ 98.53 crores achieved in FY 2021-22. The Profit before tax stood registered an increase of **25.21%** at ₹ **90.39** crores as compared to ₹ 72.19 crores achieved in FY 2021-22.

The FY 2022-23 witnessed growth across all business divisions of B2C and B2B, both on quarterly and last year basis. The EBITDA margins were steady and navigated inflation in commodities and currency.

The Consumer Lighting, Professional Lighting, Consumer Durable and PVC businesses continued to drive the growth as the Company kept introducing new products while working relentlessly on developing new products from its R&D Centre at Noida.

OVERVIEW, AND ACHIEVEMENTS IN 2022-23

LIGHTING

Surya Roshni ventured into Lighting in 1984, and has successfully transitioned over the last few years from being one of the clear market leaders in Conventional Lighting to becoming one of the leading LED Lighting player.

Surya is engaged in the manufacture and sales of Conventional Lighting (GLS, Tubelights) and energy-efficient LED Lighting (LED Bulbs, LED Battens, LED Tubes, Downlighters and other Luminaires) in the Consumer segment, and advanced Smart LED products for the Street Lighting, Infrastructure, Industry, Office and Retail Segments in the Professional segment. Façade Lighting and Solar Lighting are big growth areas for the Company.

Over the years, the Company has developed a strong brand, and is a major strong player in Consumer Lighting. It is also recognised as one of the most trusted and preferred brands in Lighting.

The Company has state-of-the-art manufacturing facilities at Kashipur (Uttarakhand) and Malanpur (Madhya Pradesh). Besides, it also has an advanced R&D Centre, the Surya Technology & Innovation Centre (STIC) at Noida.

Surya has created value in Lighting by:

- Increasing sales volumes, revenues and profits over the years
- Diversifying the product portfolio, with strong market leadership in the organised sector
- Launching over 250 new SKU's products over the last 3 years
- High engagement with distributors, dealers and retailers driving preference over its competitors
- Developing a Pan India reach, with very strong semi-urban and rural presence
- Building a strong brand, well accepted across India and globally
- Working with a satisfied and motivated team, with a large proportion of the team working with the Company for over 11 years
- Reducing energy consumption through continuous energy conservation initiatives

Some of the key achievements for Lighting in 2022-23:

- Consumer Lighting and durable business growth is 16% during the FY 2022-23
- LED Lights achieved almost ₹ 1000 crore with growth of 27%.
- Professional lighting witnessed 38% growth, with robust order inflow.
- All categories within LED lighting had an excellent growth both in value and volume term.
- Fan had a challenging year mostly on account of statutory changes. All other categories showed a decent growth.
- Lighting and Consumer Durable division has been able to repay all fund based loan and now the division is interest free.
- There has been a continuous decrease in cost related to warranty on account led lighting and is now one of the best in the industry.
- Productivity through Automation and Improvement projects increased by 20% + at both its plants at Malanpur and Kashipur
- Successfully achieved PLI investments and related revenue turnover during 2022-23. The investment helped in improving our Quality, lower Inventory and Speed to the Market. Our competitive edge both in bulb and batten has improved.

BOARD'S REPORT (Contd.)

- There has been improvement in our Premium portfolio mix.
- Greater thrust on advertising and marketing activities to enhance market share and brand Visibility Increased dealer and distributor engagement through various initiatives.
- Company has invested in improving its product visibility through packaging, dummies and key product display at more than 20,000 key retailers. Company also created innovative merchandise for creating brand shout-out from within more than 100,000 small electrical stores
- The Company has won number of projects and now is an approved make in most Central, State Government authorities, PSUs, EPCs and many Electrical consultants. The Company has won quite a few high visibility projects like Greater Noida Street Lighting and DVC.
- The Company has kept the continuous focus on both cost and quality which reflects improvements in different quality and cost parameters.

Fan & Appliances Sales Manpower were merged as ONE Team Consumer Durables with significant gains due to synergy, improved productivity, wider reach-coverage & setting things up for accelerated future growth. The division is also working for gain entry into new channels viz. E Commerce, Large Format Stores.

Consumer Durables

FANS

Surya entered the Fans category in 2014, and was the fastest company. Surya has contemporary designs, and a broad range, from designer fans to the economy range. The wide range includes Ceiling, Pedestal, Wall, Table, Domestic Exhaust, Industrial Exhaust and BLDC fans.

We had a smooth transition in Jan-2023 to BEE regime in Ceiling Fans & ready to take maximum advantage as organised market likely expansion.

Fans range now includes Smart Fans in ALL BEE star ratings and have innovative features such as Anti-Dust, Unique Designs, Energy efficient and High Air Delivery fans.

Some of the key achievements for Fans in 2022-23:

- Launched 12 new models, across relevant price points
- The share of Premium Fans increased
- Expanded in to the CPC/CSD segment

- Expanded the urban, Rural Authorised Service Centers, in order to drive faster resolution of consumer calls within 24 hours & improve Customer Visit Cost.

APPLIANCES

Surya entered the Appliances category in 2015. The appliances segment had consistent growth during recent years and with addition of new products, Home appliances grew by 25% YOY.

We cater to the needs of Indian consumers across different 6 main product categories of Food Preparation, Kitchen Appliances, Cooktops, Dry Irons, Room & Water Heating Appliances.

Some of the key achievements for Appliances in 2022-23:

- The category grew on the back of strong performance from critical sub-segments viz. Induction Cooktops (44%), Kitchen Appliances (31%) & Water Heaters (26%).
- The new launches in the Kitchen Appliances and Food Preparation categories include Bliss Mixer Grinders, Aqua Kettles, Indi cook Rice Cookers, Infrared Cooktops.
- Water Heater segment growth was driven by new launches in Instant Category & Customer Experience initiatives viz. Installation Support.

PLI Scheme

The Indian Government's Production-Linked Incentive (PLI) scheme for white goods is a significant step towards enhancing the global competitiveness of Indian air conditioner and LED lighting manufacturers. The scheme provides incentives to manufacturers who meet certain production targets.

The objective of the scheme is to encourage companies to increase their production capacity and invest in research and development to design new and innovative products. This, in turn, is expected to boost local manufacturing and sourcing of components and create employment opportunities in India.

The Company's capex under the PLI scheme is ongoing as per schedule. Once fully operationalised, it is expected to lower the external dependency along with the reduction in cost. The Company's constant effort to bring down replacement costs has worked well. (~ 457 bps from 678 bps), a significant reduction on YoY basis. The Company remains committed to further bring down the cost, which will enable the Company to offer high quality products

BOARD'S REPORT (Contd.)

FUTURE PROSPECTS

STEEL PIPES & STRIPS

Steel plays a vital role in the development of modern economy and consumption of steel widely taken to be an indicator of economic development. India has become the world's 2nd largest Steel producer. Steel Pipe Industry continues to have a strong demand in traditional sectors such as construction, housing, transportation, agriculture, boring, firefighting, Infrastructure, Oil & Gas sector and river interlinking etc. Various steps have been taken by the Government of India to boost steel production, consumption and exports. Indian economy, gradually become a preferred location for global manufacturing in medium to long term, shall make the Company more competitive considering its strong brand presence, Pan India operations and extensive dealer network mainly in rural and semi-urban areas.

India has become the global pipe manufacturing hub primarily due to the benefits of its lower cost, high quality and geographical advantages. The global accreditations and certifications that the Indian companies possess have made them preferred suppliers for many leading Oil and Gas companies in the world and particularly those in Middle East, North America and Europe.

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

The Company aim to maintain positive export momentum of value-added products, particularly API pipes, to various regions including Middle East, Europe, and Australia, despite facing geopolitical challenges. The Company intends to increase its market share in GP pipes by participating in the Government's 'Jal Jivan Mission'. Furthermore, the Company anticipates that there will be a demand for higher thickness and higher gauge material in India which in turn, will lead to a peak in demand for the DFT-based pipes in the coming period. In addition, the Company plans to cater to the 'inch-to-inch' pipes market in Canada and the US, resulting in incremental exports for the Company.

Government Initiatives

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

"Har Ghar Jal" – Piped water for all

Surya remains optimistic on high attention from the policy makers on future availability of drinking water and expansion of the piped drinking water for all. By an estimate, India is home to 18% Global Human Population with approximately 4% of Global Fresh Water resources. The lack of access to potable water is a serious health risk for millions of people, especially in rural areas. The Government's efforts to provide piped water to every household under the 'Jal Jeevan Mission' is a positive step in this direction. Nonetheless, it is of critical importance to prioritise the sustainability of the water supply and avoid further burdening the already over-utilised water resources.

With increased focus on water and irrigation segments in the Union Budget 2022-23 and the allocation of ₹ 862 billion towards the Ministry of Jal Shakti, India's water scarcity challenge is finally getting addressed. The creation of the National Interlinking of Rivers Authority (NIRA) is also a crucial development as it will facilitate the planning, investigation, financing, and implementation of river interlinking projects in the country.

Upto December, 2022 10.76 crore (55.62%) rural households have tap water supply and rest 44% of households are targeted to have FHTC by 2024 which is approx. 7.12 crore households. With the total estimated requirement of GI pipes envisaged under Jal Jeevan Mission scheme stands at approx. 15,00,000 M.T. for supplies till 2024, Surya, leading manufacturer of GI Pipes with capacity of 3.60 lakh M.T. will be immensely benefited due to its Pan India presence with the state of art plants which provide immense benefits with savings in logistic cost.

Surya Roshni is well-positioned to leverage the opportunities within the water segment. Its existing capacities for GI pipes and a robust presence in the rural regions of India are set to enable the Company chart a strong growth trajectory.

BOARD'S REPORT (Contd.)

BRAND VISIBILITY

Looking to the brand image of "Prakash Surya", the demand & supply scenario in Indian markets, the Company's state of the art Steel pipe manufacturing mills for production of ERW and Spiral pipes (GI, Black, Section) and API pipes with 3 LPE coating yielded results. Further, company from its Hindupur (A.P) unit derives benefits of economies of scale at lower capital cost and increased market share in the premium market of South India, leading to savings in logistic cost and strengthening the overall Steel Pipe business of the Company.

Surya Roshni has consistently promoted its brand through various forms of advertising, under the name 'Prakash Surya' for its steel pipes & strips products. With strong promotional endeavours, the Company has built greater visibility for its products.

LIGHTING & CONSUMER DURABLES

In **Consumer Lighting**, the Company will continue its high growth momentum, and is focused on further improving its distribution and reach, across Urban, Semi-Urban and Rural India. There will be several New Product Launches, across LED Lamps, Battens and Downlighters, including Smart Lighting products. The Company will continue to employ Channel Financing to support primary partners reach and counter share objectives

In **Professional Lighting**, the Company is further strengthening its Key Account Management, Projects and Design teams to drive a focused approach to its customers, and improve its project execution capabilities. There will be several New Product Launches, across segments, including sub segments where our market share is smaller.

In **Consumer Durables**, company will focus on gaining market share in both Fans and Appliances. It will expand its range of Fans, across types and price points. It will also launch several New Products in Appliances, including in Water Heaters, Room Heaters, Bliss Mixer Grinders Aqua Kettles, Indi Cook Rice Cookers, Infrared Cooktops and Induction Cooktops.

Surya will be aggressive in Advertising and Promotions in 2023-24, including both Above the Line and Below the Line advertising. The Company will continue to invest in Automation and upgradation of Systems to drive higher efficiencies and productivity. The Company is also investing in the PLI scheme for LED Lighting.

With a very strong and trusted brand, consumer centricity and innovation at the core, strong focus on quality, extremely strong distribution, a wide product range across Lighting and Consumer Durables, aggressive and focused plans for the year, a capable and experienced Senior Management Team, disciplined Working Capital management and supportive Government initiatives like Aatmanirbhar Bharat and the PLI scheme, Surya is well placed for a great FY 2023-24.

BRAND VISIBILITY

Surya reaches out to more than 300,000 retailers across the country. We will continue to invest in below the line marketing activation programs, with higher focus on in-store brand, product and key new product visibility. We will also invest on engagement products both offline and online for a two-way feedback and building our camaraderie with the channel.

We will use Social Media as a means to reach out to wider audience to drive our un-aided awareness and build preference score for key categories.

To above objectives, company has finalised and put in place new agencies to build sharper messaging and better return on marketing investments

RESEARCH AND DEVELOPMENT CENTRE

Surya Roshni is today one of the market leaders in Lighting Industry in India. This has become possible due to focus and commitment of the Management and employees. High Quality Products, strong marketing, cost effective production and a strong impetus on development and introduction of new LED products and technologies has also played a crucial role in achieving this. Surya Technology and Innovation Centre (STIC) has contributed immensely towards achieving the position presently enjoyed by the Company.

STIC has been involved in the research and development of smart, cost effective, and efficient LED lights with many unique and first-in-class features. The Company has invested in various resources required for the mechanical, electronics and optical development. Experienced designers and mechanical engineers design new luminaires ensuring that the lights stand apart in the aesthetics and functioning. The in-house electronics driver development for use in LED lights ensures high quality and high reliability of all our luminaires.

BOARD'S REPORT (Contd.)

The products designed and developed in the R & D centre cater to both the Commercial and Professional Lighting segments and cover a large range of indoor as well as outdoor products. The Company has developed entire range of luminaires with dimmable drivers, with programmable drivers, with astronomical timer based controls, LDR based controls and with several other features. STIC is also working towards development of smart products in both the segments to keep in line with the latest trends with the markets.

The Company has received design registrations for two products in the reported year – Street Light and Tunnel Light which have been completely designed and developed in-house. It gives credibility and confidence to the design team and strong support to the Marketing team.

All kinds of mechanical, electrical and safety tests are performed on the products before releasing for production to ensure that the performance of products during adverse electrical and environmental conditions is never compromised.

The Company's has NABL accredited Photometric and Electrical Testing Laboratories. The Photometry Testing laboratory has the capabilities to measure light distribution pattern, illuminance, luminous flux, chromaticity, color temperature (CCT), color rendering index (CRI) of light sources and luminaires. The centre is equipped with a High speed Mirror Gonio photometer (Type C) from LMT, Germany along with a 2m Integrating sphere, luminance meter and illuminance meters making it one of most well equipped Photometric testing lab in India. The Electrical Testing laboratory is equipped with several advanced equipments and have the capabilities to do Surge test, Immunity test, HV, IR, Leakage Current measurement, Switching Cycle Test, Thermal Test, Endurance test, Humidity test along with Ingress protection and Impact protection tests.

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

STIC is actively supporting Surya Roshni by providing the most energy efficient, safe, reliable and environment-friendly lighting products with best-in-class research, design and development and thus contributing its share towards brighter, better and a green India.

OUTLOOK

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

Surya Roshni's strong dealer and distribution network has enabled the Company to reach customers across the country, particularly in Tier - II, Tier – III cities, and rural areas. It has consistently generated value for its stakeholders through its strong brand equity, robust quality, continuous innovations, sound financials, seamless operational efficiency, and prudent management.

2. EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS:

As per the provisions of Section 134(3)(l) of the Companies Act, 2013 (hereinafter referred as "the Act" in this report), no material changes or commitment affecting the financial position that have been occurred between the end of the financial year of the Company to which the financial statements relate to the date of this report.

3. CHANGE IN THE NATURE OF BUSINESS, IF ANY:

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

4. GENERAL RESERVES

The Company has transferred an amount of ₹ 34 crore out of profit for the year to General Reserve.

5. DIVIDEND:

Pursuant to Regulation 43A of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended) (hereinafter referred as "Listing Regulations" in this report), the Company has Dividend Distribution Policy which is available on the Company's website at the following link:

BOARD'S REPORT (Contd.)

<https://surya.co.in/wp-content/uploads/2022/05/Dividend-Distribution-Policy.pdf>



The Board considering the Company's performance and financial position for the year under review, recommended a final dividend pay-out of ₹ 4.00 per equity share for the year ended 2022-23 subject to approval from the shareholders at the ensuing AGM and shall be subject to deduction of Income Tax at Source (TDS). This takes the total dividend pay-out for the current financial year to ₹ 7/- (including 1st Interim Dividend of ₹ 3/- paid in February, 2023). The outflow on account of final equity dividend will be ₹ 21.76 crore.

6. BOARD MEETINGS:

Under the Law, the Board of Directors must meet at least four times a year, with a maximum time gap of 120 days between any two meetings to consider amongst other business, the quarterly performance of the Company and financial results. The Board meetings of the Company are held during the financial year 2022-23 in compliance to the provisions of the Act and Listing Regulations.

During the last financial year, the Board met four times, on 19th May, 2022; 13th August, 2022; 10th November, 2022, and 18th January, 2023.

For further details, please refer to the Corporate Governance Report.

SECRETARIAL STANDARDS

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

7. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Re-appointment of Director to Retire by Rotation:

As per Article 77(ii) of the Articles of Association of the Company, Mrs. Urmil Agarwal (DIN – 00053809) retire by rotation and, being eligible, offer herself for reappointment.

Appointment of Directors

The Board of Directors on the recommendation of Nomination and Remuneration Committee (NRC) has appointed the following directors on the Board of the Company:

1. Mr. Tekan Ghanshyam Keswani (DIN- 09773189) as an Additional Independent Director on 28th October, 2022 and subsequently shareholders through Postal Ballot approved his appointment on 21st December, 2022 for his first term for a period of 5 consecutive years w.e.f. 28th October, 2022.
2. Mr. Naresh Agarwal (DIN- 00112365) as an Additional Independent Director on 4th November, 2022 and subsequently shareholders through Postal Ballot approved his appointment on 21st December, 2022 for his first term for a period of 5 consecutive years w.e.f. 4th November, 2022 to 3rd November, 2027.

Cessation of Directors:

- Mr. Krishan Kumar Narula - (DIN-00098124), an Independent Director, had ceased to be director on completion of consecutive two terms as an Independent Director of the Company w.e.f. 5th September, 2022
- Mr. Sudhanshu Kumar Awasthi - (DIN-02162923), an Independent Director, had ceased to be director on completion of consecutive two terms as an Independent Director of the Company w.e.f. 5th September, 2022
- Mr. Pramod Jain - (DIN-00002190), an Additional Director (Non-executive Independent), had ceased to be a director upon expiry of the term as an Additional Director at the Annual General Meeting held on 21st September, 2022.

Change of Key Managerial Personnel (KMPs)

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

Name of the official(s)	Key Managerial Personnel (KMPs)
Mr. Raju Bista	Managing Director
Mr. Vinay Surya	Managing Director
Mr. Tarun Kumar Baldua	ED & C.E.O – Steel Operations
Mr. Jitendra J Agrawal	C.E.O – Lighting & Consumer Durables
Mr. Bharat Bhushan Singal	CFO & Company Secretary

During the year, under review, Mr. Nirupam Sahay, ED & CEO Lighting had resigned from the services of the Company and relieved on the close of business hours on 31st May, 2022.

BOARD'S REPORT (Contd.)

Further, Mr. Jitendra J Agrawal is appointed as the Chief Executive Officer – Lighting & Consumer Durables of the Company w.e.f. 10th November, 2022.

Furthermore, Mr. B B Singal existing Company Secretary has also been appointed as Chief Financial Officer (CFO) w.e.f. 19th May, 2022

8. DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16 of the Listing Regulations.

All the Independent Directors of the Company have been registered in the data bank maintained with the Indian Institute of Corporate Affairs, Manesar ('IICA'). Further, in terms of Section 150 of the Act read with Rule 6(4) of the Companies (Appointment & Qualification of Directors) Rules, 2014, all the Independent Directors have passed or were exempted to undertake online proficiency self-assessment test conducted by the IICA including Mr. Tekan Ghanshyam Keswani who is exempted to undertake the test and Mr. Naresh Agarwal, Independent Director appointed during the year have to undergo proficiency self-assessment test within the prescribed time frame.

In the opinion of the Board, all independent directors possess strong sense of integrity and having requisite experience, qualification and expertise required for their role and independent of the Management For further details, please refer corporate governance report.

9. COMPOSITION OF AUDIT & OTHER COMMITTEES

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

Names of the Members	Director Identification No.	Category
Mr. TaraShankar Bhattacharya!	00157305	Chairman : Independent – Director
Mr. Surendra Singh Khurana	02126149	Member : Independent – Director
Mr. Vinay Surya	00515803	Member : Executive – Director

Names of the Members	Director Identification No.	Category
Mr. Sunil Sikka*	08063385	Member : Independent – Director
Mr. Krishan Kumar Narula^	00098124	Ex-Chairman : Independent – Director
Mr. Pramod Jain ^^	00002190	Member : Additional Independent – Director

! Appointed as the Chairman of the Committee by the members at their meeting held on 10th November, 2022

* Inducted as the member of the Committee by the Board of Directors on 22nd September, 2022.

^ Ceased to be director on completion of tenure as an Independent Director of the Company w.e.f. 5th September, 2022.

^^ Ceased to be the additional director of the Company upon expiry of the tenure at the Annual General Meeting held on 21st September, 2022.

All members of audit committee are financially literate and have accounting and related financial management expertise. Detailed information pertaining to the Audit Committee has been provided in the Corporate Governance Report.

Nomination and Remuneration Committee

The composition of the Committee is as follows:

Name of the Members	DIN	Position	Category
Mr. Surendra Singh Khurana	02126149	Chairman	Non-Executive, Independent
Mrs. Urmil Agarwal*	00053809	Member	Non-Executive, Non-Independent
Ms. Suruchi Aggarwal**	09501245	Member	Non-Executive, Independent
Mr. Krishan Kumar Narula^	00098124	Ex-Chairman	Non-Executive, Independent
Mr. Pramod Jain^^	00002190	Member	Non-Executive,; Additional Independent Director

! Appointed as the Chairman of the Committee by the members at their meeting held on 10th November, 2022

* Inducted as the member of the Committee by the Board of Directors on 19th May, 2022.

** Inducted as the member of the Committee by the Board of Directors on 22nd September, 2022.

BOARD'S REPORT (Contd.)

^ Ceased to be director on completion of tenure as an Independent Director of the Company w.e.f. 5th September, 2022.

^^ Ceased to be the additional director of the Company upon expiry of the tenure at the Annual General Meeting held on 21st September, 2022.

Detailed information pertaining to the Nomination and Remuneration Committee has been provided in the Corporate Governance Report.

Remuneration Policy

Remuneration Policy as framed by the Committee and approved by the Board keeping in view the provisions of Section 178 of the Act and Regulation 19 read with Part D Clause A of Schedule II of Listing Regulations. The policy inter alia provides for the following:

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

The said policy is available on the website of the Company and can be accessed at the following link:

https://surya.co.in/wp-content/uploads/2022/06/NRC-Revised-Policy_19.05.2022.pdf



Stakeholder's Relationship Committee

Composition / Name of Members and Chairperson

The Committee headed by Mr. Sunil Sikka (Non-executive – Independent Director) has the mandate to review and redress stakeholder grievances. The Composition of the committee is as follows:

Name of the Members	DIN	Position	Category
Mr. Sunil Sikka!	08063385	Chairman	Non-Executive, Independent
Mr. Raju Bista	01299297	Member	Executive; Non-Independent
Mr. Surendra Singh Khurana*	02126149	Chairman	Non-Executive, Independent
Mr. Krishan Kumar Narula^	00098124	Ex-Chairman	Non-Executive, Independent
Mr. Pramod Jain^^	00002190	Member	Non-Executive,; Additional Independent Director

! Inducted as the member of the Committee by the Board of Directors on 22nd September, 2022 and appointed as the Chairman of the Committee by the members at their meeting held on 16th March, 2023

*Inducted as the member of the Committee by the Board of Directors on 22nd September, 2022.

^ Ceased to be director on completion of tenure as an Independent Director of the Company w.e.f. 5th September, 2022.

^^Ceased to be the additional director of the Company upon expiry of the tenure at the Annual General Meeting held on 21st September, 2022.

Detailed information pertaining to the Stakeholder's Relationship Committee has been provided in the Corporate Governance Report.

Risk Management Committee

The Committee is, inter-alia, responsible to formulate the detailed risk management policy by identifying the internal and external risks faced by the Company including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risk, measures for risk mitigation, business continuity plan. The committee regularly review the methodology, processes and systems to monitor and evaluate risks associated with the business of the Company and proper implementation of the risk management policy. The committee kept updated the board of directors about the nature and content of its discussions, recommendations and actions to be taken.

Composition / name of members and chairperson

The Committee headed by Mr. Sunil Sikka (Non-executive – Independent Director) shall discharge the role and responsibilities as specified in Part C of Schedule II of the Listing Regulations as amended

BOARD'S REPORT (Contd.)

from time to time. The Composition of the committee is as follows:

Name of the Members	DIN	Position	Category
Mr. Sunil Sikka!	08063385	Chairman	Non-Executive, Independent
Mr. Vinay Surya	00515803	Member	Executive – Non-Independent
Mr. Kaustubh N Karmarkar	00288642	Member	Executive – Non-Independent
Mr. Tarun Baldua	-	Member	ED & CEO (Steel Operations)
Mr. Krishan Kumar Narula^	00098124	Ex-Chairman	Non-Executive, Independent
Mr. Pramod Jain^^	0002190	Member	Non-Executive, Additional Independent
Mr. Nirupam Sahay^^^	-	Member	ED & CEO (Lighting)

! Appointed as the Chairman of the Committee by the members at their meeting held on 1st March, 2023

^ Ceased to be director on completion of tenure as an Independent Director of the Company w.e.f. 5th September, 2022.

^^ Ceased to be the additional director of Company upon expiry of his tenure at the Annual General Meeting held on 21st September, 2022.

^^^ Resigned and relieved from the services of Executive Director & CEO- Lighting of the Company w.e.f. 31st May, 2022.

Detailed information pertaining to the Risk Management Committee has been provided in the Corporate Governance Report.

10. WHISTLE BLOWER POLICY (VIGIL MECHANISM) :

As per the provisions of Section 177(9) & (10) of the Act read with 4(2)(d)(iv) of Listing Regulations, the Company promotes ethical behaviour in all its business activities and has put in place a mechanism of reporting illegal or unethical behaviour. The Company has a Whistle Blower Policy (Vigil mechanism) wherein the directors and employees are free to report violations of laws, rules, regulations or unethical conduct, actual or suspected fraud or violation of the Company's code of conduct or

ethics policy to the nodal officer. The confidentiality of those reporting violations is maintained and they are not subjected to any discriminatory practice. The Company will oversee the mechanism through the Audit Committee and no personnel have been denied access to the Audit Committee. The Whistle Blower policy of the Company has been posted on the website of the Company at the following link:

https://surya.co.in/wp-content/uploads/2022/05/162928_whistle-blower-policy.pdf



11. DIRECTORS RESPONSIBILITY STATEMENT – IN PURSUANCE OF SECTION 134(5) OF THE COMPANIES ACT, 2013 :

The Board of Directors of the Company confirm that:

- in the preparation of the annual accounts for the financial year ending 31st March, 2023, the applicable accounting standards had been followed along with proper explanations relating to material departures;
- the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ending 31st March, 2023 and of the profit of the Company for that period;
- the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Directors had prepared the annual accounts on a "going concern" basis;
- the directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

BOARD'S REPORT (Contd.)

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

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

12. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

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

A statement providing details of performance and salient features of the financial statements of the Subsidiary company as per Section 129(3) of the Act, is provided in AOC-1 as **Annexure I** to this Report. Further during the year under review, no company have become / ceased to be our Subsidiary / Joint Venture/ Associate Company.

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

13. ANNUAL RETURN:

As per the provisions of section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014, a copy of Annual Return (2022-23) has been placed on the website of the Company and can be accessed at following link:

<https://surya.co.in/investor-relations/investor-information/#annual-return/>



14. AUDITORS AND AUDIT REPORT:

STATUTORY AUDITORS:

Pursuant to the provisions of section 139 of the Act, the members at the Annual General Meeting ("AGM") of the Company held on 21st September, 2022 had re-appointed M/s Ashok Kumar Goyal & Co, Chartered Accountants (firm registration No. – 002777N) as

Statutory Auditors of the Company for the second term to hold office for five years from the conclusion of 49th AGM till the conclusion of 54th AGM

The Statutory Audit Report for the year 2022-23 does not contain any qualification, reservation or adverse remark or disclaimer made by the Statutory Auditors.

APPOINTMENT OF OTHER AUDITORS

COST AUDITOR

The Company has maintained accounts and records as specified under sub-section (1) of 148 of the Act read with Companies (Audit & Auditors) Rules, 2014.

Pursuant to Section 148 of the Act, the Board has appointed M/s R. J. Goel & Company (a Cost auditor firm) as Cost Auditors for conducting the audit of the cost records of the Company for the financial year 2022-23.

In accordance with the provisions of Section 148(3) of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board has to be ratified by the members of the Company. Accordingly, appropriate resolution will form part of the Notice convening the AGM. The approval of the members is sought for the proposed remuneration payable to the Cost Auditors for the Financial Year ended 31st March, 2024. M/s R.J. Goel & Co., have vast experience in the field of cost audit and have been conducting the audit of the cost records of the Company for the past several years. The Cost Audit Report of the Company for the Financial Year ended 31st March, 2023 will be filed with the MCA.

SECRETARIAL AUDITOR:

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed M/s PI & Associates, (PR No. 1498/2021), a firm of Company Secretaries in Practice, to conduct Secretarial Audit of the Company for the financial year 2022-23. The Secretarial Audit Report for the financial year ended 31st March, 2023 is annexed herewith and marked as **Annexure II** to this report. The Secretarial Audit Report(s) is self- explanatory and does not contain any qualification, reservation or adverse remark.

BOARD'S REPORT (Contd.)

15. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:

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

16. DETAILS RELATING TO DEPOSITS

The Company has not accepted deposits under Chapter V of the Act. At the close of the year no amount is lying unpaid / unclaimed of any depositor for payment with the Company.

17. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS:

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

18. INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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

The Company is having an independent Internal Audit Department assisted by external professionals for assessing and improving the effectiveness of internal financial control with reference to financial statements and governance. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee.

19. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

As per the provisions of section 186(4) read with Rule 11 of the Companies (Meetings of Board and its

Powers) Rules, 2014, the particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilised by the recipient are provided in the Standalone Financial Statement (Please refer Note 6 and 46 to the Standalone Financial Statement).

20. RISK MANAGEMENT POLICY:

In line with the provisions of Section 134(3)(n) of the Act and Regulation 17(9) of Listing Regulations, the Risk Management Policy (referred to as RMP Policy) has already been formulated by the Risk Management Committee. The Policy aimed to develop an approach to make an assessment and management of the risks in financial, operational and project based areas in a timely manner. The main objectives of the Risk Management Policy are:

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

Detailed information pertaining to the same has been provided in the Management Discussion and Analysis (MDA) to the Report and therefore not repeated, to avoid duplication.

21. CORPORATE SOCIAL RESPONSIBILITY POLICY:

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

Composition / Category / Name of Members and Chairperson

BOARD'S REPORT (Contd.)

The Corporate Social Committee comprises of four Directors. The names along with categories of the members at the meeting was as follows:

S. No.	Name of the Members	DIN	Category
1.	Mr. Jai Prakash Agarwal	Member	Executive Chairman
2.	Mr. Raju Bista	Member	Managing Director
3.	Mr. Kaustubh Narsinh Karmarkar	Member	Non-Independent Director
4.	Ms. Suruchi Aggarwal §	Chairman	Independent Director
5.	Mr. Krishan Kumar Narula [^]	00098124	Ex-Independent Director
6.	Mr. Pramod Jain ^{^^}	00002190	Ex - Additional Director

§ Inducted as the member of the Committee on 22nd September, 2022 and appointed as the chairman by the members of the committee held on 16th March, 2023

[^] Ceased to be director on completion of tenure as an Independent Director of the Company w.e.f. 5th September, 2022.

^{^^} Ceased to be the director of the company upon expiry of his tenure as Additional Director on the date of Annual General Meeting held on 21st September, 2022

During the last financial year two CSR Committee meetings were held on 19th May, 2022 and 16th March, 2023.

To attain the objectives of Corporate Social Responsibility in a professional and integrated manner CSR Committee framed the Corporate Social Responsibility Policy of the Company in line with Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021.

"Surya Roshni Limited CSR Policy" framed as per the provisions of Section 135 and Schedule VII of the Act, describes and contains the Company's philosophy for

delivering its responsibility as a corporate citizen and lays down the guidelines, process and mechanisms for undertaking socially useful programmes for welfare and sustainable development of the community at large. The key objective is to eradicating hunger, poverty and malnutrition; Promoting health care; making available safe drinking water & Sanitation; Promoting education; enhancing vocational skills & livelihood enhancement projects; Women empowerment; Promoting of home and hostels for women and orphans; Reducing inequality faced by socially and economically backward groups; Animal welfare /animal care; Promoting Art & Culture; Contribution to Prime Minister Relief Fund; Rural development projects; and addressing environmental issues.

The detailed Corporate Social Responsibility Policy of the Company is available on the website of the Company at the following link: https://surya.co.in/wp-content/uploads/2023/08/Revised-CSR-Policy_27.04.2023-.pdf



The Company discharged its responsibilities through **Surya Foundation**, a public trust, (a registered entity under Ministry of Corporate Affairs (MCA) vide Registration Number CSR00002663 for undertaking the CSR activities) established in 1992 with established track record of more than 30 years, to undertake CSR related activities and further is an eligible implementing agency in accordance with the provisions of section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 amended from the time.

The CSR projects or programs or activities undertaken by the Company as per the Company's CSR Policy in India only, which includes Rural Development Programme, Promoting Health Care including Preventive Health Care and any other project covered under Schedule VII of the Act. The CSR activities like personality development camp, Computer Training camp, Eye camp, Poshan Vatika, Go-Utpad Training Camp, Gram Gaurav Prog, Plantation of rural area,

BOARD'S REPORT (Contd.)

Sports tournament, Selai Kendra, Swastya Shiver etc. or any other activities covered under Schedule VII of the Act shall be carried on under '**Rural Development Programme**' (Adarsh Gram Yojana Project) and also undertake projects on Naturopathy, Health Camps under '**Promoting Health Care including Preventive Health Care**' and any other projects covered under Schedule VII of the Act. The Company prefer to take up projects for spending the amount earmarked for CSR at local areas and regions where the Company operates and on pan India basis.

During the year under review, Company spent ₹ **4.23** crore on corporate social activities being not less than two percent of the average net profits of the Company(s) made during the three immediately preceding financial years as required under the provisions of Section 135(5) of the Act. No amount was left unspent during the year under review on CSR activities.

Annual Report on Corporate Social Responsibility Activities of the Company for the financial year 2022-23 is annexed as **Annexure IV** to the Board's Report.

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

22. CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

During the financial year ended 31st March, 2023, all the contracts or arrangements or transactions that were entered into with related party as defined under the Act, and Regulation 23 of Listing Regulations, were on an arm's length basis and were in the ordinary course of business. However, pursuant to Regulation 23(2) of Listing Regulations, prior approval of the Audit Committee was sought for entering into related party transactions.

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

considered material in accordance with the policy of the Company on related party transactions. Thus, disclosure in form AOC-2 is not required.

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

The policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at the following link:

https://surya.co.in/wp-content/uploads/2022/06/RPT_Revised_Policy_19.05.2022.pdf



Your Directors draw attention of the members to Note No. 49 to the Standalone financial statement which sets out disclosures on related parties and transactions entered into with them during the Financial Year under review.

23. PERFORMANCE EVALUATION:

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Clause VII and VIII of Schedule IV of the Act and in compliance with Listing Regulations and other applicable regulations referred to as "Listing Regulations", Nomination and Remuneration Committee ("the Committee") has formulated "Nomination and Remuneration Policy" for performance evaluation of Independent Directors, Board, Committees and other Individual Directors.

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

BOARD'S REPORT (Contd.)

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

The Company has devised a formal process for annual evaluation of performance of the Board, its Committees and Individual Directors including Independent Directors. The process provides that the performance evaluation shall be carried out on annual basis.

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

On the basis of the recommendation received from Nomination and Remuneration Committee in regard to performance evaluation of Non-Independent Directors including the Chairman of the Company and the Board as a whole (including its Committees), Independent Directors at its meeting reviewed the -

- ✓ Evaluation of the Performance of the Non – Independent Directors and the Board as a Whole.
- ✓ Evaluation of the performance of the Board Committees including Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee, Risk Management Committee and Other Compliance Committees.
- ✓ Evaluation of the Performance of the Chairman of the Company taking into account the views of Executives and Non-Executive Directors.

- ✓ Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

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

Based on the recommendations of the Nomination and Remuneration Committee, the Independent directors at their meeting held on 29th March, 2023 reviewed and evaluated the performance of Non-Independent Directors including the Chairman and further review and evaluate the Boards Performance, Board Committees performance and submit its report to the Chairman of the Company for assessment.

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

BOARD'S REPORT (Contd.)

expressed deep satisfaction with the entire performance evaluation process.

24. CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION

The Company has taken adequate steps to adhere to all the stipulations laid down in regulations 17 to 27, 46 and para C, D, E and F of Schedule V of Listing Regulations. A report on Corporate Governance is provided in **Annexure –V** and form part of this Report.

The Certificate from the Statutory Auditors of the Company confirming the compliance with the conditions of Corporate Governance as stipulated under listing Regulations read with Schedules of Listing Regulations, is attached to that report.

25. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

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

26. BOARD DIVERSITY

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

27. GENERAL

i. EMPLOYEE STOCK OPTION SCHEMES

The Shareholders of the Company approved the SRL Employee Stock Option Scheme – 2018 for 8,00,000 ESOPs vide their Special Resolution dated 28th September, 2018 and **Surya Roshni Limited - Employee Stock Option Scheme – 2021** for 8,00,000 ESOPs vide their Special Resolution dated 19th June, 2021

Disclosure with respect to Stock Options, as required under sub-rule 9 of Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and under the specified Regulations of the Securities and Exchange Board of India (Share Based Employee Benefits Sweat Equity) Regulations, 2021 ('the Regulations') as amended by Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, are available in the Notes to the Financial Statements and can also be accessed on the Company's website www.surya.co.in During the year, there has not been any change in the Company's Employee Stock Option Scheme. The scheme is in compliance with the Regulations.

Your Company's Secretarial Auditors M/s. PI Associates, certify the Employee Stock Option Schemes of the Company as implemented in accordance with the Regulations and the resolutions passed by the Members in this regard.

ii. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

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

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

iii. As per the Listing Regulations, the compliance certificate from Managing Directors and Chief Financial Officer is given and marked as **Annexure – VII** to this report.

iv. Details of application made or any proceeding pending under the Insolvency and Bankruptcy

BOARD'S REPORT (Contd.)

Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year. - Nil

Details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof – Nil

28. PARTICULARS OF EMPLOYEES:

The information required pursuant to Section 197(12) read with rule 5(1), 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, is enclosed as per **Annexure VIII**.

29. ACKNOWLEDGEMENTS

The Board places on record their appreciation for

the continued support from Financial Institutions, Bankers, Central and State Government Bodies, Legal Advisers, Consultants, Dealers, Retailers, other Business Constituents and Investors.

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

for and on behalf of the Board of Directors

Place: New Delhi
Dated: 27th April, 2023

J P Agarwal
Chairman
DIN- 00041119

ANNEXURE-I TO BOARD'S REPORT

FORM AOC-1

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

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

Part A Subsidiaries

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

1. Sl. No.	1
2. Name of the Subsidiary	SURYA ROSHNI LED LIGHTING PROJECTS LIMITED (CIN –U31200DL2019PLC344720)
3. The date since when subsidiary was acquired	21st January, 2019
4. Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable
5. Reporting currency and Exchange rate as on last date of the relevant financial year in the case of foreign subsidiaries	Not Applicable
6. Share Capital	385.00 (38,50,000 Equity Shares of ₹ 10/- each fully paid-up)
7. Reserve and Surplus	268.42
8. Total assets	666.38
9. Total liabilities	666.38
10. Investments	-
11. Turnover	694.40
12. Profit before Taxation	29.42
13. Provision for taxation	7.40
14. Profit after taxation	22.02
15. Proposed Dividend	Nil
16. Extent of shareholding (in %)	100% (Wholly-owned Subsidiary)

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

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

Part B Associate and Joint Venture

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

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

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

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

Place : New Delhi
Date: 27th April, 2023

ANNEXURE – II TO BOARD'S REPORT

FORM NO. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members
Surya Roshni Limited
(L31501HR1973PLC007543)

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Surya Roshni Limited (hereinafter called "the Company")**. The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon for the financial year ended on March 31st, 2023 ("**Audit Period**").

Limitation of the Auditors

- (i) Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the Audit Period, complied with the statutory provisions listed hereunder; and
- (ii) Based on the management representation, confirmation and explanation wherever required by us, the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

Auditors Responsibility

- (i) Our responsibility is to express the opinion on the compliance with the applicable laws and maintenance of records based on audit. We conducted our audit in accordance with the Guidance Note on Secretarial Audit ("**Guidance Note**") and Auditing Standards issued by the Institute of Company Secretaries of India ("**ICSI**"). The Guidance Note and Auditing Standards require that we comply with statutory and regulatory requirements and also that we plan and perform the audit so as to obtain reasonable assurance about compliance with applicable laws and maintenance of records.
- (ii) Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.
- (iii) Our audit involves performing procedures to obtain audit evidence about the adequacy of compliance mechanism exist in the Company to assess any material weakness, and testing and evaluating the

design and operating effectiveness of compliance mechanism based upon the assessed risk. The procedures selected depend upon the auditor's judgement, including assessment of the risk of material non-compliance whether due to error or fraud.

- (iv) 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 Board-processes and compliance-mechanism.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Audit Period, according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') (as amended from time to time)
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable to the Company during the audit period)

ANNEXURE-II TO BOARD'S REPORT

- h. The Securities and Exchange Board of India (Buy - back of Securities) Regulations, 2018; (Not applicable to the Company during the audit period)
- i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations, 2015').
- j. The Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018

It is further reported that with respect to the compliance of other applicable laws, we have relied on the representation made by the Company and its officers for system and mechanism framed by the Company for compliances under general laws (including Labour Laws, Tax Laws, etc.) and as informed to us, there are no laws which are specifically applicable to the Company.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by the ICSI wherein the Company is generally complying with the standards; and
- (ii) The Listing Agreements entered into by the Company with the Stock Exchange(s) and Listing Regulations.

During the Audit Period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned hereinabove

We further report that:

- (i) The Board of Directors of the Company was duly constituted with proper balance of Executive Director(s), Non-Executive Directors and Independent Directors during the Audit Period. The changes in the composition of the Board of Directors that took place during the Audit Period were carried out in compliance with the provisions of the Act. The following changes took place during the audit period:
 - a. Mr. Tekan Ghanshyam Keswani and Mr. Naresh Agarwal were appointed as Independent Directors of the Company for a period of 5 years w.e.f. October 28, 2022 and November 04, 2022 respectively.
 - b. The proposal of regularization and appointment of Mr. Pramod Jain as an Independent Director, who was appointed as an additional director w.e.f November 27, 2021, was not placed before the AGM held on September 21, 2022 by the Board of Directors. Thus, he ceased to hold the office as a director with effect from the date of AGM.
 - c. Mr. Krishan Kumar Narula and Mr. Sudhanshu Kumar Awasthi ceased to be the Independent Directors of the Company with effect from September 05, 2022 due to completion of their tenure.
- (ii) Further, the composition of all statutory committees was also in compliance with the Act and applicable Rules and Regulations.

- (iii) Adequate notice was given to all directors to schedule the Board Meetings, Statutory Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- (iv) The majority of decisions were carried through and there were no instances mentioned in the minutes where any director expressed any dissenting views.

We further report that in our opinion, the Company has, in all material respects, adequate systems and processes commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.

Matters of emphasis

We observed that Mr. Pramod Jain was appointed as an additional independent director dated November 27, 2021 for a period of 5 years subject to the approval of shareholders in the ensuing Annual General Meeting ('AGM'). However, as informed to us, the Board of Directors of the Company was in an opinion not to continue with the appointment of the said Director and thus, the Board did not recommend to the shareholders in the AGM held on September 21, 2022 for their approval to continue as a director of the Company. Consequently, the approval of shareholders as an Independent Director w.e.f November 27, 2021 became infructuous.

Our report in respect of the abovementioned matters shall not be considered as modified or qualified.

We further report that during the audit period there was just one event in the Company having major bearing on the Company's affairs i.e., the commencement of Commercial Production for manufacturing of heavy structural hollow square/rectangular section steel tubes with Direct Forming Technology at Gwalior, Madhya Pradesh on April 14, 2022, with an installed capacity of 36,000 MTPA.

For **PI & Associates**,
Company Secretaries

Nitesh Latwal
Partner
ACS No.: 32109
CP No.: 16276
Peer Review No.: 1498/2021

Date: 27th April, 2023
Place: New Delhi

UDIN: A032109E000195657

Disclaimer:

This report is to be read with our letter of even date which is annexed as "Annexure A" which forms an integral part of this report.

ANNEXURE - A

To,
The Members
Surya Roshni Limited

Our Secretarial Audit Report of even date is to be read along with this letter:

- (i) Maintenance of secretarial records is the responsibility of the management of the Company. Our Responsibility is to express an opinion on these secretarial records based on our audit.
- (ii) 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 sampling 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.
- (iii) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- (iv) Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulation and happening of events etc.
- (v) The compliance of the provisions of corporate and other sector specific laws as applicable on the Company, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on sampling basis.
- (vi) The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **PI & Associates**,
Company Secretaries

Nitesh Latwal
Partner
ACS No.: 32109
CP No.: 16276
Peer Review No.: 1498/2021

Date: 27th April, 2023
Place: New Delhi
UDIN: A032109E000195657

ANNEXURE – III TO BOARD'S REPORT

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo as per Section 134(3) (m) read with Companies (Accounts) Rules 2014 and forming part of the Directors' Report for the year ended 31st March, 2023.

I. CONSERVATION OF ENERGY

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

a. Energy conservation measures taken:

At Steel Pipes & Strips Segment – Bahadurgarh Unit:

- Purchase Hydrogen gas from outside vendor which helps in reduced the cost and saves the electricity for producing the Hydrogen Gas from Ammonia.
- Replacement of old 650KW motor of CR mill with new motor increase the reliability of the motor and reduces frequent breakdown which leads to energy conversation.
- Nitrogen Furnace converted into Auto mode for Burner firing and control from Manual mode which leads to reduction in Natural Gas consumption.
- Installation of Variable frequency drive in the Blower & motors leads to energy conversation by reducing the electricity consumption at the time of no load on the machines.

At Steel Pipe Unit - Hindupur:

- Replacement of T.M Loose Impeder changed with Fix Impeder resulted into:
 - Maintaining power factor upto 0.9999
 - Reducing roll change timing by 40%
 - Reducing breakdown timing by 11%

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

- Replacement of High Energy consuming electrical motor with compatible lower energy consuming motor with higher efficiency resulted in saving of energy.
- Saving of energy through replacement of Halogen lamps with LED Lamps.
- Saving pf energy is achieved through installation of active harmonic filter in plant for better power factor and Quality Replaced high energy consuming electrical

motor with lower energy consuming motors resulted in saving of energy.

- Saving of energy by replacement of 37KW motor at Hydro Tester Machine- 8 with 22 KW motor.

At Steel Pipe Unit - Malanpur:

- Saving of energy through Hydro testing-2 VFD installed at water filling pump & mill No. 5, raw water pump motor capacity reduced.
- Saving of energy through installation of G.I automatic furnace burner firing system.

At Malanpur Unit of Lighting Division:

- Saving of Energy is achieved by reducing the water consumption average 50 KL / day in plant and process by laying ground water supply network.
- Optimisation of Compressor power against CFM requirements resulted in saving energy.
- Saving of electrical energy 3.0 KWh by installing VFD on Cap furnace consumption Blower.
- Saving of electrical energy by 3.0 KW by altering motor connections from Delta to Star in Glass plant area
- Saving of electrical energy by installation of PIR motion sensors
- Reduction in Natural Gas consumption at Glass furnace after rebuild
- Energy savings by utilising Solar and Propane
- Saving of Energy is achieved by installing air pressure boosters for reducing generation pressure.

At Kashipur Unit of Lighting Division:

- Saving of energy is achieved by installation of Solar system for power supply in place of D.G set supply.
- Saving of energy achieved by replacement of old conventional window A.C with new split inverter A.C in filament plant and UPs rooms.

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

- Saving of energy through installation of energy efficient pump for soft water supply.
- Optimisation of cooling tower fan for filament plant by replacement of 5.5 KW fan by 1.5KW.
- Replaced the Kenthal Wire heater in multidraw machine by IR Heater to save energy.
- Saving of energy is achieved through modification of Wire Drawing Multidraw Machine Control panel

b. Steps taken by the Company for utilising alternate source of energy:

Company is exploring options to use Solar Based Energy/Wind Power Energy as an alternate source of energy in future.

c. The Capital Investment on energy conservation equipment's:

Regular investment on energy conservation equipment's are made by the Company.

II. TECHNOLOGY ABSORPTION

Efforts made in technology absorption as per Rules:

1. Research and Development (R&D)

a. Specific areas in which R&D carried out by the Company:

During the year under review, development / completion of products / projects in the field of energy efficient Light Sources and Luminaires & its application including LED Lighting System has been carried out.

b. Benefits derived as a result of above R&D:

Developed / modified energy efficient environment friendly lighting products.

c. Future Plan of action:

Research and Development activities in future at a modern, world-class, in-house Research & Development Centre in Noida is in the field of energy efficient Light Sources and Luminaires & its application including LED Lighting System.

d. Expenditure on R & D:

Capital Expenditure during the year is ₹ 0.18 crore & Revenue Expenditure is ₹ 3.58 crore

2. Technology absorption, adaptation & innovation:

a. Efforts, in brief, made towards technology absorption, adaptation & innovation:

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

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

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

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

III. FOREIGN EXCHANGE EARNINGS AND OUTGO

a. Activities relating to exports, initiatives taken to increase export, development of new markets for products and services and export plans:

The Company continued to maintain its focus & avail of export opportunities based on economic considerations.

During the year, the Company has exports (FOB value) worth ₹ 1,264.36 crore

b. Total foreign exchange used and earned (₹ in crore)

Used: 377.74 Earned: 1066.23

for and on behalf of the Board of Directors

Place : New Delhi
Date: 27th April, 2023

J P AGARWAL
CHAIRMAN
DIN – 00041119

ANNEXURE – IV TO BOARD'S REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITIES (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2022-2023

1. Brief Outline on CSR Policy of the Company

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

available safe drinking water & sanitation; promoting education; enhancing vocational skills & livelihood enhancement projects; women empowerment; promoting of home and hostels for women and orphans; reducing inequality faced by socially and economically backward groups; animal welfare / animal care; promoting art & culture; contribution to Prime Minister Relief Fund; rural development projects; and addressing environmental issues.

2. Committee Composition:

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

S. No.	Name of Director	Designation	Number of meetings of CSR committee held during the year	Number of meetings of CSR committee attended during the year
1	Mr. Jai Prakash Agarwal	Executive Chairman	2	2
2	Mr. Raju Bista	Managing Director	2	2
3	Mr. Kaustubh Narsinh Karmarkar	Non-Independent Director	2	2
4	Ms. Suruchi Aggarwal \$	Independent Director	2	1
5	Mr. Krishan Kumar Narula^	Ex- Independent Director	2	1
6	Mr. Pramod Jain^^	Ex- Additional Director	2	1

\$ Inducted as the member of the Committee on 22nd September, 2022 and appointed as the chairman by the members of the committee held on 16th March, 2023

^ Ceased to be director on completion of tenure as Independent Director of the Company w.e.f. 5th September, 2022

^^Ceased to be the director of the Company upon expiry of his tenure as Additional Director on the date of Annual General Meeting held on 21st September, 2022.

3. Web-link

The Composition of the Corporate Social Responsibility Committee, detailed Corporate Social Responsibility Policy of the Company and CSR Projects approved by the Board are available at the below mentioned link:

Composition of committee Web-link

<https://surya.co.in/wp-content/uploads/2022/10/Composition-of-Committees.pdf>



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

CSR Policy Web-link

https://surya.co.in/wp-content/uploads/2023/08/Revised-CSR-Policy_27.04.2023-.pdf



CSR Projects Undertaken during FY 2022-23 Web-link

<https://surya.co.in/wp-content/uploads/2023/03/CSR-PROJECTS-FY2022-23.pdf>



4. Impact Assessment

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

		(in ₹)
5.	a. Average Net Profit of the Company for last three financial years as per section 135(5)	2,11,47,74,110
	b. Prescribe Amount of CSR expenditure (2% of Average)	4,22,95,500
	c. Surplus arising out of the CSR projects or programmes or activities of the previous financial years	Nil
	d. Amount required to be set off for the financial year if any	Nil
	e. Total CSR obligation for the financial year 2022-2023 (b+c-d)	4,22,95,500

6. a. Details of CSR amount spent against ongoing projects for the financial year 2022-23:

(₹ in crore)

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

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

Details of CSR amount spent against other than ongoing projects for the financial year 2022-23

1 Sl. No	2 Name of the Project	3 Items from the list of activities in Schedule VII to the Act	4 Activity	Local Area (Yes / No)	5 Location of the Project		6 Amount Spent for the Project (in ₹)	7 Mode of Implementation – Direct Yes / No	8 Mode of Implementation – Through Implementing Agency	
					State	District			Name	CSR Registration No.
1	Adarsh Gram Yojna	Rural Development Project	Abhiyash varg Camp Expenses	Yes	Haryana	Sonipat	4,01,43,005	No	Surya Foundation	CSR00002663
			Advance Training Camp Expenses For Volunteer	Yes	Haryana	Sonipat				
			Artificial Jewellery Training Programme Expenses	Yes	Madhya Pradesh	Indore				
				Yes	Gujarat	Kutch				
				Yes	Uttarakhand	Udham Singh Nagar				
			Bharat Youth Club Shararik Varg Training Camp	Yes	Haryana	Sonipat				
			Dari Distribution Expenses	Yes	Andhra Pradesh	Anantpur (Sri Sathya sai)				
				Yes	Gujarat	Kutch				
				Yes	Haryana	Jhajjar				
				Yes	Madhya Pradesh	Bhind				
			Yes	Uttarakhand	Udham Singh Nagar					
			Computer Training Camp at Gollapuram	Yes	Andhra Pradesh	Anantpur (Sri Sathya sai)				
			Dakshta Varg Camp Expenses	Yes	Haryana	Sonipat				
				Yes	Gujarat	Kutch				
			Diwali Mangal Milan Programe Expenses	Yes	Delhi	Delhi				
			Eye Camp at Jhinjoli	Yes	Haryana	Sonipat				
			Family Camp Expenses	Yes	Haryana	Sonipat				
			Festival Expenses	Yes	Delhi	Delhi				
			Office Item Distribution Expenses	Yes	Gujarat	Kutch				
				Yes	Haryana	Jhajjar				
Yes	Madhya Pradesh	Bhind								
Yes	Uttarakhand	Udham Singh Nagar								
Go Utpaad Training Camp Expenses	No	Chhattisgarh	Rajnand Gaon, Raipur							
	No	Uttar Pradesh	Varanasi							
	Yes	Madhya Pradesh	Indore							
Gram Gaurav Programe at Madhya Pradesh Expenses	Yes	Madhya Pradesh	Indore							

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

1 Sl. No	2 Name of the Project	3 Items from the list of activities in Schedule VII to the Act	4 Activity	Local Area (Yes / No)	5 Location of the Project		6 Amount Spent for the Project (in ₹)	7 Mode of Implementation – Direct Yes / No	8 Mode of Implementation – Through Implementing Agency	
					State	District			Name	CSR Registration No.
Adarsh Gram Yojna	Rural Development Project		Hastshilp Kala & Bakery Training at Gollapuram	Yes	Andhra Pradesh	Anantpur (Sri Sathya Sai)				
			Jal Sangrakshan Abhiyan Expenses	Yes	Haryana	Sonipat				
			JFC Training Camp	Yes	Haryana	Sonipat				
			Jhijholi Mela Expenses	Yes	Haryana	Sonipat				
			Kishan Sammelan Expenses at Hindupur	Yes	Andhra Pradesh	Anantpur (Sri Sathya sai)				
			Long Training Camp Expenses For Volunteer	Yes	Haryana	Sonipat				
			LPDC Training Camp Expenses for Volunteer	Yes	Haryana	Sonipat				
			Megamike at Hindupur	Yes	Andhra Pradesh	Anantpur (Sri Sathya sai)				
			Mini Kids Camp Expenses	Yes	Delhi	Delhi				
			Mini Personality Development Camp Expenses	Yes	Andhra Pradesh	Chikbillapur, Anantpur (Sri Sathya sai)				
				Yes	Haryana	Jhajjar, Bhiwani, Hissar, Sonipat, Fatehabad				
				Yes	Madhya Pradesh	Bhind, Vidisha, Sehore, Raisen, Indore, Gwalior				
				Yes	Uttarakhand	Udham Singh Nagar				
				Yes	Gujarat	Aravalli, Kutch				
				No	Assam	Biswanath, Majuli, Kamrup (R)				
				No	Chhattisgarh	Kabirdham, Raipur, Rajnand Gaon, Korba				
				Yes	Delhi	West Delhi				
				No	Jharkhand	Ranchi, Ramgarh				
				No	Karnataka	Bidar				
				No	Maharashtra	Nagpur				
No	Manipur	Kangpopki, Kakching								
No	Odisha	Ganjam, Khurda								
No	Rajasthan	Jaipur, Bikaner, Nagaur, Jodhpur								
No	Uttar Pradesh	Amethi, Barabanki, Basti, Hardoi, Lakhimpur Khiri, Lucknow, Bareilly, Hathras, Mathura, Gorakhpur, Fatehpur, Hamirpur, Kanpur, Varanasi, Meerut, Kaushambi								
No	West Bengal	Darjeeling, Uttar Dinajpur, Kalimpong, Dakshin Dinajpur								
		Musical Instruments	No	Karnataka	Bidar					

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

1 Sl. No	2 Name of the Project	3 Items from the list of activities in Schedule VII to the Act	4 Activity	5 Local Area (Yes / No)	6 Location of the Project		7 Amount Spent for the Project (in ₹)	8 Mode of Implementation – Direct Yes / No	9 Mode of Implementation – Through Implementing Agency	
					State	District			Name	CSR Registration No.
	Adarsh Gram Yojna	Rural Development Project	Pashu Chikitsa Shiver	No	Chhattisgarh	Rajnand Gaon				
			Personality Development Camp Expenses For Volunteer	Yes	Madhya Pradesh	Sehore				
			Plantation Expenses At Village	No	Uttar Pradesh	varanasi, Gorakhpur				
				No	Jharkhand	Ranchi				
				Yes	Haryana	Sonipat				
				Yes	Andhra Pradesh	Chikbillapur, Anantpur (Sri Sathya sai)				
				No	Assam	Biswanath, Majuli, Kamrup (R)				
				No	Chhattisgarh	Kabirdham, Raipur, Rajnand Gaon, Korba				
				Yes	Delhi	West Delhi				
				Yes	Gujarat	Aravalli, Kutch				
				Yes	Haryana	Jhajjar, Bhiwani, Hissar, Sonipat				
				No	Jharkhand	Ramgarh				
				No	Karnataka	Bidar				
				No	Maharashtra	Nagpur				
			No	Manipur	Kangpopki, Kakching					
			Yes	Madhya Pradesh	Bhind, Vidisha, Sehore, Raisen, Indore, Gwalior					
			No	Odisha	Ganjam, Khurda, Puri					
			No	Rajasthan	Jaipur, Bikaner, Nagaur, Jodhpur					
			Yes	Uttrakhand	Udham Singh Nagar					
			No	Uttar Pradesh	Amethi, Barabanki, Basti, Hardoi, Lakhimpur Khiri, Lucknow, Bareilly, Hathras, Mathura, Gorakhpur, Fatehpur, Hamirpur, Kanpur, Varanasi, Meerut, Kaushambi, Sitapur					
			No	West Bengal	Darjeeling, Uttar Dinajpur, Kalimpong, Dakshin Dinajpur					
			Poshan Vatika Abhiyan Expenses	No	Chhattisgarh	Rajnand Gaon				
				No	Rajasthan	Jodhpur				
				No	Uttar Pradesh	Mathura, Gorakhpur				
				Yes	Andhra Pradesh	Anantpur (Sri Sathya sai)				
				Yes	Gujarat	Kutch				
				Yes	Haryana	Jhajjar, Sonipat				
				Yes	Madhya Pradesh	Sehore, Vidisha				
				Yes	Uttrakhand	Udham Singh Nagar				
			Selai Kendra Expenses	Yes	Haryana	Jhajjar				
				Yes	Gujarat	Kutch				
			Self Help Group Expenses	Yes	Haryana	Sonipat				
			Seminar Expenses	Yes	Delhi	Delhi				
			Social Work Expenses	Yes	Andhra Pradesh	Anantpur (Sri Sathya sai)				
Sports Camp Expenses	No	Assam	Kamrup (R)							
	No	Chhattisgarh	Raipur, Rajnand Gaon, Korba							
	Yes	Delhi	West Delhi							
	No	Jharkhand	Ramgarh							
	No	Karnataka	Bidar							
	No	Maharashtra	Nagpur							
	No	Odisha	Puri							

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

1 Sl. No	2 Name of the Project	3 Items from the list of activities in Schedule VII to the Act	4 Activity	Local Area (Yes / No)	5 Location of the Project		6 Amount Spent for the Project (in ₹)	7 Mode of Implementation – Direct Yes / No	8 Mode of Implementation – Through Implementing Agency	
					State	District			Name	CSR Registration No.
Adarsh Gram Yojna	Rural Development Project		Sports Camp Expenses	No	Rajasthan	Bikaner, Nagaur, Jodhpur				
				No	Uttar Pradesh	Amethi, Barabanki, Basti, Hardoi, Lakhimpur Khiri, Lucknow, Bareilly, Hathras, Mathura, Gorakhpur, Fatehpur, Hamirpur, Kanpur, Varanasi, Meerut, Kaushambi				
				No	West Bengal	Darjeeling, Uttar Dinajpur, Kalimpong				
				Yes	Gujarat	Aravalli, Kutch				
				Yes	Haryana	Jhajjar, Sonipat				
				Yes	Madhya Pradesh	Bhind, Vidisha, Sehore, Raisen, Indore				
				Yes	Uttrakhand	Udham Singh Nagar				
				Yes	Andhra Pradesh	Anantpur (Sri Sathya sai)				
				Yes	Haryana	Jhajjar				
				Yes	Uttrakhand	Udham Singh Nagar				
				Yes	Madhya Pradesh	Bhind				
				Yes	Andhra Pradesh	Anantpur (Sri Sathya sai)				
				Yes	Haryana	Sonipat				
				Yes	Madhya Pradesh	Sehore				
				Yes	Andhra Pradesh	Anantpur (Sri Sathya sai)				
			Yes	Madhya Pradesh	Sehore					
			Yes	Gujarat	Kutch					
			No	Maharashtra	Raigarh					
			No	Uttar Pradesh	Varanasi					
			Yes	Andhra Pradesh	Anantpur (Sri Sathya sai)					
			Yes	Haryana	Jhajjar, Bhiwani, Hissar, Sonipat					
			Yes	Madhya Pradesh	Bhind, Vidisha, Sehore, Raisen, Indore, Gwalior					
			Yes	Uttrakhand	Udham Singh Nagar					
			Yes	Gujarat	Aravalli, Kutch					
			No	Assam	Biswanath, Majuli, Kamrup (R)					
			No	Chhattisgarh	Kabirdham, Raipur, Rajnand Gaon, Korba					
			Yes	Delhi	West Delhi					
			No	Jharkhand	Ranchi, Ramgarh					
			No	Karnataka	Bidar					
			No	Maharashtra	Nagpur					
No	Manipur	Kangpopki, Kakching								
No	Odisha	Ganjam, Khurda, Puri, Raurkela								
No	Rajasthan	Jaipur, Bikaner, Nagaur, Jodhpur								

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

1 Sl. No	2 Name of the Project	3 Items from the list of activities in Schedule VII to the Act	4 Activity	4 Local Area (Yes / No)	5 Location of the Project		6 Amount Spent for the Project (in ₹)	7 Mode of Implementation – Direct Yes / No	8 Mode of Implementation – Through Implementing Agency	
					State	District			Name	CSR Registration No.
	Adarsh Gram Yojna	Rural Development Project	Yoga Day Expenses	No	Uttar Pradesh	Amethi, Barabanki, Basti, Hardoi, Lakhimpur Khiri, Lucknow, Bareilly, Pilibhit, Hathras, Mathura, Gorakhpur, Fatehpur, Hamirpur, Kanpur, Varanasi, Meerut, Kaushambi				
				No	West Bengal	Darjeeling, Uttar Dinajpur, Kalimpong				
2	Naturopathy	Promoting Health Care including Preventive Health Care	Promoting Health Care including Preventive Health Care	Yes	Delhi	Central Delhi	21,56,975		Surya Foundation	CSR00002663
Total							4,22,99,980			

- b. Amount spent in Administrative Overheads : Nil
- c. Amount spent on Impact Assessment, if applicable : Nil
- d. Total amount spent for the Financial Year (6a+6b+6c) : ₹ 4,22,99,980/-
- e. CSR amount spent or unspent for the Financial year

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
4,22,99,980	Nil	Not Applicable	Not Applicable	Nil	Not Applicable

f. Excess amount for set-off, if any:

Sl.No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	4,22,95,500
(ii)	Total amount spent for the Financial Year 2022-23	4,22,99,980
(iii)	Excess amount spent for the Financial year {(ii)-(i)}	Nil
(iv)	Surplus arising out of CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set off in succeeding Financial Years {(iii)-(iv)}	Nil

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

7. Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial year	Amount transferred to unspent CSR Account for the Project as per Section 135(6) (in ₹)	Balance Amount Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(6).		Amount remaining to be spent in the succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
1	2019-20	Nil	Nil	Nil	Nil	Nil	Nil	Nil
2	2020-21	Nil	Nil	Nil	Nil	Nil	Nil	Nil
3	2021-22	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total				Nil				

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year 2022- 23:

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):

Sl.No	Short particulars of the property or asset(s) (including complete address and location of the property)	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
				Nil			
Not Applicable				Nil	Not Applicable		

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

The Company had spent during the year an amount of ₹ 4.23 crore on corporate social responsibility (CSR) activities being not less than 2% of the average net profits of the company made during the three immediately preceding financial years as required under the provisions of section 135(5) of the Companies Act, 2013. No amount was left unspent during the year under review on corporate social responsibility activities.

Suruchi Aggarwal
Chairperson – CSR Committee
(DIN – 00098124)

Raju Bista
Managing Director
(DIN – 01299297)

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

for and on behalf of the Board of Directors

Place: New Delhi
Dated: 27th April, 2023

J P AGARWAL
CHAIRMAN
DIN - 00041119

ANNEXURE – V TO BOARD'S REPORT ON CORPORATE GOVERNANCE

1. Corporate Governance Philosophy

Corporate Governance is the creation and enhancement of long-term sustainable value for our stakeholders, comprising regulators, employees, customers, vendors, investors, and the society at large, through ethically driven business practices. The ethical values are the foundation of Company's governance philosophy which over the past 50 years of the Company's existence has become a part of its culture. Corporate Governance at Surya Roshni has been a continuous process and the business goals of the Company are aimed at the overall well-being and welfare of all the constituents of the system. The essence of Corporate Governance lies in the maintenance of integrity, transparency and accountability in the management's higher risks. At the heart of Company's Corporate Governance policy is the ideology of transparency and openness in the effective working of the management and Board. Company's commitment towards adoption of best corporate governance practices goes beyond compliance of the law and endeavors to embrace responsibility for corporate actions and impact of its initiatives on all stakeholders.

Your Company confirms the compliance of corporate governance requirements specified in Regulation 17 to 27 and clauses (a) to (z) of sub-regulation(s) 2 of Regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 (SEBI Listing Regulations), as applicable, with regard to corporate governance, the details of which are given below:

2. Board of Directors

a. Composition and Category of Directors as on 31st March, 2023

The Board consists of 11 Directors as on 31st March, 2023. The composition of the Board is in conformity with Regulation 17 of Listing Regulations. The day to day management of the Company was carried by 4 Executive – Non Independent Directors. Chairman is an Executive Director and the number of Independent Non-Executive Directors on the Board is more or equal to 50% of the Board strength at any point of time.

All Independent Non-Executive Directors possess the requisite qualification and are very experienced in their respective fields and further comply with the legal requirements for being "Independent". Neither Independent Directors nor their relatives have any pecuniary relationships or transactions either with the Company or its associate or with the promoters/management that may affect their judgment in any manner. The Independent Directors of the Company satisfied the definition of independent directors as provided in Section 149(6) of the Companies Act, 2013, referred to as "the Act" read with Regulation 16(1)(b) of Listing Regulations.

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

Total No. of Directors	11
Executive Chairman	Mr. Jai Prakash Agarwal
Managing Director	Mr. Raju Bista
Managing Director	Mr. Vinay Surya
No. of Independent Directors (Chairman being Executive)	6 (> 50% of Board Strength)
No. of Non-Executive Directors	7 (> 50% of Board Strength)

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

Name of the Directors	Director Identification No.	Category of Directors
Mr. Jai Prakash Agarwal (Executive Chairman)	00041119	Promoter ; Executive ; Non-Independent
Mr. Raju Bista (Managing Director)	01299297	Executive ; Non-Independent
Mr. Vinay Surya (Managing Director)	00515803	Promoter ; Executive ; Non-Independent
Mr. Kaustubh N Karmarkar (Whole-time Director)	00288642	Executive ; Non-Independent
Mrs. Urmil Agarwal	00053809	Promoter ; Non-Executive ; Non-Independent
Mr. TaraShankar Bhattacharya	00157305	Non-Executive ; Independent

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

Name of the Directors	Director Identification No.	Category of Directors
Mr. Surendra Singh Khurana	02126149	Non-Executive ; Independent
Mr. Sunil Sikka	08063385	Non-Executive ; Independent
Ms. Suruchi Aggarwal	09501245	Non-Executive ; Independent
Mr. Tekan Ghanshyam Keswani *	09773189	Non-Executive ; Independent
Mr. Naresh Agarwal **	00112365	Non-Executive ; Independent
Mr. Krishan Kumar Narula^	00098124	Non-Executive ; Independent
Mr. Sudhanshu Kumar Awasthi ^	02162923	Non-Executive ; Independent
Mr. Pramod Jain^^	00002190	Non-Executive ; Additional Independent

* Appointed on the Board w.e.f. 28th October, 2022 as an Additional Independent Director and subsequently shareholders through Postal Ballot approved his appointment on 21st December, 2022 for his first term for a period of 5 consecutive years w.e.f. 28th October, 2022 to 27th October, 2027.

** Appointed on the Board w.e.f. 4th November, 2022 as an Additional Independent Director and subsequently shareholders through Postal Ballot approved his appointment on 21st December, 2022 for his first term for a period of 5 consecutive years w.e.f. 4th November, 2022 to 3rd November, 2027.

^ Ceased on completion of two terms as an Independent Director of the Company w.e.f. 5th September, 2022.

^^ Ceased to be the director of the Company upon expiry of his tenure as Additional Director on the date of the Annual General Meeting held on 21st September, 2022.

b. Attendance of each Director at Board Meetings held during the year 2022-23 and last AGM

The names of the Directors on the Board and their attendance at Board meetings during the year 2022-23 and at the last AGM are as under:

Name of the Director	Director Identification No. (DIN)	No. of Board Meetings attended during 2022-23	Last AGM attendance As on 21.09.2022
Mr. Jai Prakash Agarwal (Executive Chairman)	00041119	4	NO
Mr. Raju Bista (Managing Director)	01299297	4	YES
Mr. Vinay Surya (Managing Director)	00515803	4	YES
Mr. Kaustubh N Karmarkar (Whole-time Director)	00288642	4	YES
Mrs. Urmil Agarwal	00053809	3	NO
Mr. TaraShankar Bhattacharya	00157305	3	NO
Mr. Surendra Singh Khurana	02126149	4	YES
Mr. Sunil Sikka	08063385	4	YES
Ms. Suruchi Aggarwal	09501245	4	NO
Mr. Tekan Ghanshyam Keswani *	09773189	2	NO
Mr. Naresh Agarwal **	00112365	2	NO
Mr. Krishan Kumar Narula^	00098124	2	NO
Mr. Sudhanshu Kumar Awasthi ^	02162923	2	No
Mr. Pramod Jain ^^	00002190	2	NO

* Appointed on the Board w.e.f. 28th October, 2022 as an Additional Independent Director and subsequently shareholders through Postal Ballot approved his appointment on 21st December, 2022 for his first term for a period of 5 consecutive years w.e.f. 28th October, 2022 to 27th October, 2027.

** Appointed on the Board w.e.f. 4th November, 2022 as an Additional Independent Director and subsequently shareholders through Postal Ballot approved his appointment on 21st December, 2022 for his first term for a period of 5 consecutive years w.e.f. 4th November, 2022 to 3rd November, 2027.

^ Ceased on completion of two terms as an Independent Director of the Company w.e.f. 5th September, 2022.

^^ Ceased to be the director of the Company upon expiry of his tenure as Additional Director on the date of the Annual General Meeting held on 21st September, 2022.

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

Information supplied to the Board

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

In terms of quality and importance, the information supplied by the Management to the Board of the Company is far ahead of the list mandated under regulation 17(7) read with Part A of Schedule II to the Listing Regulations.

Based on the recommendations of the Nomination and Remuneration Committee and Independent Directors at their meeting held on 29th March, 2023 reviewed and evaluated the performance of Non-Independent Directors including the Chairman and further review and evaluate the Boards Performance, Board Committees performance and submit its report to the Chairman of the Company for assessment. The Independent Directors of the Company at their meeting held on 29th March, 2023 expressed satisfaction on the quality, quantity and timeliness of flow of information between the Management and the Board, that is necessary for the Board to effectively and reasonably perform their duties.

Orderly succession to Board and Senior Management

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

c. Directorships and Committee Memberships in other companies as on 31st March, 2023

The names of the Directors and the details of chairmanship / directorships and committee memberships of each director in other companies as on 31st March, 2023 is given below:

Name of the Director	Director Identification No. (DIN)	No. of Directorships held in other companies		No. of committee positions held in other companies*		Name of the Listed Entity where the person is a Director and category of Directorship	
		Chairman	Director	Chairman	Member	Listed Entity	Category
Mr. Jai Prakash Agarwal (Executive Chairman)	00041119	-	-	-	-	-	-
Mr. Raju Bista (Managing Director)	01299297	-	-	-	-	-	-
Mr. Vinay Surya (Managing Director)	00515803	-	4	-	-	-	-
Mrs. Urmil Agarwal	00053809	-	1	-	-	-	-
Mr. TaraShankar Bhattacharya	00157305	-	2	1	1	-	-
Mr. Surendra Singh Khurana	02126149	-	-	-	-	-	-
Mr. Sunil Sikka	08063385	-	2	1	2	Eveready Industries India Limited	Independent; Non-Executive
Mr. Kaustubh N Karmarkar	00288642	-	1	-	-	-	-
Ms. Suruchi Aggarwal	09501245	-	-	-	-	-	-
Mr. Tekan Ghanshyam Keswani	09773189	-	-	-	-	-	-
Mr. Naresh Agarwal	00112365	-	2	-	-	-	-

*Only the position held in Audit Committee and Stakeholders Relationship Committee have been considered in terms of Regulations 26 of the Listing Regulations.

None of the –

- Directors of the Company holds directorship in more than 7 listed entities and
- Independent Directors of the Company serves as an independent director in more than 7 listed entities.
- Whole-time Directors / Managing Director of the Company serves as an independent director in more than 3 listed entities.
- Directors of the Company were members in more than 10 committees or acted as Chairperson of more than five committees across all listed entities in which they were Directors. (Audit Committee and the Stakeholders' Relationship Committee alone shall be considered for determination of limit)

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

d. No. of Board Meetings held in the financial year 2022-23 and dates on which held

Under the Law, the Board of Directors must meet at least once in a quarter and four times a year, with a maximum time gap of 120 days between any two meetings to consider amongst other business, the quarterly performance of the Company and financial results.

The Board meetings held during the financial year 2022-23 are in compliance of the provisions of the Act and Listing Regulations.

During the last financial year, Board met four times, on 19th May, 2022; 13th August, 2022; 10th November, 2022 and 18th January, 2023.

e. Disclosure of relationship between directors inter se.

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

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

As on 31st March, 2023, no shares or convertible instrument are held by any Non- Executive Director(s) of the Company except Mrs. Urmil Agarwal and Mr. Surendra Singh Khurana, who are holding 2,92,081 and 50 equity shares of the Company, respectively.

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

A familiarisation programme for Independent Directors was provided during the year to make them familiar with the Recent Regulatory and legal updates in the provisions of the SEBI and Corporate Laws. Director on the Board of the Company expressed happiness over the same. The details of the familiarisation programme imported to Directors was uploaded on the website of the Company at the following link:

<https://surya.co.in/wp-content/uploads/2023/04/Regulatory-Update.pdf>



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

Company Businesses /Segments	Core skills / expertise / competencies identified in the context of business(es) and sector(s)	Skills available with the Board
Steel Pipes & Strips Segment and Lighting & Consumer Durables Segment	<p>The Company is the largest exporter of ERW Pipes and largest manufacturer of ERW GI pipes in India under Brand "PRAKASH SURYA" and</p> <p>2nd Largest in Lighting – Marketing under brand "SURYA".</p> <p>Company with strong foothold in energy efficient lighting is moving towards Professional LED Lighting.</p> <p>This technology is transforming from a novelty to an indispensable daily companion through smart control devices. These devices utilise wireless controls for dimming, colour changing and can be managed from anywhere. Together with advanced sensors, smart cameras and other device these smart lighting devices constitute an ecosystem which can enrich the lives of modern consumers who can command and control these device by using simple voice commands or apps.</p>	<p>Surya, with strong brand equity, wide spread distribution network, strategic plant locations and professional management comprises of eminent Independent Directors viz.</p> <p>Mr. Tara Sankar Bhattacharya (an ex M.D of State Bank of India), Mr. Surendra Singh Khurana (an ex-Chairman of Railway Board and ex-officio Principal Secretary of GOI), Mr. Sunil Sikka, an Independent Director of the Company and an Ex-President of Havells (India) Limited & ELCOMA led multiple initiatives to accelerate growth in marketing of consumer electrical and lighting in India. Ms. Suruchi Aggarwal, an Independent Woman Director, a renowned and eminent practicing Advocate in the in the Supreme Court of India, Delhi High Court and other Courts Ms. Suruchi Aggarwal was retained by the Income Tax Department as its Senior Standing Counsel at Delhi High Court for about 8 years since 2008. Mr. Tekan Ghanshyam Keswani, an Independent Director of the Company possesses rich experience of more than 45 years in Commercial, Administration and Financial fields. He occupied Senior level positions at Jai Prakash Associates, Institute of Chartered Accountants of India, PHD Chamber of Commerce and Industry and other organisations.</p>

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

Company Businesses /Segments	Core skills / expertise / competencies identified in the context of business(es) and sector(s)	Skills available with the Board
		<p>Mr. Naresh Agarwal, an Independent Director, is an energetic and a dynamic person, known for his commitment, sincerity, loyalty and true spirits with deep rooted knowledge in the field of marketing and operations with vast business experience of over three decades.</p> <p>Above All,</p> <p>Mr. Jai Prakash Agarwal, Executive Chairman of the Company, is a brilliant and an exceptional person under whose leadership the Company registered sustained growth year-on-year. He is an inspirational and visionary leader awarded with Padma Shri for the distinguished services rendered in the field of Trade and Industry. A man unparalleled in his vision, efforts, foresight, blessed with a different quality and caliber has got its place among the top best undisputed leaders of the Industry. He is a renowned industrialist whose working approach is simply and truly magnificent, praise worthy and incredible. Mr. Agarwal's effective leadership has created strong image of the Company, perception in the industry and among the stakeholders and consumers. He provides diversity and new dimensions to the Company and enhances Company's Brand value.</p> <p>Mr. Raju Bista, Managing Director of the Company, is a strong young dynamic leader who leads from the front with a balanced approach. He is a phenomenal man who blessed with exemplary leadership qualities. He is a man who blessed with caliber, patience, modern ideas, conceptual thinking that stands him today among one of the top Industry leaders. His astute strategist in terms of technology, marketing network is remarkable. He is a visionary man with clarity in its mind and speech took prompt and effective decision as he visualise, analyses the situation well before it actually happens to ensure performance of the Company will not suffer in any scenario. His untired efforts had created value for Stakeholders through effective investor relationship mechanism. He is a man who focuses not only on creating the Company's intrinsic value but also the extrinsic value.</p> <p>Mr. Vinay Surya, Managing Director of the Company, is a young dynamic leader who performed his duties silently but with utmost sincerity and dedication. He is a man with conviction who stick to their plans to drive the Company to new heights and success. Mr. Vinay Surya, possesses sound knowledge of marketing, export, commercial and Operational fields and is having good knowledge of Corporate Governance, Audit and Administration. His inbuilt inherent qualities, values to run the business, comes from his father. His managerial skills has took the Company to new heights of success. He is a key planner as visualised with the setting up of modern updated SAP technology in the Company within a year time once he took the realm of the Company into his hands.</p> <p>Mrs. Urmil Agarwal possesses over four decades of experience with sound business acumen & understanding of both the businesses of the Company.</p> <p>Mr. Kaustubh N Karmarkar, Whole-time Director of the Company possess vast experience in the field of management & Human Resources and Planning.</p>

i. Confirmation by the Board

In the opinion of the Board, the Independent Directors fulfill the conditions as specified in the Listing Regulations and as per the provisions of the Act and Rules & Schedules made thereunder and are independent of the management. Also in the opinion of the Board all such Independent Directors are persons of integrity and having requisite expertise and experience (including the proficiency) required for their role.

j. Detailed Reasons for the resignation of an Independent Directors who resign before the expiry of their respective tenure:

Not Applicable

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

3. AUDIT COMMITTEE

i. Terms of Reference

The Audit Committee is, inter-alia, responsible for overseeing of the Company's financial reporting process, reviewing the quarterly/half-yearly/ annual financial statements, reviewing with the management on the financial statements and adequacy of internal audit function, recommending the appointment / re-appointment of statutory auditors and fixation of audit fees along with reviewing and monitoring the auditor's independence and performance, reviewing the significant internal audit findings / related party transactions, reviewing the Management Discussion and Analysis of financial condition and result of operation.

The Committee acts as a link between the management, external and internal auditors and the Board of Directors of the Company. The Committee discussed with the external auditors their audit methodology, audit planning and significant observations / suggestions made by them. The Committee also discussed major issues related to risk management, compliances and review the functioning of Whistle Blower Mechanism and approval of appointment of Chief Financial Officer.

In addition, the Committee has discharged such other role/function as envisaged under Regulation 18 read with Part C of Schedule II of Listing Regulations and the provisions of Section 177(4) of the Act.

ii. Composition / Category / name of members and chairperson

The Audit Committee comprises of four Directors as on 31st March, 2023. The names along with categories of the members at the meeting was as follows:

Names of the Members	Director Identification No.	Category
Mr. TaraShankar Bhattacharya!	00157305	Chairman : Independent – Director
Mr. Surendra Singh Khurana	02126149	Member : Independent – Director
Mr. Vinay Surya	00515803	Member : Executive – Director
Mr. Sunil Sikka*	08063385	Member : Independent – Director
Mr. Krishan Kumar Narula [^]	00098124	Ex-Chairman : Independent – Director
Mr. Pramod Jain ^{^^}	00002190	Member : Additional Independent – Director

! Appointed as the Chairman of the Committee by the members at their meeting held on 10th November, 2022

* Inducted as the member of the Committee by the Board of Directors on 22nd September, 2022.

[^] Ceased on completion of two terms as an Independent Director of the Company w.e.f. 5th September, 2022.

^{^^} Ceased to be the director of the Company upon expiry of his tenure as additional director on the date of the Annual General Meeting held on 21st September, 2022.

All the members have extensive financial and accounting knowledge and background. The quorum for the Committee is two independent members. The Audit Committee meetings were attended by the heads of Finance and Internal Audit and the Auditors (including Cost Auditors) as invitees. The members held discussions with the Auditors during the meetings and the Committee reviewed the periodic unaudited and audited financial results of the Company before being considered and approved by the Board of Directors. Mr. B.B. Singal, CFO & Company Secretary, acts as the Secretary to the Committee.

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

During the financial year 2022-23, four Audit Committee meetings were held on 19th May, 2022; 13th August, 2022; 10th November, 2022 and 18th January, 2023. The names along with categories of the members and the attendance of members at the meeting was as follows:

Name	Director Identification No.	Category	No. of Meetings Attended
Mr. TaraShankar Bhattacharya	00157305	Chairman : Independent – Director	3
Mr. Surendra Singh Khurana	02126149	Member ; Independent – Director	4
Mr. Vinay Surya	00515803	Member : Executive – Director	4
Mr. Sunil Sikka	08063385	Member ; Independent – Director	2
Mr. Krishan Kumar Narula	00098124	Ex-Chairman : Independent – Director	2
Mr. Pramod Jain	00002190	Member : Additional Independent – Director	2

The members of the Audit Committee Mr. Sunil Sikka, Mr. Surendra Singh Khurana and Mr. Vinay Surya were present in the 49th Annual General Meeting of the Company held on 21st September, 2022.

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

4. NOMINATION AND REMUNERATION COMMITTEE

i. Terms of Reference

The Nomination and Remuneration Committee is, inter-alia, responsible for:

- identifying persons who are qualified to become directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board their appointment and removal;
- shall specify the manner for effective evaluation of performance of the Board, its committees and individual directors and review its implementation and compliances;
- recommend the remuneration of the directors, key managerial personnel (KMP's) and senior management to the Board.
- Responsibility for administering the Employee Stock Option Schemes of the Company.

In addition, the Committee has discharged such other role/function as envisaged under Regulation 19 read with Part D Clause A of Schedule II of Listing Regulations and the provisions of Section 178 of the Act.

ii. Composition / name of members and chairperson

The composition of the Committee is as follows:

Name	DIN	Position	Category
Mr. Surendra Singh Khurana!	02126149	Chairman	Non-Executive, Independent
Mrs. Urmil Agarwal*	00053809	Member	Non-Executive, Non-Independent
Ms. Suruchi Aggarwal**	09501245	Member	Non-Executive, Independent
Mr. Krishan Kumar Narula^	00098124	Ex-Chairman	Non-Executive, Independent
Mr. Pramod Jain^^	00002190	Member	Non-Executive,; Additional Independent Director

! Appointed as the Chairman of the Committee by the members at their meeting held on 10th November, 2022

* Inducted as the member of the Committee by the Board of Directors on 19th May, 2022.

** Inducted as the member of the Committee by the Board of Directors on 22nd September, 2022.

^ Ceased on completion of two terms as an Independent Director of the Company w.e.f. 5th September, 2022.

^^ Ceased to be the director of the Company upon expiry of his tenure as additional director on the date of the Annual General Meeting held on 21st September, 2022.

The scope of the Remuneration Committee also includes finalising the remuneration packages of Senior Management Personnel, KMPs and Executive Director(s) of the Company and recommend the same to the Board of Directors. Mr. B. B. Singal, CFO & Company Secretary, acts as the Secretary to the Committee.

iii. Meetings and Attendance during the year

During the financial year 2022-23, three meetings of the Committee were held on 19th May, 2022, 10th November, 2022 and 29th March, 2023. The attendance of the members at the meeting was as follows:

Name	DIN	Position	Category	No. of Meetings Attended
Mr. Surendra Singh Khurana	02126149	Chairman	Non-Executive; Independent	3
Mrs. Urmil Agarwal	00053809	Member	Non-Executive, Non-Independent	2
Ms. Suruchi Aggarwal	09501245	Member	Non-Executive, Independent	2
Mr. Krishan Kumar Narula	00098124	Ex-Chairman	Non-Executive; Independent	1
Mr. Pramod Jain	00002190	Member	Non-Executive ; Additional Independent	1

Mr. Surendra Singh Khurana, member of the Nomination and Remuneration Committee, was present in the Annual General Meeting of the Company held on 21st September, 2022.

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

iv. Performance evaluation criteria for Independent Directors

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

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

A structured questionnaire formed key part of the evaluation process for reviewing the functioning and effectiveness of the Board. The evaluation process focused on various aspects of the Board and Committees functioning such as structure, composition, quality, board meeting practices and overall Board effectiveness. The above criteria are based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on 5th January , 2017 as amended.

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

PERFORMANCE EVALUATION:

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

The Board was satisfied with the professional expertise and knowledge of each of its Directors. All the Directors effectively contributed to the decision making process by the Board. Further, all the Committees were duly constituted and were functioning effectively. The Board also expressed its satisfaction in relation to the provision of supporting documents to the Board enabling it to assess the policy & procedural requirements for proper functioning of the Company. The Board expressed its satisfaction with the decision making and decision implementing procedure followed by it.

5. STAKEHOLDER'S RELATIONSHIP COMMITTEE

a) Composition / name of members and chairperson

The Committee headed by Mr. Sunil Sikka (Non-executive – Independent Director) and the composition of the Committee is as follows:

Name	DIN	Position	Category
Mr. Sunil Sikka!	08063385	Chairman	Non-Executive, Independent
Mr. Raju Bista	01299297	Member	Executive;
Mr. Surendra Singh Khurana*	02126149	Member	Non-Executive, Independent
Mr. Krishan Kumar Narula [^]	00098124	Ex-Chairman	Non-Executive, Independent
Mr. Pramod Jain ^{^^}	00002190	Member	Non-Executive,; Additional Independent Director

! Inducted as the member of the Committee by the Board of Directors on 22nd September, 2022 and appointed as the Chairman of the Committee by the members at their meeting held on 16th March, 2023

* Inducted as the member of the Committee by the Board of Directors on 22nd September, 2022.

[^] Ceased on completion of two terms as an Independent Director of the Company w.e.f. 5th September, 2022.

^{^^} Ceased to be the director of the Company upon expiry of his tenure as Additional Director on the date of the Annual General Meeting held on 21st September, 2022.

The Committee mandate to review and redress shareholder grievances at regular intervals and to look at the enhanced scope of activities as modified by Securities Exchange Board of India (SEBI) under the Listing Regulations in the interest of stakeholders which includes-

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

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

The Committee met 1 time during the year on 16th March, 2023, and the attendance of Members at the Meeting was as follows:

Names of the Members	Director Identification No.	Position	No. of Meetings Attended
Mr. Sunil Sikka	08063385	Chairman	1
Mr. Raju Bista	01299297	Member	1
Mr. Surendra Singh Khurana	02126149	Member	1

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

- b) **Name & Designation of Compliance Officer** : **Mr. B.B.Singal**
(CFO & Company Secretary)
- c) **Number of shareholders' complaints received upto 31st March, 2023** : **02**
- d) **Number of complaints not solved to the satisfaction of the shareholders** : **Nil**
- e) **Number of pending complaints** : **Nil**

5A. RISK MANAGEMENT COMMITTEE

a) **Brief description and terms of reference:**

The Committee is, inter-alia, responsible to formulate the detailed risk management policy by identifying the internal and external risks faced by the Company including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risk, measures for risk mitigation, business continuity plan. The committee regularly review the methodology, processes and systems to monitor and evaluate risks associated with the business of the Company and proper implementation of the risk management policy. The committee kept updated the board of directors about the nature and content of its discussions, recommendations and actions to be taken.

b) **Composition / name of members and chairperson**

The composition of the Committee is as follows:

Name	DIN	Position	Category
Mr. Sunil Sikka!	08063385	Chairman	Non-Executive, Independent
Mr. Vinay Surya	00515803	Member	Executive – Non-Independent
Mr. Kaustubh N Karmarkar	00288642	Member	Executive – Non-Independent
Mr. Tarun Baldua	-	Member	ED & CEO (Steel Operations)
Mr. Krishan Kumar Narula [^]	00098124	Ex-Chairman	Non-Executive, Independent
Mr. Pramod Jain ^{^^}	00002190	Member	Non-Executive, Additional Independent
Mr. Nirupam Sahay ^{^^^}	-	Member	ED & CEO (Lighting)

! Appointed as the Chairman of the Committee by the members at their meeting held on 1st March, 2023

[^] Ceased on completion of two terms as an Independent Director of the Company w.e.f. 5th September, 2022

^{^^} Ceased to be the director of Company upon expiry of his tenure as Additional Director on the date of the Annual General Meeting held on 21st September, 2022.

^{^^^} Vacated office as Resigned from Executive Director & CEO- Lighting of the Company w.e.f. 31st May, 2022

Name and Designation of Compliance Officer : **Mr. B. B. Singal**
(Chief Financial Officer & Company Secretary)

Name of Chief Risk Officer : **Mr. Nitin Sahai**
(Chief Internal Auditor)

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

c) Meetings and attendance during the year

The Committee met 2 times during the year on 1st September,2022 and 01st March,2023, and the attendance of Members at the Meeting was as follows:

Names of the Members	Director Identification No.	Position	No. of Meetings Attended
Mr. Sunil Sikka	01299297	Chairman	2
Mr. Vinay Surya	00515803	Member	2
Mr. Kaustubh N Karnarkar	00288642	Member	2
Mr. Tarun Baldua (ED & CEO-Steel)	-	Member	2
Mr. Krishan Kumar Narula [^]	00098124	Ex-Chairman	1
Mr. Pramod Jain	00002190	Member	1
Mr. Nirupam Sahay(ED & CEO Lighting)	-	Member	-

6. DETAILS OF REMUNERATION TO ALL DIRECTORS

a) Pecuniary Relationships and criteria of making payments to Non-Executive Directors

None of the Non-Executive Directors of the Company have any pecuniary relationship or transactions with the Company. However, sitting fees shall be paid to all Non-Executive Directors for attending the meetings of the Board of Directors and Committees thereof within the prescribed limits as may be determined by the Board including the reimbursement of expenses incurred for attending the Board and Committee Meetings in accordance with the provisions of the Act, Listing Regulations and the Articles of Association of the Company, from time to time.

b) The details of remuneration / sitting fees paid to the Executive Directors/Non- Executive Directors during the financial year 2022-23 are as under.

(₹ in crore)

Name	Director Identification No. (DIN)	Salary	Perquisites & Allowances	Commission	Bonuses, Stock Options, Pensions	Sitting Fees (excluding GST)
Mr. Jai Prakash Agarwal (Executive Chairman)	00041119	4.440	Nil	6.884	Nil	N .A.
Mr. Raju Bista (Managing Director)	01299297	3.091	Nil	4.589	Nil	N.A.
Mr. Vinay Surya (Managing Director)	00515803	2.822	Nil	4.589	Nil	N.A
Mr. Kaustubh N Karmarkar (Whole-time Director)	00288642	0.978	Nil	Nil	0.399	N.A
Mrs.Urmil Agarwal	00053809	Nil	Nil	Nil	Nil	0.0370
Mr.TaraShankar Bhattacharya	00157305	Nil	Nil	Nil	Nil	0.0550
Mr. Surendra Singh Khurana	02126149	Nil	Nil	Nil	Nil	0.0840
Mr. Sunil Sikka	08063385	Nil	Nil	Nil	Nil	0.0810
Ms. Suruchi Aggarwal	09501245	Nil	Nil	Nil	Nil	0.0605
Mr. Tekan Ghanshyam Keswani*	09773189	Nil	Nil	Nil	Nil	0.0300
Mr. Naresh Agarwal**	00112365	Nil	Nil	Nil	Nil	0.0300
Mr. Krishan Kumar Narula [^]	00098124	Nil	Nil	Nil	Nil	0.0475
Mr. Sudhanshu Kumar Awasthi [^]	02162923	Nil	Nil	Nil	Nil	0.0200
Mr. Pramod Jain ^{^^}	00002190	Nil	Nil	Nil	Nil	0.0475

* Appointed on the Board w.e.f. 28th October, 2022 as an Additional Independent Director and subsequently shareholders through Postal Ballot approved his appointment on 21st December, 2022 for his first term for a period of 5 consecutive years w.e.f. 28th October, 2022 to 27th October, 2027.

** Appointed on the Board w.e.f. 4th November, 2022 as an Additional Independent Director and subsequently shareholders through Postal Ballot approved his appointment on 21st December, 2022 for his first term for a period of 5 consecutive years w.e.f. 4th November, 2022 to 3rd November, 2027.

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

- [^] Ceased on completion of two terms as an Independent Directors of the Company w.e.f. 5th September, 2022.
- ^{^^} Ceased to be the director of the Company upon expiry of his tenure as Additional Director on the date of the Annual General Meeting held on 21st September, 2022.

Name	DIN	Other Performance Linked Incentives	Performance Criteria	Service Contracts	Notice Period	Severance Fees (in ₹)
Mr. J P Agarwal (Executive Chairman)	00041119	N.A	N.A	5 years from 1st January, 2022 (i.e. upto 31st December, 2026)	6 Months	Nil
Mr. Raju Bista (Managing Director)	01299297	N.A	N.A	5 years from 14th November, 2018 (i.e. upto 13th November, 2023)	6 Months	Nil
Mr. Vinay Surya (Managing Director)	00515803	N.A	N.A	5 years from 26th October, 2021 (i.e. upto 25th October, 2026)	6 Months	Nil
Mr. Kaustubh N Karmarkar @ (Whole-time Director)	00288642	N.A	N.A	5 years from 10th August, 2018 (i.e. upto 9th August, 2023)	3 Months	Nil

@ Of the total of 20,000 ESOPs granted under SRL Employee Stock Option Scheme – 2018, on 29th October, 2021, Kaustubh Narsinh Karmarkar has exercised 10,000 options into shares out of 13,200 options vested to him till 31st March, 2023 and 34% of total of 20,000 options granted will vest on completion of 3 years from the date of grant.

7. GENERAL BODY MEETINGS

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

The last three Annual General Meetings were held at the following location and time:

Date & Time	Location
23rd September, 2020 at 11.00 a.m.	Video Conferencing ('VC')
16th September, 2021 at 11.00 a.m.	Video Conferencing ('VC')
21st September, 2022 at 12.00 noon	Video Conferencing ('VC')

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

One Special Resolution was passed in the AGM held on 23rd September, 2020, one Special Resolution was passed in the AGM held on 16th September, 2021 and two Special Resolutions were passed in the AGM held on 21st September, 2022.

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

One special resolution was passed on 12th April, 2022 and two special resolution were passed on 21st December, 2022 by the Members of the company through postal ballot (conducted through remote e-voting only) last year under the provisions of Section 108 and 110 of the Act ("Act") read with Rule 20, 21 & 22 of the Companies (Management and Administration) Rules, 2014 (as amended from time to time) and in accordance with the terms of General Circular Nos. 14/2020 dated 8th April, 2020, 17/2020 dated 13th April, 2020, 22/2020 dated 15th June, 2020, 33/2020 dated 28th September, 2020, 39/2020 dated 31st December, 2020, 10/2021 dated 23rd June, 2021, 20/2021 dated 8th December, 2021 and 3/2022 dated 5th May, 2022 issued by the Ministry of Corporate Affairs (collectively referred to as the "MCA Circulars") and Listing Regulations, as amended from time to time. The voting pattern details of such above referred resolutions as passed through Special Resolutions on 12th April, 2022 and 21st December, 2022 are as follows:

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

SPECIAL RESOLUTION ON 12TH APRIL, 2022

- i) Appointment of Ms. Suruchi Aggarwal (DIN-09501245) as an independent woman director of the Company for a period of five years w.e.f. 14th February, 2022

Category	Mode of voting	No. of shares held	No. of votes polled	% of Votes polled on outstanding shares	No. of votes – in favour	No. of votes – against	% of votes in favour on votes polled	% of Votes against on votes polled
		(1)	(2)	(3)=[(2)/(1)]*100	(4)	(5)	(6)=[(4)/(2)]*100	(7)=[(5)/(2)]*100
Promoter and Promoter Group	E-Voting	3,42,57,244	3,24,94,065	94.8531	3,24,94,065	-	100.0000	-
	Poll		-	-	-	-	-	-
	Postal Ballot (if applicable)		-	-	-	-	-	-
	Total		3,42,57,244	3,24,94,065	94.8531	3,24,94,065	-	100.0000
Public-Institutions	E-Voting	12,08,233	10,89,646	90.1851	10,89,646	-	100.0000	-
	Poll		-	-	-	-	-	-
	Postal Ballot (if applicable)		-	-	-	-	-	-
	Total		12,08,233	10,89,646	90.1851	10,89,646	-	100.0000
Public-Non Institutions	E-Voting	1,89,43,497	28,01,991	14.7913	27,97,320	4,671	99.8333	0.1667
	Poll		-	-	-	-	-	-
	Postal Ballot (if applicable)		-	-	-	-	-	-
	Total		1,89,43,497	28,01,991	14.7913	27,97,320	4,671	99.8333
	Total	5,44,08,974	3,63,85,702	66.8744	3,63,81,031	4,671	99.9872	0.0128

Result : Special Resolution Passed with requisite majority

SPECIAL RESOLUTIONS ON 21ST DECEMBER, 2022

- i) The Appointment of Mr. Tekan Ghanshyam Keswani (DIN-09773189) as an Independent Director of the Company for a period of five years w.e.f. 28th October, 2022

Category	Mode of voting	No. of shares held	No. of votes polled	% of Votes polled on outstanding shares	No. of votes – in favour	No. of votes – against	% of votes in favour on votes polled	% of Votes against on votes polled
		(1)	(2)	(3)=[(2)/(1)]*100	(4)	(5)	(6)=[(4)/(2)]*100	(7)=[(5)/(2)]*100

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

Category	Mode of voting	No. of shares held	No. of votes polled	% of Votes polled on outstanding shares	No. of votes – in favour	No. of votes – against	% of votes in favour on votes polled	% of Votes against on votes polled
Promoter and Promoter Group	E-Voting	3,42,57,244	3,26,69,315	95.3647	3,26,69,315	-	100.0000	-
	Poll		-	-	-	-	-	-
	Postal Ballot (if applicable)		-	-	-	-	-	-
	Total		3,42,57,244	3,26,69,315	95.3647	3,26,69,315	-	100.0000
Public-Institutions	E-Voting	4,73,951	345273	72.8499	345273	-	100.0000	-
	Poll		-	-	-	-	-	-
	Postal Ballot (if applicable)		-	-	-	-	-	-
	Total		4,73,951	3,45,273	72.8499	3,45,273	-	100.0000
Public-Non Institutions	E-Voting	1,96,77,779	28,02,794	14.2434	27,98,080	4714	99.8318	0.1682
	Poll		-	-	-	-	-	-
	Postal Ballot (if applicable)		-	-	-	-	-	-
	Total		1,96,77,779	28,02,794	14.2434	27,98,080	4714	99.8318
Total	5,44,08,974	3,58,17,382	65.8299	3,58,12,668	4714	99.9868	0.0132	

Result : **Special Resolution Passed with requisite majority**

- ii) **The Appointment of Mr. Naresh Agarwal (DIN-00112365) as an Independent Director of the Company for a period of five years w.e.f. 4th November, 2022**

Category	Mode of voting	No. of shares held	No. of votes polled	% of Votes polled on outstanding shares	No. of votes – in favour	No. of votes – against	% of votes in favour on votes polled	% of Votes against on votes polled
		(1)	(2)	(3)=[(2)/(1)]*100	(4)	(5)	(6)=[(4)/(2)]*100	(7)=[(5)/(2)]*100
Promoter and Promoter Group	E-Voting	3,42,57,244	3,26,69,315	95.3647	3,26,69,315	-	100.0000	-
	Poll		-	-	-	-	-	-
	Postal Ballot (if applicable)		-	-	-	-	-	-
	Total		3,42,57,244	3,26,69,315	95.3647	3,26,69,315	-	100.0000

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

Category	Mode of voting	No. of shares held	No. of votes polled	% of Votes polled on outstanding shares	No. of votes – in favour	No. of votes – against	% of votes in favour on votes polled	% of Votes against on votes polled
Public-Institutions	E-Voting	4,73,951	3,45,273	72.8499	3,45,273	-	100.0000	-
	Poll		-	-	-	-	-	-
	Postal Ballot (if applicable)		-	-	-	-	-	-
	Total		4,73,951	3,45,273	72.8499	3,45,273	-	100.0000
Public-Non Institutions	E-Voting	1,96,77,779	28,03,748	14.2483	27,99,084	4,664	99.8337	0.1663
	Poll		-	-	-	-	-	-
	Postal Ballot (if applicable)		-	-	-	-	-	-
	Total		1,96,77,779	28,03,748	14.2483	27,99,084	4,664	99.8337
Total	5,44,08,974	3,58,18,336	65.8317	3,58,13,672	4,664	99.9870	0.0130	

Result : **Special Resolution Passed with requisite majority**

d) Person who conducted all the above Postal Ballot exercises:

Mr. Ankit Singhi, partner of PI & Associates (FRN: P2014UP035400), D-38, South Extension Part-1, New Delhi – 110 049, acted as scrutiner had conducted the postal ballot (conducted through remote e-voting only). The Company had completed the dispatch of Notice by e-mail on 11th March, 2022 and 21st November, 2022 accordingly to the aforesaid resolutions passed on 12th April, 2022 and 21st December, 2022 respectively. In accordance with the MCA Circulars, no physical copy of the Notice of Postal Ballot was dispatched to the Members, accordingly Company was not required to provide the facility of voting through physical Postal Ballot in terms of above referred MCA Circulars.

e) Procedure for Postal Ballot

The notices containing the proposed resolutions and explanatory statement were sent to the shareholders by email in accordance with General Circular No. 14/2020 dated 8th April, 2020, 17/2020 dated 13th April, 2020, 22/2020 dated 15th June, 2020, 33/2020 dated 28th September 2020, 39/2020 dated 31st December, 2020, 10/2021 dated 23rd June, 2021, 20/2021 dated 8th December, 2021 and 03/2022 dated 5th May, 2022 issued by the Ministry of Corporate Affairs (collectively referred to as the 'MCA Circulars'). The e-voting period was for 30 days from dispatch of notice.

The Scrutiniser submitted the report to the Company within due timeline(s) and voting results were announced within due timeline(s). For e-voting, the Company is having agreement with National Securities Depository Limited ('NSDL') for providing e-voting facility to its members. Under this facility, members are provided an electronic platform to participate and vote on the resolutions to be passed through Postal Ballot.

As on the date of this report, no business is proposed to be conducted through postal ballot.

8. MEANS OF COMMUNICATION

The quarterly results, shareholding pattern, quarterly compliances and all other corporate communication to the Stock Exchanges viz. BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) are filed electronically. The

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

Company has complied with filing submissions with BSE through BSE Listing Centre. Likewise, the said information is also filed electronically with NSE through NSE's NEAPS/Digital exchange portal. A separate dedicated section under "Investors", on the Company's website gives information on unclaimed dividends, shareholding pattern, quarterly/half yearly results and other relevant information of interest to the investors / public. These financial results are normally published in the leading financial, national and regional newspaper (i.e. Business Standard/Economic Times and are also displayed on website of the Company i.e. www.surya.co.in along with official news releases, if any. All other vital information's are also placed on the website of the Company.

9. GENERAL SHAREHOLDER INFORMATION

- a) **AGM: Date, Time & Venue** : **To be decided by the Board**
- b) **Financial Year** : 1st April, 2022 to 31st March, 2023
- c) **Dividend payment date** : **The dividend if declared by the members of the company will be paid within 30 days of the Annual General Meeting**
- d) **Listing on Stock Exchanges** : The securities of the Company are listed on the following Stock Exchanges:
- The Stock Exchange, Mumbai** : **The National Stock Exchange of India Limited**
Rotunda Building, Dalal Street, Exchange Plaza, Bandra- Kurla
Fort, Mumbai – 400 001. Complex, Bandra, Mumbai – 400 051.
The Company has paid the Annual Listing Fees to the Stock Exchanges for the Financial Year 2022-23 and 2023-24.

e) **Stock Code**

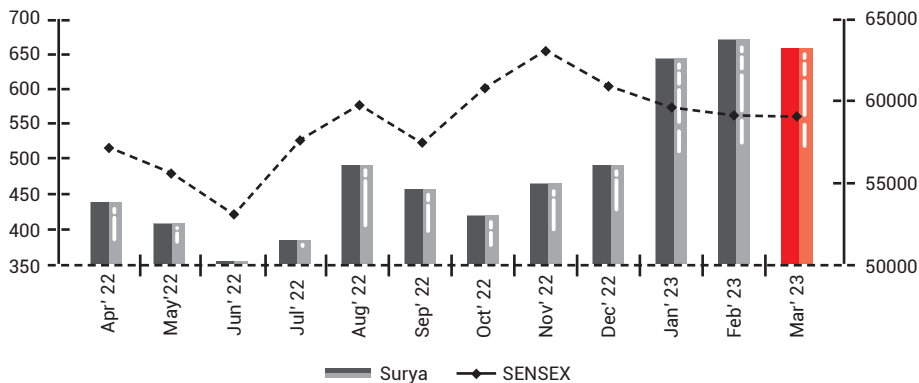
	National Stock Exchange (NSE)	The Stock Exchange Mumbai (BSE)	ISIN
Equity Shares- Symbol / Code	SURYAROSNI	500336	INE335A01012

f) **Market Price Data:**

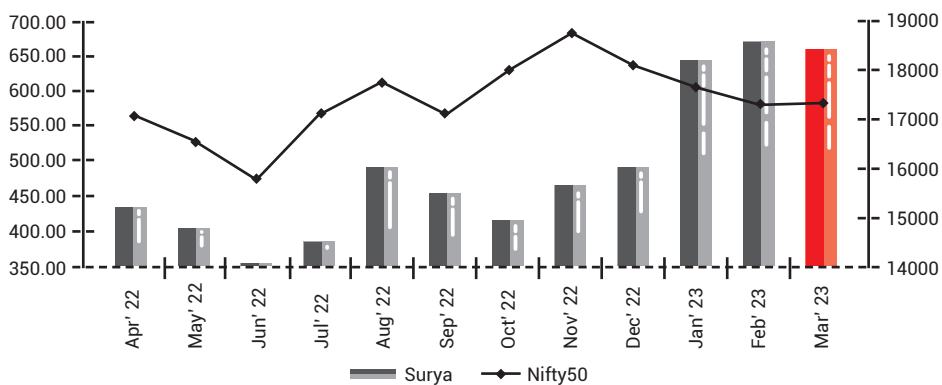
MONTH	NSE		BSE	
	HIGH (₹)	LOW (₹)	HIGH (₹)	LOW (₹)
April, 2022	503.55	415.05	501.80	416.50
May, 2022	456.30	355.30	448.95	355.25
June, 2022	444.60	345.15	421.20	346.15
July, 2022	417.70	342.95	405.00	343.00
August, 2022	505.90	323.60	506.70	336.05
September, 2022	539.90	447.90	539.80	450.00
October, 2022	489.00	415.40	488.90	415.30
November, 2022	501.00	400.30	505.00	400.85
December, 2022	543.00	443.95	542.10	445.15
January, 2023	649.00	492.65	649.00	493.40
February, 2023	711.20	617.00	711.35	618.00
March, 2023	741.35	602.70	741.25	602.80

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

g) Performance in comparison to BSE SENSEX



Performance in comparison to NSE Nifty



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

i) Registrar : MAS Services Limited

(Common for both Physical and Electronic share registry)

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

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

Fax : (011) 2638 7384

E-Mail : investor@masserv.com

j) Share Transfer System

As per SEBI Notification No. SEBI/LAD-NRO/ GN/2018/24 dated 8th June, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/ GN/2018/49 dated 30th November, 2018 requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from 1st April, 2019 unless the securities are held in dematerialised form with the depositories. All requests for transmission or transposition of securities are handled and disposed-off by Company's Registrar & Share Transfer Agent within fifteen days from the date of receipt of request, provided the documents are found to be in order. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through respective Depository Participants. In compliance with the Listing Regulations, a Practicing Company Secretary carries out audit of the System of Transfer and a certificate to that effect is issued.

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

k) Distribution of Shareholding

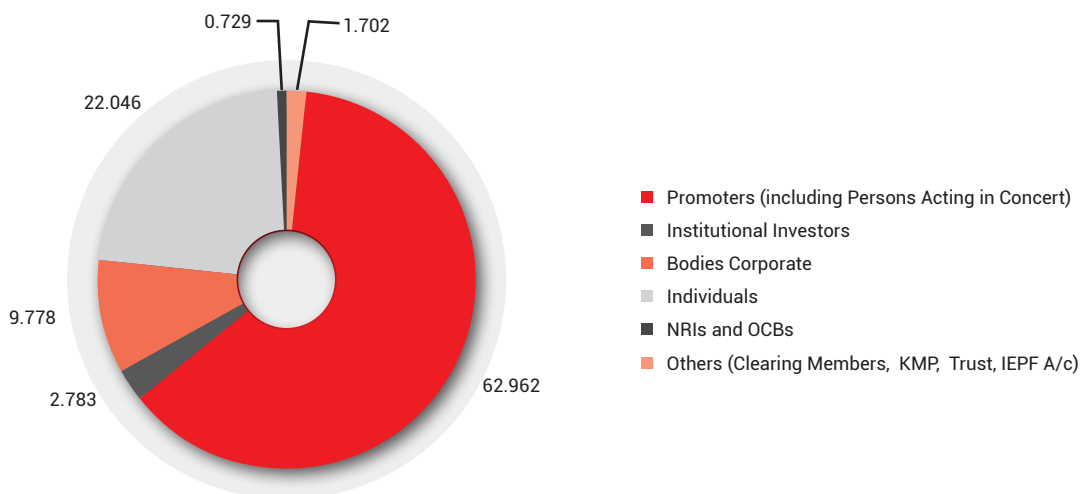
Share Holding of Nominal Value of ₹	Shareholders		Shares	
	Number	% of Total	Number	% of Total
1 - 5,000	34,876	91.459	27,29,032	5.016
5,001 - 10,000	1,678	4.400	12,73,766	2.341
10,001 - 20,000	777	2.038	11,34,882	2.086
20,001 - 30,000	267	0.700	6,66,823	1.225
30,001 - 40,000	109	0.286	3,92,246	0.721
40,001 - 50,000	86	0.226	4,03,580	0.742
50,001 - 1,00,000	156	0.409	10,99,725	2.021
1,00,001 & Above	184	0.482	4,67,08,920	85.848
TOTAL	38,133	100.000	5,44,08,974	100.000

Shareholding Pattern as at 31st March, 2023

CATEGORY	No. of Shares held	% age of Paid-up Capital
Promoters (including Persons Acting in Concert)	3,42,57,244	62.962
Institutional Investors	15,14,190	2.783
Bodies Corporate	53,19,972	9.778
Individuals	1,19,94,909	22.046
NRIs and OCBs	3,96,533	0.729
Others - Clearing Members	44,099	0.081
Key Managerial Personnel (KMPs)	16,940	0.031
Trust	6,24,938	1.149
IEPF A/c	2,40,149	0.441
TOTAL	5,44,08,974	100.00

Graphical presentation of the Shareholding

Percentage



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

- l) **Dematerialisation of Shares & Liquidity** : The Company has obtained electronic connectivity with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) for demat facility (ISIN: INE335A01012). As on 31st March, 2023, 5,41,07,198 equity shares, being 99.44% of the Company's total paid-up equity shares had been dematerialised. The shares of company are regularly traded at NSE & BSE
- m) **Outstanding GDRs /ADRs /Warrants or any Convertible instruments, conversion date & likely impact on equity** : Nil
- n) **Commodity price risk or Foreign Exchange risk and hedging activities** : Please refer to Management Discussion and Analysis Report for the same.
- o) **Plant Locations** **Steel Pipes & Strips Units** : Prakash Nagar, Sankhol, Bahadurgarh, Haryana – 124 507
: Plot No.P-1 to P-20, Ghirongi Industrial Area Malanpur Dist. Bhind, (M.P)
: Golapuram Industrial Area, Hindupur, Dist. Anantpur (A.P)
: Survey No. 188,189 & 190/1 Village- Bhuvad Taluka – Anjar, Dist.-Kutch Anjar – (Bhuj) Gujarat -370130
Lighting Units : 7 km Stone, Kashipur-Moradabad Road, Kashipur – 244 : 713 (Uttarakhand) - J-7,8 & 9,
Malanpur Industrial Area,
Malanpur, Distt.Bhind (M.P).
- p) **Address for correspondence** : **Chief Financial Officer & Company Secretary**
Surya Roshni Limited Padma Tower –I, 5 Rajendra Place, New Delhi – 110 008.
Tel. - (011) 47108000
Fax - (011) 25789560
E-Mail - cs@surya.in
investorgrievances@sroshni.com
- q) **Credit Ratings obtained along with any revision thereto for all debt instruments.** : **CARE A1+ for Short term Bank Facilities**
CARE AA- for Long term Bank Facilities
CARE A1+ for Commercial Papers
ICRA A1+ for Commercial Papers

10. Other Disclosures

- a. The senior management has made disclosures to the board relating to all material financial and commercial transactions. There are no materially significant related party transactions that may have potential conflict with the interest of the Company at large. The Company has formulated a policy on dealing with the Related Party transactions for determining the Material Related Party Transactions and necessary approval of the Audit Committee and the Board of Directors were taken whenever required in accordance with the policy. Such policy is available on the website of the company and can be assessed at www.surya.co.in.
- b. The Company has complied with all applicable requirements prescribed by the regulatory and statutory authorities including Stock Exchanges and SEBI during the preceding three financial years on all matters related to capital market and no penalties / strictures in this respect had been imposed on the Company except the unjust fine of ₹ 7.70 Lakh imposed by NSE vide their letter Ref. No. NSE/LIST/SOP/SURYAROSNI dated 13th April, 2021 for delayed compliance of Regulation 17(1) dealing with composition of Board of Directors caused due to COVID 19 Pandemic during the first half of the Financial year 2020-21 by rejecting company's waiver application and for the same said delay BSE had approved the Company's waiver of fine application on merits and had not imposed any fine. Further, a fine of ₹ 7.03 lakh is imposed by NSE vide their letter NSE/LIST-SOP/DEBT/R-0175 dated 5th December,2022 for delayed disclosure in compliance of Regulation 57(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which pertained to Commercial Papers during the period between February, 2021 to June, 2021 and a waiver application to NSE for imposed fine has been made by the Company on the ground that it is unjustified as it is against the provisions of the SEBI SOP Circular issued in that regard.
- c. Personnel of the Company have direct access to the management as the Company has established Vigil Mechanism for directors and employees to report concerns about unethical behavior, actual fraud or suspected fraud or violation of the Company's code of conduct or ethics policy. No personnel have been denied access to the

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

Audit Committee. The Whistle Blower Policy was duly posted on the Website of the Company at the following link:
https://surya.co.in/wp-content/uploads/2022/05/162928_whistle-blower-policy.pdf



- d. The Company has complied with all mandatory requirements.
- e. **Web link where policy for determining 'material' subsidiaries is disclosed:** The policy for determining material subsidiaries has been posted on the website of the Company at the following link:
https://surya.co.in/wp-content/uploads/2022/05/144606_Policy-for-Determining-Material-Subsidiary.pdf



- f. **Web link where policy on dealing with related party transactions:** The Company has formulated a policy on dealing with the Related Party transactions for determining the Material Related Party Transactions and necessary approval of the audit committee and the Board of Directors were taken whenever required in accordance with the policy. The details of Related Party Transaction Policy are disseminated on the website at the following link:
https://surya.co.in/wp-content/uploads/2022/06/RPT_Revised_Policy_19.05.2022.pdf



- g. **Commodity price risks and commodity hedging activities:**
Please refer to Management Discussion and Analysis Report for the same
- h. **Utilisation of funds raised through Preferential Allotment or qualified institutions placements:**
Not Applicable
- i. **Certificate from Company Secretary in Practice in respect of Directors Disqualification:**
A Certificate from Anjali Yadav & Associates, Practicing Company Secretary Firm dated 13th April, 2023 confirming that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI / Ministry of Corporate Affairs or any such other Statutory Authorities.
- j. **Acceptance of Recommendations of the Board Committees:**
No recommendations or submissions of any committee as constituted by the Board has been turned down by the Board of Directors during the financial year 2022-23.
- k. **Total Fees paid to Statutory Auditor for services rendered during the financial year 2022-23:**
The total fees of ₹ 33,19,983/- had been paid / payable to M/s Ashok Kumar Goyal & Co., Chartered Accountants Firm having Registration No. 002777N for all the services rendered by them in respect of its services to the Company during the financial year 2022-23 on consolidated basis.
- l. **Disclosure in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**
- | | | |
|--|---|-----|
| a) Number of complaints received upto 31st March, 2023 | : | Nil |
| b) Number of complaints disposed of during the financial year | : | Nil |
| c) Number of complaints Pending at the end of the financial year | : | Nil |
- m. The Company and its subsidiary have not given loans and advances in the nature of loans to firms/companies in which directors are interested.
- n. Details of material subsidiaries including the date and place of incorporation and the name and date of appointment of its statutory auditors.
Not Applicable

11. COMPLIANCES OF CORPORATE GOVERNANCE REQUIREMENTS

Company has complied all the requirements of Corporate Governance Report as envisaged in sub-paras (2) to (10) of Part C of Schedule V of the Listing Regulations during the financial year 2022-23.

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

12. ADOPTION OF CORPORATE GOVERNANCE DISCRETIONARY REQUIREMENTS

Company has adopted the following Discretionary Requirements of Corporate Governance during the financial year 2022-23:

- Separate Posts of Chairman and Managing Director
- Reporting of Internal Auditor directly to the Audit Committee.

13. DISCLOSURES OF COMPLIANCES OF CORPORATE GOVERNANCE REQUIREMENTS

Company has complied all the mandatory requirements of Corporate Governance Report as specified in Regulation 17 to 27, Regulation 46 of the Listing Regulations during the financial year 2022-23.

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

Year	Total No. of Shareholders at the beginning of the year	Outstanding Shares in IEPF demat suspense account at the beginning of the year	Total No. of Shareholders whose shares are transferred to IEPF demat suspense account during the year	Total No. of Shares transferred to IEPF suspense account during the year	Total No. of Shareholders who approached the Company for transfer of shares from IEPF suspense account during the year	No. of Shareholders to whom shares were transferred from IEPF Suspense Account during the year	No. of Shares Transferred from IEPF Suspense Account during the year	Aggregate No. of shareholders in demat suspense account lying at the end of the year.	Outstanding Shares in demat suspense account lying at the end of the year.	Voting Rights Frozen
2022-23	1,987	2,26,902	132	14,664	14	4	1,417	2,115	2,40,149	Nil

Dealing with Corporate Benefits (in terms of securities accruing) and Voting Rights on such Shares: Any corporate benefits in terms of securities accruing on such shares viz. bonus shares, split etc., shall be transferred in accordance with provisions of Section 124(5) and 124 (6) of the Act and rules made thereunder

Disclosure with respect to demat suspense account / unclaimed suspense account

Aggregate No. of Shareholders at the beginning of the year	Outstanding Shares in demat suspense account at the beginning of the year	No. of Shareholders who approached the Company for transfer of shares from suspense account during the year	No. of Shareholders to whom shares were transferred from suspense account during the year	Aggregate No. of Shareholders lying at the end of the year	Outstanding Shares in demat suspense account lying at the end of the year	Voting Rights Frozen
Nil	Nil	Nil	NIL	NIL	NIL	NIL

SURYA CODE OF CONDUCT

The Board Members and Senior Management personnel have affirmed their compliance with the code of conduct. The Code of Conduct has already been posted on the website of the Company. The Chairman, Managing Directors and CEOs has certified that the Board Members and senior management personnel have complied with the code of conduct and the same is placed before the Board. The declaration to this effect signed by the Chairman, Managing Directors and CEOs is appended below:

DECLARATION

We hereby confirm that all the Board Members and senior management personnel of the Company have affirmed their compliance of the '**Code of Conduct for Members of the Board and Senior Management**' for the year ended 31st March, 2023 in terms of clause D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges.

Place: New Delhi	J P Agarwal Chairman	Raju Bista Managing Director	Vinay Surya Managing Director	Tarun Baldua ED & CEO (Steel- Operations)	Jitendra J Agrawal ED & CEO (Lighting Consumer Durables)
Date: 27th April, 2023	DIN -00041119	DIN -01299297	DIN – 00515803		

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

Independent Auditors' Certificate on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Members Surya Roshni Limited

- The Corporate Governance Report prepared by Surya Roshni Limited ("the Company"), contains details as required by the provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Listing Regulations') ('applicable criteria') with respect to Corporate Governance for the year ended 31st March, 2023. This certificate is required by the Company for annual submission to the Stock exchange and to be sent to the shareholders of the Company.

MANAGEMENT'S RESPONSIBILITY

- The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
- The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

AUDITOR'S RESPONSIBILITY

- Our responsibility is to provide a reasonable assurance that the Company has complied with the conditions of Corporate Governance, as stipulated in the Listing Regulations.
- We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificate for special Purposes and the Guidance Note on Certification of Corporate Governance both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
- The procedures selected depend on the auditors' judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. The procedures include, but not limited to, verification of secretarial records and financial information of the Company and obtained necessary representations and declarations from directors including independent directors of the Company.
- The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

OPINION

- Based on the procedures performed by us as referred in paragraph 6 and 7 and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended 31st March, 2023, referred to in paragraph 1 above.

OTHER MATTERS AND RESTRICTION ON USE

- This certificate is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
- This certificate is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this certificate for events and circumstances occurring after the date of this certificate

For Ashok Kumar Goyal & Co.
Chartered Accountants
Firm Registration No. 002777N
CA. Ashok Kumar
Partner, FCA
Membership No. 017644
UDIN: 23017644BGQMZO1075

Place: New Delhi
Dated: 27th April, 2023

Annexure VI to Board's Report

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

[As per Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

SECTION A: GENERAL DISCLOSURES

I. Details of the Listed Entity

Sl.No	Required Information	
1	Corporate Identity Number (CIN) of the Listed Entity	➤ L31501HR1973PLC007543
2	Name of the Listed Entity	➤ SURYA ROSHNI LIMITED
3	Year of Incorporation	➤ 17 th October, 1973
4	Registered Office Address	➤ PRAKASH NAGAR, SANKHOL, BAHADURGARH - 124507 (HARYANA)
5	Corporate address	➤ PADMA TOWER - 1, 2ND FLOOR, 5 RAJENDRA PLACE, NEW DELHI - 110008
6	Email	➤ cs@surya.in
7	Telephone	➤ 011-47108000
8	Website	www.surya.co.in
9	Financial year for which reporting is being done	➤ 2022-23
10	Name of the Stock Exchange(s) where shares are listed	➤ BSE Limited (BSE) and National Stock Exchange of India Limited (NSE)
11	Paid-up capital	➤ ₹ 54,40,89,740 (5,44,08,974 equity shares of ₹ 10 each)
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	➤ Bharat Bhushan Singal (CFO & Company Secretary) Contact No. 47108000 (Extn. 610) and email cs@surya.in
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	➤ The disclosures under this report are made on Standalone basis

II. Products/services

14. Details of business activities (accounting for 90% of the turnover):

Sl. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Steel Pipes & Strips	1) Steel Pipes & Tubes 2) Cold Rolled (CR) Strips	81%
2	Lighting & Fixtures Electrical Consumer Durables	Lighting Products - Professional Luminaires and Consumer Luminaires Fans, small domestic home appliances and water heaters	19%

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sl. No.	Product/Service	NIC Code	% of total turnover contributed
1	Steel Pipes and Tubes	24106	71.80
2	Cold Rolled strips	24105	8.89
3	Lighting Products	27400	19.31

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	6	1 Corporate office in New Delhi and 28 branches across India	35
International	Nil	Nil	Nil

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	28 States and 8 Union Territories
International (No. of Countries)	Exporting to 50 countries across the globe.

b. What is the contribution of exports as a percentage of the total turnover of the entity?

16%



c. A brief on types of customers

The Company is the largest ERW GI Pipe manufacturer and the largest exporter of ERW Pipes in India, exporting to 50+ countries across the globe including USA, Australia, Canada, Mexico, Middle East, Europe and Africa


IV. Employees

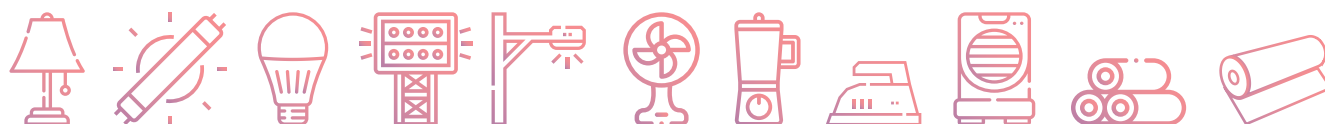
18. Details as at the end of Financial Year:


a. Employees and workers (including differently abled):

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
 EMPLOYEES						
1	Permanent (D)	2,084	2,065	99.09	19	0.91
2	Other than Permanent (E)	433	430	99.31	3	0.69
3	Total employees (D + E)	2,517	2,495	99.13	22	0.88
 WORKERS						
4	Permanent (F)	1,226	1,226	100.00	-	-
5	Other than Permanent (G)	4,333	3,878	89.50	455	10.50
6	Total workers (F+G)	5,559	5,104	91.82	455	8.18



b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
 DIFFERENTLY ABLED EMPLOYEES						
1	Permanent (D)	NIL	NIL	NIL	NIL	NIL
2	Other than Permanent (E)	NIL	NIL	NIL	NIL	NIL
3	Total differently abled employees (D + E)	NIL	NIL	NIL	NIL	NIL





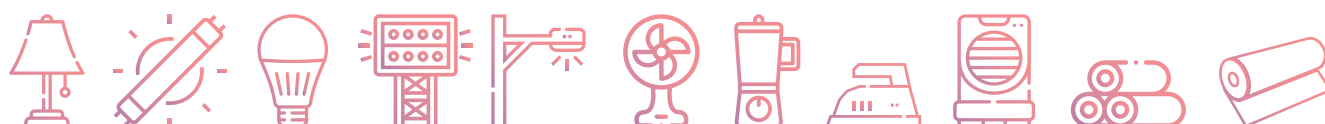
S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
 DIFFERENTLY ABLED WORKERS						
4	Permanent (F)	3	3	100	0	0.00
5	Other than Permanent (G)	5	5	100	0	0
6	Total differently abled workers (F+G)	8	8	100	0	0.00

19. Participation/Inclusion/Representation of women:

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
 Board of Directors	11	2	18.18%
 Key Management Personnel	3	0	0

20. Turnover rate for permanent employees and workers

	FY 2022-23			FY 2021-22			FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
 Permanent Employees	12.65	-	12.65	11.89	16.67	11.93	9.81	-	9.81
 Permanent Workers	5.70	-	5.70	6.21	-	6.21	5.23	-	5.23



V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Name of holding / subsidiary / associate companies / joint ventures

Sl. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Surya Roshni LED Lighting Projects Limited	Subsidiary	100	No

VI. CSR Details





22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No): **Yes**

(ii) Turnover - ₹ 7995,95,38,838/-

(iii) Net worth - ₹ 1703,72,02,482/-

VII. Transparency and Disclosure Compliances



23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-23 (Current financial year)			FY 2021-22 (Previous financial year)		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
 Communities	Yes	Nil	Nil	NA	Nil	Nil	NA
 Investors (other than shareholders)	Yes	Nil	Nil	NA	Nil	Nil	NA
 Shareholders	Yes	2	Nil	Resolved	4	Nil	Resolved
 Employees and workers	Yes	Nil	Nil	NA	Nil	Nil	NA

The Company is committed to encouraging openness, promoting transparency and reporting improvements without fear of rebuttal. The organisation is committed to creating a culture that encourages high standards of ethics and upholds decent and safe working conditions for the entire workforce. Grievance redress policy will be accessible on the Company's website at the link:

<https://surya.co.in/investor-relations/corporate-governance/#policies/>

- Communities while interacting during the community engagement programmes, can report their grievances.
- Investors and stakeholders can correspond with the Company by sending an e-mail to investorgrievances@sroshni.com
- Employees and workers can report any grievance by sending an e-mail to their respective unit HR heads or to the HR director at ved@surya.in
- Consumers can report grievances through the CRM system at <https://crm.surya.in> or through the WhatsApp BOT (+91 9643300819) and at the Surya helpline number : 1800 102 5657 or through a mobile Android application.
- Value chain partners can reach us through our website www.surya.co.in

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-23 (Current financial year)			FY 2021-22 (Previous financial year)		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
 Customers*	Yes	3,40,801	Nil	Resolved	2,98,075	Nil	Resolved
 Value Chain Partners	Yes	Nil	Nil	NA	Nil	Nil	NA



*Number includes only grievances / escalation

Customer Service and satisfaction are the focus areas of Surya Roshni, and we truly believe in providing the best service to our customers. We aim at minimising instances of customer complaints and grievances through proper service delivery and review mechanism and to ensure prompt redressal of customer complaints and grievances. Surya Roshni has established a structured grievance redressal mechanism. We are committed to encouraging openness, promoting transparency and reporting improvements without fear of rebuttal. Surya Roshni follows 'Zero Tolerance' Policies w.r.t. non-compliance and is committed to creating a culture that encourages high standards of ethics and upholds decent and safe working conditions for workforce. The Company has a Vigil mechanism whereby one is free to report complaints / violations of laws, rules, regulations, or unethical conduct, actual or suspected fraud to the nodal officer. The Company will oversee the mechanism through the Audit Committee. Please refer to point 5 of Corporate Governance Report as form part of this Annual Report for detailed information on grievance redressal

24. Overview of the entity's material responsible business conduct issues



Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

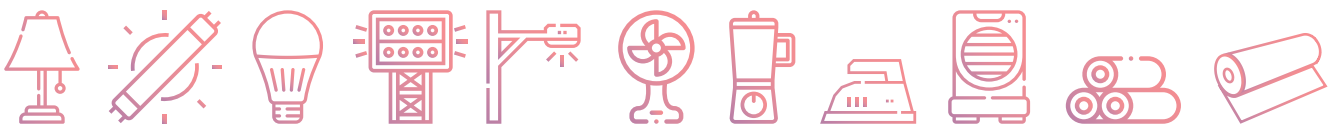
Sl. No	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	 Brand Reputation	 Risk	Given that Surya Roshni Limited is a household name and provides products and services to millions of customers, any undesirable customer experience could result in loss of customers or even reputational loss.	Listening to customers and driving continuous transformation to provide them a frictionless experience is what Surya Roshni always strives for. For a better customer experience, Surya appropriately addresses their grievances. Customer experience is enhanced by offering products and services which meet the needs of customers, as well as adaptation of innovative technology solutions to provide a seamless and an on-the-go customer journey through its better services and innovative lighting products.	Negative Loss of reputation can result in loss of customer thereby adversely impacting businesses of Surya Roshni Limited.

Sl. No	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2	 Business Ethics	 Risk	<ol style="list-style-type: none"> 1, Helps in risk management 2. Important in enhancing long-term value with stakeholders 3. Critical in the successful running of company 	<p>The Company is committed to adhere to the highest standards of ethical, moral and legal code of conduct for business operations. In order to maintain these standards, the Company has formalised the 'Code of Conduct' for Directors as well as for all the employees of the Company. This lays down the principles and standards that govern the actions of the employees in the course of Conduct of Business of the Company. It covers all dealings with vendors, customers and other business partners. Any actual or potential violation of the Code, however insignificant or perceived as such, would be a matter of serious concern for the Company. All such policies are communicated to employees on the day of joining. The Company conducts its relationships and dealings in business, and otherwise, in accordance with the Code of Conduct. It mainly focusses on five values i.e. Personal Leadership, Courage, People Development, Innovation and Execution Excellence. The Company has in place, different mechanisms for receiving and dealing with complaints from different stakeholders. The Company has established a vigil mechanism for employees, Directors and vendors to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The Whistle Blower Policy facilitates employees and vendors to report without fear, any wrongdoings or unethical or improper practice. There is a separate Stakeholders Relationship Committee for shareholder grievances. The Company has an exclusive e-mail id for redressal of investor grievances. Investors can email at investorgrievances@sroshni.com to lodge their complaints. The Company has an exclusive e-mail id consumercare@surya.com in for consumer care. Consumer can lodge their complaints/ suggestions/feedback accordingly. In order to address workplace-related issues, the senior management team has periodical interactions, with employees at different locations. The Managing Director regularly receives feedback from employees across the country through specially instituted mechanisms.</p>	<p>Positive: Compliance with relevant regulatory requirements reflects the Company's commitment towards responsible business practices.</p> <p>Negative: Non-compliance with regulatory requirements, may affect the Company's image and impact its business continuity in the long-term.</p>

Sl. No	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3	 Energy Efficiency	 Risk and Opportunity	<p>Risk: Energy management has been identified as a key material issue under Climate change and environmental risk. Climate Change and Environmental risks are addressed to emphasise on the Company's climate consciousness and its contribution towards mitigation action plans against climate change.</p> <p>Opportunity: Comprehensive resource management plans in alignment with the Company's environment conservation strategy will highlight the Company's commitment to improving environment preservation and its contribution towards climate change mitigation action plans.</p>	<p>The Company focusses on four major areas related to climate change i.e. energy conservation, water conservation, use of renewable energy and waste minimisation. The Company's Environment, Health and Safety (EHS) Policy covers all employees and stakeholders across all manufacturing units. In Lighting manufacturing processes, high energy consumption equipment had been replaced with cost effective energy-efficient equipment. The Company regularly monitors the operations and capacity optimisation of pumps, motors and cooling tower operations, to take corrective actions. The Company is contributing towards global environment by complying with ISO Certification i.e., ISO 9001, ISO 14001 & OHSAS 18001 under the Integrated Management System, in each and every process of the Company. The Company regularly assesses various environmental risk associated with its activities and its likely impact. The purpose of this procedure is to establish and maintain procedures for identifying environmental/hazard aspects of activities. The manufacturing units have embraced initiatives on clean technology and energy efficiency. Innovative technologies have been implemented to reduce the impact on the environment. The Company has installed solar panel at its manufacturing facilities at Bahadurgarh and Malanpur Steel Plant and will be installing solar panel at all its other manufacturing units in time to come. In the longer term, the Company aims to reduce CO² emissions and generate energy at a lower cost at its factories in India. This, is in-sync with the Company's approach towards 'building a sustainable ecosystem through efficient energy consumption and optimum utilisation of natural resources such as solar power and wind energy. Furthermore, this project will also enable significant operating cost-savings for the Company such as lower energy loss, reduced electricity bills and maintenance costs</p>	<p>Positive: The Company's focus on strengthening climate and ESG specific initiatives bolsters long term value-creation and enables the Company to effectively respond to rising stakeholder demands.</p> <p>Negative: Lack of robust initiatives and action plans to contribute to ESG awareness and climate change could adversely impact business operations and lead to workforce disruption.</p>

Sl. No	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4	 <p>Human Rights Practices</p>	 <p>Risk</p>	<p>Risk: Absence of a comprehensive Human Rights governance structure from the aspects of parameters such as working conditions, child/ forced labour, fair remuneration, gender diversity, prevention of sexual harassment, freedom of association, and collective bargaining will impact the Company's performance in the social domain from the perspective of the employee workforce as well as the community.</p>	<p>The Company respects human rights of all relevant stakeholders and groups within and beyond the workplace including that of communities, consumers and marginalised groups. All the practices and policies of the Company, including engagement with suppliers and contractors, among others, ensure that human rights are honoured and protected. To respect the human rights of our employees, including non-discrimination, prohibition of child and forced labour, freedom of association and the right to engage in collective bargaining. Surya Roshni strives to ensure that there is no discrimination or harassment due to gender, religion, ethnicity and disability. We continuously work towards building a conducive work environment wherein merit in qualification and performance becomes the sole criteria for selection and performance appraisal and the work environment is free from all forms of harassment - physical, verbal, psychological, sexual etc. Integrating a strong governance structure for Human Rights from the aspect of Human Rights Policy, freedom of association policy and due diligence across the business operations extending to supply chain partners and vendors.</p>	<p>Positive: Comprehensive alignment of Human Rights principles in accordance with the guiding principles of national and international Human Rights standards amplifies the Company's performance in the social aspect as well as reflects its commitment towards human rights integration within the Company's business model.</p> <p>Negative: The absence of a Human Rights governance structure could result in employee dissatisfaction, impacting the workforce productivity that could impact the Company's long-term business growth plan. The lack of a strong redressal mechanism may result in non-compliance issues from a relevant regulatory perspective</p>

Sl. No	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5	 Board Diversity and Independence	 Opportunity	Opportunity: The Company recognises and embraces the importance of a diverse Board in its success. We believe that a truly diverse Board will leverage differences in thought, perspective, knowledge, skill, industrial experience, age, ethnicity, gender which will help us to retain our competitive advantage.	<ol style="list-style-type: none"> 1. Ensure a transparent nomination process for directors with the diversity of thought, experience, knowledge, perspective, excellence in their performance; 2. The Board as recommended by Nomination and Remuneration Committee has adopted the Board Diversity Policy which sets out the approach to diversity on the Board of Directors. 3. As an employer committed to diversity, Surya Roshni recognises that its success depends on creating a working environment which supports the diversity of its employees with supporting policies and procedures to create a framework which promotes this policy. 	Positive: Consistent efforts would lead to positive impact due to improvement in productivity, etc.



SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

The National Guidelines for Responsible Business Conduct (NGRBC) as brought out by Ministry of Corporate Affairs advocates nine principles referred as P1-P9 as given below:

P1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable

P2 Businesses should provide good services in a manner that is sustainable and safe

P3 Businesses should respect and promote the well-being of all employees, including those in their value chains

P4 Businesses should respect the interests of and be responsive to all its stakeholders

P5 Businesses should respect and promote human rights

P6 Businesses should respect and make efforts to protect and restore the environment

P7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

P8 Businesses should promote inclusive growth and equitable development

P9 Businesses should engage with and provide value to their consumers in a responsible manner

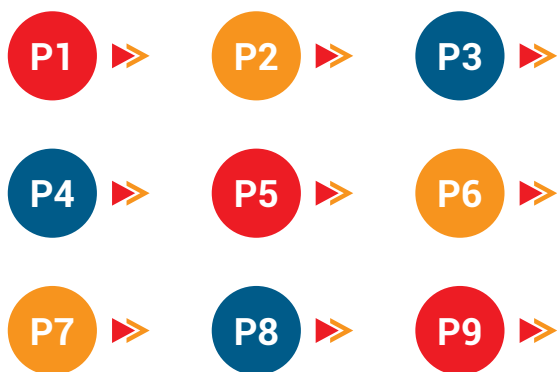
Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes										
1	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	c. Web Link of the Policies, if available	https://surya.co.in/investor-relations/corporate-governance/#policies/								
2	Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3	Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4	Name of the national and international codes/certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	ISO 9001, ISO 14001 & OHSAS 18001, ISO 45001, AS1074 (AUSTRALIA), BIS 3589 : 2001, BIS 1239, BIS 1161, BIS 5504, BIS 4923, BIS 3601, BIS IS 4270 : 2001, EN 10219-1:2006, IS 4923, IS 3589, IS 1239, IS 1161, IS 3601, IS3183:2012, IS 4270:2001, API 5L, API 5CT								
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Company continues to place major emphasis on the conservation of energy and the measures taken during the previous years in this regard were continued. The Company has identified material ESG issues which will help Surya in setting targets and measures. Surya strives to become a sustainable organisation and is in the process of developing or setting targets for its business.								
6	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Surya is committed to enhancing Sustainability practices in a formal manner by adopting the guidelines defined under NGRBC and will work on measuring performance once targets are set and defined.								

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
Governance, leadership and oversight										
7	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	Our commitment to all aspects of sustainability is embedded in our founding principles – valuing our people, our partners, our communities, and our environment. These strategic principles drive long-term value creation for all of us. Our sustainability strategy is an ongoing journey, and we plan to use our entrepreneurial, innovative spirit to continue to be a leader in the industry. Surya Roshni aims to continuously contribute to the prosperity of its local communities and long-term sustainability. Thus, Sustainability and Corporate Social Responsibility (CSR) form an integral part of the Company's daily operations. The Company offers a wide array of products across both business verticals. These products are sold across India and exported to over 50 countries. As a result, the Company has de-risked itself from a specific industry or region-specific risks and built long-term sustainability. The Company has an established framework for the identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG-related risks), information, cyber security risks, or any other risks, and ensure that appropriate methodology, processes, and systems are in place to monitor and evaluate risks associated with the business of the Company. We endeavour to provide a safe and healthy working environment, use resources effectively and efficiently, and be accountable and transparent regarding the impacts of our activities. We recognise the importance of energy conservation and well aware of the deleterious effects of global warming and climate change. The Company has already undertaken various energy efficient steps that strengthen its commitment towards becoming an environment friendly organisation. We continuously play our active part in reducing emission, conserve energy, safe-disposal of wastes, protect man-kind so as to preserve our country's ecosystem. We also strive to exceed existing standards and stakeholder expectations and actively contribute to industry best practices.								
8	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Kaustabh Narsinh Karmakar Director - HR ved@surya.in								
9	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, the Risk Management Committee is, inter-alia, responsible to formulate the detailed risk management policy by identifying the internal and external risks faced by the Company including financial, operational, sectoral, sustainability (particularly, ESG-related risks), information, cyber security risk, measures for risk mitigation, business continuity plan. The Committee regularly reviews the methodology, processes, and systems to monitor and evaluate risks associated with the business of the Company and proper implementation of the risk management policy. The Committee keeps updating the Board of Directors about the nature and content of its discussions, recommendations, and actions to be taken.								

10. Details of Review of NGRBCs by the Company:

Subject of Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee	Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1 P2 P3 P4 P5 P6 P7 P8 P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	As a practice, policies on the Business Responsibility of the Company are reviewed annually or on a need-based basis by the Committee of the Board. During this assessment, the efficacy of the policies is reviewed and necessary changes to policies & procedures are implemented	Annually								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Board requires the Committee to ensure compliance with all applicable regulations and obtain a statutory compliance certificate for relevant laws.	Ongoing / quarterly basis-Compliance report from plant / functional heads is placed before the Committee of the Board on a quarterly basis. In addition, tools are used to track and enforce 100% compliance.								

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency



Yes, the policies are independently reviewed and assessed by the CareEdge Advisory

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated: **N.A. (All Principles are covered by the Policies)**


SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE




This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorised as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.






Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
 Board of Directors	1	An induction/ familiarisation session is arranged for every independent Director, on his/her appointment to the Board of Directors. The induction session, amongst others, includes an overview of the Company, its vision and mission, the industry in which it operates, its business strategies, risk management, and the roles and responsibilities of a member of the Risk Management Committee and Board. On an ongoing basis, Surya Roshni's Board conducts meetings and updates regarding regulatory updates, Code of Conduct for the Prevention of Insider Trading, the Code of Conduct for Directors and Senior Management, Corporate Governance, Risk Management, IT & Cyber security, changes in the regulatory environment as applicable were made at the meeting. Further, Independent Directors meet separately without the attendance of Non-Independent Directors to review the performance of Non-Independent Directors, the Board as a whole, and the performance of the Chairman of the Board.	100

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
 Key Managerial Personnel	1	Regulatory & Legal Updates	100
 Employees Other than Board of Directors and KMPs	18	QMS, ISO, API, On job, Work Instrastion, SOP, IMS, Fire fighting, First Aid, Kaizen, Six Sigma, Fire Mock Drill, LPG Cylinder Mock Drill, Industrial Hygiene, On/ Off site, 5S, Time Management, On Job Training Emergency Plan, Human Rights	100
 Workers	18	QMS, ISO, API, On job, Work Instrastion, SOP, IMS, Fire fighting, First Aid, Kaizen, Six Sigma, Fire Mock Drill, LPG Cylinder Mock Drill, Industrial Hygiene, On/ Off site, 5S, Time Management, On Job Training Emergency Plan, Human Rights	100

2. Details of fines / penalties / punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGRBC Principle	Name of the regulatory / enforcement agencies / judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
 Penalty/ Fine	Nil	Nil	Nil	Nil	No
 Settlement	Nil	Nil	Nil	Nil	No
 Compounding Fee	Nil	Nil	Nil	Nil	No
Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions		Brief of the Case	Has an appeal been preferred? (Yes/No)
 Imprisonment	Nil	Nil		N.A.	No
 Punishment	Nil	Nil		N.A.	No

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details



**Not
Applicable**











Name of the regulatory/
enforcement agencies/
judicial institutions

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, the Company does not encourage associates or any connected stakeholders to use unethical means such as bribery or kickbacks. We have a zero-tolerance approach to bribery and corruption and are committed to acting professionally, fairly, and with integrity in all our business relationships, wherever they cooperate, and in implementing and enforcing effective systems to counter bribery. Strong guidelines have been laid down to avoid malpractice and the consequences of such actions are also well-defined. Strong and stringent control measures are in place to stop such activities and associates are encouraged to bring to notice any such malpractice that might have been missed. The Company's governance practices are laid out on the foundation of honesty and integrity, conducting business in compliance with all regulatory and legal obligations. The principles of anti-corruption and bribery are captured in the Company's policies.

Anti-bribery Policy can be accessed at: <https://surya.co.in/investor-relations/corporate-governance/#policies/>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

FY 2022-23 (Current Financial Year)		FY 2021-22 (Previous Financial Year)	
 Directors	Nil	 Directors	Nil
 KMPs		 KMPs	
 Employees		 Employees	
 Workers		 Workers	

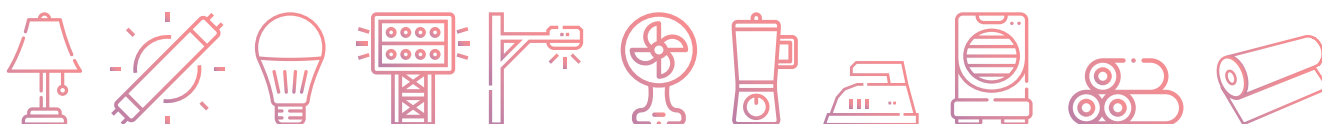
6. Details of complaints with regard to conflict of interest:

	FY 2022-23 (Current Financial Year)		FY 2021-22 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	NA	Nil	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	NA	Nil	NA

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

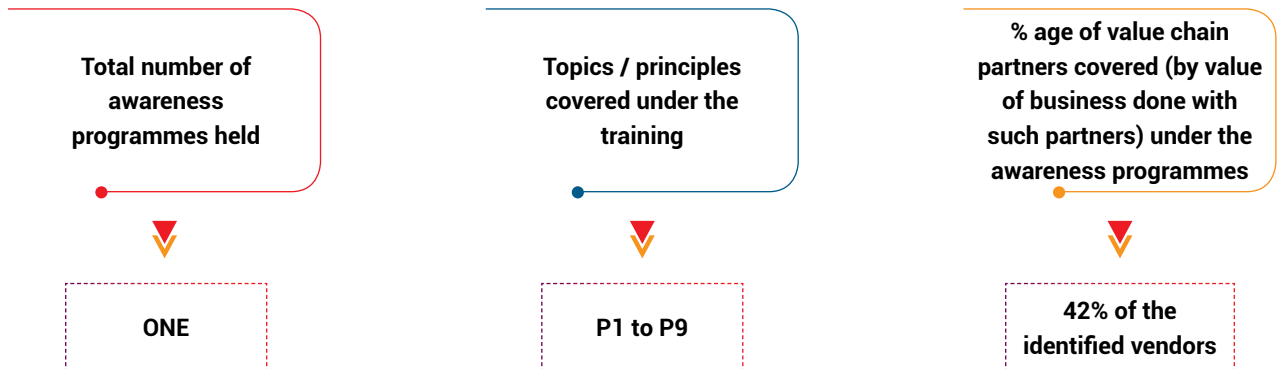


There were no cases of corruption or conflicts of interest that required action by regulators / law enforcement agencies / judicial institutions.



Leadership Indicators

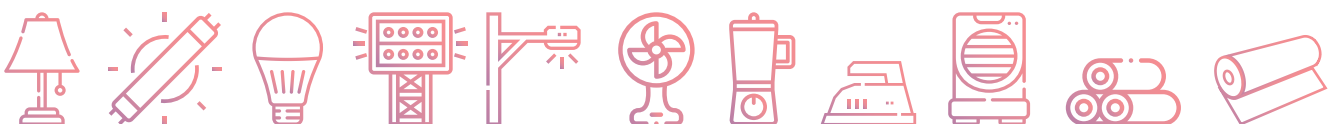
1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:



The Company has long-lasting relationships with its suppliers/vendors. Awareness of sustainability is being created amongst vendors training and awareness on energy, health and safety are being imparted to strategic vendors. For enhancing skills at the vendors' end, focussed drive in the following areas have been undertaken and organisational work structure for the same has been put in place. The areas covered are vendor capability building, vendor evaluation standard, supply risk mitigation and management.

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/ No) If Yes, provide details of the same



Yes, the Company has established a vigil mechanism for employees, Directors and vendors to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The Whistle Blower Policy facilitates employees and vendors to report without fear, any wrongdoings or unethical or improper practice. Every Director of the Company discloses his/her concern or interest in the Company or companies or bodies corporate, firms, or other association of individuals and any change therein, annually or upon any change, which includes the shareholding. Further, a declaration is also taken annually from the Directors under the Code of Conduct confirming that they will always act in the interest of the Company and ensure that any other business or personal association which they may have, does not involve any conflict of interest with the operations of the Company and the role therein. In the meetings of the Board, the Directors abstain from participating in the items in which they are concerned or interested. For identifying and tracking conflicts of interest involving the Directors/KMPs of the Company, the Corporate Secretarial team maintains a database of the Directors and the entities in which they are interested. This list is shared with the Finance department for monitoring and tracking transaction(s) entered by the Company with such parties. Additionally, the Senior Management also affirms that they have not entered into any material, financial and commercial transactions, which may have a potential conflict with the interest of the Company at large.



PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively

	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)	Details of improvements in environmental and social impacts
 R&D	53%	66%	The impact is in reduction of hazardous gases on the environment through the development of energy efficient Light Sources and Luminaires & its application including LED Lighting System carried out at Noida R&D centre
 Capex (LNG conversion) (₹)	-	100%	The impact is Carbon & Flue Gas Emissions reduced and incurred cost on developing energy efficiency lighting at Noida R&D centre. Malanpur Lighting Plant : <ol style="list-style-type: none"> 1. Installed VOC monitor to control the exposure of volatile organic gases. 2. Separate pipeline for effluent from lamp recycling area to ETP 3. Platform with porthole for monitoring of HCL fumes.

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)
- Yes, the Company has formulated a Sustainable Supply Chain Management Policy that outlines the framework for reporting on environmental, social, and economic impacts. The Company checks the compliance and practices of its supply chain through supplier assessment and onsite audits. Our key focus is to assess on basis of ESG parameters and verify if the policies of the organisations, business continuity management systems practices, and strategies and initiatives to overcome sustainability risks are in place, Surya Roshni asks suppliers to adhere to the Supply Chain Code of Conduct through POs. Also, we have incorporated terms and conditions into our purchase orders to procure the raw material from the vendor having ISO 14001/ISO 18001 certifications and legal conversion under Environment protection Act.
- b. If yes, what percentage of inputs were sourced sustainably?
- 85%
3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for
- (a) **Plastics (including packaging):** The Company has an established system for collecting back the plastic waste or multilayered packaging generated due to its products as per the Extended Producer Responsibility (EPR) regulations. The recycling and disposal of the reclaimed plastics (including packaging) are carried out as per the Central Government rules and the provisions of the Plastic Waste Management Rules.
 - (b) **E-waste:** A pan-India based agency authorised by the Pollution Control Board is selected to ensure the safe disposal of e-waste with minimal environmental impact
 - (c) **Hazardous waste:** The hazardous waste is sent for proper disposal at Pollution Control Board's authorised facilities.
 - (d) **Other waste:** Solid waste/sludge from water and waste treatment plants and process waste from factories are disposed of in a controlled manner as per policy
4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.
- Yes, EPR applies to the Company's business. Its waste collection plan is in accordance with the EPR action plan filed with the CPCB. The use of plastic in the product is determined by the standards established by the Pollution Control Board. In addition, a procedure for the receipt and disposal of plastic is in place and complies with current statutory regulations. Also, EPR plans for e-waste and plastic waste are submitted to the Pollution control board.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
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No - The Company being the largest exporter of ERW pipes and largest producer of ERW GI Pipes in India manufactures ERW Steel Pipes (GI Black, Hollow section), API & Spiral Pipes, 3LPE Coated Pipes and CR Strips and is also the second-largest Manufacturing Lighting Company in India manufactures world-class LED bulbs, LED Street Lights, LED Luminaire, Lighting products and provide Fans and Home appliances

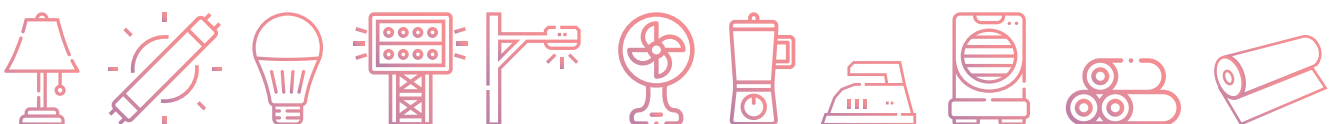
2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same

The products/services may have potentials environmental concerns.





Name of Product / Service	Description of the risk / concern	Action Taken
Packaging Material	Plastic bags used in packaging were harmful to the environment.	The Company has mostly eliminated the use of plastic bags in its packaging. In places where it cannot be avoided, the thickness was changed to the allowable limit. The Company started reusing the same packaging material, thereby reducing waste.
Lighting Manufacturing	e-waste	The Company started using ROHS - compliant raw materials. Also, it recycles and safely disposes of the waste under EPR plan.

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
 Plastics	16.51%	63.38%
Glass	1.263%	1.295%
Mercury	0.055%	0.016%
Phosphor Powder	1.222%	1.277%
Aluminium	2.954%	1.602%



4. Of the products and packaging reclaimed at end of life of products, amount (in metric tons) reused, recycled, and safely disposed, as per the following format:

	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
 Plastics (including packaging)	40.89	NIL	44.638	18.920	NIL	65.764
 E-waste	NIL	22.757	NIL	NIL	26.586	NIL
 Hazardous waste	NIL	121.045	740.660	NIL	129.655	586.690
 Other Waste	NIL	NIL	NIL	NIL	NIL	NIL

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category

Indicate product category





Reclaimed products and their packaging materials as % of total products sold in respective category.





Damaged material comes to the depots and is disposed of as-is through the contracting process. The quantum of such material is almost negligible.

PRINCIPLE 3 : Businesses should respect and promote the well-being of all employees, including those in their value chains









Essential Indicators

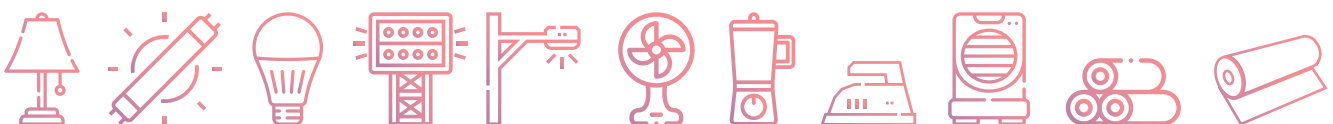
1. a. Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by									
		Health Insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
 Permanent Employees											
 Male	2,065	865	41.89	1,355	65.62	-	-	-	-	-	-
 Female	19	14	73.68	6	31.58	3	15.79	-	-	-	-
 Total	2,084	879	42.18	1,361	65.31	3	0.14	-	-	-	-




% of employees covered by											
Category	Total (A)	Health Insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
 Other than Permanent Employees											
 Male	430	-	-	-	-	-	-	-	-	-	-
 Female	3	-	-	-	-	-	-	-	-	-	-
 Total	433	-	-	-	-	-	-	-	-	-	-

b. Details of measures for the well-being of workers:

% of Workers covered by											
Category	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
 Permanent Workers											
 Male	1,226	191	15.58	1,226	100.00	-	-	-	-	-	-
 Female	-	-	-	-	-	-	-	-	-	-	-
 Total	1,226	191	15.58	1,226	100.00	-	-	-	-	-	-
 Other than Permanent Workers											
 Male	3,878	1,850	47.71	3,878	100.00	-	-	-	-	-	-
 Female	455	-	-	455	100.00	-	-	-	-	-	-
 Total	4,333	1,850	42.70	4,333	100.00	-	-	-	-	-	-



2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.)
 PF	100	100	Yes	100	100	Yes
 Gratuity	100	100	Yes	100	100	Yes
 ESI	2.88	8.65	Yes	3.21	7.18	Yes
Others-Please specify	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

3. Accessibility of workplaces




Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard

- Yes, as a principle, the Company through its Equal Employment Opportunity policy, prohibits any kind of discrimination against any person with a disability in any matter related to employment as per the Right of Persons with Disabilities Act, 2016, and Transgender Persons (Protection of Rights) Act 2019. The corporate office and sites of Surya Roshni and its subsidiaries have ramps for easy movement of differently-abled people and wheelchair-accessible restrooms are available.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

- Yes, Surya Roshni has adopted an equal employment opportunity and non-discrimination policy in accordance with the provisions of the Rights of Persons with Disabilities Act, 2016, and provides a framework that is committed to the empowerment of persons with disabilities. Weblink: <https://surya.co.in/investor-relations/corporate-governance/#policies/>





5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
 Male	Nil	Nil	Nil	Nil
 Female	Nil	Nil	Nil	Nil
 Total	Nil	Nil	Nil	Nil









Note: There was one permanent female employee who returned to work.

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.









Yes/No (If Yes, then give details of the mechanism in brief)

Category	Yes/No (If Yes, then give details of the mechanism in brief)
 Permanent Workers	<p>➤ Yes. Surya Roshni strives to create a culture that is fair, open, transparent and where employees and workers can openly present their views. Surya Roshni transparently communicates its policies and practices such as plans, compensation, performance metrics, performance pay grids and calculation, career enhancements, compliance, and other processes. Surya Roshni enables employees and workers to work without fear of prejudice, gender discrimination, or harassment. It has zero tolerance for any non-compliance with these principles. Surya Roshni has a Grievance redressal committee in which employees can raise issues by dropping letters or Emails. serving as grievance mechanisms for its employees to report or raise their concerns confidentially and anonymously and without fear of any retaliation. The Whistle Blower Mechanism provides employees a mechanism to report any concerns or grievances pertaining to any potential or actual violation of the Code of Conduct.</p>
 Other than Permanent Workers	
 Permanent Employees	
 Other than Permanent Employees	





7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:





Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
 Total Permanent Employees						
 Male	2,065	NIL	NIL	2,072	NIL	NIL
 Female	19	NIL	NIL	18	NIL	NIL
 Total	2,084	NIL	NIL	2,090	NIL	NIL
The Company does not have any employee associations. The Company, however, recognises the right to freedom of association through its freedom of association policy and does not discourage collective bargaining.						
 Total Permanent Workers						
 Male	1,226	640	52.20	1,267	674	53.20
 Female	-	-	-	-	-	-
 Total	1,226	640	52.20	1,267	674	53.20

8. Details of training given to employees and workers:

Category	FY 2022-23 (Current Financial Year)					FY 2021-22 (Previous Financial Year)				
	Total (A)	On Health and Safety Measures		On Skill upgradation		Total (D)	On Health and Safety Measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
 Employees										
 Male	2,065	819	39.66	763	36.95	2,072	690	33.30	553	26.69
 Female	19	5	26.32	3	15.79	18	3	16.67	3	16.67
 Total	2,084	824	39.54	766	36.76	2,090	693	33.16	556	26.60
 Workers										
 Male	1,226	748	61.01	364	29.69	1,267	740	58.41	293	23.13
 Female	-	-	-	-	-	-	-	-	-	-
 Total	1,226	748	61.01	364	29.69	1,267	740	58.41	293	23.13

9. Details of performance and career development reviews of employees and worker:

Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
 Employees						
 Male	2,065	1,883	91.19	2,072	1,885	90.97
 Female	19	19	100	18	18	100
 Total	2,084	1,902	91.27	2,090	1,903	91.05

Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
 Workers						
 Male	1,226	1,226	100	1,267	1,267	100
 Female	-	-	-	-	-	-
 Total	1,226	1,226	100	1,267	1,267	100

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

- Yes, the Safety and health of employees are extremely important to the Company and it is committed to building and maintaining a safe and healthy workplace. The Company's Environmental, Health and Safety (EHS) Policy covers all employees and stakeholders across all manufacturing units. At a strategic level, the Company has embedded various Environment, Health & Safety (EHS) considerations in all aspects to its existing operations. All manufacturing locations are certified for IMS QMS 9001:2015 (Quality Management System), ISO 14001 (Environmental Management Systems) and OHSAS 18001 (Occupational Health and Safety Management Systems) requirements. The Company has adhered to the applicable standards and limits for emissions and waste prescribed by the respective State Pollution Control Board (SPCB)/ Central Pollution Control Board (CPCB).

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

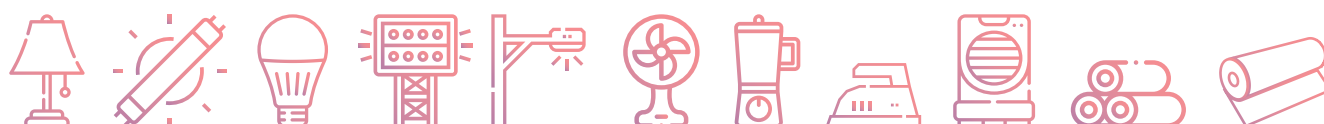
- Surya is committed to providing a safe and healthy workplace by minimising the risk of accidents, injury, and exposure to health risks and it complies with applicable laws and regulations with respect to safety at the workplace. Surya Roshni has taken an initiative to frame a comprehensive policy with respect to health and safety management systems such as plant safety audits, job safety analysis, work permit systems, workplace monitoring, noise monitoring, hygiene & sanitation, yearly safety audit, emergency exits, first aid box, etc.

c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks(Y/N)









- Yes. Work-related hazards are being identified and addressed through a daily plant round and cross-functional behaviour safety observation round.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

- Yes, Surya Roshni has insured its employees under group term insurance, health insurance and accidental insurance policies.

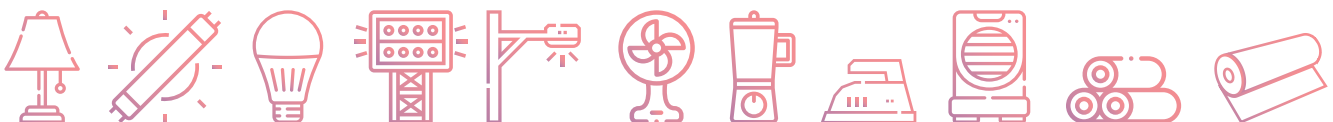


11. Details of safety related incidents, in the following format:



Safety Incident / Number	Category	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	 Employees	Nil	Nil
	 Workers	Nil	Nil
Total recordable work-related injuries	 Employees	Nil	Nil
	 Workers	Nil	Nil
No. of fatalities	 Employees	Nil	Nil
	 Workers	1	2
High consequence work-related injury or ill-health (excluding fatalities)	 Employees	Nil	Nil
	 Workers	Nil	Nil

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

- Please refer to Question No. 10 above.





13. Number of Complaints on the following made by employees and workers:

Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
 Working Conditions	Nil	Nil	N.A.	Nil	Nil	N.A.
 Health and Safety	Nil	Nil	N.A.	Nil	Nil	N.A.

14. Assessments for the year.

**% of your plants and offices that were assessed
(by entity or statutory authorities or third parties)**

 Health and Safety Practices	➤	100
 Working conditions	➤	100



15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

- We have Safety Command centers established at each plant to track and raise awareness on safety culture.
- Root Cause Analysis (RCA) are conducted for all the safety related incidences and suitable corrective actions are taken. Safety Inspections and Safety Audits are also being done periodically. Corrective actions are being taken for all the observations given by the auditors (internal as well as external).
- Safety Reviews conducted by rotation by Site Heads and Plant Heads in once a month. Key learning points shared by site implemented horizontally. In addition, PPE Matrix revised, and plant-wise PPE training modules has been deployed. A system of Safety challans and Surprise checks are used to strengthen the culture of safety.
- Increased the number of targeted safety placards, poster, and signboards, placed at strategic places for raising awareness as well as to reinforce that safety is everyone's responsibility.

Leadership Indicators

- Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).**
 - Yes, Surya has a scheme in place to provide Financial Assistance to the legal dependents of permanent employees in case of deaths while in service. In addition to this, the employees are covered under the Group Personal Accident (GPA) Insurance.
- Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**
 - The Company monitors and tracks compliance related to statutory dues by contractors supplying third party resources as a part of regular checks while processing the invoices. Periodical audits are also conducted to ensure compliance.

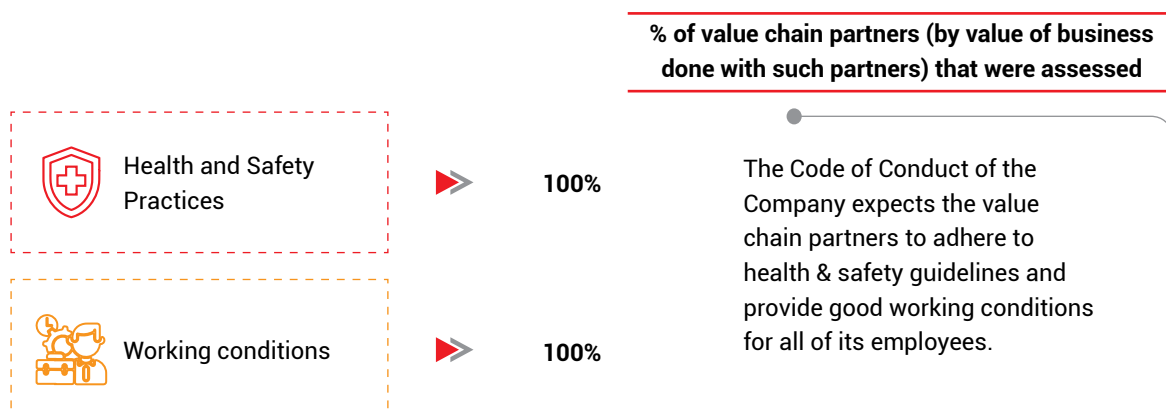
3. Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
 Employees	2	Nil	Nil	Nil
 Workers	1	2	Nil	Nil

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

- Yes, the Company provides skill training from time to time that enables the employees to pursue employment post-retirement or termination.

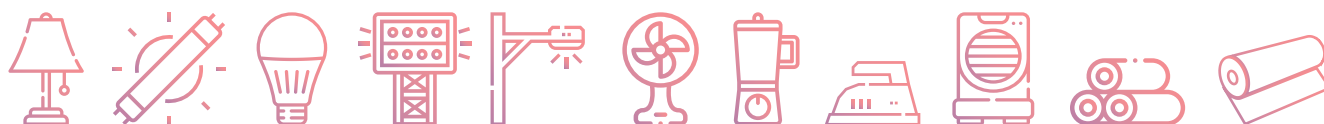
5. Details on assessment of value chain partners:



6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

The Company has adopted a structured approach towards adopting a proactive safety programme and establishing a strong safety culture in the Company. Some of progressive actions are as follows: -

1. Management Safety Review Team constitutes: Site Heads/ Plant Heads/ Factory Safety Officers/ Factory HR Heads/ Engineering team members. Guidance is received from directors on a regular basis.
2. Safety metrics are finalised for review along with definition through Site Heads. 5 Lagging indicators: Reportable Accident, Lost Time Incident Rate, No Lost Time Injury and Fire Incident. 2 leading Indicators of Near Miss and Unsafe Acts and Unsafe Conditions.
3. PPE Matrix revised, and plant-wise PPE training modules prepared. Training programmes are on. Safety challans being introduced. Surprise checks being conducted by shop floor supervisors.
4. Approval matrix being changed, following the change in the reporting of the safety function from the HR function to the Plant Heads.
5. Inter-plant safety assessment exercise by the Factory Safety Officers initiated.









PRINCIPLE 4 : Businesses should respect the interests of and be responsive to all its stakeholders

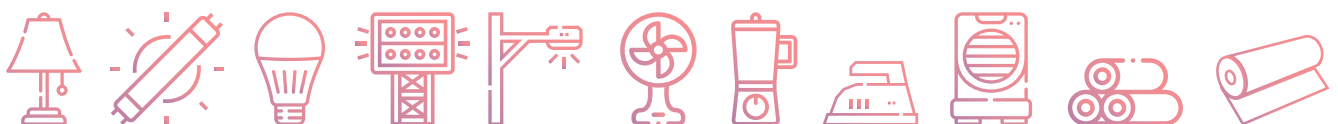
Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity

- The key stakeholders identified include Customers, Employees, Business Partners (Suppliers and Vendors), Community, Investors, Government Bodies, Industry Associations, and Non-Governmental Organisations (NGOs). Our approach towards responsible and sustainable business practices undergoes a systematic mapping through regular engagement with its internal and external stakeholders. This practice helps the Company to prioritise key sustainability issues in terms of relevance to its business and stakeholders, including society and clients.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
 Shareholders & Investors	No	Annual General Meeting, Shareholder meets, email, Stock Exchange (SE) intimations, investor/ analysts meet/ conference calls, annual reports, quarterly results, media releases and Company website	Annually / Quarterly / Ongoing	Share price appreciation, dividends, profitability and financial stability, climate change risks, cyber risks, growth prospects
 Employees	No	Senior leaders' communication/ talk/ forum, Employee Communication (CEO Online), goal setting and performance appraisal meetings/ review, arbitration, wellness initiatives, engagement survey, email, intranet, websites, poster campaigns, circulars, a quarterly publication, and newsletters	Ongoing	Operational efficiencies, improvement areas, long-term strategy plans, training and awareness, responsible marketing, brand communication, health, safety and engagement initiatives
 Customers/ Consumers	No	Website, complaints management, helpdesk, conferences, customer surveys, face-to-face meetings, E-mail, customer feedback	Ongoing	Customers form a vital part of the Company's stakeholder engagement group to ensure quality services. The key areas of interest for customers are: New products, regulations
 Suppliers/Value Chain Partners	No	Vendor meets, virtual modes such as e-mail, telephonically	Ongoing	Quality, timely delivery and payments, ESG consideration (sustainability, safety checks, compliances, ethical behaviour), ISO and OHSAS standards
 Government	No	Advocacy meetings with local/state national Government and Advocacy meetings with local/state/national Government & Ministries, seminars, media releases, conferences, membership in local enterprise partnership and industry bodies industries, seminars, media releases, conferences, membership in local enterprise partnership and industry bodies and through email	Ongoing	Helps and guides in terms of connecting with Govt. Schemes in the same area for increased effectiveness, changes in regulatory frameworks, skill and capacity building, employment, environmental measures, policy advocacy, timely contribution to exchequer/ local infrastructure, proactive engagement
 Communities	Yes	Multiple channels – physical and digital and email	need-based	Support socially high impact projects



Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The Company's response on Process: At Surya, the stakeholder engagement mechanism is a key driving force towards strengthening and diversifying the stakeholder relationship, which further facilitates the identification of key material issues impacting the Company's growth. The stakeholder engagement and materiality assessment exercise conducted in 2022-23 led to the prioritisation of material issues, mapping of the risks relevant to each material topic, and development of consequent risk mitigation steps. The primary outcome of the stakeholder engagement exercise resulted in the identification and prioritisation of material issues relevant to environmental, social, governance, and economic aspects. The identified material issues were presented to the highest governing member and the Board for their feedback and guidance on strategising the sustainable growth model of the Company. As part of the Company's efforts to continually engage with internal and external stakeholder groups for the identification of key material issues impacting them, the stakeholder engagement exercise undergoes periodical review.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

- Yes, Surya has always maintained regular and proactive engagement with the Company's key stakeholders, allowing it to effectively work on its ESG strategies and be transparent about the outcomes. In response to current regulations and interactions with stakeholders, the Company performs periodical evaluations to update and reissue policies as needed.





3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalised stakeholder groups.




- There are no reportable concerns for vulnerable/ marginalised groups. However, the Company undertakes various CSR activities in local areas that serve the vulnerable/ marginalised stakeholder group.

PRINCIPLE 5 : Businesses should respect and promote human rights






Essential Indicators






1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
 Employees						
 Permanent	2,084	609	29.22	2,090	570	27.27
 Other than Permanent	433	90	20.79	441	85	19.27
 Total Employees	2,517	699	27.77	2,531	655	25.88







Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
 Workers						
 Permanent	1,226	455	37.11	1,267	394	31.10
 Other than Permanent	4,333	1,587	36.63	4,345	1,202	27.66
+ Total Employees	5,559	2,042	36.73	5,612	1,596	28.44

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2022-23 (Current Financial Year)					FY 2021-22 (Previous Financial Year)				
	Total (A)	Equal to Minimum Wage		More than minimum Wage		Total (D)	Equal to Minimum Wage		More than minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
 Employees										
Permanent	2,084	0	0	2,084	100	2,090	0	0	2,090	100
 Male	2,065	0	0	2,065	100	2,072	0	0	2,072	100
 Female	19	0	0	19	100	18	0	0	18	100
Other than Permanent	433	0	0	433	100	441	0	0	441	100
 Male	430	0	0	430	100	439	0	0	439	100
 Female	3	0	0	3	100	2	0	0	2	100

Category	FY 2022-23 (Current Financial Year)					FY 2021-22 (Previous Financial Year)				
	Total (A)	Equal to Minimum Wage		More than minimum Wage		Total (D)	Equal to Minimum Wage		More than minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
 Workers										
Permanent	1,226	0	0	1,226	100	1,267	0	0	1,267	100
 Male	1,226	0	0	1,226	100	1,267	0	0	1,267	100
 Female	0	0	0	0	0	0	0	0	0	0
Other than Permanent	4,333	4,180	96.47	153	3.53	4,345	4,345	100	0	0
 Male	3,878	3,725	96.05	153	3.95	4,345	4,345	100	0	0
 Female	455	455	100	0	0	0	0	0	0	0

3. Details of remuneration/salary/wages, in the following format:

	 Male		 Female	
	Number	Median remuneration/salary/wages of respective category	Number	Median remuneration/salary/wages of respective category
 Board of Directors (BoD)*	9	7,41,16,825	2	-
 Key Managerial Personnel	3	82,87,839	-	-
 Employees other than BoD and KMP	2,058	5,68,104	19	7,77,156
 Workers	1,226	3,84,948	-	-

*We have four Executive Directors who are paid remuneration and rest are Non-Executive Directors who only receive sitting fees.

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)







Yes, the Company has formulated a Human Rights Policy and has Grievance Redressal Committee where employees can address their complaints or grievances to the Human Resources department or to Senior Management. There shall be no retaliation or reprisal taken against any employee or associate who raises concerns in accordance with the policy. The Committee is responsible for evaluating the reported issues and ensuring that they are addressed and rectified. In collaboration with Senior Management, the Committee may also recommend a suitable resolution.



5. Describe the internal mechanisms in place to redress grievances related to human rights issues.



The Company regards respect for human rights as one of its fundamental and core values and strives to support, protect and promote human rights to ensure that fair and ethical business and employment practices are followed. The Company is committed to maintaining a safe and harmonious business environment and workplace for everyone, irrespective of ethnicity, region, sexual orientation, race, caste, gender, religion, disability, work, designation, and other parameters. The Company believes that every workplace shall be free from violence, harassment, intimidation, and/ or any other unsafe or disruptive conditions, either due to external or internal threats. Accordingly, the Company has aimed to provide reasonable safeguards for the benefit of employees at the workplace, while having due regard for their privacy and dignity. The Company also has zero tolerance for and prohibits all forms of violence whether physical, sexual, psychological, or verbal. As a matter of policy, the Company does not hire any employee or engage with any agent or vendor against their free will.

6. Number of Complaints on the following made by employees and workers:

Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
 Sexual Harassment	Nil	Nil	NA	Nil	Nil	NA
 Discrimination at workplace	Nil	Nil	NA	Nil	Nil	NA
 Child Labour	Nil	Nil	NA	Nil	Nil	NA
 Forced Labour / Involuntary Labour	Nil	Nil	NA	Nil	Nil	NA

Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
 Wages	Nil	Nil	NA	Nil	Nil	NA
 Other human Rights related Issues	Nil	Nil	NA	Nil	Nil	NA

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases



Surya believes in promoting employee well-being and providing a supportive environment to all employees and has guidelines on redressal mechanisms that are available internally for employees. For effective redressal of employee grievances, the Company has in place the Human Rights Policy, Employee manual, and the Whistle Blower policy. The Company also has a Policy against Sexual Harassment at the workplace in adherence to the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013. Surya on a periodic basis, conducts training and sends reminders on the Prevention of Sexual Harassment (POSH)

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)



No, human rights requirements do not explicitly form a specific part of the business agreement & contracts. However, the Company has a zero tolerance policy for any human rights violations and adopts best practices while engaging with the employees and workers of the Company as well as external customers, suppliers and other value chain partners.

9. Assessments for the year.

**% of your plants and offices that were assessed
(by entity or statutory authorities or third parties)**



Child labour

100% of our plant sites were assessed by the Company



Forced/involuntary labour

100% of our plant sites were assessed by the Company



Sexual harassment

100% of our plant sites were assessed by the Company



Discrimination at workplace

100% of our plant sites were assessed by the Company



Wages

100% of our plant sites were assessed by the Company



Others : Please Specify.

N.A.

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

- No complaints related to child labour, forced labour, involuntary labour, or discriminatory employment were received during the reporting year, and none are pending at the end of the reporting year.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

- The Company is of the belief that it has upheld the basic principles of human rights in all its dealings. The Company regularly sensitises its employees on the Code of Conduct through various training programs as well.







2. Details of the scope and coverage of any Human rights due-diligence conducted.

- None

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

- Yes, Surya's offices have ramps for easy movement of differently-abled visitors. Most of the offices are located in commercial premises which have elevators and infrastructure for differently-abled visitors. Wheelchair-accessible restrooms are available in offices of the Company.

4. Details on assessment of value chain partners:

	<u>% of value chain partners (by value of business done with such partners) that were assessed</u>
 Sexual harassment ➤	The Company expects its value chain partners to adhere to the same values, principles and business ethics upheld by the Company in all their dealings. No specific assessment with respect to value chain partners has been carried out.
 Discrimination at workplace ➤	
 Child labour ➤	
 Forced Labour/Involuntary Labour ➤	
 Wages ➤	
 Others : Please Specify ➤	






5. Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from the assessments at Question 4 above.

- No corrective action pertaining to Question 4 was necessitated by the Company during the year under review

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format: Giga Joules (GJ)

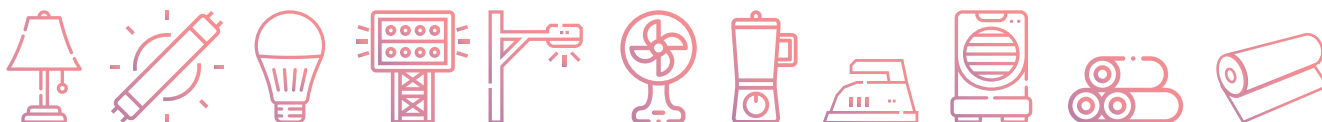
Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
 Total electricity consumption (A)(GJ)	3,43,970.200	3,34,484.005
 Total fuel consumption (B)(GJ)	2,57,330.712	3,99,105.240
 Energy consumption through other sources (C)	733.711	849.466
 Total energy consumption (A+B+C)	6,02,034.623	7,34,438.711
 Energy intensity per rupee of turnover (GJ) (Total energy consumption/ turnover per ₹ crore)	75.292	95.011

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

- No independent assessment was done.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

- This is not applicable to the Company as it does not fall under the PAT scheme of the Government of India.



3. Provide details of the following disclosures related to water, in the following format:

Parameters	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	NIL	NIL
(ii) Groundwater	92,764.400	81,384.330
(iii) Third party water (tanker) (KL)	3,25,157.000	3,53,968.000
(iv) Seawater / desalinated water	NIL	NIL
(v) Water from municipal corporation	NIL	NIL
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	4,17,921.400	4,35,352.330
Total volume of water consumption (in kilolitres)	4,17,921.400	4,35,352.330
Water intensity per rupee of turnover / kilolitres (Water consumed / turnover (per ₹ crore))	52.267	56.319

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

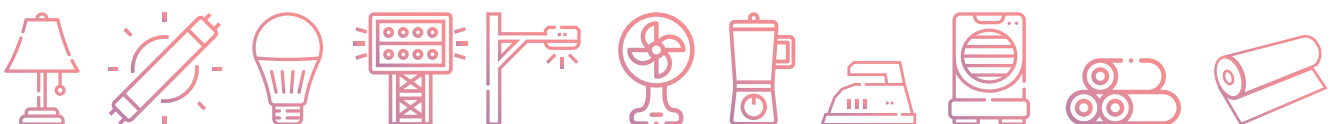
- No independent assessment has been done

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes, the Company has a Zero Liquid Discharge mechanism in place at all its manufacturing plants / facilities. It covers the end to end plant operations. Water from STP is used for cooling tower/plants, gardening and glass plant processes like quencher etc. Water from ETP / STP is reused in the production processes. Any solid waste generated is disposed of through approved third party agencies.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
NOx	mg/m3	778.110	945.742
Sox	mg/m3	151.206	120.330
Particulate matter (PM) (PM 10 + 2.5)	mg/m3	461.360	424.440
Persistent organic pollutants (POP)	NIL	NIL	NIL
Volatile organic compounds (VOC)	NIL	NIL	NIL
Hazardous air pollutants (HAP)	NIL	NIL	NIL
Others – please specify	NIL	NIL	NIL



Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

- No independent assessment has been done.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameters	Unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	1,00,960.722	2,06,056.206
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	11,802.660	12,007.135
Total Scope 1 and Scope 2 emissions per crore of turnover	Metric tonnes of CO2 equivalent	14.10	28.21

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

- No independent assessment has been done.

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

For reducing the Green House Gas emission, we have done following projects which have completed way back in 2006

- We have switched over from fossil fuel as Furnace oil, HSD to Natural Gas in our glass shell manufacturing, Aluminium Cap and Lamp Assembly operations.
- Installed Gas based Gen Sets for power backup
- Replaced Reciprocating type compressors with screw type compressors, which are more energy efficient.
- To save energy, there are several energy saving projects like VFD installation in blowers, replacement of flat belts in combustion blowers etc.

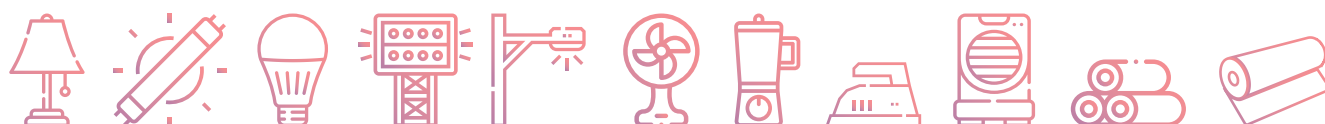
8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	591.050	518.342
E-waste(B)	30.230	33.493
Bio-medical waste (C)	0.009	0.004

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Construction and demolition waste (D)	NIL	NIL
Battery waste (E)	0.635	1.631
Radioactive waste (F)	0.752	NIL
Other Hazardous waste(G) ETP Sludge, Zinc Ash Zinc Dross, ETP Chemical Sludge , Spent Acid, Used Oil, Paint Process Residue, Discarded Barreal and Container	3,936.295	4,806.311
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	142.130	139.080
Total (A+B + C + D + E + F + G + H)	4,701.101	5,498.861
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	121.234	129.759
(ii) Re-used	40.890	19.120
(iii) Other recovery operations	28.130	32.876
Total	190.254	181.755
For each category of waste generated, total waste disposed of by nature of disposal method (For ETP Sludge) Disposed of by Co-processing in the Cement Industry, (For Used/ Waste Oil) Disposed through recyclers (in metric tonnes)		
Category of waste		
(i) Incineration	5.230	4.790
(ii) Landfilling	638.490	252.840
(iii) Other disposal operations	3,717.745	4,592.547
Total	4,361.465	4,850.177

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

- No independent assessment has been done.



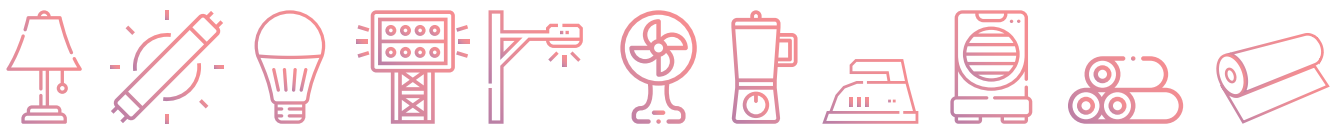
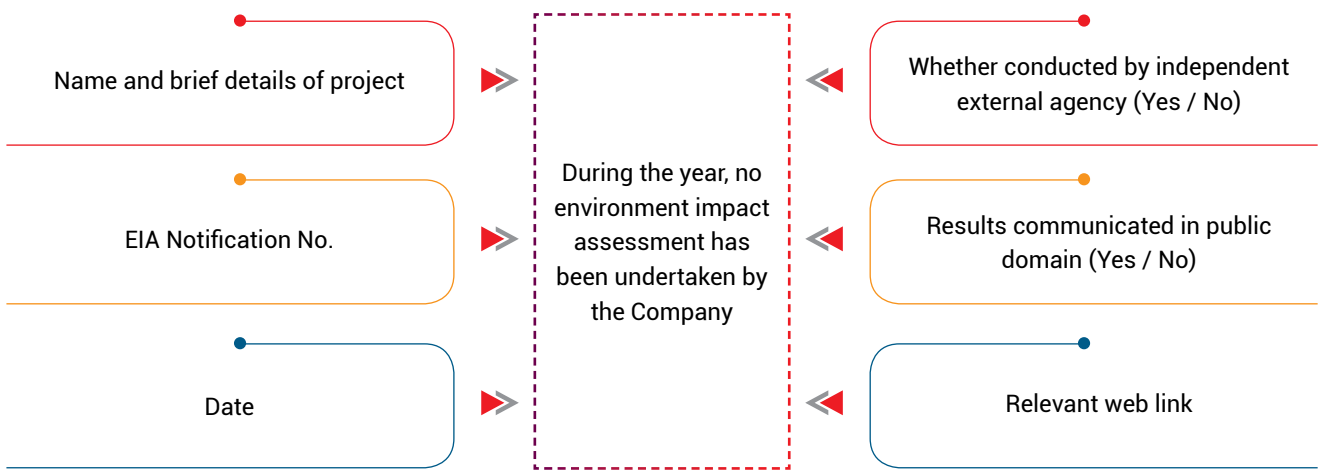
9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes

- Management practices adopted to the mercury containing waste lamp, we have installed Lamp recovery unit (Bulb Eater) at our site permitted by the State Pollution Control Board under E-Waste Management Rules, 2016
- Recover waste as Glass cullet, Phosphor powder, Aluminium Caps, and mercury. Glass cullet been recycled in our Glass Furnace for manufacturing of Glass shell of Lamps, Aluminum Caps been sold in by-back to our supplier of Aluminium strip, Phosphor powder been re-used after process in Lamp manufacturing and other use, Mercury recovered been re-distilled and reused in lamp-manufacturing.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

Sl. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any
No. The Company does not have any office or plant located around ecologically sensitive areas.			

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:



12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Sl.No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the noncompliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Yes - Surya Roshni Limited is compliant with all Environmental Laws				

Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameters	Giga Joules (GJ)	
	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A) - Solar (GJ)	54,178.088	49,899.192
Total fuel consumption (B)	Nil	Nil
Energy consumption through other sources (C)	Nil	Nil
Total energy consumed from renewable sources (A+B+C)	54,178.088	49,899.192
From non-renewable sources		
Total electricity consumption (D)	2,89,792.112	2,84,584.813
Total fuel consumption (E)	2,57,330.712	3,99,105.240
Energy consumption through other sources (F)	733.711	849.466
Total energy consumed from non-renewable sources (D+E+F)	5,47,856.535	6,84,539.519

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

- No independent assessment has been done.

2. Provide the following details related to water discharged:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
(i) To Surface water	N.A.	N.A.
- No treatment		
- With treatment – please specify level of treatment		
(ii) To Groundwater	N.A.	N.A.
- No treatment		

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
- With treatment – please specify level of Treatment		
(iii) To Seawater	N.A.	N.A.
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third-parties	N.A.	N.A.
- No treatment		
- With treatment – please specify level of treatment		
(v) Others - Treated Water in ETP/STP	N.A.	N.A.
- No treatment		
- With treatment – please specify level of treatment		
Total Water discharged (in kilolitres)	N.A.	N.A.

The Company has a Zero Liquid Discharge mechanism in place at all its manufacturing plants / facilities. It covers the end to end plant operations. Water from STP is used for cooling tower/plants, gardening and glass plant processes like quencher etc. Water from ETP / STP is reused in the production processes. Any solid waste generated is disposed off using approved third party agencies.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

- No independent assessment has been done.



Surya Roshni Limited
doesn't have any plant
in water stressed areas.

3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the information:

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

If yes, name of the external agency

- No independent assessment has been done.

4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameters	Unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)			
Total Scope 3 emissions per rupee of turnover	Metric tonnes of CO2 equivalent	The Company is in the process of setting up the system for tracking scope 3 emissions. The same can be published in the forthcoming years	
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

- No independent assessment has been done.

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.



The Company regularly tests water and air quality in accordance with environmental rules and legislation

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sl. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Process/Product improvements for ROHS	- Elimination of lead based solder - Elimination of lead glass - Reduction in mercury uses	Helped to produce the green lamps and ROHS compliance
2	Producing LED Bulbs and Street Lights	Installed assembly conveyors and machines	Helped to reduce significantly CO2 emission
3	Fluorescent lamps phosphor coating from butyl acetate	Tube drying system modified	By doing this the use of Hazardous chemicals reduced.
4	Fluorescent lamps manufacturing done by solid mercury pill in the place of liquid mercury flash	Controlled amount of Argon injected in Lamp in three positions to flush the lamp to remove the impurities	By doing this the use of Hazardous chemicals reduced.
5	Fluorescent lamps manufacturing done with Soda lime glass flare & Exhaust tubes in place of Lead glass, several process are changed.	Dosing (mercury) heads changed, pill dispensing unit provided.	By doing this the use of Hazardous chemicals reduced and shop floor people are safe and healthy.
6	Fluorescent lamps & GLS manufacturing done with Soda lime Glass flare & Exhaust tubes in place of Lead Glass, several process are changed	- Flare cooling with High Pressure air increased - Annealing process modified by increasing length of annealer	Reduction in emission
7	Running Lamp recovery unit (Bulb Eater) for mercury lamp and recovering mercury for reuse	Installed Bulb Eater machine, in which we recover Glass cullet, Phosphor powder, Metal Cap, Mercury separately.	By doing this, the use of hazardous chemicals has been reduced and major lead consumption has been minimised. Also decreased importing hazardous lead glass scrap.
8	Utilisation of waste heat to dry the glass tube coating	Installed waste heat recovery unit, which can transfer the waste heat to coating section from T-5 plant.	Initiative to save environment and energy

Sl. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
9	Saving the natural gas	Increased the heads of ceiling machine and flare machine and utilised the 100% natural gas, earlier less heads were there and wastage of NG were there	Save environment and energy
10	Changed conventional AC by inverter AC	Increased the heads of ceiling machine and flare machine and utilised the 100% natural gas, earlier less heads were there and wastage of NG were there	Save environment and energy
11	Changed conventional pumps by energy efficient pumps	Studied the electricity load and replaced ACs according to the study and requirement	Save energy
12	Conducted energy audit	Conducted energy audit to identify the area for improvements	Save energy
13	Conducted water audit	Conducted water audit to identify the area for improvements	Save water
14	Utilisation of waste heat to dry the glass tube coating	Installed waste heat recovery unit, which can transfer the waste heat to coating section from T-5 plant	Save energy
15	Producing Lead free UPVC pipe, Agri pipe and SWR pipe	Removed lead based stabiliser by calcium zinc	Save environment
16	LNG use	Started using LNG in Boiler & GI at Anjar plant	Reduced carbon emission

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

- Yes, there are onsite Emergency plans available in real time with OHSAS guidelines. As per plan we do MOCK DRILLS at regular intervals involving agencies as Incident Controller, Site Controller, Fire fighters, District authorities as District Collector, Police, Fire Brigade, Medical Officers etc. Responsibilities of agencies involved as Incident controller, Site controller, fire fighters, District authorities as District collector, Police, Fire brigade, Medical Officers etc.

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard

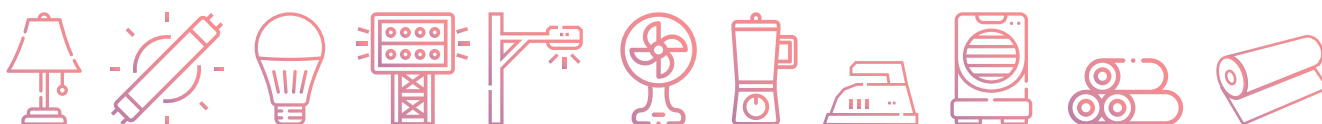
There is no significant adverse impact on the environment. However we comply with all applicable laws, rules and regulations in this regards.

We are also ISO certified company Namely for QMS (ISO-9001:2015), EMS (ISO: 14001: 2015)

As per SEBI requirements : Every three years Energy Audits are being conducted and feasible suggestions are implemented.

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

- 47.91%



PRINCIPLE 7 : Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations. (As below)
- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

Sl.No	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State / National)
1	Electrical Lamp and Component Manufacturer's Association (ELCOMA)	National
2	Indian Fan Manufacturers Association (IFMA)	National
3	Confederation of Indian Industry (CII)	National
4	Cold Rolled Steel Manufacturer Association (CORSMA)	National
5	India Pipe Manufacturers Association (IPMA)	National
6	All India Glass Manufacturers' Federation (AIGMF)	National
7	Indian Printed Circuit Association (IPCA)	National
8	All India Plastics Manufacturers' Association (AIPMA)	National
9	Madhya Pradesh Chamber of Commerce and Industry (MPCCI)	State
10	Kumaon Garhwal Chamber of Commerce and Industries (KGCCI)	State

2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
<p>For the financial year under review, the Company received no adverse orders from regulatory bodies; hence, no corrective actions were required.</p>		

Leadership Indicators

1. Details of public policy positions advocated by the entity:

The Company works with all stakeholders, relevant government & regulatory bodies and apex industry associations.

Sr. No.	Public policy advocated	Methods resorted for such advocacy	Information available on Public domain (Yes /No)	Frequency of Review by Board	Web Link, if available
1.	The Company's public policy advocacy efforts are focussed on helping the steel and lighting Industry improve its competitiveness, We focus on increasing demand and usage, sustainability, environment and climate change, initiating to decarbonise the industry in which we operate.	1. Engaging in discussion with Government and industry peers for laying down the framework for decarbonisation of the steel and lighting sector in India. 2. Advocacy for adoption of best available technologies for improving energy and material efficiencies.	No	Annually as a part of Business performance update to the Board	No

PRINCIPLE 8 : Businesses should promote inclusive growth and equitable development

Essential Indicators

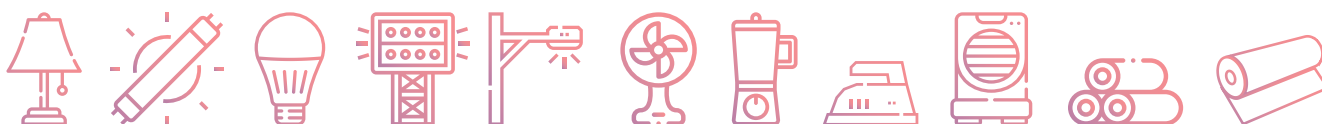
1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
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Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, is Not Applicable as the average CSR obligation of the Company is less than ₹ 10 crore in the three immediately preceding financial years of the Company.

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Sl. No	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (in ₹)
Not Applicable						



3. Describe the mechanisms to receive and redress grievances of the community.

Surya Roshni grievance redressal mechanisms are customised based on the specific requirements of each of its locations, so as to be more effective. The Company executes several community programmes to develop healthy relationships with the community. It regularly interacts with people and communities and tries to address their concerns. The Company ensures timely actions are taken to address the concerns raised by communities. "Surya Roshni Limited CSR Policy" framed as per the provisions of Section 135 and Schedule VII of the Act, describes and contains the Company's philosophy for delivering its responsibility as a corporate citizen and lays down the guidelines, process and mechanisms for undertaking socially useful programmes for welfare and the sustainable development of the community at large.

The detailed Policies of the Company is available on the Company's website at the following link : <https://surya.co.in/investor-relations/corporate-governance/#policies/>

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Directly sourced from MSMEs/ small producers	9.83%	8.08%
The Company has a pan-India presence in strategic locations across the country in which we ensure to source as much input material as we can locally, wherever feasible. During 2022-23 and 2021-22, the Company has procured sizeable material from local and small suppliers like general consumables and equipment spares etc.		
Sourced directly from within the district and neighbouring districts	0.86%	0.57%

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):



2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount Spent (in ₹)
1.	Jharkhand	Ranchi, Ramgarh	38,002/-
2.	Chhattisgarh	Rajnand Gaon, Korba	33,240/-
3.	Madhya Pradesh	Vidisha	30,300/-
4.	Uttarakhand	Udham Singh Nagar	26,127/-
5.	Uttar Pradesh	Fatehpur	6,125/-

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised /vulnerable groups? (Yes/No)



No, the Company does not have any preferential procurement policy focussing on suppliers from marginalised/ vulnerable groups. The Company has a sustainable supply chain policy that provides competitiveness to all suppliers. However, Surya Roshni supports and motivates marginalised and vulnerable groups.

(b) From which marginalised / vulnerable groups do you procure?



Not Applicable

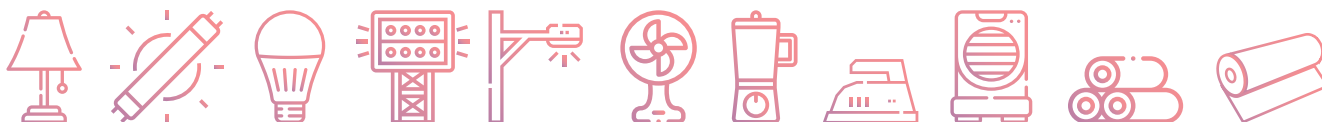
(c) What percentage of total procurement (by value) does it constitute?



NIL

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Sl. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
1	Not Applicable	Not Applicable	Not Applicable	Not Applicable



5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of Authority	Brief of the case	Corrective action taken
▼ Not Applicable	▼ Not Applicable	▼ Not Applicable

6. Details of beneficiaries of CSR Projects during FY 2022-23:

Sl. No	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
▼	▼	▼	▼
1	Rural Development Project under Adarsh Gram Yojna	1,59,720	80.79
2	Promoting Health Care including Preventive Health Care (Naturopathy)	36,570	70.57

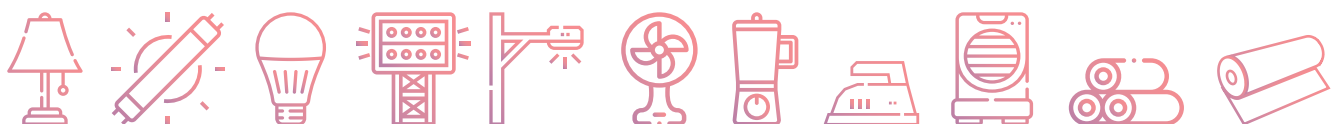
PRINCIPLE 9 : Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

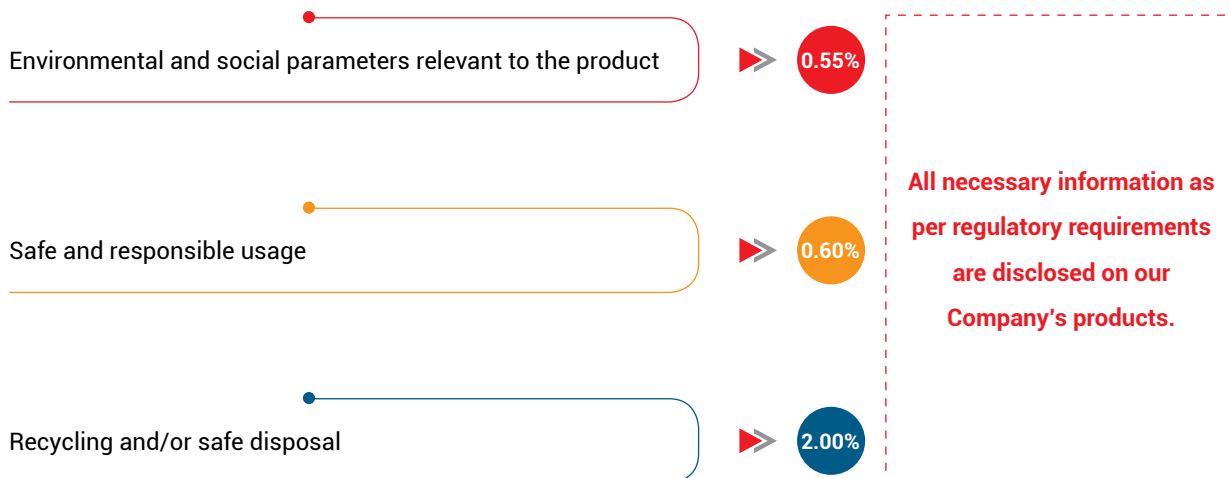
- A well-established system is in place for dealing with customer feedback and complaints. Customers are provided multiple options to connect with the Company through email, telephone, website, social media, feedback forms etc. All complaints are appropriately addressed and all efforts are taken to resolve the same. The Company has a designated email id for customer complaints i.e. consumercare@surya.in.

Consumers can report grievances through the CRM system at <https://crm.surya.in> or through the WhatsApp BOT (+91 9643300819) and at the Surya helpline number : 1800 102 5657 or through a mobile Android application.



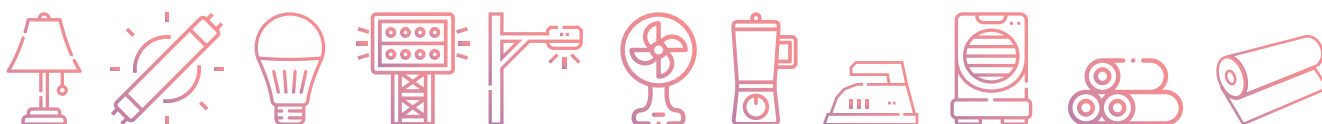
2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

As a percentage to total turnover



3. Number of consumer complaints in respect of the following:

	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	Nil	Nil	NA	Nil	Nil	NA
Advertising	Nil	Nil	NA	Nil	Nil	NA
Cyber-security	Nil	Nil	NA	Nil	Nil	NA
Delivery of Products	Nil	Nil	NA	Nil	Nil	NA
Restrictive Trade Practices	Nil	Nil	NA	Nil	Nil	NA
Unfair Trade Practices	Nil	Nil	NA	Nil	Nil	NA
Other [Products Related]	3,40,801	Nil	Resolved	2,98,075	Nil	Resolved



4. Details of instances of product recalls on account of safety issues:

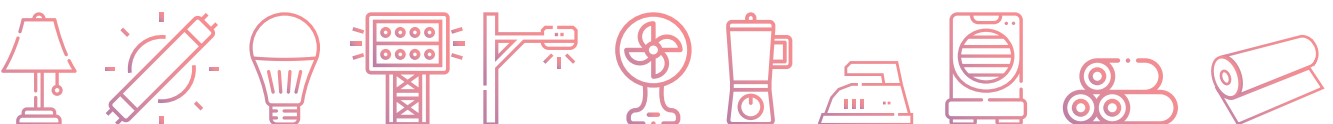
	Number	Reasons for recall
Voluntary recalls	Nil	N.A.
Forced recalls	Nil	N.A.

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

- Yes, an Information and Security Policy has been implemented which provides support, and management direction, and documents how Information Security is managed throughout Care Ratings; it outlines the appropriate measures through which the Company will facilitate the secure and reliable flow of information, both within the Company and externally. The policy sets out the principles and an overarching framework for Information Security. It also details the supporting policies and guidelines, which will address the aspects of security. The weblink is: <https://surya.co.in/investor-relations/corporate-governance/#policies/>

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services

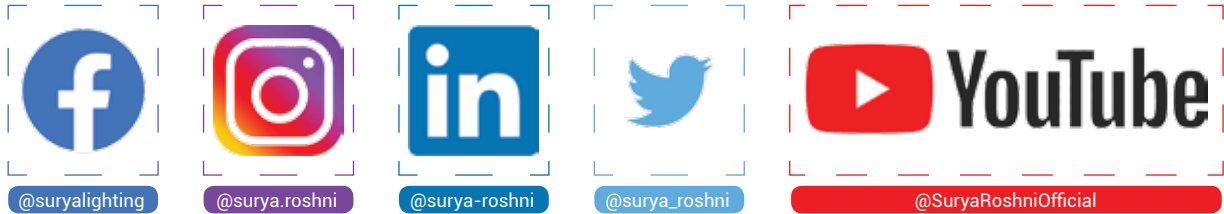
During financial year, there have been no issues with advertising, and delivery of essential services; cyber security and data privacy of customers. No penalties have been taken by the regulatory authorities on these matters.



Leadership Indicators

1. Channels / Platforms where information on products and services of the entity can be accessed (provide web link, if available).

- Information relating to all the products and services offered by the Company is available on the Company's website, <https://surya.co.in/> In addition, the Company actively uses various social media and digital platforms to disseminate information.



2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

- The Company provides service and installation manuals along with the product for safe installation and usage.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services

- During the year, there were no major disruptions to critical services at the Company. The Company has a Business Continuity Plan in place to tackle and manage any disruption.
- Customers are informed of any disruption through electronic communications or through the Company's website. The online portals also ensured that customers could continue to be served during the lockdowns.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/ Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

- Yes, the Company adheres to all product labelling and product information requirements as per the local laws/ Statutory and relevant acts. Yes, we carry out consumer surveys to identify the needs of consumers and use this information for product development.

5. Provide the following information relating to data breaches:

a. Number of instances of data breaches along-with impact	▶▶	Nil
b. Percentage of data breaches involving personally identifiable information of customers	▶▶	Nil

for and on behalf of the Board of Directors

Place: New Delhi
Dated: 27th April, 2023

J P AGARWAL
CHAIRMAN
DIN - 00041119

ANNEXURE – VII TO BOARD'S REPORT

Certification by Chairman, Managing Directors and Chief Financial Officer (CFO) of the Company

- A. We hereby certify that for the financial year ending 31st March, 2023 on the basis of the review of the financial statements and the cash flow statement and to the best of our knowledge and belief that:
- 1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - 2) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial year 2022-23 which are fraudulent, illegal or violate of the Company's Code of Conduct.
- C. We accept the responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to the financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of the internal controls, if any, of which we are aware, and that we have taken the required steps to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit Committee that:
- 1) There have been no significant changes in internal control over financial reporting during this year.
 - 2) There have been no significant changes in accounting policies during this year.
 - 3) There have been no instances of significant fraud of which we have become aware and the involvement therein, of management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : New Delhi	J P Agarwal Chairman	Raju Bista Managing Director	Vinay Surya Managing Director	B B Singal Chief Financial Officer & Company Secretary
Dated: 27th April, 2023	DIN-00041119	DIN- 01299297	DIN- 00515803	

ANNEXURE – VIII TO BOARD'S REPORT

Details pertaining to Remuneration as required under Section 197(12) of the Companies Act, 2013 read with rule (5) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(i) The Percentage increase in remuneration of each Director, Chief Financial officer and Company Secretary during the financial year 2022-23, ratio of remuneration of each director to the median remuneration of the employees of the Company for the financial year 2022-23.

Sr. No	Name of the Director / KMP and Designation	Remuneration of Director / KMP for the financial year 2022-23 (₹ in crore)	% increase in Remuneration in the Financial year 2022-23	Ratio of remuneration of each Director / to median remuneration of employees
1	Jai Prakash Agarwal (Executive Chairman)	11.324	*	255.04
2	Raju Bista (Managing Director)	7.680	**	172.98
3.	Vinay Surya (Managing Director)	7.411	***	166.93
4.	Kaustubh N Karmarkar (Whole-time Director)	1.377	#	31.00
5	Tarun Baldua (ED & CEO – Steel Operations)	1.913	9.11^	Not Applicable
6.	Jintendra J Agrawal (CEO–Lighting & Consumer Durables)	0.597	\$	Not Applicable
7.	B B Singal (CFO & Company Secretary)	0.828	39.75^^	Not Applicable
8.	Nirupam Sahay (Ex-ED & CEO–Lighting)	0.439	@	Not Applicable

* Jai Prakash Agarwal during the 2022-23 is as per the terms of agreement i.e. he is entitled for ₹ 37 lakhs per month salary from 1st April, 2022 to 31st March, 2023 He is also entitled for commission @ 1.5% of the Profit before tax (PBT) derived on the basis of Audited Financial Statements of the Company for the concerned financial year per annum basis for the period served under the agreement accordingly commission entitled for the 2022-23 stands to ₹ 6.884 crore.

** Raju Bista during the 2022-23 is as per agreement i.e. he is entitled for ₹ 23 lakhs per month basic salary from 1st April, 2022 to 31st March, 2023. He is also entitled for commission @ 1% of the Profit before tax (PBT) derived on the basis of Audited Financial Statements of the Company for the concerned financial year per annum basis for the period served under the agreement accordingly commission entitled for the 2022-23 stands to ₹ 4.589 crore.

*** Vinay Surya during the 2022-23 is as per agreement entered is entitled for a Remuneration of ₹ 21 lakhs per month from 1st April, 2022 to 31st March, 2023. He is also entitled for commission @ 1% of the Profit before tax (PBT) derived on the basis of Audited Financial Statements of the Company for the concerned financial year per annum basis for the period served under the agreement accordingly commission entitled for the 2022-23 stands to ₹ 4.589 crore.

Voluntarily draws less salary from the entitled ₹ 12.50 lakh p.m as per agreement and it includes ESOP perquisites.

^ Remuneration includes ₹ 45.14 lakhs ESOP perquisite value exercised during the year

\$ As appointed w.e.f. 10th November, 2022 hence figures are not comparable.

@ Resigned and left on the close of business hours from 31st May, 2022 , figures are not comparable

^^ Remuneration includes ₹ 16.12 lakh ESOP perquisite value exercised during the year

(ii) In the financial year 2022-23, there was an increase of 7.54% in the median remuneration of employees;

(iii) There were 3310 number of permanent employees on the rolls of company;

(iv) An average percentile increase in the salaries / remuneration of employees other than managerial personnel in the last year was 8.79% while the increase in the managerial personnel in the last financial year i.e. 2022-23 is 66.19%. and the justification for the increase was that based on the recommendation of the Nomination and Remuneration Committee and Board approval, the shareholders of the Company at the 49th AGM approved the resolutions on 21st September, 2022 related to increase in remuneration of Mr. Vinay Surya, Managing Director of the Company to pay commission @ 1% of the Profit before tax (PBT) derived on the basis of Audited Financial Statements of the Company for the concerned financial year per annum basis for the period served under the agreement accordingly commission entitled for the 2022-23 onwards. We affirmed that the remuneration paid / payable is as per remuneration policy of the Company.

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

STATEMENT SHOWING DETAILS OF EMPLOYEES OF THE COMPANY

		Mr. Jai Prakash Agarwal	Mr. Raju Bista	Mr. Vinay Surya	Mr. Kaustubh N Karmarkar	Mr. Tarun Baldua	Mr. Jintendra J Agrawal	Mr. Nirupan Sahay	Mr. Vrajender Sen
(i)	Designation of the employee;	Executive Chairman	Managing Director	Managing Director	Whole-time Director	ED & CEO- Steel Operations	CEO (Lighting & Consumer Durables)	Ex- ED & CEO (Lighting)	President (Professional Lighting)
(ii)	Remuneration received; (in crores)	11.324	7.680	7.411	1.377	1.913	0.597	0.439	1.125
(iii)	Nature of employment, whether contractual or otherwise;	As per Agreement from 1st January, 2022 to 31st December, 2026	As per Agreement from 14th November, 2018 to 13th November, 2023	As per Agreement from 26th October, 2021 to 25th October, 2026	As per Agreement from 10th August, 2018 to 9th August, 2023	Whole-time employee	Whole-time employee	Whole-time employee	Whole-time employee
(iv)	Qualifications and experience of the employee;	B.Com	M.B.A	M.B.A from Australia	M.B.A	C.A	Electrical & Electronic Engineer and Leadership Development Program from Wharton	M.B.A from NMIMS Mumbai and AMP Wharton	B.E Electronics & Comm and PGDBM
(v)	Date of commencement of employment;	1st, April 1986	1st August, 2004	1st January, 2018	11th January, 2018	5th January, 2013	10th November, 2022	29th October, 2020	1st November, 2019
(vi)	The age of such employee;	71 years	36 years	48 years	43 years	60 years	51 years	51 years	48 years
(vii)	The last employment held by such employee before joining the Company;	Jindal Industries Limited (Executive Director)	Not Applicable	Not Applicable	Not Applicable	Maral Overseas Limited	Philips India Limited	Philips Lighting (now called Signify)	Crompton Greaves Consumer Electrical Limited
(viii)	The percentage of equity shares held by the employee in the Company within the meaning of clause (iii) of sub-rule (2) above; and	1.54%	Nil	0.98%	Nil	0.02	Nil	Nil	Nil
(ix)	Whether any such employee is a relative of any director or manager of the Company and if so, name of such director or manager:	Mrs. Urmil Agarwal & Mr. Vinay Surya	No	Mr. J P Agarwal & Mrs. Urmil Agarwal	No	No	No	No	No
	The employee, if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than One crore two lakhs rupees;	Yes	Yes	Yes	Yes#	Yes	No	No	Yes

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

STATEMENT SHOWING DETAILS OF EMPLOYEES OF THE COMPANY

	Mr. Jai Prakash Agarwal	Mr. Raju Bista	Mr. Vinay Surya	Mr. Kaustubh N Karmarkar	Mr. Tarun Baldua	Mr. Jintendra J Agrawal	Mr. Nirupan Sahay	Mr. Vrajender Sen
The employee, if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight lakh fifty thousand rupees per month;	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Yes	Yes	No
The employee, if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company.	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

Voluntarily draws less salary from the entitled ₹ 12.50 lakh p.m as per agreement

for and on behalf of
the Board of Directors

Place: New Delhi
Dated: 27th April, 2023

J P AGARWAL
CHAIRMAN
DIN- 00041119

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SURYA ROSHNI LIMITED

REPORT ON THE AUDIT OF STANDALONE FINANCIAL STATEMENTS

Opinion

We have audited the standalone financial statements of **SURYA ROSHNI LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2023, and the Statement of Profit and Loss including other comprehensive income, statement of changes in equity and the Statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023 and profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current

period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to be communicated in our report.

INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report and Corporate Governance, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SURYA ROSHNI LIMITED (Contd.)

judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that

are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances,

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SURYA ROSHNI LIMITED (Contd.)

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 Section 143(11) of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Standalone Balance Sheet, the Standalone Statement of Profit and Loss including Other Comprehensive Income, Standalone Statement of changes in equity and the Standalone Statement of Cash Flow dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e. On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors)

Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note No. 43 to the standalone financial statements.
- ii. The Company did not have any long-term derivative contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay and in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year.
- iv.
 - a. The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other source or kind of funds) by the Company to or in any other person or entity, including foreign entities ("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.
 - b. The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recoded in the 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

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SURYA ROSHNI LIMITED (Contd.)

- ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- c. Based on such audit procedures that we 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 (a) and (b) contain any material misstatement.
- v. The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.
- h. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from

April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

3. The Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

**For Ashok Kumar Goyal & Co.
Chartered Accountants
(Firm Registration – 002777N)**

**(CA. Ashok Kumar)
Partner, F.C.A**

**Place: New Delhi
Dated: 27th April, 2023**

**Membership No. 017644
UDIN: 23017644BGQMZK6320**

“ANNEXURE A” TO THE INDEPENDENT AUDITORS’ REPORT

The Annexure as referred in paragraph (1) ‘Report on Other Legal and Regulatory Requirements’ of our Independent Auditors’ Report to the members of **SURYA ROSHNI LIMITED** the standalone financial statements for the year ended 31 March 2023, we report that:

- i. a. A. The Company is maintaining proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
- B. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not have any Intangible Assets.
- b. According to the information and explanations given to us, the Company has a phased program of physical verification of its Property, Plant and Equipment which in our opinion, is reasonable having regard to the size of the Company and the nature of its Property, Plant and Equipment. In accordance with this program, certain Property, Plant and Equipment were physically verified by the Management during the year and no material discrepancies were noticed on such verification.
- c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties are held in the name of the Company.
- d. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets).
- e. According to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. a. On the basis of the information and explanations given to us, inventory have been physically verified at reasonable intervals during the year, the coverage and procedure of such verification by the management is reasonable and appropriate in relation to the size and nature of its business and the discrepancies noticed between the physical stock as compared to book records were not 10% or more in aggregate for each class of inventory.
- b. During the year, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the books of account of the Company.
- iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, during the year the Company has not made investment in, provided any guarantee or security or granted any loans or advances in the nature of loan, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly reporting under clause 3(iii) of the Order is not applicable to the Company.
- iv. According to the information and explanations given to us, the Company has not made any investment or granted any loans, guarantees or security to any party. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.
- v. According to the information and explanations given to us, during the year the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3 (v) of the Order are not applicable to the Company.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government of India for the maintenance of cost records under sub-section 1 of Section 148 of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed records and accounts have been made and maintained. However, we have not carried out a detailed examination of such records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and on the basis of examination of the records of the Company, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees’ state insurance, income tax, custom duty, Goods and Service Tax (GST), Cess and any other material statutory dues with the

“ANNEXURE A” TO THE INDEPENDENT AUDITORS’ REPORT (Contd.)

appropriate authorities to the extent applicable and further, there are no undisputed statutory dues payable for a period of more than six months from the date they become payable as at 31st March 2023.

- (b) According to the records and information and explanations given to us, there are no dues in respect of income tax, sales tax, service tax, duty of excise, duty of custom, or value added tax, Goods and Service Tax (GST), Cess which have not been deposited on account of any dispute except as given below:

Name of Statute	VAT & CST		Custom
Nature of Disputed Dues	Tax & Interest		Tax & Interest
Forum where disputes are pending	Tribunal	Additional Commissioner / Joint Commissioner	Joint Commissioner
Amount (in Crore)	2.00	0.87	0.20

- viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- ix. a. On the basis of audit procedures and according to the information and explanations given to us, the Company has not defaulted in repayment of loan or other borrowing or in payment of interest thereon to any lender during the year.
- b. On the basis of audit procedures and according to the information and explanations given to us, the Company is not declared willful defaulter by any bank or financial institution or other lender.
- c. In our opinion, on the basis of audit procedures and according to the information and explanations given to us, term loans were applied for the purpose for which the loans were obtained.
- d. In our opinion, on the basis of audit procedures and according to the information and explanations given to us, no funds raised on short term basis have been utilised for long term purposes.
- e. In our opinion, on the basis of audit procedures and according to the information and explanations given to us, 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. In our opinion, on the basis of audit procedures and according to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x. a. According to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- b. According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. a. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor we have been informed of any such case by the Management. Accordingly, reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- c. According to information and explanation given to us, no whistle-blower complaints has been received during the year by the Company.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the record of the Company, transactions with the related parties are in compliance with section 177 and 188 of

“ANNEXURE A” TO THE INDEPENDENT AUDITORS’ REPORT (Contd.)

Companies Act, 2013 where applicable and relevant details of such transactions have been disclosed in the Financial Statements, etc., 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. The reports of the Internal Auditors for the period under audit were considered by us.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year. Accordingly, reporting under clause 3(xv) of the Order is not applicable to the Company.
- xvi. a. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
- b. According to the information and explanations given to us and based on our examination of the record of the Company, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year. Accordingly, reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- c. According to the information and explanations given to us and based on our examination of the record of the Company, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting under clause 3(xvi) (c) of the Order is not applicable to the Company.
- d. Based on the information and explanations provided by the management of the Company, the Group does not have any CIC as part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that Company is 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.
- xx. a. In respect of other than ongoing projects, as at balance sheet date, the Company does not have any amount remaining unspent under section 135(5) of the Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable to the Company.
- b. The Company has not undertaken any ongoing project during the financial year. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable to the Company.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Ashok Kumar Goyal & Co.
Chartered Accountants
(Firm Registration – 002777N)

(CA. Ashok Kumar)
Partner, F.C.A

Place: New Delhi
Dated: 27th April, 2023

Membership No. 017644
UDIN: 23017644BGQMZK6320

"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF SURYA ROSHNI LIMITED.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 2(f) of 'Report on Other Legal and Regulatory Requirements' section

We have audited the internal financial controls with reference to financial statements of **SURYA ROSHNI LIMITED** ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements

included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

A Company's internal financial control with reference to financial statements 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 with reference to financial statements includes those policies and procedures that

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error

“ANNEXURE B” TO THE INDEPENDENT AUDITORS' REPORT (Contd.)

or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Ashok Kumar Goyal & Co.
Chartered Accountants
(Firm Registration – 002777N)**

**(CA. Ashok Kumar)
Partner, F.C.A**

**Place: New Delhi
Dated: 27th April, 2023**

**Membership No. 017644
UDIN: 23017644BGQMZK6320**

STANDALONE BALANCE SHEET

AS AT 31st MARCH, 2023

Particulars	Note No.	(₹ in crore)	
		As at 31st March, 2023	As at 31st March, 2022
I ASSETS			
1 Non-current assets			
a. Property, plant and equipment	5	901.10	931.83
b. Capital work-in-progress	5	8.47	52.97
c. Right of use Assets	5	11.37	11.04
d. Financial assets			
i. Investment in Subsidiary	6	3.85	3.85
ii. Other financial assets	7	30.97	32.22
e. Other non-current assets	8	15.10	16.47
		970.86	1,048.38
2 Current assets			
a. Inventories	9	1,151.96	987.09
b. Financial assets			
i. Trade receivables	10	744.57	885.42
ii. Cash and cash equivalents	11	0.16	0.19
iii. Bank balances other than (ii) above	12	0.52	0.60
iv. Other financial assets	13	43.05	38.28
c. Current tax assets (net)	14	-	11.62
d. Other current assets	15	143.30	140.59
		2,083.56	2,063.79
Total Assets		3,054.42	3,112.17
II EQUITY AND LIABILITIES			
Equity			
Equity share capital	16	53.81	53.33
Other equity	17	1,807.14	1,491.82
		1,860.95	1,545.15
LIABILITIES			
1 Non-current liabilities			
a. Financial liabilities			
i. Borrowings	18	-	60.67
ia. Lease liabilities	19	6.82	7.02
ii. Other financial liabilities	20	13.89	12.10
b. Provisions	21	17.83	63.48
c. Deferred tax liabilities (net)	22	66.97	56.80
		105.51	200.07
2 Current liabilities			
a. Financial liabilities			
i. Borrowings	23	403.94	519.35
ia. Lease liabilities	24	7.01	6.05
ii. Trade payables			
A) Total outstanding dues of micro enterprises and small enterprises;	25	35.58	44.01
B) Total outstanding dues of creditors other than micro enterprises and small enterprises;	25	370.98	549.55
iii. Other financial liabilities	26	150.43	144.60
b. Other current liabilities	27	72.42	50.82
c. Provisions	28	34.46	36.61
d. Current tax liabilities (net)	29	13.14	15.96
		1,087.96	1,366.95
Total Equity and liabilities		3,054.42	3,112.17

See accompanying notes to the standalone financial statements

As per our report of even date

For Ashok Kumar Goyal & Co.

Chartered Accountants

(Firm Registration No. ICAI: 02777N)

CA. Ashok Kumar

Partner FCA

Membership no. 017644

Place : New Delhi

Dated : 27th April, 2023

For and on behalf of the Board

Vinay Surya

Managing Director

DIN: 00515803

Tarun Baldua

Executive Director & CEO (Steel Operations)

Raju Bista

Managing Director

DIN: 01299297

Jitendra J Agrawal

CEO (Lighting & Consumer Durables)

J P Agarwal

Chairman

DIN: 00041119

B B Singal

Chief Financial Officer & Company Secretary

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2023

(₹ in crore)

Particulars	Note No.	For the year ended 31st March, 2023	For the year ended 31st March, 2022
I REVENUE FROM OPERATIONS	31	7,995.95	7,730.07
II OTHER INCOME	32	5.22	5.72
III TOTAL INCOME (I+II)		8,001.17	7,735.79
IV EXPENSES			
Cost of materials consumed	33	5,855.06	5,889.70
Purchases of stock-in-trade	34	429.18	340.09
Changes in inventories of finished goods, stock-in-trade and work-in-progress	35	(62.31)	(39.46)
Employee benefits expense	36	372.36	339.97
Finance costs	37	44.84	63.63
Depreciation and amortisation expense	38	115.41	108.38
Other expenses	39	787.70	757.29
Total expenses		7,542.24	7,459.60
V PROFIT BEFORE TAX (III-IV)		458.93	276.19
VI TAX EXPENSE			
Current Tax	30	113.34	78.82
Deferred Tax	22	10.31	(7.20)
		123.65	71.62
VII PROFIT FOR THE YEAR (V-VI)		335.28	204.57
VIII OTHER COMPREHENSIVE INCOME	40		
(i) Items that will not be reclassified to profit or loss		(0.57)	0.57
(ii) Income tax relating to items that will not be reclassified to profit or loss		0.14	(0.15)
Total other comprehensive income		(0.43)	0.42
IX TOTAL COMPREHENSIVE INCOME (VII + VIII)		334.85	204.99
Earnings per equity shares (face value of ₹ 10/-each)	41		
1) Basic (in ₹)		62.74	38.33
2) Diluted (in ₹)		61.62	37.60

See accompanying notes to the standalone financial statements

As per our report of even date

For Ashok Kumar Goyal & Co.

Chartered Accountants

(Firm Registration No. ICAI: 02777N)

CA. Ashok Kumar

Partner FCA

Membership no. 017644

Place : New Delhi

Dated : 27th April, 2023

Vinay Surya

Managing Director

DIN: 00515803

Tarun Baldua

Executive Director & CEO (Steel Operations)

For and on behalf of the Board

Raju Bista

Managing Director

DIN: 01299297

Jitendra J Agrawal

CEO (Lighting & Consumer Durables)

J P Agarwal

Chairman

DIN: 00041119

B B Singal

Chief Financial Officer & Company Secretary

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2023

Particulars	(₹ in crore)	
	Year ended 31st March, 2023	Year ended 31st March, 2022
A. CASH FLOW FROM OPERATING ACTIVITIES		
a. Net operating profit before tax	458.93	276.19
Adjustment for :		
Re-measurement gain / loss on defined benefit plans routed through OCI	(0.57)	0.57
Depreciation and amortisation of Property, Plant and Equipment	115.41	108.38
(Profit)/Loss on Sale/Retirement of Property Plant and Equipment (Net)	0.64	3.81
Allowance for doubtful debts	0.15	0.56
ESOS Expenses	7.01	6.53
Lease Rent Paid	(6.81)	(7.38)
Finance cost	44.84	63.63
b. Operating profit before Working Capital changes	619.60	452.29
Adjustment for :		
(Increase) / Decrease in Trade receivables	140.70	(132.75)
(Increase) / Decrease in Other financial assets	(3.52)	8.00
(Increase) / Decrease in Other assets	(2.54)	15.58
(Increase) / Decrease in Inventories	(164.87)	(118.87)
Increase / (Decrease) in Trade payables	(187.00)	113.10
Increase / (Decrease) in provisions	(47.80)	(12.87)
Increase / (Decrease) in Other financial liabilities	7.68	25.01
Increase / (Decrease) in Other liabilities	21.60	(0.06)
	(235.75)	(102.86)
c. Cash generated from Operations before tax (a+b)	383.85	349.43
d. Net Direct Taxes paid	(104.54)	(64.47)
Net cash flow from operating activities A = (c+d)	279.31	284.96
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment.	(36.39)	(57.58)
Sale of Property, Plant and Equipment	3.21	3.96
Net cash flow used in investing activities	(33.18)	(53.62)
Net cash from operating and investing activities (A+B)	246.13	231.34
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Borrowing (Non Current)	(60.67)	(162.86)
Short term borrowings Increase / (Decrease) during the year (net)	(115.41)	26.29
Sale / (Purchase) of Company's Shares for ESOS through trust	8.95	(24.56)
ESOS Exercise amount received	3.06	1.16
Payment of dividend	(38.08)	(8.16)
Finance cost	(44.01)	(63.27)
Net cash used in financing activities	(246.16)	(231.40)
Net cash (used) in/from operating, investing and financing activities (A+B+C)	(0.03)	(0.06)
Net increase/(decrease) in Cash & Cash equivalent	(0.03)	(0.06)
Opening balance	0.19	0.25
Closing balance of Cash & Cash equivalent (refer note no.11)	0.16	0.19

As per our report of even date

For Ashok Kumar Goyal & Co.
Chartered Accountants
(Firm Registration No. ICAI: 02777N)

CA. Ashok Kumar
Partner FCA
Membership no. 017644

Place : New Delhi
Dated : 27th April, 2023

For and on behalf of the Board

Vinay Surya
Managing Director
DIN: 00515803

Tarun Baldua
Executive Director & CEO (Steel
Operations)

Raju Bista
Managing Director
DIN: 01299297

Jitendra J Agrawal
CEO (Lighting & Consumer
Durables)

J P Agarwal
Chairman
DIN: 00041119

B B Singal
Chief Financial Officer &
Company Secretary

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2023

A. EQUITY SHARE CAPITAL

(1) Year ended 31st March, 2023

(₹ in crore)

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
53.33	-	-	0.48	53.81

(2) Year ended 31st March, 2022

(₹ in crore)

Balance at the beginning of the previous reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
53.61	-	-	(0.28)	53.33

B. OTHER EQUITY

(1) Year ended 31st March, 2023

(₹ in crore)

Particulars	Reserves and Surplus							Other items of Other Comprehensive Income	Total
	Capital Reserve	Securities premium	General reserve	Retained earnings	Capital Redemption Reserve	Forfeiture Reserve	Share Option Outstanding Account		
Balance at the beginning of the current reporting period	124.69	107.29	131.36	1,112.93	3.00	17.63	7.16	(12.24)	1,491.82
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the current year	-	-	-	335.28	-	-	7.01	(0.43)	341.86
Dividends	-	-	-	(38.08)	-	-	-	-	(38.08)
Transfer to retained earnings	-	-	34.00	(34.00)	-	-	-	-	-
Impact of ESOP Trust Consolidation	-	10.80	-	-	-	-	0.74	-	11.54
Balance at the end of the current reporting period	124.69	118.09	165.36	1,376.13	3.00	17.63	14.91	(12.67)	1,807.14

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

(2) Year ended 31st March, 2022

(₹ in crore)

Particulars	Reserves and Surplus						Share Option Outstanding Account	Other items of Other Comprehensive Income	Total
	Capital Reserve	Securities premium	General reserve	Retained earnings	Capital Redemption Reserve	Forfeiture Reserve			
Balance at the beginning of the previous reporting period	124.69	129.68	110.36	937.52	3.00	17.63	1.37	(12.66)	1,311.59
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the current year	-	-	-	204.57	-	-	5.79	0.42	210.78
Dividends	-	-	-	(8.16)	-	-	-	-	(8.16)
Transfer to retained earnings	-	-	21.00	(21.00)	-	-	-	-	-
Impact of ESOP Trust Consolidation	-	(22.39)	-	-	-	-	-	-	(22.39)
Balance at the end of the previous reporting period	124.69	107.29	131.36	1,112.93	3.00	17.63	7.16	(12.24)	1,491.82

As per our report of even date

For Ashok Kumar Goyal & Co.
Chartered Accountants
(Firm Registration No. ICAI: 02777N)

CA. Ashok Kumar
Partner FCA
Membership no. 017644

Place : New Delhi
Dated : 27th April, 2023

For and on behalf of the Board

Vinay Surya
Managing Director
DIN: 00515803

Tarun Baldua
Executive Director & CEO (Steel Operations)

Raju Bista
Managing Director
DIN: 01299297

Jitendra J Agrawal
CEO (Lighting & Consumer Durables)

J P Agarwal
Chairman
DIN: 00041119

B B Singal
Chief Financial Officer & Company Secretary

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st MARCH, 2023

1 CORPORATE AND GENERAL INFORMATION

Surya Roshni Limited ("SRL" or "the Company") is domiciled and incorporated in India and its shares are publicly traded on the National Stock Exchange ('NSE') and the BSE Limited ('BSE'), in India. The registered office of SRL is situated at Prakash Nagar, Sankhol, Rohtak Road, Bahadurgarh – 124507 (Haryana) India. Company is the largest GI Steel Pipe Manufacturer and the second largest in lighting products in India. The Corporate Identification Number (CIN) of the Company is L31501HR1973PLC007543

SRL is more than four decade old manufacturing conglomerate with business interest spanning Steel Pipes, cold rolled sheets and 3LPE Coated API Pipes, LED and conventional Lighting Products, Fans, electric Appliances, PVC pipes etc. Besides enjoying market presence across the length and breadth of India, it also export products to more than 50 countries globally.

2 BASIS OF PREPARATION OF STANDALONE FINANCIAL STATEMENTS AND USE OF ESTIMATES

2.1 Basis of preparation of standalone financial statements

The separate financial statements of the Company are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis as per the provisions of the Companies Act, 2013 ("the Act"), except for:

- Financial instruments – measured at fair value;
- Assets held for sale – measured at fair value less cost of sale;
- Plan assets under defined benefit plans – measured at fair value
- Employee share-based payments – measured at fair value

In addition, the carrying values of recognised assets and liabilities, designated as hedged items in fair value hedges that would otherwise be carried at cost, are adjusted to record changes in the fair values attributable to the risks that are being hedged in effective hedge relationship.

Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

a. An asset is classified as current when it satisfies any of the following criteria:-

- It is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- It is held primarily for the purpose of being traded;
- It is expected to be realised within 12 months after the reporting date; or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

b. A liability is classified as current when it satisfies any of the following criteria:-

- It is expected to be settled in the Company's normal operating cycle;
- It is held primarily for the purpose of being traded;
- It is due to be settled within 12 months after the reporting date; or
- The Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

c. Deferred tax assets and liabilities are classified as non-current only

2.2 Statement of compliance

The standalone financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013.

2.3 Use of estimates

The preparation of the standalone financial statements in conformity with Ind AS requires the Management to make estimates, judgements and assumptions. These estimate, judgements and assumptions affect the application of accounting policies and the reported

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

balances of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key sources of estimations of uncertainty at the date of the standalone financial statements, which may cause a material adjustments to the carrying amount of assets and liabilities in the next financial years; are in respect of useful life of PPE, provision for warranties, recognition of government grants and claim receivables and estimations of contingent assets and liabilities.

3 SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of Measurement

These standalone financial statements have been prepared under the historical cost principle except for certain financial assets and liabilities which have been measured at fair value:

The standalone financial statements are presented in Indian Rupees (₹), which is the Company's functional and presentation currency and all amounts are rounded to the nearest crore and two decimals thereof, except as stated otherwise.

3.2 Property, Plant and Equipment (PPE)

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises of the purchase price (net of GST/ CENVAT / duty credits, Government Grants (wherever applicable) and all direct costs attributable to bringing the asset to its working condition for intended use and includes the borrowing costs for qualifying assets if the recognition criteria's are met. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss on the date of disposal or retirement.

Capital work-in-progress includes cost of property, plant and equipment under installation and not put to use as at the balance sheet date. Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

3.3 Depreciation and Amortisation

i. Depreciation on the property, plant and equipment is provided over the useful life of assets which is coincide with the life specified in Schedule II to the Companies Act, 2013. The range of useful lives of the Property, Plant and Equipment are as follows:

Property, plant and equipment	Useful life in Years
Plant and equipments	08 – 15
Buildings	05-60
Office equipment's	05
Vehicles	08
Furniture and fixtures	10
Computers	03 – 06

However, in case of the following category of plant and equipments, the depreciation has been provided, based on the technical evaluation of the remaining useful life as under :-

Plant and Equipments - Pipe and cold rolling Mills and 3 LPE Plant in Steel Pipe and Strip Division.	25 years
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The useful lives of assets as mentioned above is on single shift basis, if an asset is used for any time during the year for double shift, the depreciation increased by 50% and for triple shift by 100% for that period.

- ii. Property, plant and equipment (PPE) which are added/ disposed- of during the year, depreciation is provided on pro-rata basis from (up- to) the date on which the PPE is available for use (disposed-off).
- iii. The residual values and useful lives of PPE are reviewed in every financial year considering the physical condition, benchmarking analysis or indicators for review of residual value and useful life of the respective assets and the same is adjusted prospectively. Lease hold land is amortised over the period of lease.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

- iv. Free-hold land are not subject to amortisation.
- v. The "Right of use Assets" arising from Leases are amortised on straight-line method basis over the life of the respective leases.

3.4 Impairment of PPE and other non-financial assets

Property, plant and equipment and other non-financial assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets or group of assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. If such assets are considered to be impaired, the impairment is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset and recognised in the statement of Profit and Loss. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss is recognised immediately in Statement of Profit and Loss.

3.5 Cash and cash equivalents

Cash and cash equivalents includes cash in hand and Cheques / drafts in hand, balances with banks, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments. The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (IND AS) 7 statement of cash flows.

3.6 Inventories

Inventories are carried in the balance sheet as follows:

Raw material	At lower of cost and net realisable value
Work-in Progress	At lower of cost and net realisable value
Finished Goods / Stock in trade	At lower of cost and net realisable value
Stores, spares and consumable	At lower of cost and net realisable value

The cost of inventories comprises of cost of purchase, cost of conversion and other related costs incurred in bringing the inventories to their respective present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

3.7 Employee benefits

Expenses and liabilities in respect of employee benefits are recorded in accordance with Ind-AS 19 – Employee Benefits.

a. Defined contribution plan

- i. Provident Fund: Contribution to the provident fund with the government at pre-determined rates is a defined contribution scheme and is charged to the statement of Profit and Loss when employees have rendered services entitling them to such benefit.
- ii. National pension scheme : Contribution to the national pension scheme with the at pre-determined rates is a defined contribution scheme and is charged to the statement of Profit and Loss when employees have rendered services entitling them to such benefit.

b. Defined benefit plan

Gratuity : The Company provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

The Company recognises the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/ (asset) are recognised in other comprehensive income. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligations is recognised in Other Comprehensive Income. The effect of any plan amendments are recognised in net profits in the Statement of Profit and Loss.

- c. **Long term employee benefits:** Provisions for other long term employee benefits-compensated absences, a defined benefit scheme, is made on the basis of actuarial valuation at the end of each financial year and are charged to the statement of profit and loss. All actuarial gains or losses are recognised immediately in the statement of profit and loss.
- d. **Other Short-term employee benefits:** All employee benefits payable wholly within twelve months rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc. and the expected cost of bonus, ex-gratia are recognised during the period in which the employee renders related service.

3.8 Foreign currency reinstatement and translation

a. Functional and presentation currency

The standalone financial statements have been presented in Indian Rupees (₹), which is the Company's functional and presentation currency.

b. Transactions and balances

Transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing on the balance sheet date and exchange gain and losses arising on settlement and restatement are recognised in statement of profit and loss. Non-monetary items are measured in terms of historical cost in foreign currencies and are therefore not retranslated.

3.9 Financial instruments –

Initial recognition: The Company recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument.

All financial assets and liabilities are recognised at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss, are added to or deducted from the fair value on initial recognition.

Subsequent measurement:

- i. **Financial assets carried at amortised cost:** A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- ii. **Financial assets carried at fair value through other comprehensive income:** A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- iii. **Financial assets at fair value through profit or loss:** A financial asset which is not classified in any of (i) & (ii) above categories are subsequently fair valued through profit or loss.
- iv. **Financial Liabilities:** Financial liabilities are subsequently carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

De-recognition

The Company de-recognises of financial assets when the contractual rights to receive cash flows from the financial asset expire or transfer the financial asset and transfer qualifies for de-recognition under IND AS 109. A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished is recognised in profit or loss as other income.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Impairment of financial assets

In accordance with IND AS 109, the Company applies expected credit losses (ECL) model for measurement and recognition of impairment loss on the following financial asset and credit risk exposure - Financial assets measured at amortised cost; - Financial assets measured at fair value through other comprehensive income (FVTOCI); ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

3.10 Investments in subsidiary :

The investments in subsidiary is carried in these standalone financial statements at historical 'cost'. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss.

3.11 Derivative financial instruments:

The Company uses derivative financial instruments, such as forward contracts to hedge its foreign currency exposure. The recognising of the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, on the nature of the item being hedged. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

3.12 Borrowing costs

a. Borrowing costs that are attributable to the acquisition, construction, or production of a qualifying asset are capitalised as a part of the cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is

an asset that necessarily requires a substantial period of time to get ready for its intended use or sale.

b. All other borrowing costs are recognised as expense in the period in which they are incurred.

3.13 Taxation

Income tax expense represents the sum of current tax and deferred tax. Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income.

Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act. The Company's current tax is calculated using tax rates and laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred Tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the Balance Sheet approach for all taxable temporary differences to the extent that it is probable that future taxable profits will be available. Deferred tax assets and liabilities are measured at the applicable tax rates and tax laws those are enacted or substantively enacted. Deferred tax assets and deferred tax liabilities are set-off, and presented on net basis. The carrying amount of deferred tax is reviewed at each balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3.14 Revenue recognition and other income

The Company is in the business of sale of Steel Pipes and 3LPE Coated API Pipes and Colled Rolled Sheets, LED and conventional lighting Products, fans, appliances, PVC pipes and fittings etc. The Company also provide extended warranties for its LED street lighting.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

Revenue from contracts with customers is recognised when control of the promised goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

a. Sale of Product/Goods

Revenue from sale of Product/Goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the Product/Goods and there is no uncertainty in receiving the same and there is reasonable assurance that the Company will comply with the conditions attached to them in recognition of revenue from sale of goods. The Company also considers the effects of sales returns, volume rebates, schemes discount, incentives, price concessions and financing components.

Extended warranty:- The extended warranties provided to the customers having separate performance obligation are considered as the separate contract and revenue from these contracts recognised accordingly.

Volume rebates and schemes discounts: The Company provides volume rebates and schemes discounts to its customers based on quantity of products sold to them during the period. To estimate for the expected future outgo for revenue recognition, the Company applies the most likely amount method for contracts with a single-volume threshold and the expected value method for contracts with more than one volume threshold. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract.

Financing component: In case of extended trade credit agreed with the customers containing significant financing component, the transaction price for such contract are discounted, using the effective interest rate that would be considered separate financing transaction at transaction inception, to take into consideration the significant financing component.

b. Rendering of Service

Revenue from Services is recognised as per terms of the contract with customers based on stage of completion when the outcome of the transaction involving rendering of services can be estimated reliably.

c. Export incentives:

Export benefits are accounted for in the year of exports based on eligibility as well as reasonable assurance that the Company will comply with the conditions attached to them and when there is no uncertainty in receiving the same.

d. Other Income

Interest income is recognised on a time proportion basis taking into account the amount outstanding, the rate applicable and reasonable certainty of receiving the same.

3.15 Government grants / Assistance

Government grants/Assistance recognised in profit and loss account on a systematic basis where there is reasonable assurance that the same will be received and the eligibility criteria is met out. The same are periodically reviewed and adjusted for changes in policies and regulations.

3.16 Dividend Distribution

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividends are approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution, if leviable, is recognised directly in equity.

3.17 Fair Value measurement

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- i. In the principal market for the asset or liability, or
- ii. In the absence of a principal market, in the most advantageous market for the asset or liability

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Quoted prices in active markets for identical assets and liabilities

Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs. This includes the assets and liabilities carried at forward contract rates / prevailing exchange rate at year end and assets carried at present value using appropriate discounting rate

Level 3: Inputs which are not based on observable market data.

For assets and liabilities that are recognised in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets & liabilities on the basis of the nature, characteristics and the risks of the asset or liability and the level of the fair value hierarchy as explained above.

3.18 Earnings per share

Basic earnings per share is computed by dividing the net profit after tax by weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the year is adjusted for treasury

shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share is computed by dividing the Net profit after tax after considering the effect of interest and other financing costs or income (net of attributable taxes) associated with dilutive potential equity shares by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares including the treasury shares held by the Company to satisfy the exercise of the share options by the employees.

3.19 Provisions

a. Provisions

Provisions (excluding employee benefits) are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

b. Contingencies

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the standalone financial statements.

Contingent assets are not recognised. However, when the realisation of income is virtually certain, it is recognised as an asset.

c. Warranty Provisions

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise.

As per the terms of the contracts, the Company provides post-contract services / warranty support to some of its customers. The Company accounts for the post-contract support / provision for warranty on the basis of the information available with the Management duly taking into account the current and past technical estimates.

3.20 Research and development costs

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

- a. The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- b. Its intention to complete and its ability and intention to use or sell the asset
- c. How the asset will generate future economic benefits
- d. The availability of resources to complete the asset
- e. The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

3.21 Leases

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle

and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date by discounting the lease payment by using the Company's incremental borrowing rate.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term up to 12 months. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

3.22 Share based payments

Equity-settled share-based payments to employees are measured at fair value of the equity instrument as at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of the shares that will eventually vest to the employees

At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity. However, fair value of options is not remeasured subsequently.

Company has created an Employee Benefit Trust for the share-based payment to its employees. The Company uses the Trust as a vehicle for distributing shares to employees under the employee Stock option schemes. The Trust buys shares of the Company from the market, for granting shares to employees. The Company treats Trust as its extension and shares

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

held by the Trust are treated as treasury shares. Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from Equity. No gain or loss is recognised in profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in capital reserve. Share options exercised during the reporting year are fulfilled with treasury shares.

3.23 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker which comprises of the Board of Directors, Chairman, Executive Director and Chief financial officer which assesses the financial performance and position of the Company and makes strategic decisions. The Company primarily operates in the Steel Pipe and Lighting segment. The reportable segments are Steel pipes & strips and Lighting & consumer durable.

4.1 Critical accounting estimates, assumptions and judgements

In the process of applying the Company's accounting policies, management has made the following estimates, assumptions and judgements, which have significant effect on the amounts recognised in the standalone financial statement:

a. Property, plant and equipment - Useful lives of assets

The Company reviews the useful life of assets at the end of each reporting period. This reassessment may result in change in depreciation expenses in future periods.

b. Warranties

The Company generally offers Warranties for its consumer products and the liability towards warranty-related costs are recognised in the year of sales or service provided to the customers. Management ascertain and measure the liability for warranty claims based on historical experience and trend. The assumptions made in relation to current year are consistent of those are in prior years.

c. Provision

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

d. Contingent Liabilities and Contingent Assets

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Contingent liabilities are disclosed in the notes. Contingent assets are not recognised in the standalone financial statements.

e. Exceptional Items

Exceptional items are transactions which due to their size or incidence are separately disclosed to enable a full understanding of the Company's financial performance. Items which may be considered exceptional are significant restructuring charges, gains or losses on disposal of investments in subsidiaries, associates and joint venture and impairment losses/ write down in value of investment in subsidiaries, associates and joint venture and significant disposal of Property, plant and equipment etc.

4.2 Recent accounting pronouncements

On 31st March, 2023, the Ministry of Corporate Affairs ("MCA") through a notification amended inter alia Ind AS 102- Share-based Payment, Ind AS 103- Business Combinations, Ind AS 107- Financial Instruments: Disclosures, Ind AS 109- Financial Instruments, Ind AS 115 - Revenue from Contracts with Customers, Ind AS 1- Presentation of Financial Statements, Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors, Ind AS 12 - Income Taxes , Ind AS - 34 Interim Financial Reporting, which are applicable to the Company from 1st day of April, 2023.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

5 PROPERTY, PLANT AND EQUIPMENT

Particulars	Land-Freehold	Land-Leasehold	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment's	Computers	Total	Capital work in progress
GROSS CARRYING VALUE										
As at 1st April, 2021	32.76	10.97	234.85	1,235.27	6.57	11.81	4.37	7.38	1,543.98	9.66
Additions	-	-	0.63	21.22	0.60	1.37	1.06	0.91	25.79	52.62
Disposals	-	-	0.04	21.23	0.79	0.73	0.18	0.18	23.15	9.31
As at 31st March, 2022	32.76	10.97	235.44	1,235.26	6.38	12.45	5.25	8.11	1,546.62	52.97
Additions	-	-	7.45	71.58	0.54	3.40	0.95	1.26	85.18	16.14
Disposals	-	-	-	15.11	0.80	0.63	0.29	1.01	17.84	60.64
As at 31st March, 2023	32.76	10.97	242.89	1,291.73	6.12	15.22	5.91	8.36	1,613.96	8.47
DEPRECIATION										
As at 1st April, 2021	-	2.07	46.20	463.24	4.05	4.81	2.93	5.29	528.59	-
Depreciation for the year	-	0.34	8.93	89.18	0.53	1.11	0.27	1.22	101.58	-
Disposals	-	-	0.01	13.68	0.72	0.64	0.16	0.17	15.38	-
As at 31st March, 2022	-	2.41	55.12	538.74	3.86	5.28	3.04	6.34	614.79	-
Depreciation for the year	-	0.34	8.90	96.09	0.50	1.42	0.80	1.09	109.14	-
Disposals	-	-	-	8.63	0.79	0.37	0.29	0.99	11.07	-
As at 31st March, 2023	-	2.75	64.02	626.20	3.57	6.33	3.55	6.44	712.86	-
Net carrying value										
As at 31st March, 2022	32.76	8.56	180.32	696.52	2.52	7.17	2.21	1.77	931.83	52.97
As at 31st March, 2023	32.76	8.22	178.87	665.53	2.55	8.89	2.36	1.92	901.10	8.47

Explanatory Notes:

- The above property plant and equipment are under charge as security against borrowing see note no.18 & 23
- The Company has acquired exclusive used right for certain premises being used for its offices and classified them as Right to use assets.

As at 31st March, 2023

Capital-Work-in Progress (CWIP) aging schedule

Particulars	Amount in CWIP for a period of			Total
	Less than 1 year	1-2 years	More than 3 years	
Capital-Work-in-Progress	8.47	-	-	8.47
Projects in progress	-	-	-	-

No capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan

As at 31st March, 2022

Capital-Work-in Progress (CWIP) aging schedule

Particulars	Amount in CWIP for a period of			Total
	Less than 1 year	1-2 years	More than 3 years	
Capital-Work-in-Progress	44.93	7.58	0.46	52.97
Projects in progress	-	-	-	-

No capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

6 INVESTMENT IN SUBSIDIARY

(₹ in crore)

	As at 31st March, 2023	As at 31st March, 2022
Investment carried at cost		
Unquoted		
38,50,000 (previous year 38,50,000) Equity shares of Surya Roshni LED Lighting projects Limited of ₹10/- each fully paid-up (100% holding -38,49,940 equity shares held in the name of Company and balance 60 equity shares held through six nominees)	3.85	3.85
	3.85	3.85
Aggregate amount of quoted investments Market value of ₹ Nil (Previous year ₹ Nil)	-	-
Aggregate amount of unquoted investments	3.85	3.85

7 OTHER FINANCIAL ASSETS AT AMORTISED COST (NON CURRENT)

(₹ in crore)

	As at 31st March, 2023	As at 31st March, 2022
Unsecured, considered good		
Deferred Receivable	3.90	3.97
Contract Assets	16.59	17.78
Security deposits	10.48	10.47
	30.97	32.22

8 OTHER NON CURRENT ASSETS

(₹ in crore)

	As at 31st March, 2023	As at 31st March, 2022
Capital Advances	15.10	16.47
	15.10	16.47

9 INVENTORIES (CURRENT)

(₹ in crore)

	As at 31st March, 2023	As at 31st March, 2022
Raw materials	481.14	381.54
Work-in-progress	126.44	133.45
Finished goods	521.73	452.41
Stores, spares and consumables	22.65	19.69
	1,151.96	987.09

The mode of valuation has been stated in note no.3.6

Inventories are hypothecated as security against borrowings see note no.18 & 23

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

10 TRADE RECEIVABLES (CURRENT)

(₹ in crore)

	As at 31st March, 2023	As at 31st March, 2022
Trade receivables considered good-secured	-	-
Trade receivables considered good-unsecured	744.54	876.76
Trade receivables considered good-unsecured from wholly owned subsidiary (refer note 49)	0.03	8.66
Trade receivables which have significant increase in Credit Risk	-	-
Trade receivables-credit impaired	7.18	7.03
Less : Allowance for credit impairment	7.18	7.03
Net Trade receivables-credit impaired	-	-
	744.57	885.42

(₹ in crore)

As at 31st March, 2023 Particulars	Trade Receivables ageing schedule						Total
	Not due	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months - 1 year	1- 2 years	2- 3 years	More than 3 years	
(i) Undisputed Trade Receivables- considered good	530.51	165.98	15.71	8.28	6.04	12.81	739.33
(ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables- credit impaired	-	-	0.01	0.48	0.71	2.80	4.00
(iv) Disputed Trade Receivables- considered good	-	0.07	0.09	0.49	0.40	4.19	5.24
(v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables- credit impaired	-	-	-	0.04	0.21	2.93	3.18
Total (A)	530.51	166.05	15.81	9.29	7.36	22.73	751.75
Allowance for credit impairment (B)							7.18
Total [(A)-(B)]							744.57

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

(₹ in crore)

As at 31st March, 2022 Particulars	Trade Receivables ageing schedule						Total
	Not due	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months - 1 year	1- 2 years	2- 3 years	More than 3 years	
(i) Undisputed Trade Receivables- considered good	732.27	107.19	13.07	11.10	7.65	4.89	876.17
(ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables- credit impaired	-	-	0.01	0.56	1.56	1.23	3.36
(iv) Disputed Trade Receivables- considered good	-	0.09	0.22	0.29	1.23	7.42	9.25
(v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables- credit impaired	-	-	-	0.07	0.49	3.11	3.67
Total (A)	732.27	107.28	13.30	12.02	10.93	16.65	892.45
Allowance for credit impairment (B)							7.03
Total [(A)-(B)]							885.42

11 CASH AND CASH EQUIVALENTS

(₹ in crore)

	As at 31st March, 2023	As at 31st March, 2022
a. Balance with banks		
In Current Accounts	0.03	0.01
b. Cash on hand	0.13	0.18
Cash and cash equivalents as per statement of cash flow	0.16	0.19

12 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in crore)

	As at 31st March, 2023	As at 31st March, 2022
Fixed deposits	-	0.17
Earmarked Balances with banks		
Unpaid dividend account (Earmarked against the corresponding provision refer note 26)	0.52	0.43
	0.52	0.60

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

13 OTHER FINANCIAL ASSETS (CURRENT)

	As at 31st March, 2023	As at 31st March, 2022
Contract Assets	4.62	5.32
Forward Contract Receivable	0.53	1.61
Other recoverables	37.90	31.35
	43.05	38.28

14 CURRENT TAX ASSETS (NET)

	As at 31st March, 2023	As at 31st March, 2022
Current Tax Asset	-	11.62
	-	11.62

15 OTHER CURRENT ASSETS

	As at 31st March, 2023	As at 31st March, 2022
Considered good, unless otherwise stated		
Recoverable from government authorities	81.07	82.48
Balances with statutory authorities	24.30	12.70
Prepaid expenses	3.84	4.94
Advances to Supplier	34.09	40.47
	143.30	140.59

16 SHARE CAPITAL

	As at 31st March, 2023	As at 31st March, 2022
I Equity Share Capital		
Authorised		
26,13,00,000 (Previous year 26,13,00,000) Equity Shares of ₹ 10/- each with voting rights	261.30	261.30
Issued, subscribed and fully paid up Equity share capital		
5,44,08,974 (previous year 5,44,08,974) Equity Shares of ₹ 10/- each with voting rights	54.41	54.41
Less: Treasury Shares held	0.60	1.08
	53.81	53.33
Movement of Equity Shares		
Balance at the beginning of the reporting period	5,33,27,044	5,36,08,974
Add: Treasury Shares sold/ (acquired) by the Surya Roshni Employees Welfare Trust	1,94,970	(4,36,700)
Add: Treasury Shares transferred to Employees by the Surya Roshni Employees Welfare Trust (refer note no. 48)	2,83,273	1,54,770
Balance at the end of the reporting period	5,38,05,287	5,33,27,044

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

(₹ in crore)

	As at 31st March, 2023	As at 31st March, 2022
Treasury Shares		
Balance at the beginning of the reporting period	10,81,930	8,00,000
Add: Treasury Shares acquired/ (sold) by the Surya Roshni Employees Welfare Trust	(1,94,970)	4,36,700
Less: Treasury Shares transferred to Employees by the Surya Roshni Employees Welfare Trust (refer note no. 48)	2,83,273	1,54,770
Balance at the end of the reporting period	6,03,687	10,81,930
II Preference share capital		
Authorised		
6,20,000 (previous year 6,20,000) Preference shares of ₹ 100/- each	6.20	6.20
(There are no issued, subscribed and paid up preference share capital)		

Terms / rights attached to equity shares

The Company has one class of equity shares having at par value of ₹10/- per share. Each shareholder is eligible for one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(₹ in crore)

	As at 31st March, 2023	As at 31st March, 2022
Cash dividends on equity shares declared and paid		
Dividend for the year ended 31st March, 2022: ₹ 4.00 per share (Previous year ₹ 1.50 per share)	21.76	8.16
Interim Dividend Paid for the Financial Year 2022-23: ₹ 3.00 per share (Previous Year - NIL)	16.32	-
Proposed dividends on equity shares		
Dividend for the year ended 31st March, 2023: ₹ 4.00 per share (Previous year ₹ 4.00 per share)	21.76	21.76

Details of shares held by each shareholder holding more than 5% shares:

Names	As at 31st March, 2023		As at 31st March, 2022	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Diwakar Marketing Private Limited	56,37,500	10.36	56,37,500	10.36
Cubitex Marketing Private Limited	48,61,000	8.93	48,61,000	8.93
Shreyansh Mercantile Private Limited	31,78,000	5.84	31,78,000	5.84
Sahaj Tie-Up Private Limited	31,25,087	5.74	31,25,087	5.74

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

Shares held by promoters at the end of the year ended 31st March, 2023

S. No.	Promoter name	No. of Shares	% of total shares	% Change during the year
1	Diwakar Marketing Private Limited	56,37,500	10.36%	-
2	Cubitex Marketing Private Limited	48,61,000	8.93%	-
3	Shreyansh Mercantile Private Limited	31,78,000	5.84%	-
4	Sahaj Tie-Up Private Limited	31,25,087	5.74%	-
5	Dicord Commodeal Private Limited	22,65,610	4.16%	-
6	Shirin Commodeal Private Limited	21,16,189	3.89%	-
7	S M Vyapaar Private Limited	19,83,920	3.65%	-
8	Goel Die Cast Limited	19,27,962	3.54%	-
9	Zatco Vyapaar Private Limited	14,03,455	2.58%	-
10	Sadabahr Tradecomm Private Limited	12,78,179	2.35%	-
11	Jits Courier and Finance Private Limited	10,01,499	1.84%	-
12	Pankaj Investments Limited	9,69,348	1.78%	-
13	B M Graphics Private Limited	9,61,078	1.77%	-
14	Jai Prakash Agarwal	8,36,628	1.54%	-
15	Vinay Surya	5,32,831	0.98%	-
16	Gargiya Finance and Investment Private Limited	5,22,487	0.96%	-
17	Urmil Agarwal	2,92,081	0.54%	-
18	Viksit Trading and Holding Private Limited	2,37,346	0.44%	-
19	Vasudha Surya	1,90,100	0.35%	-
20	Jaivardhan Kaartik Surya	1,81,400	0.33%	-
21	Parinistha Surya	1,81,300	0.33%	-
22	Puja Surya	1,75,250	0.32%	-
23	Padmini Agarwal	1,63,250	0.30%	-
24	Bharti Bangur	1,63,250	0.30%	-
25	Lustre Merchants Private Limited	72,394	0.13%	-
26	Basu Dev Agarwal	100	0.00%	-
Total		3,42,57,244	62.96%	0.00%

Shares held by promoters at the end of the year ended 31st March, 2022

S. No.	Promoter name	No. of Shares	% of total shares	% Change during the year
1	Diwakar Marketing Private Limited	56,37,500	10.36%	-
2	Cubitex Marketing Private Limited	48,61,000	8.93%	-
3	Shreyansh Mercantile Private Limited	31,78,000	5.84%	-
4	Sahaj Tie-Up Private Limited	31,25,087	5.74%	-
5	Dicord Commodeal Private Limited	22,65,610	4.16%	-
6	Shirin Commodeal Private Limited	21,16,189	3.89%	-
7	S M Vyapaar Private Limited	19,83,920	3.65%	-
8	Goel Die Cast Limited	19,27,962	3.54%	-
9	Zatco Vyapaar Private Limited	14,03,455	2.58%	-
10	Sadabahr Tradecomm Private Limited	12,78,179	2.35%	-
11	Jits Courier and Finance Private Limited	10,01,499	1.84%	-
12	Pankaj Investments Limited	9,69,348	1.78%	-
13	B M Graphics Private Limited	9,61,078	1.77%	-
14	Jai Prakash Agarwal	8,36,628	1.54%	(0.50%)

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

Shares held by promoters at the end of the year ended 31st March, 2022				
S. No.	Promoter name	No. of Shares	% of total shares	% Change during the year
15	Vinay Surya	5,32,831	0.98%	0.50%
16	Gargiya Finance and Investment Private Limited	5,22,487	0.96%	-
17	Urmil Agarwal	2,92,081	0.54%	-
18	Viksit Trading and Holding Private Limited	2,37,346	0.44%	-
19	Vasudha Surya	1,90,100	0.35%	-
20	Jaivardhan Kaartik Surya	1,81,400	0.33%	-
21	Parinistha Surya	1,81,300	0.33%	-
22	Puja Surya	1,75,250	0.32%	-
23	Padmini Agarwal	1,63,250	0.30%	-
24	Bharti Bangur	1,63,250	0.30%	-
25	Lustre Merchants Private Limited	72,394	0.13%	-
26	Basu Dev Agarwal	100	0.00%	-
	Total	3,42,57,244	62.96%	0.00%

17 OTHER EQUITY

	(₹ in crore)	
	As at 31st March, 2023	As at 31st March, 2022
a. Capital redemption reserve	3.00	3.00
b. Capital Reserve	124.69	124.69
c. Securities premium	118.09	107.29
d. Share Option Outstanding Account	14.91	7.16
e. Forfeiture reserve	17.63	17.63
f. General reserve	165.36	131.36
g. Retained earnings	1,376.13	1,112.93
h. Other comprehensive income	(12.67)	(12.24)
Balance at the end of the Financial year	1,807.14	1,491.82

Notes : For movements in reserves refer statement of change in equity

Nature and purpose of reserves

a. Capital Redemption Reserve

Capital Redemption Reserve was created on redemption of preference share capital. The Company may issue fully paid-up bonus share to its members out of the capital redemption reserve.

b. Capital Reserve

Capital reserve has been created on Business Combination on appointed date i.e. 1st April 2016 Pursuant to the Scheme of Arrangement amongst company and its associate e-Surya Global Steel Tubes Limited as per order of NCLT dated 11th December 2017.

c. Securities premium

Securities premium is used to record the premium on issue of shares. The premium should be utilised in accordance with the provisions of the Companies Act.

d. Share Option Outstanding Account

The Share option outstanding account relates to share options granted by the Company to its employees under its employee share option plan. Further information about share-based payments to employees is set out in note 48.

e. Forfeiture reserve

Forfeiture Reserve represents the forfeiture of amount of consideration received on allotment of warrants of the cases where option to take equity shares were not exercised within the prescribed time in accordance with Chapter VII of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

f. **General reserve**

The general reserve is created time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by transfer from one component of equity to another equity, hence items included in general reserve will not be reclassified subsequently to profit and loss.

g. **Dividend**

Final Dividend of ₹ 21.76 crores for the Year 2022-23 (Dividend of ₹ 21.76 crores for the Year 2021-22) is accounted in the year of approval by the shareholders

18 BORROWINGS (NON CURRENT)

	As at 31st March, 2023	As at 31st March, 2022
(₹ in crore)		
Secured measured at amortised cost		
Term loans from banks		
Rupee loans	-	35.67
Term loans from financial institutions		
Rupee loans	-	25.00
	-	60.67
Less: Current maturities of Long term borrowings (refer note 23)	-	-
	-	60.67

Term Loans of ₹ NIL (₹ 60.67 crore as at 31st March, 2022) were secured by way of first pari-passu charge on all Property, plant and equipment including equitable mortgage of Land and Building and further secured by way of second pari-passu charge on Company's entire Current Assets both present and future.

- Rupee Term Loan from one bank of ₹ NIL (₹ 35.67 crore as at 31st March, 2022) was payable in 21 quarterly instalments, with last repayment date 31st May, 2028, carrying floating interest rate of 6.25% p.a. LINKED WITH REPO RATE with periodical interest reset, which is fully pre-paid during the current year.
- Rupee Term Loan from one financial institution aggregating ₹ NIL (₹ 25.00 crore as at 31st March, 2022) was payable in 29 quarterly instalments, with last repayment date 1st April, 2030, carrying fixed interest rate of 6.50% p.a. with periodical interest reset, which is fully pre-paid during the current year.

Change in Liability arising from financing activities

	1st April, 2022	Receipts	Payments	31st March, 2023
(₹ in crore)				
Current Borrowings (Net Basis) (refer note 23)	519.35	-	115.41	403.94
Non-Current Borrowings including Loan repayment within one year	60.67	-	60.67	-
Total	580.02	-	176.08	403.94

	1st April, 2021	Receipts	Payments	31st March, 2022
(₹ in crore)				
Current Borrowings (Net Basis) (refer note 23)	493.06	26.29	-	519.35
Non-Current Borrowings including Loan repayment within one year	223.53	-	162.86	60.67
Total	716.59	26.29	162.86	580.02

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

19 LEASE LIABILITIES (NON CURRENT)

(₹ in crore)

	As at 31st March, 2023	As at 31st March, 2022
Lease liabilities	6.82	7.02
	6.82	7.02

The Company's lease asset primarily consist of leases for land and buildings for branch offices and warehouses having the various lease terms. The Company also has certain leases of with lease terms of 12 months or less. The Company applies the 'short-term lease' recognition exemptions for these leases.

The movement in Lease liabilities (Non-current and Current) is as follows:

(₹ in crore)

	As at 31st March, 2023	As at 31st March, 2022
Balance as at beginning of the year	13.07	15.44
Add: Addition	6.60	4.07
Add: Accretion of interest	0.97	0.94
Less: Payments	6.81	7.38
Closing balance as at 31st March	13.83	13.07

20 OTHERS FINANCIAL LIABILITIES (NON CURRENT)

(₹ in crore)

	As at 31st March, 2023	As at 31st March, 2022
Security deposits	13.89	12.10
	13.89	12.10

21 PROVISION (NON CURRENT)

(₹ in crore)

	As at 31st March, 2023	As at 31st March, 2022
Provision for employee benefits		
Gratuity (refer note 47)	3.54	49.78
Compensated absences (refer note 47)	14.29	13.70
	17.83	63.48

22 DEFERRED TAX LIABILITIES (NET)

(₹ in crore)

	As at 31st March, 2022	Recognised in P & L	Recognised in OCI	As at 31st March, 2023
Deferred tax liabilities / assets are attributable to the following items;				
Deferred tax liabilities				
Property, Plant and Equipment	82.08	(5.88)	-	76.20
Sub- (a)	82.08	(5.88)	-	76.20
Deferred tax assets				
Gratuity and Compensated absences	18.63	(11.35)	0.14	7.42
Trade Receivables	2.91	(1.10)	-	1.81
Others	3.74	(3.74)	-	-
Sub- (b)	25.28	(16.19)	0.14	9.23
Net deferred tax liability (a-b)	56.80	10.31	(0.14)	66.97

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

(₹ in crore)

Deferred tax liabilities (Net)	As at 1st April, 2021	Recognised in P & L	Recognised in OCI	As at 31st March, 2022
Deferred tax liabilities / assets are attributable to the following items;				
Deferred tax liabilities				
Property, Plant and Equipment	88.12	(6.04)	-	82.08
Sub- (a)	88.12	(6.04)	-	82.08
Deferred tax assets				
Gratuity and Compensated absences	17.63	1.15	(0.15)	18.63
Trade Receivables	2.90	0.01		2.91
Others	3.74	-		3.74
Sub- (b)	24.27	1.16	(0.15)	25.28
Net deferred tax liability (a-b)	63.85	(7.20)	0.15	56.80

23 BORROWINGS (CURRENT)

(₹ in crore)

	As at 31st March, 2023	As at 31st March, 2022
Secured		
Loans repayable on demand		
From banks		
Rupee loans	403.94	519.35
Current maturities of Long term borrowings	-	-
	403.94	519.35
Unsecured		
Commercial paper	-	-
	403.94	519.35

The above working Capital borrowings of ₹ 403.94 crore are secured against current assets both present and future and further secured by way of second charge on all Property, plant and equipment including equitable mortgage of Land and Building and personal guarantee of the Chairman of the Company. The Rupee Loans of ₹ 125.73 crore (EPC) linked with T Bill carrying interest rate of 4.75% ~ 5.08% (net of 2% Interest Subvention), ₹ 245.91 crore (WCDL) linked with T Bill carrying interest rate of 6.85 ~ 7.52 and ₹ 32.30 crore (Cash Credit) linked with 1 Year / 6 Month MCLR of respective banks plus spread (spread ranging from Nil ~ 75 bps)

24 LEASE LIABILITIES (CURRENT)

(₹ in crore)

	As at 31st March, 2023	As at 31st March, 2022
Lease liabilities	7.01	6.05
	7.01	6.05

25 TRADE PAYABLES

(₹ in crore)

	As at 31st March, 2023	As at 31st March, 2022
outstanding dues of micro enterprises and small enterprises	35.58	44.01
outstanding dues other than micro enterprises and small enterprises	370.98	549.55
	406.56	593.56

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

(₹ in crore)

	As at 31st March, 2023	As at 31st March, 2022
I The details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the Company as under		
I The Principal amount and the interest due thereon remaining unpaid to any supplier.		
Principal Amount :	55.02	55.03
Interest :	Nil	Nil
ii The amount of interest paid by the Company along with the amount of the payment made to the supplier beyond the appointed day for the year ending.	Nil	Nil
iii The amount of Interest due and payable for the period of delay in making payment (beyond the appointed day during the year.	Nil	Nil
iv The amount of interest accrued and remaining unpaid for the year ending	Nil	Nil
v The amount of further interest remaining due and payable for the earlier years.	Nil	Nil

The Information has been given in respect of such suppliers to the extent they could be identified as "Micro and Small" enterprises on the basis of information submitted to the Company.

As at 31st March, 2023	Trade Payables ageing schedule					
Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1- 2 years	2- 3 years	More than 3 years	
i. MSME	55.02	-	-	-	-	55.02
ii. Others	341.69	9.83	0.01	-	0.01	351.54
iii. Disputed dues - MSME	-	-	-	-	-	-
iv. Disputed dues - Others	-	-	-	-	-	-
Total	396.71	9.83	0.01	-	0.01	406.56

As at 31st March, 2022	Trade Payables ageing schedule					
Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1- 2 years	2- 3 years	More than 3 years	
i. MSME	55.03	-	-	-	-	55.03
ii. Others	523.91	14.33	0.27	0.01	0.01	538.53
iii. Disputed dues - MSME	-	-	-	-	-	-
iv. Disputed dues - Others	-	-	-	-	-	-
Total	578.94	14.33	0.27	0.01	0.01	593.56

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

26 OTHER FINANCIAL LIABILITIES (CURRENT)

(₹ in crore)

	As at 31st March, 2023	As at 31st March, 2022
Interest accrued but not due on borrowings	0.13	0.27
Unpaid dividends* (refer note 12)	0.52	0.44
Payable to employees	49.50	41.11
Expenses Payable	100.28	102.78
	150.43	144.60

*There are no amount due and outstanding to be credited to the Investor Education and Protection Fund as at 31st March, 2023

27 OTHER LIABILITIES (CURRENT)

(₹ in crore)

	As at 31st March, 2023	As at 31st March, 2022
Advances from customers	52.75	30.94
Statutory dues payables	19.67	19.88
	72.42	50.82

28 PROVISIONS (CURRENT)

(₹ in crore)

	As at 31st March, 2023	As at 31st March, 2022
Provision for employee benefits		
Gratuity (refer note 47)	8.16	7.31
Compensated Absences (refer note 47)	3.52	3.05
	11.68	10.36
Other payables		
Warranty Payable (refer note 44)	22.78	26.25
	22.78	26.25
	34.46	36.61

29 CURRENT TAX LIABILITY

(₹ in crore)

	As at 31st March, 2023	As at 31st March, 2022
Current Tax Liability (Net)	13.14	15.96
	13.14	15.96

30 INCOME TAX

(₹ in crore)

	For the year ended 31st March, 2023	For the year ended 31st March, 2022
a. Income tax recognised in profit or loss		
Current tax expense	113.34	78.82
Deferred tax expense		
Origination and reversal of temporary differences	10.31	(7.20)
Total tax expenses	123.65	71.62

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

	(₹ in crore)	
	For the year ended 31st March, 2023	For the year ended 31st March, 2022
b. Reconciliation of effective tax rate		
Profit before tax	458.93	276.19
Domestic tax rate	25.168%	25.168%
Tax using the Company's domestic tax rate	115.50	69.51
Increase / reduction in Taxes on account of		
Deduction / exemptions in taxable income/ Other non deductible expenses (Net)	8.15	2.11
Income tax expenses charged to statement of profit and loss	123.65	71.62
Effective tax rate	26.94%	25.93%

31 REVENUE FROM OPERATIONS

	(₹ in crore)	
	For the year ended 31st March, 2023	For the year ended 31st March, 2022
a. Sale of products		
i. Steel pipe and strips	6,427.51	6,378.18
ii. Lighting and consumer durables	1,532.24	1,320.49
	7,959.75	7,698.67
Less Inter Segment Sales	0.35	4.17
	7,959.40	7,694.50
b. Other operating revenue;		
i. Export incentives and claims	22.08	19.11
	22.08	19.11
c. Sale of services	14.47	16.46
	14.47	16.46
	7,995.95	7,730.07

32 OTHER INCOME

	(₹ in crore)	
	For the year ended 31st March, 2023	For the year ended 31st March, 2022
a. Interest Income from financial assets	5.11	5.50
b. Profit on sale of property, plant and equipment	0.05	0.13
c. Miscellaneous income	0.06	0.09
	5.22	5.72

33 COST OF MATERIALS CONSUMED

	(₹ in crore)	
	For the year ended 31st March, 2023	For the year ended 31st March, 2022
i. Steel pipe and strips		
a. Raw materials (Imported)	174.96	241.28
b. Raw materials (Indigenous)	5,051.20	5,088.35
ii. Lighting and consumer durables		
a. Raw materials (Imported)	215.45	153.90
b. Raw materials (Indigenous)	366.34	369.76
c. Packing materials consumed	47.46	40.58
	5,855.41	5,893.87
Less Inter Segment Consumption	0.35	4.17
	5,855.06	5,889.70

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

34 PURCHASE OF STOCK-IN-TRADE

	(₹ in crore)	
	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Lighting and consumer durables (outsourced)	429.18	340.09
	429.18	340.09

35 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

	(₹ in crore)	
	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Inventories at the end of the year		
Finished goods	521.73	452.41
Work in Progress	126.44	133.45
	648.17	585.86
Inventories at the beginning of the year		
Finished goods	452.41	421.53
Work in Progress	133.45	124.87
	585.86	546.40
	(62.31)	(39.46)

36 EMPLOYEE BENEFIT EXPENSES

	(₹ in crore)	
	For the year ended 31st March, 2023	For the year ended 31st March, 2022
a. Salaries, wages and bonus	343.69	313.74
b. ESOS Expenses (refer note 48)	7.01	6.53
c. Contribution to provident and other funds	14.33	13.43
d. Staff welfare expenses	7.33	6.27
	372.36	339.97

37 FINANCE COST

	(₹ in crore)	
	For the year ended 31st March, 2023	For the year ended 31st March, 2022
a. Interest expenses	37.07	53.71
b. Interest on Lease Liability	0.97	0.94
c. Other borrowing cost	6.80	8.98
	44.84	63.63

38 DEPRECIATION AND AMORTISATION EXPENSES

	(₹ in crore)	
	For the year ended 31st March, 2023	For the year ended 31st March, 2022
a. Depreciation (refer note 5)	109.14	101.58
b. Right of Use Assets (refer note 5)	6.27	6.80
	115.41	108.38

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

39 OTHER EXPENSES

	(₹ in crore)	
	For the year ended 31st March, 2023	For the year ended 31st March, 2022
a. Consumption of stores and spares	48.16	45.17
b. Power, fuel and water charges	128.23	116.71
c. Repairs and maintenance :		
- plant and machinery	3.37	3.17
- buildings	1.74	1.28
- others	0.92	1.19
d. Product warranties	21.44	16.77
e. Sales promotion expenses	27.31	29.35
f. Commission on sales	21.96	16.77
g. Advertisement and publicity	12.11	18.05
h. Freight and forwarding expenses	377.81	378.78
i. Allowance for doubtful debts / bad debts W/off	0.15	0.94
j. Rent	3.61	6.49
k. Rates and taxes	0.29	0.79
l. Insurance	5.14	5.05
m. Postage, telegraph and telephone	2.61	2.31
n. Travelling and conveyance	29.15	21.93
o. Loss on discard / disposal of property, plant and equipment	0.69	3.94
p. Corporate social responsibility expenses (refer note 42)	4.23	3.53
q. Legal and professional expenses	6.45	4.10
r. Auditor's remuneration		
for audit	0.22	0.21
for tax audit	0.06	0.06
for certification work	0.10	0.07
for reimbursement of out of pocket expenses	0.01	0.01
s. Miscellaneous expenses	91.94	80.62
	787.70	757.29

40 OTHER COMPREHENSIVE INCOME

	(₹ in crore)	
	For the year ended 31st March, 2023	For the year ended 31st March, 2022
i. Items that will not be reclassified to profit or loss		
- Remeasurements of the defined benefit plans	(0.57)	0.57
ii. Income tax relating to items that will not be reclassified to profit or loss		
Related to remeasurements of the defined benefit plans	0.14	(0.15)
	(0.43)	0.42

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

41 EARNING PER SHARE

(₹ in crore)

		For the year ended 31st March, 2023	For the year ended 31st March, 2022	
The following is a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share:				
A.	Issued equity shares	No's	5,44,08,974	5,44,08,974
	Less :- Treasury Shares held by the Surya Roshni Employees welfare Trust		6,03,687	10,81,930
	Issued equity shares after taking effect of Treasury Shares		5,38,05,287	5,33,27,044
B.	Weighted average equity shares outstanding - Basic	No's	5,34,42,004	5,33,64,134
C.	Weighted average equity shares outstanding - Diluted	No's	5,44,08,974	5,44,08,974
D.	Net profit after tax		335.28	204.57
	Basic Earning per equity share (D/B)	Per / ₹	62.74	38.33
	Diluted Earning per equity share (D/C)	Per / ₹	61.62	37.60
	Face Value per Equity Share	₹	10.00	10.00

42 EXPENDITURE INCURRED ON CORPORATE SOCIAL RESPONSIBILITY

Details of expenditure on Corporate Social Responsibility Activities as per Section 135 of the Companies Act, 2013 read with schedule III are as below: The said amount has been spent through surya foundation.

(₹ in crore)

		For the year ended 31st March, 2023	For the year ended 31st March, 2022
A.	Gross amount required to be spent by the Company during the year	4.23	3.53
B.	Amount spent during the year		
	i Construction/ acquisition of asset	NIL	NIL
	ii On purpose other than (i) above –		
	(a) Rural Development	4.01	3.33
	(b) Naturopathy	0.22	0.20
	(c) Other administrative expenses	-	-
		4.23	3.53
C.	Short fall at the end of the Year	NIL	NIL
D.	Total of Previous Year Shortfall	NIL	NIL
E.	Reason of Shortfall	Not applicable	Not applicable
F.	Nature of CSR Activities	Rural Development Project under Adarsh Gram Yojna and Promoting Health Care Including Preventive Health Care (Naturopathy)	Rural Development Project under Adarsh Gram Yojna and Promoting Health Care Including Preventive Health Care (Naturopathy)
G.	Details of Related party transaction	Nil	Nil

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

43 CONTINGENT LIABILITIES

	(₹ in crore)	
	For the year ended 31st March, 2023	For the year ended 31st March, 2022
I. Guarantees		
Bank Guarantees issued by banks for which counter guarantee given by the Company	416.43	281.76
II. Other contingent liabilities		
a. Export obligation under EPCG Scheme (Duty involved on imports made by the Company)	3.16	3.35
Bonds to customs (₹ 8.12 crore (₹ 8.64 crore in previous year))		
b. Estimated amount of contract remaining to be executed on capital account and not provided for	1.74	5.91
c. Claims against the Company not acknowledged as debt	3.48	3.10

III. Entry of Goods into Local Area Act, 2008 :

The Haryana Government levied Local Area Development Tax by (The LADT Act) w.e.f. 5th May, 2000, The said act was declared ultra vires by the Hon'ble Punjab & Haryana High Court on 14th March, 2007. Later on, the Haryana Government has repealed the LADT Act w.e.f. 8th April, 2008 and introduced in its place, 'The Haryana Tax on Entry of Goods into local Areas Act, 2008', which was also held ultra vires by the Hon'ble High Court on 1st October, 2008 (Rules not yet notified). Both these Acts were declared unconstitutional on the ground of non-compensatory. but Subsequently, on the SLP of the Haryana Government, the Hon'ble Supreme Court Constitutional Bench vide its judgment dated 11th November, 2016 held the applicability of entry tax valid on compensatory grounds. However, directed its Divisional bench for examining the provisions on the other issues of discrimination, local area etc. The divisional bench remanded back the matters to the Hon'ble Punjab & Haryana High Court on 21st March, 2017 with a direction to file fresh writ petitions in this regard for factual backgrounds and other constitutional statutory issues. The matter is still pending in the Hon'ble Punjab & Haryana High Court, hence no provision has been made.

IV. Income Tax Act

In respect of Income-tax assessments of the Company (for the year 2009-10, 2010-11 & 2012-13) demands of ₹ 56.34 cr. were raised wherein, Company had appealed and the cases were decided in favour of the Company by CIT (A). However revenue has preferred an appeal before ITAT. Based on the decision in favour of the Company, interpretations and decisions of appellate authorities and Courts in similar cases and as per the consultations made, the Company is not liable for such demand and accordingly no provision has been made.

44 MOVEMENT IN WARRANTY PROVISION

	(₹ in crore)	
	As at 31st March, 2023	As at 31st March, 2022
Movement in warranty provision during the financial year are provided below:		
Opening Balance	26.25	43.15
Provision Made	21.44	16.77
Utilised during the year	24.91	33.67
Closing Balance	22.78	26.25

The Company gives warranties on certain products, which fail to perform satisfactorily during the warranty period. Provision made represents the amount of expected cost of meeting such obligation on account of repair/ replacement. It is expected that significant portion of these cost is to be incurred within a period of two years.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

45 GOVERNMENT GRANTS (INVESTMENT PROMOTION ASSISTANCE)

The Company has made investments of ₹ 362.35 crore up to 31st March, 2023 in the State of Madhya Pradesh, Andhra Pradesh and Gujarat for establishing manufacturing facilities at Malanpur, Hindupur and Anjar respectively as per provisions of the Industrial Investment Promotion Assistance Schemes/ Policy of these states. The Company has been eligible for periodical Grants during the specified period by way of assistance/ reimbursement of VAT/ CST/ SGST/ Power Cost and recognised the same in revenue on satisfying the conditions mentioned under the respective schemes/ policies. These incentive claims are periodically evaluated and necessary adjustments /reversals have been made time to time for deductions made or expected in processing, verifications, clarifications or change in policies/guidelines. Accordingly, The Company has recognised grants of ₹ 98.59 crore up to 31st March, 2023 (₹ 105.58 crore up to 31st March, 2022 (Out of which ₹ 61.04 crore remained outstanding as on 31st March, 2023 and ₹ 70.11 crore as on 31st March, 2022).

46 PROJECT FOR SUPPLY, IMPLEMENTATION, OPERATION AND MAINTENANCE OF ORISSA GREENFIELD STREET LIGHTING SYSTEM THROUGH SPV COMPANY

The Company has been awarded project by Directorate of Municipal Administration(DMA), Orissa for designing, implementing, operating, maintaining the Greenfield Pubic Street Lighting System along with other infrastructure including CCMS and automation. The project is required to be executed through Special Purpose Vehicle Company (SPV) as per terms of LOA and accordingly Company has incorporated a wholly-owned subsidiary namely SURYA ROSHNI LED LIGHTING PROJECTS LIMITED on 21st January, 2019. Further, Company has executed Supply Installation Operation and Maintenance (SIOM) Agreement on 29th December 2018 with the DMA and 21 Urban Local Bodies. As per terms of SIOM, the Company had executed shareholder agreement with the SPV Company on 30th August, 2019 and novation agreement with the DMA and the SPV company . Company has committed the funding requirement of SPV for project completion including enhancement in the value of project. The Company has also committed to compensate the losses/ damages, if any. The required funding has been mandatory provided by the Company and project is being implemented efficiently.

47 EMPLOYEE BENEFITS

Disclosures pursuant to Ind AS -19 "Employee Benefits" (Specified under the section 133 of the Companies Act 2013 (the Act) read with Companies (Indian Accounting Standards) Rule 2015 (as amended from time to time) and other relevant provision of the Act) are given below

Contribution to Defined Contribution Plan, recognised as expenses are as under :

Particulars	For the Year Ended	
	31st March, 2023	31st March, 2022
Employer's Contribution to defined contribution plans	14.33	13.43

(₹ in crore)

I. The principal actuarial assumptions used for estimating the Company's defined benefit obligations are set out below:

Particulars	Valuation as at	
	31st March, 2023	31st March, 2022
Attrition rate for various ages in %	1.00 to 5.00	1.00 to 5.00
Discount Rate in %	7.37	7.16
Expected Rate of increase in salary in %	5.35	5.35
Mortality rate - Indian Assured Lives Mortality	100% of IALM (2012-14)	100% of IALM (2012-14)
Expected Average remaining working lives of employees (years)	14.24	14.73

- Discount rate is based on the prevailing market yields of Indian Government securities as at the balances sheet date for the estimated term of obligations.
- The assumption of future salary increase takes into account the inflation, seniority, promotion, business plan, HR Policy and other relevant factors such as supply and demand in employment market.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

II. Movement in Obligation

(₹ in crore)

Particulars	For the year ended 31st March, 2023		For the year ended 31st March, 2022	
	Gratuity (partly funded)	Compensated absences (Unfunded)	Gratuity (partly funded)	Compensated absences (Unfunded)
Present value of obligation as at the beginning of the period	57.12	16.75	54.11	15.72
Current Service cost	4.01	1.84	3.79	1.82
Past Service Cost including curtailment Gain/Losses	-	-	-	-
Interest cost	4.09	1.20	3.68	1.07
Benefits paid	(4.06)	(3.86)	(3.89)	(1.27)
Actuarial loss / (gain) arising from changes in Demographic assumptions	-	-	-	-
Actuarial loss / (gain) arising from changes in Financial assumptions	(0.95)	(0.31)	(1.61)	(0.52)
Actuarial loss / (gain) arising from experience adjustment	1.52	2.19	1.04	(0.07)
Present value of obligation as at the end of the period	61.73	17.81	57.12	16.75

III. Amount recognised in the statement of Profit and Loss:

(₹ in crore)

Particulars	For the year ended 31st March, 2023		For the year ended 31st March, 2022	
	Gratuity	Compensated absences	Gratuity	Compensated absences
Current Service cost	4.01	1.84	3.79	1.82
Interest cost	4.09	1.20	3.68	1.07
Remeasurement - Actuarial loss/(gain)	-	1.88	-	(0.59)
Expenses recognised in the statement of Profit and Loss	8.10	4.92	7.47	2.30

IV. Component of defined benefit costs recognised in other comprehensive income

(₹ in crore)

Particulars	Gratuity	
	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Actuarial loss / (gain) arising from changes in demographic assumptions	-	-
Actuarial loss / (gain) arising from changes in Financial assumptions	(0.95)	(1.61)
Actuarial loss / (gain) arising from experience adjustment	1.52	1.04
Actuarial loss / (gain) arising on plan asset	-	-
Component of defined benefit costs recognised in other comprehensive income	0.57	(0.57)

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

V. Current and non-current provision for Gratuity and Compensated absences

(₹ in crore)

Particulars	For the Year ended 31st March, 2023		For the Year ended 31st March, 2022	
	Gratuity	Compensated absences	Gratuity	Compensated absences
Current provision	8.16	3.52	7.32	3.05
Non-current provision	3.54	14.29	49.78	13.70
Total provision	11.70	17.81	57.10	16.75

VI. Maturity profile of Defined Benefit Obligation are as under :-

(₹ in crore)

Particulars	For the Year ended 31st March, 2023		For the Year ended 31st March, 2022	
	Gratuity	Compensated absences	Gratuity	Compensated absences
0 to 1 Year	8.66	3.52	7.32	3.05
1 to 5 Years	15.36	3.43	12.95	2.92
5 Year Onwards	37.71	10.86	36.85	10.78

VII. Movements in the fair value of the plan assets are as follows:

(₹ in crore)

Gratuity	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022
Opening fair value of plan assets	0.02	0.02
Interest income	-	-
Return on plan assets (excluding amounts included in net interest expenses)	0.02	-
Employer Contribution	50.00	-
Benefits paid	-	-
Closing fair value of the plan assets	50.04	0.02

Note: The Company has invested the plan assets in India only with Life insurance corporation of India & SBI Life and closing value of the plan assets are the fair value of plan assets

VIII. Sensitivity Analysis:

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and withdrawal rate. The sensitivity analysis below have been determined based on reasonably possible changes of respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant

(₹ in crore)

Particulars	For the year ended 31st March, 2023		For the year ended 31st March, 2022	
	Effect on Gratuity Obligation	Effect on Compensated absences Obligation	Effect on Gratuity Obligation	Effect on Compensated absences Obligation
One percentage point increase in discount rate	(4.35)	(1.38)	(4.25)	(1.37)
One percentage point decrease in discount rate	4.64	1.48	4.55	1.45

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

(₹ in crore)

Particulars	For the year ended 31st March, 2023		For the year ended 31st March, 2022	
	Effect on Gratuity Obligation	Effect on Compensated absences Obligation	Effect on Gratuity Obligation	Effect on Compensated absences Obligation
One percentage point increase in salary growth rate	4.71	1.50	4.61	1.49
One percentage point decrease in salary growth rate	(4.45)	(1.41)	(4.34)	(1.40)
One percentage point increase in attrition rate	0.50	0.20	0.45	0.19
One percentage point decrease in attrition rate	(0.52)	(0.23)	(0.47)	(0.20)

Note :

- a. The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.
- b. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.
- c. There was no change in the method and assumptions used in preparing the sensitivity analysis from prior years.

48 INFORMATION IN RESPECT OF OPTIONS GRANTED UNDER THE COMPANY'S EMPLOYEE STOCK OPTION SCHEME ('SCHEME'):

S. No.	Particulars (during the financial year ended 31st March, 2023)	SRL- ESOS (2018)
1.	Date of Shareholders' approval	: 28th September, 2018
2.	Total number of Options approved under the Scheme	: 8,00,000
3.	Vesting Schedule	: The vesting period for conversion of Options is as follows: On completion of 1 year from the date of grant of the Options: 33% vests On completion of 2 years from the date of grant of the Options: 33% vests On completion of 3 years from the date of grant of the Options: 34% vests
4.	Exercise price	: The exercise price has been fixed at ₹ 75/- per share of 6,44,000 options granted on 29th October, 2020 by Nomination and Remuneration Committee ("Compensation Committee") The exercise price has been fixed at ₹ 150/- per share of 1,63,500 options granted on 9th July, 2021 by Nomination and Remuneration Committee ("Compensation Committee") The exercise price has been fixed at ₹ 230/- per share of 22,525 options granted on 29th March, 2023 by Nomination and Remuneration Committee ("Compensation Committee")
5.	Maximum term of Options granted	: 3 years from the date of vesting
6.	Source of Shares	: Secondary - Market purchase by Surya Roshni Employees Welfare Trust (Trust)
7.	Variation in terms of Options	: None
8.	Method used for accounting of : share based payment plans	: The employee compensation cost has been calculated using the fair value method of accounting for Options issued under the Company's Employee Stock Option Scheme. The employee compensation cost as per fair value method for the financial year 2022-23 is ₹ 3.43 crore (Previous Year – ₹ 3.50 crore)

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

S. No.	Particulars (during the financial year ended 31st March, 2023)	SRL- ESOS (2018)				
9.	Nature and extent of employee share based payment plans that existed during the period including the general terms and conditions of each plan	:	Each Option entitles the holder thereof to apply for and be allotted one Equity Share of the Company of ₹ 10/- each upon payment of the exercise price during the exercise period. The exercise period commences from the date of vesting of the Options and expires at the end of three years from the date of vesting. The above is in addition to the other terms and conditions provided in the table under Serial Nos. (3) to (5) hereinbefore			
10.	Weighted average exercise prices and weighted average fair values of Options whose exercise price either equals or exceeds or is less than the market price of the stock	:		As at 31st March, 2023	As at 31st March, 2022	
			Weighted average exercise price per Option in ₹	111.21	95.48	
			<u>Weighted average fair value per Option in ₹</u>	<u>245.33</u>	<u>213.74</u>	
11.	Option movements during the year		ended 31st March, 2023	ended 31st March, 2022		
	a. Number of options outstanding at the beginning of the year	:	4,85,280	6,44,000		
	b. Number of options granted during the year	:	22,525	1,63,500		
	c. Number of options forfeited / lapsed/ surrendered during the year	:	57,545	1,67,450		
	d. Number of options vested and exercisable during the year (net of Options lapsed and exercised)	:	1,84,830	1,75,230		
	e. Number of options exercised during the year	:	1,93,345	1,54,770		
	f. Number of shares arising as a result of exercise of options	:	1,93,345	1,54,770		
	g. Number of options outstanding at the end of the year	:	2,56,915	4,85,280		
	h. Number of options exercisable at the end of the year	:	11,945	20,460		
	i. Money realised by exercise of options (₹ In crore), if scheme is implemented directly by the Company	:	Not Applicable since the scheme is implemented through Trust			
12.	Loan repaid by the Trust during the year from exercise price received in (₹ in crore)	:	1.71	1.16		
13.	Summary of the status of Options		As at 31st March, 2023		As at 31st March, 2022	
	Particulars		No. of Options	Weighted average Exercise Prices (in ₹)	No. of Options	Weighted average Exercise Prices (in ₹)
	Outstanding at the beginning of the year	:	4,85,280	95.48	6,44,000	75.00
	Add: Granted during the year	:	22,525	230.00	1,63,500	150.00
	Less: Lapsed/ surrendered during the year	:	57,545	100.66	1,67,450	88.88
	Less: Exercised during the year	:	1,93,345	88.70	1,54,770	75.00
	Outstanding at the end of the year	:	2,56,915	111.21	4,85,280	95.48
	Options exercisable at the end of the year	:	11,945	96.76	20,460	75.00
14.	Weighted average share price of Shares arising upon exercise of Options	:	₹ 497.70		₹ 606.61	

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

S. No.	Particulars (during the financial year ended 31st March, 2023)	SRL- ESOS (2018)															
15.	Summary of Options outstanding, scheme-wise:																
	Particulars	As at 31st March, 2023			As at 31st March, 2022												
		No. of Options outstanding	Range of Exercise Price (₹)	Weighted average remaining contractual life	No. of Options outstanding	Range of Exercise Price (₹)	Weighted average remaining contractual life										
	Grant date - 29th October, 2020	1,56,890	75	2.59 Years	3,52,780	75	3.59 Years										
	Grant date - 9th July, 2021	77,500	150	3.27 Years	1,32,500	150	4.27 Years										
	Grant date - 29th March, 2023	22,525	230	4.99 Years	-	-	-										
16.	A description of the method used during the year to estimate the fair values of Options, the weighted average exercise prices and weighted average fair values of Options granted	: The fair value of each Option is estimated using the Black Scholes Option Pricing model Weighted average exercise price per Option : ₹ 230.00 Weighted average fair value per Option : ₹ 439.92			The fair value of each Option is estimated using the Black Scholes Option Pricing model Weighted average exercise price per Option : ₹ 150.00 Weighted average fair value per Option : ₹ 376.49												
	The significant assumptions used to ascertain the above	: The fair value of each Option is estimated using the Black Scholes Option Pricing model after applying the following key assumptions on a weighted average basis:															
		Particulars		During the Financial year 2022-23	During the Financial year 2021-22												
		(i) Risk-free interest rate		7.12% to 7.16%	4.83% to 5.67%												
		(ii) Expected life		2.5 to 4.5 years	2.5 to 4.5 years												
		(iii) Expected volatility		50.97% to 53.15%	49.19% to 52.63%												
		(iv) Expected dividends		1.80%	1.61%												
		(v) The price of the underlying shares in market at the time of Option grant		₹ 643.95	₹ 522.65												
17.	Methodology for determination of expected volatility	: The volatility used in the Black Scholes Option Pricing model is the annualised standard deviation of the continuously compounded rates of return on the stock over a period of time. : The period to be considered for volatility has to be adequate to represent a consistent trend in the price movements and the movement due to abnormal events if any gets evened out. Estimates of expected future long term volatility should be based on historical volatility for a period that approximates the expected life of the options being valued.															
18.	Options granted to :	: As provided below:															
	(a) Senior managerial personnel	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 5%;"></th> <th style="width: 45%;">Name</th> <th style="width: 20%;">Designation</th> <th style="width: 10%;">During the financial year 2022-23</th> <th style="width: 10%;">During the financial year 2021-22</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1</td> <td>Jitendra J Agrawal</td> <td>CEO- Lighting & Consumer Durables</td> <td style="text-align: center;">6,525</td> <td style="text-align: center;">-</td> </tr> </tbody> </table>							Name	Designation	During the financial year 2022-23	During the financial year 2021-22	1	Jitendra J Agrawal	CEO- Lighting & Consumer Durables	6,525	-
	Name	Designation	During the financial year 2022-23	During the financial year 2021-22													
1	Jitendra J Agrawal	CEO- Lighting & Consumer Durables	6,525	-													
	The Optionees were granted Options on :	During the Financial Year 2022-23		During the Financial Year 2021-22													
		29th March, 2023 at the exercise price of ₹ 230.00 per Option		9th July, 2021 at the exercise price of ₹ 150.00 per Option													
	b. Any other employee who received a grant on any one year of Options amounting to 5% or more of the Options granted during the year.	: None			None												
	c. Identified employees who were granted Options, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.	: None			None												

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

S. No.	Particulars (during the financial year ended 31st March, 2023)	Surya Roshni Limited Employees Stock Option Scheme - 2021 (SRL ESOS-2021)		
1.	Date of Shareholders' approval	:	19th June, 2021	
2.	Total number of Options approved under the Scheme	:	8,00,000	
3.	Vesting Schedule	:	The vesting period for conversion of Options is as follows: On completion of 1 year from the date of grant of the Options: 33% vests On completion of 2 years from the date of grant of the Options: 33% vests On completion of 3 years from the date of grant of the Options: 34% vests	
4.	Exercise price	:	The exercise price has been fixed at ₹ 150/- per share of options granted on 9th July, 2021 by Nomination and Remuneration Committee ("Compensation Committee")	
5.	Maximum term of Options granted	:	3 years from the date of vesting	
6.	Source of Shares	:	Secondary - Market purchase by Surya Roshni Employees Welfare Trust (Trust)	
7.	Variation in terms of Options	:	None	
8.	Method used for accounting of : share based payment plans	:	The employee compensation cost has been calculated using the fair value method of accounting for Options issued under the Company's Employee Stock Option Scheme. The employee compensation cost as per fair value method for the financial year 2022-23 is ₹ 3.58 crore (Previous Year – ₹ 3.03 crore)	
9.	Nature and extent of employee share based payment plans that existed during the period including the general terms and conditions of each plan	:	Each Option entitles the holder thereof to apply for and be allotted one Equity Share of the Company of ₹ 10/- each upon payment of the exercise price during the exercise period. The exercise period commences from the date of vesting of the Options and expires at the end of three years from the date of vesting. The above is in addition to the other terms and conditions provided in the table under Serial Nos. (3) to (5) hereinbefore	
10.	Weighted average exercise prices and weighted average fair values of Options whose exercise price either equals or exceeds or is less than the market price of the stock	:		
			As at 31st March, 2023	As at 31st March, 2022
			Weighted average exercise price per Option in ₹	150.00
			Weighted average fair value per Option in ₹	376.49
11.	Option movements during the year		ended 31st March, 2023	ended 31st March, 2022
a.	Number of options outstanding at the beginning of the year	:	3,33,375	NIL
b.	Number of options granted during the year	:	NIL	7,53,420
c.	Number of options forfeited / lapsed/surrendered during the year	:	24,260	4,20,045
d.	Number of options vested and exercisable during the year (net of Options lapsed and exercised)	:	1,03,777	NIL
e.	Number of options exercised during the year	:	89,928	NIL
f.	Number of shares arising as a result of exercise of options	:	89,928	NIL

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

S. No.	Particulars (during the financial year ended 31st March, 2023)	Surya Roshni Limited Employees Stock Option Scheme - 2021 (SRL ESOS-2021)						
		ended 31st March, 2023		ended 31st March, 2022				
	g. Number of options outstanding at the end of the year	:	2,19,187		3,33,375			
	h. Number of options exercisable at the end of the year	:	13,849		NIL			
	i. Money realised by exercise of options (₹ In crore), if scheme is implemented directly by the group.	:	Not Applicable since the scheme is implemented through Trust					
12.	Loan repaid by the Trust during the year from exercise price received	:	1.35		NIL			
13.	Summary of the status of Options		As at 31st March, 2023		As at 31st March, 2022			
	Particulars		No. of Options	Weighted average Exercise Prices (in ₹)	No. of Options	Weighted average Exercise Prices (in ₹)		
	Outstanding at the beginning of the year	:	3,33,375	150.00	NIL	-		
	Add: Granted during the year	:	NIL	150.00	7,53,420	150.00		
	Less: Forfeited/ Lapsed/surrendered during the year	:	24,260	150.00	4,20,045	150.00		
	Less: Exercised during the year	:	89,928	150.00	NIL	-		
	Outstanding at the end of the year	:	2,19,187	150.00	3,33,375	150.00		
	Options exercisable at the end of the year	:	13,849	150.00	NIL	-		
14.	Weighted average share price of Shares arising upon exercise of Options	:	₹ 438.86		Not Applicable since Exercise of Options are to be commenced on or after 9th July, 2022			
15.	Summary of Options outstanding, scheme-wise:		As at 31st March, 2023		As at 31st March, 2022			
	Particulars		No. of Options outstanding	Range of Exercise Price (₹)	Weighted average remaining contractual life	No. of Options outstanding	Range of Exercise Price (₹)	Weighted average remaining contractual life
	SRL- ESOS (2021)	:	2,19,187	150	3.27 Years	3,33,375	150	4.27 Years
16.	A description of the method used during the year to estimate the fair values of Options, the weighted average exercise prices and weighted average fair values of Options granted	:	Not Granted during the Year			The fair value of each Option is estimated using the Black Scholes Option Pricing model Weighted average exercise price per Option : ₹ 150.00 Weighted average fair value per Option : ₹ 376.49		

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

S. No.	Particulars (during the financial year ended 31st March, 2023)	Surya Roshni Limited Employees Stock Option Scheme - 2021 (SRL ESOS-2021)			
	The significant assumptions used to ascertain the above	: The fair value of each Option is estimated using the Black Scholes Option Pricing model after applying the following key assumptions on a weighted average basis:			
		Particulars	During the financial year 2022-23	During the financial year 2021-22	
		i. Risk-free interest rate	Not Applicable	4.83% to 5.67%	
		ii. Expected life	Not Applicable	2.5 to 4.5 years	
		iii. Expected volatility	Not Applicable	49.19% to 52.63%	
		iv. Expected dividends	Not Applicable	1.61%	
		v. The price of the underlying shares in market at the time of Option grant	Not Applicable	₹ 522.65	
17.	Methodology for determination of expected volatility	: The volatility used in the Black Scholes Option Pricing model is the annualised standard deviation of the continuously compounded rates of return on the stock over a period of time. The period to be considered for volatility has to be adequate to represent a consistent trend in the price movements and the movement due to abnormal events if any gets evened out. Estimates of expected future long term volatility should be based on historical volatility for a period that approximates the expected life of the options being valued.			
18.	Options granted to : a. Senior managerial personnel	: As provided below:			
		Name	Designation	During the financial year 2022-23	During the financial year 2021-22 \$
		1. Bharat Bhushan Singal	CFO & Company Secretary	NIL	3,000
		\$ (net off of forfeited/ lapsed/ surrendered)			
		The Optionees were granted Options on 9th July, 2021 at the exercise price of ₹ 150.00 per Option.			
	b. Any other employee who received a grant on any one year of Options amounting to 5% or more of the Options granted during the year.	: None			
	c. Identified employees who were granted Options, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Group at the time of grant.	: None			

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

49 RELATED PARTY TRANSACTIONS

In accordance with the requirements of IND AS 24, on related party disclosures, name of the related party, relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods, are reported here

List of related parties

1 Related parties where control exists.

Subsidiary Company:-Surya Roshni LED Lighting projects Limited (Wholly owned subsidiary)

2 Key Management Personnel

S.No.	Name	Designation
1.	Mr. Jai Prakash Agarwal	Executive Chairman
2.	Mr. Raju Bista	Managing Director
3.	Mr. Vinay Surya	Managing Director w.e.f. 26th October, 2021
4.	Mr. Kaustubh N Karmarkar	Whole Time Director
5.	Mrs. Urmil Agarwal	Director
6.	Mr. Tara Sankar Sudhir Bhattacharya	Independent Director
7.	Mr. Surendra Singh Khurana	Independent Director
8.	Mr. Sunil Sikka	Independent Director
9.	Ms. Suruchi Agarwal (w.e.f. 14th February, 2022)	Independent Director
10.	Mr. Tekan Ghanshyam Keswani (w.e.f. 28th October, 2022)	Independent Director
11.	Mr. Naresh Agarwal (w.e.f. 4th November, 2022)	Independent Director
12.	Mr. Pramod Jain (from 27th November, 2021 to 21st September, 2022)	Independent Director
13.	Mr. Krishan Kumar Narula (up to 4th September, 2022)	Independent Director
14.	Mr. Sudhanshu Kumar Awasthi (up to 4th September, 2022)	Independent Director
15.	Mrs. Suruchi Mittar (from 18th December, 2021 to 13th January, 2022)	Independent Director
16.	Mr. Ravinder Kumar Narang (up to 12th January, 2022)	Independent Director
17.	Mrs. Bhavna Kasturia (up to 8th December, 2021)	Independent Director
18.	Mr. Tarun Baldua	ED and CEO- Steel Operations
19.	Mr. Jitendra J Agrawal (w.e.f. 10th November, 2022)	CEO- Lighting & Consumer Durables
20.	Mr. Bharat Bhushan Singal	CFO & Company Secretary
21.	Mr. Nirupam Sahay (from 29th October, 2020 to 31st May, 2022)	Ex-ED & CEO Lighting
22.	Mr. R.N. Maloo (superannuated on 23rd December, 2021)	Ex-ED & Group CFO

3 Relatives of key management personnel where transactions have taken place

S.No.	Name of Relatives	Relationship
1.	Mr. Rajesh Bista	Brother of Mr. Raju Bista
2.	Mrs. Puja Surya	Spouse of Mr. Vinay Surya
3.	Master Jaivardhan Surya	Son of Mr. Vinay Surya
4.	Ms. Parinistha Surya	Daughter of Mr. Vinay Surya
5.	Ms. Vasudha Surya	Daughter of Mr. Vinay Surya
6.	Mrs. Bharti Bangur	Daughter of Mr. Jai Prakash Agarwal
7.	Mrs. Padmini Agarwal	Daughter of Mr. Jai Prakash Agarwal
8.	Mr. Basu Dev Agarwal	Father of Mr. Jai Prakash Agarwal

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

The following transactions were carried out with the related parties in the ordinary course of business

i With the Subsidiary Company

- Surya Roshni LED Lighting projects Limited

(₹ in crore)

S.No.	Nature of transaction/ relationship	For the year ended 31st March, 2023	For the year ended 31st March, 2022
i.	Sales of Goods and others	8.18	13.85
ii.	Balances at year end		
	- Receivables	0.03	8.66

ii Compensation of Key Management Personnel of the Company

(₹ in crore)

S.No.	Nature of transaction / relationship	For the year ended 31st March, 2023	For the year ended 31st March, 2022
a.	Short Term Benefit (See notes below)	15.51	15.94
b.	Directors commission	16.06	6.90
	Total Short-Term benefits	31.57	22.84
c.	Director sitting Fee's	0.49	0.56

Notes:

- Short-term benefits comprises the expenses recorded under the head employee benefit expenses (eg. Salary and wages, contribution to provident fund, NPS, Leave encashment payments, and taxable value of perquisites etc.
- The liability for gratuity and compensated absences are provided on actuarial basis for the Company as a whole, amounts accrued pertaining to key managerial personnel are not included above.
- The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.
- The Company has granted Stock Options to eligible employees, including Executive Directors and KMPs, under its Employee Stock Option Schemes [within the meaning of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014] as amended. However, in accordance with Ind AS -102, the Company has recorded employee benefits expense by way of share based payments to employees at ₹ 7.01 crore for the year ended 31st March, 2023 [2022 - ₹ 6.53 crore].

(₹ in crore)

S.No.		For the year ended 31st March, 2023	For the year ended 31st March, 2022
iii.	Dividend paid to Key Management Personnel	1.17	0.25
iv.	Payment of Salaries and perquisites to relatives of Key Management Personal	0.81	0.55
v.	Dividend paid to relatives of Key Management Personnel	0.74	0.16

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

Disclosure under Regulation 53(f) and 34(3) read together with Para A Schedule V of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Loans and Advances in the nature of loans given to Subsidiary or outstanding investment in Subsidiary :
Surya Roshni LED Lighting Projects Limited

Particulars	(₹ in crore)	
	Amount Outstanding as at the year ended on 31st March, 2023	Maximum Principal Amount Outstanding during the year ending 31st March, 2023
Investment	3.85	3.85

Particulars	(₹ in crore)	
	Amount Outstanding as at the year ended on 31st March, 2022	Maximum Principal Amount Outstanding during the year ending 31st March, 2022
Investment	3.85	3.85

50 SEGMENT INFORMATION

Description of segments and principal activities

The Chief operational decision makers (CODM) monitor the operating results of its Business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segments have been identified on the basis of the nature of products/ services and have been identified as per the quantitative criteria specified in the Ind AS.

Specifically, the Company's reportable segments under Ind AS are as follows:

- 1 Steel Pipe and Strips (comprises Steel pipes and cold rolled strips)
- 2 Lighting and consumer durables (comprises Lamps, fittings, street light, fans, electric appliances and allied items)

Identification of Segments:

For financial statements presentation purposes, these individual operating segments have been aggregated into a single operating segment after taking into consideration the similar nature of the products, production processes and other risk factors. For financial statements presentation purposes, these individual operating segment's have been aggregated into a single operating segment taking into account the following factors:

- i. These operating segments have similar long-term gross profit margins;
- ii. The nature of the products and production processes are similar; and
- iii. The methods used to distribute the products to the customer are same

The additional factors taken into consideration for aggregation into a single operating segment are as follows:

- i. Operating revenues and expenses related to both third party and inter-segment transactions are included in determining the segment results of each respective segment.
- ii. Finance expense incurred are not allocated to individual segment and the same has been reflected at the Company level for segment reporting.
- iii. Segment assets represent assets directly managed by each segment, and primarily include receivables, property, plant and equipment, intangibles, inventories, operating cash and bank balances, inter-segment assets and exclude derivative financial assets, deferred tax assets and income tax recoverable.
- iv. Segment liabilities comprise operating liabilities and exclude external borrowings, provision for taxes, deferred tax liabilities and derivative financial liabilities.
- v. Segment capital expenditure comprises additions to property, plant and equipment and intangible assets (net of rebates, where applicable).
- vi. Unallocated expenses/ results, assets and liabilities include expenses/ results, assets and liabilities (including inter-segment assets and liabilities) and other activities not allocated to the operating segments. These also include current taxes, deferred taxes and certain financial assets and liabilities not allocated to the operating segments.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

I. Segment revenues and results

		(₹ in crore)	
Particulars		For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Segment revenue	Steel Pipe and Strips	6,451.88	6,402.06
	Lighting and consumer durables	1,544.42	1,332.18
		7,996.30	7,734.24
Less : Inter Segment revenue		0.35	4.17
		7,995.95	7,730.07
Segment profit (earning before interest and taxes)	Steel Pipe and Strips	408.62	260.15
	Lighting and consumer durables	95.15	79.67
		503.77	339.82
Finance costs		44.84	63.63
Profit before tax		458.93	276.19
Tax expense		123.65	71.62
Profit after tax		335.28	204.57

II. Segment Assets and Liabilities

		(₹ in crore)	
Particulars		As at 31st March, 2023	As at 31st March, 2022
Segment assets	Steel Pipe and Strips	2,170.12	2,241.25
	Lighting and consumer durables	884.30	859.30
	Total Segment assets	3,054.42	3,100.55
	Unallocated assets	-	11.62
		3,054.42	3,112.17
Segment liabilities	Steel Pipe and Strips	290.47	502.60
	Lighting and consumer durables	418.95	411.64
	Total Segment Liabilities	709.42	914.24
	Unallocated Liabilities	484.05	652.78
		1,193.47	1,567.02

Notes :

I Unallocated assets comprises of income tax refundable.

II Unallocated liabilities comprises of borrowings, provision for income tax, deferred tax etc.

III. Other segment information

		(₹ in crore)	
Particulars		For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Cost incurred on acquisition of Property, plant and equipment	Steel Pipe and Strips	19.51	48.99
	Lighting and consumer durables	21.17	20.12
		40.68	69.11
Depreciation and amortisation expense of Property, plant and equipment	Steel Pipe and Strips	88.55	82.04
	Lighting and consumer durables	20.59	19.54
		109.14	101.58

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

IV. Geographical information

The Company operates in seven geographical areas: India (country of domicile), Asia, Africa, North-America, Central America, South-America and Europe.

The Company's revenue from operations from customers by location of operations and information about its non-current assets by location of assets are detailed below:

a. Revenue from external customers

	(₹ in crore)	
	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
India	6,731.59	6,285.27
Outside India	1,264.36	1,444.80
Total	7,995.95	7,730.07

b. Non-current assets

		(₹ in crore)	
Particulars		As at 31st March, 2023	As at 31st March, 2022
Non-Current Assets	Within India	970.86	1,048.38
	Outside India	Nil	Nil
Total		970.86	1,048.38

V. Information about major customers

Company has no single customer from whom the revenue is not less than 10 % of the revenue from external customers of the Company

51 EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

			(₹ in crore)	
Particulars	As at 31st March, 2023	As at 31st March, 2022		
Dividend proposed for Equity shareholders @ ₹ 4.00 per share (previous year ₹4.00 per share)	21.76	21.76		

There are no other significant subsequent event items which require an adjustment in financial statements

52 FINANCIAL INSTRUMENTS

Fair value of financial assets and liabilities

The value of financial assets and liabilities by categories were as follows:

As at 31st March, 2023

				(₹ in crore)	
S. No.	Particulars	Measured at Amortised cost	Measured at Fair Value (Level 2)	Total carrying value	
Assets:					
i	Cash and cash equivalents	0.16		0.16	
ii	Bank Balances other than (ii) above	0.52		0.52	
iii	Trade receivables	744.57		744.57	
iv	Other financial assets	73.49	0.53	74.02	
Total		818.74	0.53	819.27	

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

(₹ in crore)

S. No.	Particulars	Measured at Amortised cost	Measured at Fair Value (Level 2)	Total carrying value
	Liabilities:			
i.	Non Current Borrowings	-	-	-
ii.	Current Borrowings	403.94	-	403.94
iii.	Trade payables	406.56	-	406.56
iv.	Lease liabilities	13.83	-	13.83
v.	Other financial liabilities	164.32	-	164.32
	Total	988.65	-	988.65

The financial assets measured at fair value are derivative contracts outstanding as at 31st March, 2023.

As at 31st March, 2022

(₹ in crore)

S. No.	Particulars	Measured at Amortised cost	Measured at Fair Value (Level 2)	Total carrying value
	Assets:			
i.	Cash and cash equivalents	0.19	-	0.19
ii.	Bank Balances other than (ii) above	0.60	-	0.60
iii.	Trade receivables	885.42	-	885.42
iv.	Other financial assets	68.89	1.61	70.50
	Total	955.10	1.61	956.71
	Liabilities:			
i.	Non Current Borrowings	60.67	-	60.67
ii.	Current Borrowings	519.35	-	519.35
iii.	Trade payables	593.56	-	593.56
iv.	Lease liabilities	13.07	-	13.07
v.	Other financial liabilities	156.70	-	156.70
	Total	1,343.35	-	1,343.35

The financial assets measured at fair value are derivative contracts outstanding as at 31st March, 2022.

The fair value hierarchy is based on inputs to valuation techniques that are use to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1: Quoted prices in active markets for identical assets and liabilities

Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs. This includes the assets and liabilities carried at forward contract rates / prevailing exchange rate at year end and assets carried at present value using appropriate discounting rate

Level 3: Inputs which are not based on observable market data.

53 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Risk Management Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Risk Management committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Risk Management Committee. The Company is exposed to financial market risk, credit risk and liquidity risk.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

I Financial Market risk

Financial market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of financial instrument. The value of a financial instrument may change as a result of change in the interest rates, foreign currency exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency trade receivables, trade payables and borrowings.

a. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. In order to optimise the Company's position with regards to interest and to manage the interest rate risk, finance department performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate with reset clause and floating rate financial instruments in its total portfolio. The borrowings of the Company are on floating interest rate along with periodical interest reset.

The Company is not exposed to significant interest rate risk at the respective reporting dates. With all other variables held constant, the following table demonstrates the impact of borrowing cost on floating rate portion of loans and borrowings are taken.

Interest rate sensitivity	Effect on profit before tax	
	Decrease by 50 basis point	Increase by 50 basis point
For the year ended 31st March, 2023	2.02	(2.02)
For the year ended 31st March, 2022	2.90	(2.90)

(₹ in crore)

b. Foreign currency risk

The Company transacts business primarily in Indian Rupee, USD and Pound sterling (GBP). The Company has taken foreign currency loans and has trade payables as well as receivables in foreign currency. The Company evaluates foreign currency exposure time to time and follows established risk management policies by taking foreign exchange forward contracts mostly with a maturity less than one year from the reporting date. The Company do not use derivate financial instrument for trading or speculation purpose to hedge exposure of foreign currency risk. The particulars of forward contract taken are given below :-

The particulars of forward contract taken are given below :-

Particulars	Type	No. of Contract	USD (million)	Equivalent (₹ In crore)
As at 31st March, 2023	Sell	21	13.69	112.47
	Buy	29	11.16	91.71
As at 31st March, 2022	Sell	14	22.93	173.82
	Buy	24	13.82	104.73

The net foreign currency exposure towards pending import / (export) orders in hand stands at (USD 6.32 million) as at 31st March, 2023 (Previous year (USD 14.35 million)).

II Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and cash and cash equivalents. To manage this, the Company periodically assesses the financial risk limits of the customers, taking into account the payment behaviour, aging of outstanding, credit ratings, current economic trends, and analysis of historical bad debts, Further the Company makes provision for bad and doubtful debts on trade receivables based on Expected Credit loss (ECL) method based on provision matrix.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

Trade Receivable

The Company's exposure to credit risk is influenced by the individual characteristics of each customer, Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. The Company has a detailed review mechanism of overdue trade receivables at various levels in the organisation to ensure proper attention and focus on realisation.

Expected credit loss assessment

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Management believes that the unimpaired amounts that are past due are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk. The movement in the allowances for impairment in respect of trade receivables during the year was as follows:

Particulars	(₹ in crore)	
	As at 31st March, 2023	As at 31st March, 2022
Opening Balances	7.03	7.08
Add : Impairment loss recognised	0.15	0.56
Less : Impairment Loss Reversed/Bad debts written off	-	0.61
Closing balance	7.18	7.03

Cash and Cash Equivalents, Deposit in Banks and other Financial instruments

The Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances and deposits are maintained. Generally, the balances are maintained with the institutions with which the Company has also availed borrowings. The Company does not maintain significant cash and deposit balances as it has sufficient vacant cash credit limits with its bankers. For other financial assets the Company monitors ratings, credit spreads and financial strengths of its counterparties. Based on its ongoing assessment of the counter party's risk, the Company adjust its exposures to various counter parties. Based on the assessment there is no impairment in other financial assets.

Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's finance department manage the liquidity through verity of sources of borrowings, by ensuring sufficient liquidity to meet its liabilities when due, under all circumstances, without incurring unacceptable losses or risk to the Company's reputation. The current committed working capital facilities are used 50% to 60% and sufficient to meet its requirement. The Company monitor rolling forecast for its liquidity requirements.

Maturity profile of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date.

As at 31st March, 2023	(₹ in crore)			
	Less than 1 year	1 year - 5 years	Above 5 years	Total
Non Current Borrowings	-	-	-	-
Current Borrowings	403.94	-	-	403.94
Trade payables	406.56	-	-	406.56
Lease liabilities	7.01	6.82	-	13.83
Other financial liabilities	150.43	13.89	-	164.32
Total	967.94	20.71	-	988.65

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

(₹ in crore)				
As at 31st March, 2022	Less than 1 year	1 year - 5 years	Above 5 years	Total
Non Current Borrowings	-	60.67	-	60.67
Current Borrowings	519.35	-	-	519.35
Trade payables	593.56	-	-	593.56
Lease liabilities	6.05	7.02	-	13.07
Other financial liabilities	144.60	12.10	-	156.70
Total	1,263.56	79.79	-	1,343.35

54 CAPITAL MANAGEMENT

For the purposes of the Company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's Capital Management is to maximise shareholder value. The Board of Directors monitors the return on capital, dividend to shareholders, maintain balance between capital and borrowing in the light of changes in economic environment and the business requirements. In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings

Further the Company monitors capital using gearing ratio, which is net debt divided by Equity and net debt. as under: -

(₹ in crore)		
Particulars	As at 31st March, 2023	As at 31st March, 2022
Debt (consist of long term and short term borrowings refer note 18 and 23)	403.94	580.02
Less: Cash and cash equivalents	0.16	0.19
Net Debt	403.78	579.83
Equity	1,860.95	1,545.15
Equity and Net Debt	2,264.73	2,124.98
Gearing ratio in %	17.83%	27.29%

Accounting Ratios

Particulars	Numerator	Denominator	As at 31st March, 2023	As at 31st March, 2022	Variance in %
Current Ratio (In Times)	Current Assets	Current Liabilities	1.92	1.51	27.15
Debt-Equity Ratio (In times)	Total Debt (Term Loans and Working Capital Loans)	Equity	0.22	0.38	(42.11)
Debt Service Coverage Ratio (In times)	Earnings before Interest , Depreciation and Exceptional Items	Interest + Regular Repayments of long term loans	11.28	3.21	251.40
Return on Equity Ratio in %	Profit after Tax	Average Net Worth	19.69	14.06	40.04
Inventory turnover ratio (In Times)	Cost of Goods Sold	Inventories	5.40	6.27	(13.88)
Trade Receivable turnover ratio (In Times)	Revenue from Operation	Trade Receivable	10.74	8.73	23.02
Trade Payables turnover ratio (In Times)	Cost of Goods Sold	Trade Payable	15.30	10.43	46.69

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

Particulars	Numerator	Denominator	As at 31st March, 2023	As at 31st March, 2022	Variance in %
Net Capital turnover ratio (In Times)	Turnover	Net Worth	4.30	5.00	(14.00)
Net Profit ratio (in %)	Profit after Tax	Turnover	4.19	2.65	58.11
Return on Capital employed in %	Profit before Interest and Tax	Average Capital Employed	22.95	16.16	42.02
Return on investment in %	Profit after Tax of Wholly-owned subsidiary	Time weighted average Investments	5.72	8.65	(33.87)

Reasons for change in the ratio by more than 25% as compared to the preceding year

- Current Ratio improved due to substantial reduction in Current Liabilities in comparison to last year whereas no major change in Current assets.
- Debt Equity Ratio improved due to substantial reduction in Debt and increased total equity with higher profitability of current year.
- Debt Service Coverage Ratio improved due to substantial reduction in Interest cost and NIL Debt repayment obligation with higher earnings of current year.
- Return on Equity Ratio increased due to substantial increase in Profit after tax of the current year in comparison to Average Net Worth.
- Trade Payable turnover ratio increased due to substantial reduction in Trade Payables whereas no major changes in Cost of Goods Sold.
- Net profit ratio increased due to substantial increase in Profit after Tax whereas no major changes in Turnover
- Return on Capital employed increased due to higher EBIDTA and no major change in average capital employed
- Return on Investment is reduced due to major supply and installation part of business has already executed in Wholly-owned Subsidiary Company and consequently Profit has been reduced.

ESOS- Loan to Employees Welfare Trust

The Company has introduced Employees Stock Option schemes for its employees and hold 6,03,687 Treasury equity shares as on 31st March, 2023 (10,81,930 Treasury equity shares as on 31st March, 2022) acquired by way of secondary acquisition through Surya Roshni Employees Welfare Trust and for the same provided funds by way of interest free loan to the Trust in compliance of Provisions of The Companies Act, 2013 and SEBI (SBEB Regulations), 2014 as amended having outstanding balance of ₹ 25.22 crore as on 31st March, 2023 (₹ 36.50 crore as on 31st March, 2022)

- 55** The Company has made an assessment of the impact of the continuing Covid-19 pandemic on its current and future operations, liquidity position and cash flow giving due consideration to the internal and external factors. The Company is continuously monitoring the situation and does not foresee any significant impact on its operations and the financial position as at 31st March, 2023.

56 ADDITIONAL INFORMATION

- All title deeds of Immovable properties are held in name of the Company;
- The Company has no investment property hence disclosure of fair value of investment property is not applicable;
- The Company has not revalued its Property, Plant and Equipment (including Right-of-Use Assets), hence disclosure on the basis of its revaluation is not applicable;
- The Company has no intangible assets hence disclosure on the basis of its revaluation is not applicable;
- No Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:
 - Repayable on demand; or
 - Without specifying any terms or period of repayment,
- No proceeding has been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder;

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

- vii. The Company has borrowings from banks or financial institutions on the basis of security of current assets and quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts;
- viii. The Company is not a declared wilful defaulter by any bank or financial institutions or other lender in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India;
- ix. The Company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956;
- x. No charges or satisfaction are yet to be registered with ROC beyond the statutory period;
- xi. The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017;
- xii. No Scheme of Arrangement has been approved by the Competent Authority in terms of Section 230 to 237 of the Companies Act, 2013 during the year;
- xii. A. The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall
- 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 to or on behalf of the Ultimate Beneficiaries.
- B. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall
- 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
- xiv. The Company has not traded or invested in Crypto currency or Virtual currency during the financial year, hence disclosure is not required;
- xv. The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date;
- xvi. There are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income-Tax Act, 1961, that has not been recorded in the books of account.
- 57** The Company has perpetual system of balance confirmation and reconciliation of Trade receivables and Trade payables, however at year end some of the balances remain subject to confirmation and reconciliation.
- 58** Previous Period figures are regrouped /reclassified wherever necessary in line with requirement of Schedule III to the Companies Act 2013.
- 59** Approval of financial statements

The financial statements were approved for issue by the Board of Directors on 27th April, 2023

As per our report of even date

For Ashok Kumar Goyal & Co.

Chartered Accountants

(Firm Registration No. ICAI: 02777N)

CA. Ashok Kumar

Partner FCA

Membership no. 017644

Place : New Delhi

Dated : 27th April, 2023

For and on behalf of the Board

Vinay Surya

Managing Director

DIN: 00515803

Tarun Baldua

Executive Director & CEO (Steel Operations)

Raju Bista

Managing Director

DIN: 01299297

Jitendra J Agrawal

CEO (Lighting & Consumer Durables)

J P Agarwal

Chairman

DIN: 00041119

B B Singal

Chief Financial Officer & Company Secretary

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SURYA ROSHNI LIMITED

REPORT ON THE AUDIT OF CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the accompanying consolidated financial statements of **SURYA ROSHNI LIMITED** ("the Parent"/ "the Holding Company") and its subsidiary, (the Parent/ Holding Company and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2023, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income) , the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS') , and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2023, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the

consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to be communicated in our report.

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Parent's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report and Corporate Governance, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Parent's/ Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities;

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SURYA ROSHNI LIMITED (Contd.)

selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent/ Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate or cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for

one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent/ Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance of the Parent/ Holding Company included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SURYA ROSHNI LIMITED (Contd.)

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we report that there are no qualifications or adverse remarks included in CARO report in respect of the standalone financial statements of the Holding Company and sole subsidiary Company which are included in these Consolidated Financial Statements.
2. As required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors of the Parent/ Holding Company as on 31st March, 2023 taken on record by the Board of Directors of the Company and its subsidiary company, none of the directors of the Group companies, is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. – Refer **Note No. 42** to the consolidated Financial Statements.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent/ Holding Company.
 - iv. (a) The management of the holding Company has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other source or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether, recorded in writing or otherwise, that the intermediary shall, whether directly

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SURYA ROSHNI LIMITED (Contd.)

- 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.
- b. The management of the holding Company has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recoded in the 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 such audit procedures that we 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 (a) and (b) contain any material misstatement.
- v. The dividend declared and paid during the year by the holding Company is in compliance with Section 123 of the Act.
- h. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
3. The Holding Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

**For Ashok Kumar Goyal & Co.
Chartered Accountants
(Firm Registration – 002777N)**

**(CA. Ashok Kumar)
Partner, F.C.A**

**Place: New Delhi
Dated: 27th April, 2023**

**Membership No. 017644
UDIN: 23017644BGQMZL8223**

"ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF SURYA ROSHNI LIMITED.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 1(f) of 'Report on Other Legal and Regulatory Requirements' section

We have audited the internal financial controls with reference to consolidated financial statements of **SURYA ROSHNI LIMITED** ("the Parent"/ "the Holding Company") and its subsidiary as of March 31, 2023 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Board of Directors of the Company and its subsidiary are responsible for establishing and maintaining internal financial controls based on the internal control with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of internal financial controls over financial reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of Company and its subsidiary based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over financial reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system with reference to consolidated financial statements of Company and its subsidiary.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

A Company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to consolidated financial statements includes those policies and procedures that

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the entity;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the entity are being made only in accordance with authorisations of management and directors of the entity; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the consolidated financial statements.

“ANNEXURE A” TO THE INDEPENDENT AUDITORS' REPORT (Contd.)

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company and its subsidiary have, in all material respects, an adequate internal financial controls system with reference to consolidated financial

statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the internal control with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over financial reporting issued by the Institute of Chartered Accountants of India.

**For Ashok Kumar Goyal & Co.
Chartered Accountants
(Firm Registration – 002777N)**

**(CA. Ashok Kumar)
Partner, F.C.A**

**Place: New Delhi
Dated: 27th April, 2023**

**Membership No. 017644
UDIN: 23017644BGQMZL8223**

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2023

		(₹ in crore)	
Particulars	Note No.	As at 31st March, 2023	As at 31st March, 2022
I ASSETS			
1 Non-current assets			
a. Property, plant and equipment	5	901.10	931.83
b. Capital work-in-progress	5	8.47	52.97
c. Right of use Assets	5	11.37	11.04
d. Financial assets			
i. Other financial assets	6	33.70	34.80
e. Other non-current assets	7	15.10	16.47
		969.74	1,047.11
2 Current assets			
a. Inventories	8	1,152.33	987.60
b. Financial assets			
i. Trade receivables	9	746.92	888.16
ii. Cash and cash equivalents	10	1.11	0.26
iii. Bank balances other than (ii) above	11	0.52	0.60
iv. Other financial assets	12	43.05	38.28
c. Current tax assets (net)	13	-	11.67
d. Other current assets	14	143.50	141.02
		2,087.43	2,067.59
Total Assets		3,057.17	3,114.70
II EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	53.81	53.33
Other equity	16	1,809.78	1,494.25
		1,863.59	1,547.58
LIABILITIES			
1 Non-current liabilities			
a. Financial liabilities			
i. Borrowings	17	-	60.67
ia. Lease liabilities	18	6.82	7.02
ii. Other financial liabilities	19	13.89	12.11
b. Provisions	20	17.83	63.48
c. Deferred tax liabilities (net)	21	66.98	56.80
		105.52	200.08
2 Current liabilities			
a. Financial liabilities			
i. Borrowings	22	403.94	519.35
ia. Lease liabilities	23	7.01	6.05
ii. Trade payables			
A) Total outstanding dues of micro enterprises and small enterprises;	24	35.58	44.01
B) Total outstanding dues of creditors other than micro enterprises and small enterprises;	24	370.98	549.55
iii. Other financial liabilities	25	150.46	144.61
b. Other current liabilities	26	72.45	50.90
c. Provisions	27	34.46	36.61
d. Current tax liabilities (net)	28	13.18	15.96
		1,088.06	1,367.04
Total Equity and liabilities		3,057.17	3,114.70

See accompanying notes to the consolidated financial statements

As per our report of even date

For Ashok Kumar Goyal & Co.

Chartered Accountants

(Firm Registration No. ICAI: 02777N)

CA. Ashok Kumar

Partner FCA

Membership no. 017644

Place : New Delhi

Dated : 27th April, 2023

Vinay Surya

Managing Director

DIN: 00515803

Tarun Baldua

Executive Director & CEO (Steel Operations)

For and on behalf of the Board

Raju Bista

Managing Director

DIN: 01299297

Jitendra J Agrawal

CEO (Lighting & Consumer Durables)

J P Agarwal

Chairman

DIN: 00041119

B B Singal

Chief Financial Officer & Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2023

(₹ in crore)

Particulars	Note No.	For the year ended 31st March, 2023	For the year ended 31st March, 2022
I REVENUE FROM OPERATIONS	30	7,996.71	7,730.82
II OTHER INCOME	31	5.35	5.80
III TOTAL INCOME (I+II)		8,002.06	7,736.62
IV EXPENSES			
Cost of materials consumed	32	5,855.23	5,889.65
Purchases of stock-in-trade	33	429.18	340.09
Changes in inventories of finished goods, stock-in-trade and work-in-progress	34	(62.31)	(39.46)
Employee benefits expense	35	372.47	340.09
Finance costs	36	44.85	63.65
Depreciation and amortisation expense	37	115.41	108.38
Other expenses	38	787.98	757.57
Total expenses		7,542.81	7,459.97
V PROFIT BEFORE TAX (III-IV)		459.25	276.65
VI TAX EXPENSE			
Current Tax	29	113.41	78.93
Deferred Tax	21	10.32	(7.20)
		123.73	71.73
VII PROFIT FOR THE YEAR (V-VI)		335.52	204.92
VIII OTHER COMPREHENSIVE INCOME			
i. Items that will not be reclassified to profit or loss	39	(0.57)	0.57
ii. Income tax relating to items that will not be reclassified to profit or loss		0.14	(0.15)
Total other comprehensive income		(0.43)	0.42
IX TOTAL COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX (VII + VIII)		335.09	205.34
Profit for the year attributable to			
Equity holders of the parent company		335.52	204.92
Non controlling interests		-	-
Other Comprehensive Income/ (loss) for the year attributable to			
Equity holders of the parent company		(0.43)	0.42
Non controlling interests		-	-
Total Comprehensive Income for the year attributable to			
Equity holders of the parent company		335.09	205.34
Non controlling interests		-	-
X EARNINGS PER EQUITY SHARES ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY (FACE VALUE OF ₹ 10/- EACH)	40		
1) Basic (in ₹)		62.78	38.40
2) Diluted (in ₹)		61.67	37.66

See accompanying notes to the consolidated financial statements

As per our report of even date

For Ashok Kumar Goyal & Co.

Chartered Accountants

(Firm Registration No. ICAI: 02777N)

CA. Ashok Kumar

Partner FCA

Membership no. 017644

Place : New Delhi

Dated : 27th April, 2023

Vinay Surya

Managing Director

DIN: 00515803

Tarun Baldua

Executive Director & CEO (Steel Operations)

For and on behalf of the Board

Raju Bista

Managing Director

DIN: 01299297

Jitendra J Agrawal

CEO (Lighting & Consumer Durables)

J P Agarwal

Chairman

DIN: 00041119

B B Singal

Chief Financial Officer & Company Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2023

Particulars	(₹ in crore)	
	For the year ended 31st March, 2023	For the year ended 31st March, 2022
A. CASH FLOW FROM OPERATING ACTIVITIES		
a. Net operating profit before tax	459.25	276.65
Adjustment for :		
Re-measurement gain / loss on defined benefit plans routed through OCI	(0.57)	0.57
Depreciation and amortisation of Property, Plant and Equipment	115.41	108.38
(Profit)/Loss on Sale/Retirement of Property Plant and Equipment (Net)	0.64	3.81
Allowance for doubtful debts	0.15	0.56
ESOS Expenses	7.01	6.53
Lease Rent Paid	(6.81)	(7.38)
Finance cost	44.85	63.65
b. Operating profit before Working Capital changes	619.93	452.77
Adjustment for :		
(Increase) / Decrease in Trade receivables	141.09	(132.58)
(Increase) / Decrease in Other financial assets	(3.68)	7.94
(Increase) / Decrease in Other assets	(2.31)	15.28
(Increase) / Decrease in Inventories	(164.72)	(118.91)
Increase / (Decrease) in Trade payables	(186.99)	113.09
Increase / (Decrease) in provisions	(47.80)	(12.87)
Increase / (Decrease) in Other financial liabilities	7.69	25.02
Increase / (Decrease) in Other liabilities	21.55	(0.21)
	(235.17)	(103.24)
c. Cash generated from Operations before tax (a+b)	384.76	349.53
d. Net Direct Taxes paid	(104.56)	(64.49)
Net cash flow from operating activities A = (c+d)	280.20	285.04
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment.	(36.39)	(57.58)
Sale of Property, Plant and Equipment	3.21	3.96
Net cash flow used in investing activities	(33.18)	(53.62)
Net cash from operating and investing activities (A+B)	247.02	231.42
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Borrowing (Non Current)	(60.67)	(162.86)
Short term borrowings Increase / (Decrease) during the year (net)	(115.41)	26.29
(Purchase)/Sale of Company's Shares for ESOS through trust	8.95	(24.56)
ESOS Exercise amount received	3.06	1.16
Payment of dividend	(38.09)	(8.16)
Finance cost	(44.01)	(63.29)
Net cash used in financing activities	(246.17)	(231.42)
Net cash (used) in/from operating, investing and financing activities (A+B+C)	0.85	-
Net increase/(decrease) in Cash & Cash equivalent	0.85	-
Opening balance	0.26	0.26
Closing balance of Cash & Cash equivalent (refer note no.10)	1.11	0.26

As per our report of even date

For Ashok Kumar Goyal & Co.

Chartered Accountants

(Firm Registration No. ICAI: 02777N)

CA. Ashok Kumar

Partner FCA

Membership no. 017644

Place : New Delhi

Dated : 27th April, 2023

Vinay Surya

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CEO (Lighting & Consumer Durables)

J P Agarwal

Chairman

DIN: 00041119

B B Singal

Chief Financial Officer & Company Secretary

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2023

A. EQUITY SHARE CAPITAL

(1) Year ended 31st March, 2023

(₹ in crore)

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
53.33	-	-	0.48	53.81

(2) Year ended 31st March, 2022

(₹ in crore)

Balance at the beginning of the previous reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
53.61	-	-	(0.28)	53.33

B. OTHER EQUITY

(1) Year ended 31st March, 2023

(₹ in crore)

Particulars	Reserves and Surplus							Share Option Outstanding Account	Other items of Other Comprehensive Income (specify nature)	Total
	Capital Reserve	Securities premium	General reserve	Retained earnings	Capital Redemption Reserve	Forfeiture Reserve				
Balance at the beginning of the current reporting period	124.69	107.29	131.36	1,115.36	3.00	17.63	7.16	(12.24)	1,494.25	
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	
Restated balance at the beginning of the current reporting period	-	-	-	-	-	-	-	-	-	
Total Comprehensive Income for the current year	-	-	-	335.52	-	-	7.01	(0.43)	342.10	
Dividends	-	-	-	(38.09)	-	-	-	-	(38.09)	
Transfer to retained earnings	-	-	34.00	(34.00)	-	-	-	-	-	
Impact of ESOP Trust Consolidation	-	10.79	-	-	-	-	0.73	-	11.52	
Balance at the end of the current reporting period	124.69	118.08	165.36	1,378.79	3.00	17.63	14.90	(12.67)	1,809.78	

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

(2) Year ended 31st March, 2022

(₹ in crore)

Particulars	Reserves and Surplus						Share Option Outstanding Account	Other items of Other Comprehensive Income (pecify nature)	Total
	Capital Reserve	Securities premium	General reserve	Retained earnings	Capital Redemption Reserve	Forfeiture Reserve			
Balance at the beginning of the previous reporting period	124.69	129.68	110.36	939.60	3.00	17.63	1.37	(12.66)	1,313.67
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the current year	-	-	-	204.92	-	-	5.79	0.42	211.13
Dividends	-	-	-	(8.16)	-	-	-	-	(8.16)
Transfer to retained earnings	-	-	21.00	(21.00)	-	-	-	-	-
Impact of ESOP Trust Consolidation	-	(22.39)	-	-	-	-	-	-	(22.39)
Balance at the end of the previous reporting period	124.69	107.29	131.36	1,115.36	3.00	17.63	7.16	(12.24)	1,494.25

As per our report of even date

For Ashok Kumar Goyal & Co.

Chartered Accountants

(Firm Registration No. ICAI: 02777N)

CA. Ashok Kumar

Partner FCA

Membership no. 017644

Place : New Delhi

Dated : 27th April, 2023

For and on behalf of the Board

Vinay Surya

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Jitendra J Agrawal

CEO (Lighting & Consumer Durables)

J P Agarwal

Chairman

DIN: 00041119

B B Singal

Chief Financial Officer & Company Secretary

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st MARCH, 2023

1 CORPORATE AND GENERAL INFORMATION

Surya Roshni Limited ("SRL" or "the Company") is domiciled and incorporated in India and its shares are publicly traded on the National Stock Exchange ('NSE') and the BSE Limited ('BSE'), in India. The registered office of SRL is situated at Prakash Nagar, Sankhol, Rohtak Road, Bahadurgarh – 124507 (Haryana) India. Company is the largest GI Steel Pipe Manufacturer and the second largest in lighting products in India. The Corporate Identification Number (CIN) of the Company is L31501HR1973PLC007543

SRL is more than four decade old manufacturing conglomerate with business interest spanning Steel Pipes, colled rolled sheets and 3LPE Coated API Pipes, LED and conventional Lighting Products, Fans, electric Appliances, PVC pipes etc. Besides enjoying market presence across the length and breadth of India, it also export products to more than 50 countries globally.

SRL together with its subsidiary M/s Surya Roshni LED Lighting Project Limited is hereinafter refer to as 'the Group'

2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND USE OF ESTIMATES

2.1 Basis of preparation of consolidated financial statements

The consolidated financial statements of the Company are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis as per the provisions of the Companies Act, 2013 ("the Act"), except for:

- Financial instruments – measured at fair value;
- Assets held for sale – measured at fair value less cost of sale;
- Plan assets under defined benefit plans – measured at fair value
- Employee share-based payments – measured at fair value.

In addition, the carrying values of recognised assets and liabilities, designated as hedged items in fair value hedges that would otherwise be carried at cost, are adjusted to record changes in the fair values attributable to the risks that are being hedged in effective hedge relationship.

Current and non-current classification

The Group presents assets and liabilities in the balance sheet based on current / non-current classification.

- a. An asset is classified as current when it satisfies any of the following criteria:-
- It is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
 - It is held primarily for the purpose of being traded;
 - It is expected to be realised within 12 months after the reporting date; or
 - It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

- b. A liability is classified as current when it satisfies any of the following criteria:-
- It is expected to be settled in the Company's normal operating cycle;
 - It is held primarily for the purpose of being traded;
 - It is due to be settled within 12 months after the reporting date; or
 - The Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

- c. Deferred tax assets and liabilities are classified as non-current only

2.2.1 Basis of consolidation

The consolidated financial statements relates to Surya Roshni Limited ('the Company') and its wholly owned subsidiary Surya Roshni LED Lighting Project Limited (incorporated on 21st January, 2019). The Subsidiary operates in lighting business. Subsidiary is entity that is controlled by the Company. Control is achieved when the Company:-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

- Has power over the investee;
- Is expected, or has right, to variable returns from its involvement with the investee;
- Has the ability to use its power to affect the returns

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Consolidation procedure:

The financial statements of the Company and its subsidiary company have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating all significant intra-group balances, intra-group transactions and unrealised profits on intra-group transactions.

The excess of cost to the Group of its investments in the subsidiaries over its share of equity of the subsidiaries, at the dates on which the investments in the subsidiaries were made, is recognised as 'Goodwill' being an asset in the consolidated financial statements and is tested for impairment on annual basis. On the other hand, where the share of equity in the subsidiaries as on the date of investment is in excess of cost of investments of the Group, it is recognised as 'Capital Reserve' and shown under the head 'Reserves & Surplus', in the consolidated

financial statements. The 'Goodwill' / 'Capital Reserve' is determined separately for each subsidiary and such amounts are not set off between different entities.

Non-controlling interest in the net assets of the consolidated subsidiaries consist of the amount of equity attributable to the non-controlling shareholders at the date on which investments in the subsidiaries were made and further movements in their share in the equity, subsequent to the dates of investments. Net profit / loss for the year of the subsidiaries attributable to non-controlling interest is identified and adjusted against the profit / loss after tax of the Group in order to arrive at the income attributable to shareholders of the Company.

2.2.2 Business combination

The Company accounts for its business combinations under acquisition method of accounting. Acquisition related costs are recognised in the profit and loss as incurred. The acquiree's identified assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair value at the acquisition date.

Purchase consideration paid in excess of the fair value of net assets acquired is recognised as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition after reassessing the fair value of the net assets and contingent liabilities, the excess is recognised as capital revenue.

The interest of non-controlling shares is initially measured either at fair value or at the non-controlled interests proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlled interest is the amount of those interests at initial recognition plus the non-controlling interests share of subsequent charges in equity of subsidiaries.

Business combinations arising from transfer of interest in entities that are under common control are accounted at historical cost. The difference between any consideration given and the aggregate given and the aggregate historical carrying amounts of the assets and liabilities of the acquired entity are recorded in shareholders' equity.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

2.3 Statement of compliance

The Group's financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013.

2.4 Use of estimates

The preparation of the consolidated financial statements in conformity with Ind AS requires the Management to make estimates, judgements and assumptions. These estimate, judgements and assumptions affect the application of accounting policies and the reported balances of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Estimates and under lying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key sources of estimations of uncertainty at the date of the consolidated financial statements, which may cause a material adjustments to the carrying amount of assets and liabilities in the next financial years; are in respect of useful life of PPE, provision for warranties, recognition of government grants and claim receivables and estimations of contingent assets and liabilities.

3 SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of Measurement

These consolidated financial statements have been prepared under the historical cost principle except for certain financial assets and liabilities which have been measured at fair value

The consolidated financial statements are presented in Indian Rupees (₹), which is the Company's functional and presentation currency and all amounts are rounded to the nearest crore and two decimals thereof, except as stated otherwise.

3.2 Property, Plant and Equipment (PPE)

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises of the purchase price (net of GST/ CENVAT / duty credits,

Government Grants (wherever applicable) and all direct costs attributable to bringing the asset to its working condition for intended use and includes the borrowing costs for qualifying assets if the recognition criteria's are met. All other repair and maintenance costs are recognised in the consolidated statement of profit and loss as incurred.

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the consolidated Statement of Profit and Loss on the date of disposal or retirement.

Capital work-in-progress includes cost of property, plant and equipment under installation and not put to use as at the balance sheet date. Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

3.3 Depreciation and Amortisation

i Depreciation on the property, plant and equipment is provided over the useful life of assets which is coincide with the life specified in Schedule II to the Companies Act, 2013. The range of useful lives of the Property, Plant and Equipment are as follows:

Property, plant and equipment	Useful life in Years
Plant and equipments	08 – 15
Buildings	05-60
Office equipment's	05
Vehicles	08
Furniture and fixtures	10
Computers	03 – 06

However, in case of the following category of plant and equipments, the depreciation has been provided, based on the technical evaluation of the remaining useful life as under :-

Plant and Equipments - Pipe and cold rolling Mills and 3 LPE Plant in Steel Pipe and Strip Division.	25 years
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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

The useful lives of assets as mentioned above is on single shift basis, if an asset is used for any time during the year for double shift, the depreciation increased by 50% and for triple shift by 100% for that period.

- ii. Property, plant and equipment (PPE) which are added/ disposed- of during the year, depreciation is provided on pro-rata basis from (up- to) the date on which the PPE is available for use (disposed-off).
- iii. The residual values and useful lives of PPE are reviewed in every financial year considering the physical condition, benchmarking analysis or indicators for review of residual value and useful life of the respective assets and the same is adjusted prospectively. Lease hold land is amortised over the period of lease.
- iv. Free-hold land are not subject to amortisation.
- v. The "Right of use Assets" arising from Leases are amortised on straightline method basis over the life of the respective leases.

3.4 Impairment of PPE and other non-financial assets

Property, plant and equipment and other non-financial assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets or group of assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. If such assets are considered to be impaired, the impairment is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset and recognised in the consolidated statement of Profit and Loss. An impairment loss is reversed in the consolidated statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the

carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss is recognised immediately in consolidated Statement of Profit and Loss.

3.5 Cash and cash equivalents

Cash and cash equivalents includes cash in hand and Cheques / drafts in hand, balances with banks, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments. The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (IND AS) 7 statement of cash flows.

3.6 Inventories

Inventories are carried in the balance sheet as follows:

Raw material	At lower of cost and net realisable value
Work-in Progress	At lower of cost and net realisable value
Finished Goods / Stock in trade	At lower of cost and net realisable value
Stores, spares and consumable	At lower of cost and net realisable value

The cost of inventories comprises of cost of purchase, cost of conversion and other related costs incurred in bringing the inventories to their respective present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

3.7 Employee benefits

Expenses and liabilities in respect of employee benefits are recorded in accordance with Ind-AS 19 – Employee Benefits.

a. Defined contribution plan

- i. Provident Fund: Contribution to the provident fund with the government at pre-determined rates is a defined contribution scheme and is charged to the statement of Profit and Loss when employees have rendered services entitling them to such benefit.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

- ii National pension scheme : Contribution to the national pension scheme with the at pre-determined rates is a defined contribution scheme and is charged to the statement of Profit and Loss when employees have rendered services entitling them to such benefit.

b. Defined benefit plan

Gratuity : The Group provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method.

The Group recognises the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/ (asset) are recognised in other comprehensive income. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligations is recognised in Other Comprehensive Income. The effect of any plan amendments are recognised in net profits in the consolidated Statement of Profit and Loss.

- c. **Long term employee benefits:** Provisions for other long term employee benefits-compensated absences, a defined benefit scheme, is made on the basis of actuarial valuation at the end of each financial year and are charged to the consolidated statement of profit and loss. All actuarial gains or losses are recognised immediately in the consolidated statement of profit and loss.
- d. **Other Short-term employee benefits:** All employee benefits payable wholly within twelve months rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc. and the expected cost of bonus, ex-gratia are recognised during the period in which the employee renders related service.

3.8 Foreign currency reinstatement and translation

a. Functional and presentation currency

The consolidated financial statements have been presented in Indian Rupees (₹), which is the Company's functional and presentation currency.

b. Transactions and balances

Transactions in currencies other than the entity's

functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing on the balance sheet date and exchange gain and losses arising on settlement and restatement are recognised in statement of profit and loss. Non-monetary items are measured in terms of historical cost in foreign currencies and are therefore not retranslated.

3.9 Financial instruments –

Initial recognition: The Group recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognised at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss, are added to or deducted from the fair value on initial recognition.

Subsequent measurement:

- i **Financial assets carried at amortised cost:** A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- ii **Financial assets carried at fair value through other comprehensive income:** A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- iii **Financial assets at fair value through profit or loss:** A financial asset which is not classified in any of (i) & (ii) above categories are subsequently fair valued through profit or loss.
- iv **Financial Liabilities:** Financial liabilities are subsequently carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

De-recognition

The Group de-recognises of financial assets when the contractual rights to receive cash flows from the financial asset expire or transfer the financial asset and transfer qualifies for de-recognition under IND AS 109. A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished is recognised in profit or loss as other income.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Impairment of financial assets

In accordance with IND AS 109, the Group applies expected credit losses (ECL) model for measurement and recognition of impairment loss on the following financial asset and credit risk exposure - Financial assets measured at amortised cost; - Financial assets measured at fair value through other comprehensive income (FVTOCI); ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

3.10 Derivative financial instruments:

The Group uses derivative financial instruments, such as forward contracts to hedge its foreign currency exposure. The recognising of the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, on the nature of the item being hedged. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

3.11 Borrowing costs

a. Borrowing costs that are attributable to the acquisition, construction, or production of a qualifying asset are capitalised as a part of the cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is

an asset that necessarily requires a substantial period of time to get ready for its intended use or sale.

b. All other borrowing costs are recognised as expense in the period in which they are incurred.

3.12 Taxation

Income tax expense represents the sum of current tax and deferred tax. Tax is recognised in the consolidated Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income.

Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the consolidated Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act. The Group's current tax is calculated using tax rates and laws that have been enacted or substantively enacted by the end of the reporting period as applicable to SRL and its subsidiary.

Deferred Tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the Balance Sheet approach for all taxable temporary differences to the extent that it is probable that future taxable profits will be available. Deferred tax assets and liabilities are measured at the applicable tax rates and tax laws those are enacted or substantively enacted. Deferred tax assets and deferred tax liabilities are set-off, and presented on net basis. The carrying amount of deferred tax is reviewed at each balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3.13 Revenue recognition and other income

The Group is in the business of sale of Steel Pipes and 3LPE Coated API Pipes and Colled Rolled Sheets, LED and conventional lighting Products, fans, appliances, PVC pipes and fittings etc. The Group also provide extended warranties for its LED street lighting.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

Revenue from contracts with customers is recognised when control of the promised goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

a. Sale of Product/Goods

Revenue from sale of Product/Goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the Product/Goods and there is no uncertainty in receiving the same and there is reasonable assurance that the Group will comply with the conditions attached to them in recognition of revenue from sale of goods. The Group also considers the effects of sales returns, volume rebates, schemes discount, incentives, price concessions and financing components.

Extended warranty:- The extended warranties provided to the customers having separate Performance obligation are considered as separate contract and revenue from these contracts recognised accordingly.

Volume rebates and schemes discounts: The Group provides volume rebates and schemes discounts to its customers based on quantity of products sold to them during the period. To estimate for the expected future outgo for revenue recognition, the Group applies the most likely amount method for contracts with a single-volume threshold and the expected value method for contracts with more than one volume threshold. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract.

Financing component: In case of extended trade credit agreed with the customers containing significant financing component, the transaction price for such contract are discounted, using the effective interest rate that would be considered separate financing transaction at transaction inception, to take into consideration the significant financing component.

b. Rendering of Service

Revenue from Services is recognised as per terms of the contract with customers based on stage of completion when the outcome of the transaction involving rendering of services can be estimated reliably.

c. Export incentives:

Export benefits are accounted for in the year of exports based on eligibility as well as reasonable assurance that the Group will comply with the conditions attached to them and when there is no uncertainty in receiving the same.

d. Other Income

Interest income is recognised on a time proportion basis taking into account the amount outstanding, the rate applicable and reasonable certainty of receiving the same.

3.14 Government grants / Assistance

Government grants/Assistance recognised in consolidated statement of profit and loss account on a systematic basis where there is reasonable assurance that the same will be received and the eligibility criteria is met out. The same are periodically reviewed and adjusted for changes in policies and regulations.

3.15 Dividend Distribution

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividends are approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution, if leviable, is recognised directly in equity.

3.16 Fair Value measurement

The Group measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

- (i) In the principal market for the asset or liability, or
- (ii) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Quoted prices in active markets for identical assets and liabilities

Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs. This includes the assets and liabilities carried at forward contract rates / prevailing exchange rate at year end and assets carried at present value using appropriate discounting rate

Level 3: Inputs which are not based on observable market data.

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets & liabilities on the basis of the nature, characteristics and the risks of the asset or liability and the level of the fair value hierarchy as explained above.

3.17 Earnings per share

Basic earnings per share is computed by dividing the net profit after tax by weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share is computed by dividing the Net profit after tax after considering the effect of interest and other financing costs or income (net of attributable taxes) associated with dilutive potential equity shares by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares including the treasury shares held by the Company to satisfy the exercise of the share options by the employees.

3.18 Provisions

a. Provisions

Provisions (excluding employee benefits) are recognised when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

b. Contingencies

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

contingent liability is disclosed in the Notes to the consolidated financial statements.

Contingent assets are not recognised. However, when the realisation of income is virtually certain, it is recognised as an asset.

c. Warranty Provisions

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise.

As per the terms of the contracts, the Company provides post-contract services / warranty support to some of its customers. The Company accounts for the post-contract support / provision for warranty on the basis of the information available with the Management duly taking into account the current and past technical estimates.

3.19 Research and development costs

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It

is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

3.20 Leases

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date by discounting the lease payment by using the Company's incremental borrowing rate.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term up to 12 months. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

3.21 Share based payments

Equity-settled share-based payments to employees are measured at fair value of the equity instrument as at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of the shares that will eventually vest to the employees. At the end of each period, the entity

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity. However, fair value of options is not remeasured subsequently

Company has created an Employee Benefit Trust for the share-based payment to its employees. The Company uses the Trust as a vehicle for distributing shares to employees under the employee Stock option schemes. The Trust buys shares of the Company from the market, for granting shares to employees. The Company treats Trust as its extension and shares held by the Trust are treated as treasury shares.

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from Equity. No gain or loss is recognised in profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in capital reserve. Share options exercised during the reporting year are fulfilled with treasury shares.

3.22 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker which comprises of the Board of Directors, Chairman, Executive Director and Chief financial officer which assesses the financial performance and position of the Company and makes strategic decisions. The Group primarily operates in the steel Pipe and lighting segment. The reportable segments are Steel pipes & strips and Lighting & consumer durable

4.1 Critical accounting estimates, assumptions and judgements

In the process of applying the Group's accounting policies, management has made the following estimates, assumptions and judgements, which have significant effect on the amounts recognised in the consolidated financial statement:

a. Property, plant and equipment - Useful lives of assets

The Group reviews the useful life of assets at the end of each reporting period. This reassessment may result in change in depreciation expenses in future periods.

b. Warranties

The Group generally offers Warranties for its consumer products and the liability towards warranty-related costs are recognised in the year

of sales or service provided to the customers. Management ascertain and measure the liability for warranty claims based on historical experience and trend. The assumptions made in relation to current year are consistent of those are in prior years.

c. Provision

A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

d. Contingent Liabilities and Contingent Assets

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Contingent liabilities are disclosed in the notes. Contingent assets are not recognised in the consolidated financial statements.

e. Exceptional Items

Exceptional items are transactions which due to their size or incidence are separately disclosed to enable a full understanding of the Group's financial performance. Items which may be considered exceptional are significant restructuring charges, gains or losses on disposal of investments in subsidiaries, associates and joint venture and impairment losses/ write down in value of investment in subsidiaries, associates and joint venture and significant disposal of Property, plant and equipment etc.

4.2 Recent accounting pronouncements

On 31st March, 2023, the Ministry of Corporate Affairs ("MCA") through a notification amended inter alia Ind AS 102- Share-based Payment, Ind AS 103- Business Combinations, Ind AS 107- Financial Instruments: Disclosures, Ind AS 109- Financial Instruments, Ind AS 115 - Revenue from Contracts with Customers, Ind AS 1- Presentation of Financial Statements, Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors, Ind AS 12 - Income Taxes , Ind AS - 34 Interim Financial Reporting, which are applicable to the Company from 1st day of April, 2023.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

5 PROPERTY, PLANT AND EQUIPMENT

Particulars	Land-Freehold	Land-Leasehold	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment's	Computers	Total	Capital work in progress
GROSS CARRYING VALUE										
As at 1st April, 2021	32.76	10.97	234.85	1,235.27	6.57	11.81	4.37	7.38	1,543.98	9.66
Additions	-	-	0.63	21.22	0.60	1.37	1.06	0.91	25.79	52.62
Disposals	-	-	0.04	21.23	0.79	0.73	0.18	0.18	23.15	9.31
As at 31st March, 2022	32.76	10.97	235.44	1,235.26	6.38	12.45	5.25	8.11	1,546.62	52.97
Additions	-	-	7.45	71.58	0.54	3.40	0.95	1.26	85.18	16.14
Disposals	-	-	15.11	15.11	0.80	0.63	0.29	1.01	17.84	60.64
As at 31st March, 2023	32.76	10.97	242.89	1,291.73	6.12	15.22	5.91	8.36	1,613.96	8.47
DEPRECIATION										
As at 1st April, 2021	-	2.07	46.20	463.24	4.05	4.81	2.93	5.29	528.59	-
Depreciation for the year	-	0.34	8.93	89.18	0.53	1.11	0.27	1.22	101.58	-
Disposals	-	-	0.01	13.68	0.72	0.64	0.16	0.17	15.38	-
As at 31st March, 2022	-	2.41	55.12	538.74	3.86	5.28	3.04	6.34	614.79	-
Depreciation for the year	-	0.34	8.90	96.09	0.50	1.42	0.80	1.09	109.14	-
Disposals	-	-	-	8.63	0.79	0.37	0.29	0.99	11.07	-
As at 31st March, 2023	-	2.75	64.02	626.20	3.57	6.33	3.55	6.44	712.86	-
Net carrying value	32.76	8.56	180.32	696.52	2.52	7.17	2.21	1.77	931.83	52.97
As at 31st March, 2022	32.76	8.22	178.87	665.53	2.55	8.89	2.36	1.92	901.10	8.47
As at 31st March, 2023	32.76	8.22	178.87	665.53	2.55	8.89	2.36	1.92	901.10	8.47

Explanatory Notes:

- The above property plant and equipment are under charge as security against borrowing see note no. 17 & 22
- The company has acquired exclusive used right for certain premises being used for its offices and classified them as Right to use assets.

Particulars	Right to use
	(₹ in crore)
Assets	
Gross carrying value	26.22
As at 1st April, 2021	26.22
Additions	4.07
Disposals	-
As at 31st March, 2022	30.29
Additions	6.60
Disposals	9.19
As at 31st March, 2023	27.70
Depreciation	
As at 1st April, 2021	12.45
Additions(Depreciation)	6.80
Disposals	-
As at 31st March, 2022	19.25
Additions(Depreciation)	6.27
Disposals	9.19
As at 31st March, 2023	16.33
Net carrying value	11.04
As at 31st March, 2022	11.04
As at 31st March, 2023	11.37

As at 31st March, 2023

Capital-Work-in Progress (CWIP) aging schedule

Capital-Work-in-Progress	Amount in CWIP for a period of			Total
	Less than 1 year	1-2 years	2-3 years	
Projects in progress	8.47	-	-	8.47

No capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan

As at 31st March, 2022

Capital-Work-in Progress (CWIP) aging schedule

Capital-Work-in-Progress	Amount in CWIP for a period of			Total
	Less than 1 year	1-2 years	2-3 years	
Projects in progress	44.93	7.58	0.46	52.97

No capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

6 OTHER FINANCIAL ASSETS AT AMORTISED COST (NON CURRENT)

	As at 31st March, 2023	As at 31st March, 2022
(₹ in crore)		
Unsecured, considered good		
Deferred Receivable	6.63	6.54
Contract Assets	16.59	17.78
Security deposits	10.48	10.48
	33.70	34.80

7 OTHER NON CURRENT ASSETS

	As at 31st March, 2023	As at 31st March, 2022
(₹ in crore)		
Capital Advances	15.10	16.47
	15.10	16.47

8 INVENTORIES (CURRENT)

	As at 31st March, 2023	As at 31st March, 2022
(₹ in crore)		
Raw materials	481.51	382.05
Work-in-progress	126.44	133.45
Finished goods	521.73	452.41
Stores, spares and consumables	22.65	19.69
	1,152.33	987.60

The mode of valuation has been stated in note no.3.6

Inventories are hypothecated as security against borrowings see note no.17 & 22

9 TRADE RECEIVABLES (CURRENT)

	As at 31st March, 2023	As at 31st March, 2022
(₹ in crore)		
Trade receivables considered good-secured	-	-
Trade receivables considered good-unsecured	746.92	888.16
Trade receivables which have significant increase in Credit Risk	-	-
Trade receivables-credit impaired	7.18	7.03
Less : Allowance for doubtful debts	7.18	7.03
Net Trade receivables-credit impaired	-	-
	746.92	888.16

As at 31st March, 2023	Trade Receivables ageing schedule						Total
	Not due	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months - 1 year	1- 2 years	2- 3 years	More than 3 years	
i. Undisputed Trade Receivables- considered good	530.51	168.33	15.71	8.28	6.04	12.81	741.68
ii. Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

(₹ in crore)

As at 31st March, 2023 Particulars	Trade Receivables ageing schedule						Total
	Not due	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
iii. Undisputed Trade Receivables- credit impaired	-	-	0.01	0.48	0.71	2.80	4.00
iv. Disputed Trade Receivables- considered good	-	0.07	0.09	0.49	0.40	4.19	5.24
v. Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
vi. Disputed Trade Receivables- credit impaired	-	-	-	0.04	0.21	2.93	3.18
Total (A)	530.51	168.40	15.81	9.29	7.36	22.73	754.10
Allowance for credit impairment (B)							7.18
Total [(A)-(B)]							746.92

(₹ in crore)

As at 31st March, 2022 Particulars	Trade Receivables ageing schedule						Total
	Not due	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
i. Undisputed Trade Receivables- considered good	733.34	108.84	13.08	11.11	7.65	4.89	878.91
ii. Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
iii. Undisputed Trade Receivables- credit impaired	-	-	0.01	0.56	1.56	1.23	3.36
iv. Disputed Trade Receivables- considered good	-	0.09	0.22	0.29	1.23	7.42	9.25
v. Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
vi. Disputed Trade Receivables- credit impaired	-	-	-	0.07	0.49	3.11	3.67
Total (A)	733.34	108.93	13.31	12.03	10.93	16.65	895.19
Allowance for credit impairment (B)							7.03
Total [(A)-(B)]							888.16

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

10 CASH AND CASH EQUIVALENTS

	As at 31st March, 2023	As at 31st March, 2022
(₹ in crore)		
a. Balance with banks		
In Current Accounts	0.97	0.08
b. Cash on hand	0.14	0.18
Cash and cash equivalents as per statement of cash flow	1.11	0.26

11 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	As at 31st March, 2023	As at 31st March, 2022
(₹ in crore)		
Fixed deposits	-	0.17
Earmarked Balances with banks		
Unpaid dividend account (Earmarked against the corresponding provision refer note 25)	0.52	0.43
	0.52	0.60

12 OTHER FINANCIAL ASSETS (CURRENT)

	As at 31st March, 2023	As at 31st March, 2022
(₹ in crore)		
Contract Assets	4.62	5.32
Forward Contract Receivable	0.53	1.61
Other recoverables	37.90	31.35
	43.05	38.28

13 CURRENT TAX ASSETS (NET)

	As at 31st March, 2023	As at 31st March, 2022
(₹ in crore)		
Current Tax Asset	-	11.67
	-	11.67

14 OTHER CURRENT ASSETS

	As at 31st March, 2023	As at 31st March, 2022
(₹ in crore)		
Considered good, unless otherwise stated		
Recoverable from government authorities	81.07	82.48
Balances with statutory authorities	24.47	12.99
Prepaid expenses	3.87	5.08
Advances to Supplier	34.09	40.47
	143.50	141.02

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

15 SHARE CAPITAL

	As at 31st March, 2023	As at 31st March, 2022
(₹ in crore)		
I Equity Share Capital		
Authorised		
26,13,00,000 (Previous year 26,13,00,000) Equity Shares of ₹ 10/- each with voting rights	261.30	261.30
Issued, subscribed and fully paid up Equity share capital		
5,44,08,974 (previous year 5,44,08,974) Equity Shares of ₹ 10/- each with voting rights	54.41	54.41
Less: Treasury Shares held	0.60	1.08
	53.81	53.33
Movement of Equity Shares		
Balance at the beginning of the reporting period	5,33,27,044	5,36,08,974
Add: Treasury Shares sold/ (acquired) by the Surya Roshni Employees Welfare Trust	1,94,970	(4,36,700)
Add: Treasury Shares transferred to Employees by the Surya Roshni Employees Welfare Trust (refer note no. 47)	2,83,273	1,54,770
Balance at the end of the reporting period	5,38,05,287	5,33,27,044
Treasury Shares		
Balance at the beginning of the reporting period	10,81,930	8,00,000
Add: Treasury Shares acquired by the Surya Roshni Employees Welfare Trust	(1,94,970)	4,36,700
Less: Treasury Shares transferred to Employees by the Surya Roshni Employees Welfare Trust (refer note no. 47)	2,83,273	1,54,770
Balance at the end of the reporting period	6,03,687	10,81,930
II Preference share capital		
Authorised		
6,20,000 (previous year 6,20,000) Preference shares of ₹ 100/- each (There are no issued, subscribed and paid up preference share capital)	6.20	6.20

Terms / rights attached to equity shares

The company has one class of equity shares having at par value of ₹ 10/- per share. Each shareholder is eligible for one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

	As at 31st March, 2023	As at 31st March, 2022
(₹ in crore)		
Cash dividends on equity shares declared and paid		
Dividend for the year ended 31st March, 2022: ₹ 4.00 per share (Previous year ₹ 1.50 per share)	21.76	8.16
Interim Dividend Paid for the Financial Year 2022-23: ₹ 3.00 per share (Previous Year - NIL)	16.32	-
Proposed dividends on equity shares		
Dividend for the year ended 31st March, 2023: ₹ 4.00 per share (Previous year ₹ 4.00 per share)	21.76	21.76

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

Details of shares held by each shareholder holding more than 5% shares:

Names	As at 31st March, 2023		As at 31st March, 2022	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Diwakar Marketing Private Limited	56,37,500	10.36	56,37,500	10.36
Cubitex Marketing Private Limited	48,61,000	8.93	48,61,000	8.93
Shreyansh Mercantile Private Limited	31,78,000	5.84	31,78,000	5.84
Sahaj Tie-Up Private Limited	31,25,087	5.74	31,25,087	5.74

Shares held by promoters at the end of the year ended 31st March, 2023

S. No.	Promoter name	No. of Shares	% of total shares	% Change during the year
1	Diwakar Marketing Private Limited	56,37,500	10.36%	-
2	Cubitex Marketing Private Limited	48,61,000	8.93%	-
3	Shreyansh Mercantile Private Limited	31,78,000	5.84%	-
4	Sahaj Tie-Up Private Limited	31,25,087	5.74%	-
5	Dicord Commodeal Private Limited	22,65,610	4.16%	-
6	Shirin Commodeal Private Limited	21,16,189	3.89%	-
7	S M Vyapaar Private Limited	19,83,920	3.65%	-
8	Goel Die Cast Limited	19,27,962	3.54%	-
9	Zatco Vyapaar Private Limited	14,03,455	2.58%	-
10	Sadabahr Tradecomm Private Limited	12,78,179	2.35%	-
11	Jits Courier and Finance Private Limited	10,01,499	1.84%	-
12	Pankaj Investments Limited	9,69,348	1.78%	-
13	B M Graphics Private Limited	9,61,078	1.77%	-
14	Jai Prakash Agarwal	8,36,628	1.54%	-
15	Vinay Surya	5,32,831	0.98%	-
16	Gargiya Finance and Investment Private Limited	5,22,487	0.96%	-
17	Urmil Agarwal	2,92,081	0.54%	-
18	Viksit Trading and Holding Private Limited	2,37,346	0.44%	-
19	Vasudha Surya	1,90,100	0.35%	-
20	Jaivardhan Kaartik Surya	1,81,400	0.33%	-
21	Parinistha Surya	1,81,300	0.33%	-
22	Puja Surya	1,75,250	0.32%	-
23	Padmini Agarwal	1,63,250	0.30%	-
24	Bharti Bangur	1,63,250	0.30%	-
25	Lustre Merchants Private Limited	72,394	0.13%	-
26	Basu Dev Agarwal	100	0.00%	-
	Total	3,42,57,244	62.96%	0.00%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

Shares held by promoters at the end of the year ended 31st March, 2022				
S. No.	Promoter name	No. of Shares	% of total shares	% Change during the year
1	Diwakar Marketing Private Limited	56,37,500	10.36%	-
2	Cubitex Marketing Private Limited	48,61,000	8.93%	-
3	Shreyansh Mercantile Private Limited	31,78,000	5.84%	-
4	Sahaj Tie-Up Private Limited	31,25,087	5.74%	-
5	Dicord Commedeal Private Limited	22,65,610	4.16%	-
6	Shirin Commedeal Private Limited	21,16,189	3.89%	-
7	S M Vyapaar Private Limited	19,83,920	3.65%	-
8	Goel Die Cast Limited	19,27,962	3.54%	-
9	Zatco Vyapaar Private Limited	14,03,455	2.58%	-
10	Sadabahr Tradecommm Private Limited	12,78,179	2.35%	-
11	Jits Courier and Finance Private Limited	10,01,499	1.84%	-
12	Pankaj Investments Limited	9,69,348	1.78%	-
13	B M Graphics Private Limited	9,61,078	1.77%	-
14	Jai Prakash Agarwal	8,36,628	1.54%	(0.50%)
15	Vinay Surya	5,32,831	0.98%	0.50%
16	Gargiya Finance and Investment Private Limited	5,22,487	0.96%	-
17	Urmil Agarwal	2,92,081	0.54%	-
18	Viksit Trading and Holding Private Limited	2,37,346	0.44%	-
19	Vasudha Surya	1,90,100	0.35%	-
20	Jaivardhan Kaartik Surya	1,81,400	0.33%	-
21	Parinistha Surya	1,81,300	0.33%	-
22	Puja Surya	1,75,250	0.32%	-
23	Padmini Agarwal	1,63,250	0.30%	-
24	Bharti Bangur	1,63,250	0.30%	-
25	Lustre Merchants Private Limited	72,394	0.13%	-
26	Basu Dev Agarwal	100	0.00%	-
	Total	3,42,57,244	62.96%	0.00%

16 OTHER EQUITY

(₹ in crore)		
	As at 31st March, 2023	As at 31st March, 2022
a. Capital redemption reserve	3.00	3.00
b. Capital Reserve	124.69	124.69
c. Securities premium	118.08	107.29
d. Share Option Outstanding Account	14.90	7.16
e. Forfeiture reserve	17.63	17.63
f. General reserve	165.36	131.36
g. Retained earnings	1,378.79	1,115.36
h. Other comprehensive income	(12.67)	(12.24)
Balance at the end of the Financial year	1,809.78	1,494.25

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

Notes : For movements in reserves refer statement of change in equity

Nature and purpose of reserves

a. Capital Redemption Reserve

Capital Redemption Reserve was created on redemption of preference share capital. The Company may issue fully paid-up bonus share to its members out of the capital redemption reserve

b. Capital Reserve

Capital reserve has been created on Business Combination on appointed date i.e. 1st April 2016 Pursuant to the Scheme of Arrangement amongst company and its associate e-Surya Global Steel Tubes Limited as per order of NCLT dated 11th December, 2017.

c. Securities premium

Securities premium is used to record the premium on issue of shares. The premium should be utilised in accordance with the provisions of the Companies Act.

d. Share Option Outstanding Account

The Share option outstanding account relates to share options granted by the Company to its employees under its employee share option plan. Further information about share-based payments to employees is set out in note 47.

e. Forfeiture reserve

Forfeiture Reserve represents the forfeiture of amount of consideration received on allotment of warrants of the cases where option to take equity shares were not exercised within the prescribed time in accordance with Chapter VII of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009

f. General reserve

The general reserve is created time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by transfer from one component of equity to another equity, hence items included in general reserve will not be reclassified subsequently to profit and loss.

g. Dividend

Final Dividend of ₹ 21.76 crores for the Year 2022-23 (Dividend of ₹ 21.76 crores for the Year 2021-22) is accounted in the year of approval by the shareholders

17 BORROWINGS (NON CURRENT)

	As at 31st March, 2023	As at 31st March, 2022
		(₹ in crore)
Secured measured at amortised cost		
Term loans from banks		
Rupee loans	-	35.67
Term loans from financial institutions		
Rupee loans	-	25.00
	-	60.67
Less: Current maturities of Long term borrowings (refer note 22)	-	-
	-	60.67

Term Loans of ₹ NIL (₹ 60.67 crore as at 31st March 2022) were secured by way of first pari-passu charge on all Property, plant and equipment including equitable mortgage of Land and Building and further secured by way of second pari-passu charge on Company's entire Current Assets both present and future.

- Rupee Term Loan from one bank of ₹ NIL (₹ 35.67 crore as at 31st March 2022) was payable in 21 quarterly instalments, with last repayment date 31st May 2028, carrying floating interest rate of 6.25% p.a. LINKED WITH REPO RATE with periodical interest reset, which is fully pre-paid during the current year.
- Rupee Term Loan from one financial institution aggregating ₹ NIL (₹ 25.00 crore as at 31st March 2022) was payable in 29 quarterly instalments, with last repayment date 1st April, 2030, carrying fixed interest rate of 6.50% p.a. with periodical interest reset, which is fully pre-paid during the current year.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

Change in Liability arising from financing activities

(₹ in crore)

	1st April, 2022	Receipts	Payments	31st March, 2023
Current Borrowings (Net Basis) (refer note 22)	519.35	-	115.41	403.94
Non-Current Borrowings including Loan repayment within one year	60.67	-	60.67	-
Total	580.02	-	176.08	403.94

(₹ in crore)

	1st April, 2021	Receipts	Payments	31st March, 2022
Current Borrowings (Net Basis) (refer note 22)	493.06	26.29	-	519.35
Non-Current Borrowings including Loan repayment within one year	223.53	-	162.86	60.67
Total	716.59	26.29	162.86	580.02

18 LEASE LIABILITIES (NON CURRENT)

(₹ in crore)

	As at 31st March, 2023	As at 31st March, 2022
Lease liabilities	6.82	7.02
	6.82	7.02

The Company's lease asset primarily consist of leases for land and buildings for branch offices and warehouses having the various lease terms. The Company also has certain leases of with lease terms of 12 months or less. The Company applies the 'short-term lease' recognition exemptions for these leases.

The movement in Lease liabilities (Non-current and Current) is as follows:

(₹ in crore)

	As at 31st March, 2023	As at 31st March, 2022
Balance as at beginning of the year	13.07	15.44
Add: Addition	6.60	4.07
Add: Accretion of interest	0.97	0.94
Less: Payments	6.81	7.38
Closing balance as at 31st March	13.83	13.07

19 OTHERS FINANCIAL LIABILITIES (NON CURRENT)

(₹ in crore)

	As at 31st March, 2023	As at 31st March, 2022
Security deposits	13.89	12.11
	13.89	12.11

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

20 PROVISION (NON CURRENT)

(₹ in crore)

	As at 31st March, 2023	As at 31st March, 2022
Provision for employee benefits		
Gratuity (refer note 46)	3.54	49.78
Compensated absences (refer note 46)	14.29	13.70
	17.83	63.48

21 DEFERRED TAX LIABILITIES (NET)

(₹ in crore)

	As at 31st March, 2022	Recognised in P & L	Recognised in OCI	As at 31st March, 2023
Deferred tax liabilities / assets are attributable to the following items:				
Deferred tax liabilities				
Property, Plant and Equipment	82.08	(5.88)	-	76.20
Sub- (a)	82.08	(5.88)	-	76.20
Deferred tax assets				
Gratuity and Compensated absences	18.63	(11.36)	0.14	7.41
Trade Receivables	2.91	(1.10)	-	1.81
Others	3.74	(3.74)	-	-
Sub- (b)	25.28	(16.20)	0.14	9.22
Net deferred tax liability (a-b)	56.80	10.32	(0.14)	66.98

(₹ in crore)

Deferred tax liabilities (Net)	As at 31st March, 2021	Recognised in P & L	Recognised in OCI	As at 31st March, 2022
Deferred tax liabilities / assets are attributable to the following items:				
Deferred tax liabilities				
Property, Plant and Equipment	88.12	(6.04)	-	82.08
Sub- (a)	88.12	(6.04)	-	82.08
Deferred tax assets				
Gratuity and Compensated absences	17.63	1.15	(0.15)	18.63
Trade Receivables	2.90	0.01		2.91
Others	3.74	-		3.74
Sub- (b)	24.27	1.16	(0.15)	25.28
Net deferred tax liability (a-b)	63.85	(7.20)	0.15	56.80

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

22 BORROWINGS (CURRENT)

	As at 31st March, 2023	As at 31st March, 2022
(₹ in crore)		
Secured		
Loans repayable on demand		
From banks		
Rupee loans	403.94	519.35
Current maturities of Long term borrowings	-	-
	403.94	519.35
Unsecured		
Commercial paper	-	-
	403.94	519.35

The above working Capital borrowings of ₹ 403.94 crore are secured against current assets both present and future and further secured by way of second charge on all Property, plant and equipment including equitable mortgage of Land and Building and personal guarantee of the Chairman of the Company. The Rupee Loans of ₹ 125.73 crore (EPC) linked with T Bill carrying interest rate of 4.75% ~ 5.08% (net of 2% Interest Subvention), ₹ 245.91 crore (WCDL) linked with T Bill carrying interest rate of 6.85 ~ 7.52 and ₹ 32.30 crore (Cash Credit) linked with 1 Year / 6 Month MCLR of respective banks plus spread (spread ranging from Nil ~ 75 bps)

23 LEASE LIABILITIES (CURRENT)

	As at 31st March, 2023	As at 31st March, 2022
(₹ in crore)		
Lease liabilities	7.01	6.05
	7.01	6.05

24 TRADE PAYABLES

	As at 31st March, 2023	As at 31st March, 2022
(₹ in crore)		
outstanding dues of micro enterprises and small enterprises	35.58	44.01
outstanding dues other than micro enterprises and small enterprises	370.98	549.55
	406.56	593.56
I. The details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the Company as under		
i. The Principal amount and the interest due thereon remaining unpaid to any supplier.		
Principal Amount :	55.02	55.03
Interest :	Nil	Nil
ii. The amount of interest paid by the Company along with the amount of the payment made to the supplier beyond the appointed day for the year ending.	Nil	Nil
iii. The amount of Interest due and payable for the period of delay in making payment (beyond the appointed day during the year.	Nil	Nil

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

(₹ in crore)

	As at 31st March, 2023	As at 31st March, 2022
iv. The amount of interest accrued and remaining unpaid for the year ending	Nil	Nil
v. The amount of further interest remaining due and payable for the earlier years.	Nil	Nil

The Information has been given in respect of such suppliers to the extent they could be identified as "Micro and Small" enterprises on the basis of information submitted to the Company.

As at 31st March, 2023	Trade Payables ageing schedule					
Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1- 2 years	2- 3 years	More than 3 years	
(i) MSME	55.02	-	-	-	-	55.02
(ii) Others	341.69	9.83	0.01	-	0.01	351.54
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	396.71	9.83	0.01	-	0.01	406.56

As at 31st March, 2022	Trade Payables ageing schedule					
Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1- 2 years	2- 3 years	More than 3 years	
(i) MSME	55.03	-	-	-	-	55.03
(ii) Others	523.91	14.33	0.27	0.01	0.01	538.53
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	578.94	14.33	0.27	0.01	0.01	593.56

25 OTHER FINANCIAL LIABILITIES (CURRENT)

(₹ in crore)

	As at 31st March, 2023	As at 31st March, 2022
Interest accrued but not due on borrowings	0.13	0.27
Unpaid dividends* (refer note 11)	0.52	0.44
Payable to employees	49.50	41.12
Expenses Payable	100.31	102.78
	150.46	144.61

*There are no amount due and outstanding to be credited to the Investor Education and Protection Fund as at 31st March, 2023

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

26 OTHER LIABILITIES (CURRENT)

	As at 31st March, 2023	As at 31st March, 2022
Advances from customers	52.75	30.94
Statutory dues payables	19.70	19.96
	72.45	50.90

27 PROVISIONS (CURRENT)

	As at 31st March, 2023	As at 31st March, 2022
Provision for employee benefits		
Gratuity (refer note 46)	8.16	7.31
Compensated Absences (refer note 46)	3.52	3.05
	11.68	10.36
Other payables		
Warranty Payable (refer note 43)	22.78	26.25
	22.78	26.25
	34.46	36.61

28 CURRENT TAX LIABILITY

	As at 31st March, 2023	As at 31st March, 2022
Current Tax Liability(Net)	13.18	15.96
	13.18	15.96

29 INCOME TAX

	For the year ended 31st March, 2023	For the year ended 31st March, 2022
a Income tax recognised in profit or loss		
Current tax expense	113.41	78.93
Deferred tax expense		
Origination and reversal of temporary differences	10.32	(7.20)
Total tax expenses	123.73	71.73
b Reconciliation of effective tax rate		
Profit before tax	459.25	276.65
Domestic tax rate	25.168%	25.168%
Tax using the Company's domestic tax rate	115.58	69.63
Increase / reduction in Taxes on account of		
Deduction / exemptions in taxable income/ Other non deductible expenses (Net)	8.15	2.10
Income tax expenses charged to statement of profit and loss	123.73	71.73
Effective tax rate	26.94%	25.93%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

30 REVENUE FROM OPERATIONS

(₹ in crore)

	For the year ended 31st March, 2023	For the year ended 31st March, 2022
a. Sale of products		
i. Steel pipe and strips	6,427.51	6,378.19
ii. Lighting and consumer durables	1,528.10	1,317.74
	7,955.61	7,695.93
Less Inter Segment Sales	0.35	4.17
	7,955.26	7,691.76
b. Other operating revenue;		
i. Export incentives and claims	22.08	19.11
	22.08	19.11
c. Sale of services	19.37	19.95
	19.37	19.95
	7,996.71	7,730.82

31 OTHER INCOME

(₹ in crore)

	For the year ended 31st March, 2023	For the year ended 31st March, 2022
a. Interest Income from financial assets	5.24	5.58
b. Profit on sale of property, plant and equipment	0.05	0.13
c. Miscellaneous income	0.06	0.09
	5.35	5.80

32 COST OF MATERIALS CONSUMED

(₹ in crore)

	For the year ended 31st March, 2022	For the year ended 31st March, 2021
i. Steel pipe and strips		
a. Raw materials (Imported)	174.96	241.28
b. Raw materials (Indigenous)	5,051.20	5,088.35
ii. Lighting and consumer durables		
a. Raw materials (Imported)	215.45	153.90
b. Raw materials (Indigenous)	366.51	369.71
c. Packing materials consumed	47.46	40.58
	5,855.58	5,893.82
Less Inter Segment Consumption	0.35	4.17
	5,855.23	5,889.65

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

33 PURCHASE OF STOCK-IN-TRADE

	(₹ in crore)	
	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Lighting and consumer durables (outsourced)	429.18	340.09
	429.18	340.09

34 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

	(₹ in crore)	
	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Inventories at the end of the year		
Finished goods	521.73	452.41
Work in Progress	126.44	133.45
	648.17	585.86
Inventories at the beginning of the year		
Finished goods	452.41	421.53
Work in Progress	133.45	124.87
	585.86	546.40
	(62.31)	(39.46)

35 EMPLOYEE BENEFIT EXPENSES

	(₹ in crore)	
	For the year ended 31st March, 2023	For the year ended 31st March, 2022
a. Salaries, wages and bonus	343.80	313.86
b. ESOS Expenses (refer note 47)	7.01	6.53
c. Contribution to provident and other funds	14.32	13.43
d. Staff welfare expenses	7.34	6.27
	372.47	340.09

36 FINANCE COST

	(₹ in crore)	
	For the year ended 31st March, 2023	For the year ended 31st March, 2022
a. Interest expenses	37.08	53.73
b. Interest on Lease Liability	0.97	0.94
c. Other borrowing cost	6.80	8.98
	44.85	63.65

37 DEPRECIATION AND AMORTISATION EXPENSES

	(₹ in crore)	
	For the year ended 31st March, 2023	For the year ended 31st March, 2022
a. Depreciation (refer note 5)	109.14	101.58
b. Right of Use Assets (refer note 5)	6.27	6.80
	115.41	108.38

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

38 OTHER EXPENSES

	(₹ in crore)	
	For the year ended 31st March, 2023	For the year ended 31st March, 2022
a. Consumption of stores and spares	48.16	45.17
b. Power, fuel and water charges	128.23	116.71
c. Repairs and maintenance :		
- plant and machinery	3.37	3.17
- buildings	1.74	1.28
- others	0.92	1.19
d. Product warranties	21.44	16.77
e. Sales promotion expenses	27.31	29.35
f. Commission on sales	21.96	16.77
g. Advertisement and publicity	12.11	18.05
h. Freight and forwarding expenses	377.81	378.78
i. Allowance for doubtful debts / bad debts W/off	0.15	0.94
j. Rent	3.64	6.51
k. Rates and taxes	0.29	0.79
l. Insurance	5.23	5.13
m. Postage, telegraph and telephone	2.62	2.31
n. Travelling and conveyance	29.15	21.95
o. Loss on discard / disposal of property, plant and equipment	0.69	3.94
p. Corporate social responsibility expenses (refer note 41)	4.23	3.53
q. Legal and professional expenses	6.58	4.25
r. Auditor's remuneration		
for audit	0.23	0.22
for tax audit	0.07	0.06
for certification work	0.10	0.07
for reimbursement of out of pocket expenses	0.01	0.01
s. Miscellaneous expenses	91.94	80.62
	787.98	757.57

39 OTHER COMPREHENSIVE INCOME

	(₹ in crore)	
	For the year ended 31st March, 2023	For the year ended 31st March, 2022
i. Items that will not be reclassified to profit or loss		
- Remeasurements of the defined benefit plans	(0.57)	0.57
ii. Income tax relating to items that will not be reclassified to profit or loss		
- Related to remeasurements of the defined benefit plans	0.14	(0.15)
	(0.43)	0.42

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

40 EARNING PER SHARE

(₹ in crore)

Particulars		For the Year ended 31st March,2023	For the Year ended 31st March,2022	
The following is a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share:				
A	Issued equity shares	No's	5,44,08,974	5,44,08,974
	Less :- Treasury Shares held by the Surya Roshni Employees welfare Trust		6,03,687	10,81,930
	Issued equity shares after taking effect of Treasury Shares		5,38,05,287	5,33,27,044
B	Weighted average equity shares outstanding - Basic	No's	5,34,42,004	5,33,64,134
C	Weighted average equity shares outstanding - Diluted	No's	5,44,08,974	5,44,08,974
D	Net profit after tax		335.52	204.92
	Basic Earning per equity share (D/B)	Per / ₹	62.78	38.40
	Diluted Earning per equity share (D/C)	Per / ₹	61.67	37.66
	Face Value per Equity Share	₹	10.00	10.00

41 EXPENDITURE INCURRED ON CORPORATE SOCIAL RESPONSIBILITY

Details of expenditure on Corporate Social Responsibility Activities as per Section 135 of the Companies Act, 2013 read with schedule III are as below: The said amount has been spent through surya foundation.

(₹ in crore)

		For the Year ended 31st March,2023	For the Year ended 31st March,2022
A	Gross amount required to be spent by the Company during the year	4.23	3.53
B	Amount spent during the year		
	i Construction/ acquisition of asset	NIL	NIL
	ii On purpose other than (i) above –		
	(a) Rural Development	4.01	3.33
	(b) Naturopathy	0.22	0.20
	(c) Other administrative expenses	-	-
		4.23	3.53
C	Short fall at the end of the Year	NIL	NIL
D	Total of Previous Year Shortfall	NIL	NIL
E	Reason of Shortfall	Not applicable	Not applicable
F	Nature of CSR Activities	Rural Development Project under Adarsh Gram Yojna and Promoting Health Care Including Preventive Health Care (Naturopaathy)	Rural Development Project under Adarsh Gram Yojna and Promoting Health Care Including Preventive Health Care (Naturopaathy)
G	Details of Related party transaction	Nil	Nil

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

42 CONTINGENT LIABILITIES

(₹ in crore)

	As at 31st March, 2023	As at 31st March, 2022
I Guarantees		
Bank Guarantees issued by banks for which counter guarantee given by the Company	416.43	281.76
II Other contingent liabilities		
a) Export obligation under EPCG Scheme (Duty involved on imports made by the Company)	3.16	3.35
Bonds to customs (₹ 8.12 crore (₹ 8.64 crore in previous year))		
b) Estimated amount of contract remaining to be executed on capital account and not provided for	1.74	5.91
c) Claims against the Company not acknowledged as debt	3.48	3.10

III Entry of Goods into Local Area Act, 2008 :

The Haryana Government levied Local Area Development Tax by (The LADT Act) w.e.f. 5th May, 2000, The said act was declared ultra vires by the Hon'ble Punjab & Haryana High Court on 14th March, 2007. Later on, the Haryana Government has repealed the LADT Act w.e.f. 8th April, 2008 and introduced in its place, 'The Haryana Tax on Entry of Goods into local Areas Act, 2008', which was also held ultra vires by the Hon'ble High Court on 1st October, 2008 (Rules not yet notified). Both these Acts were declared unconstitutional on the ground of non-compensatory. but Subsequently, on the SLP of the Haryana Government, the Hon'ble Supreme Court Constitutional Bench vide its judgment dated 11th November, 2016 held the applicability of entry tax valid on compensatory grounds. However, directed its Divisional bench for examining the provisions on the other issues of discrimination, local area etc. The divisional bench remanded back the matters to the Hon'ble Punjab & Haryana High Court on 21st March, 2017 with a direction to file fresh writ petitions in this regard for factual backgrounds and other constitutional statutory issues. The matter is still pending in the Hon'ble Punjab & Haryana High Court, hence no provision has been made.

IV Income Tax Act

In respect of Income-tax assessments of the Company (for the year 2009-10, 2010-11 & 2012-13) demands of ₹ 56.34 crores were raised wherein, Company had appealed and the cases were decided in favour of the Company by CIT (A). However revenue has preferred an appeal before ITAT. Based on the decision in favour of the Company, interpretations and decisions of appellate authorities and Courts in similar cases and as per the consultations made, the Company is not liable for such demand and accordingly no provision has been made.

43 MOVEMENT IN WARRANTY PROVISION

(₹ in crore)

	As at 31st March, 2023	As at 31st March, 2022
Movement in warranty provision during the financial year are provided below:		
Opening Balance	26.25	43.15
Provision Made	21.44	16.77
Utilised during the year	24.91	33.67
Closing Balance	22.78	26.25

The company gives warranties on certain products, which fail to perform satisfactorily during the warranty period. Provision made represents the amount of expected cost of meeting such obligation on account of repair/ replacement. It is expected that significant portion of these cost is to be incurred within a period of two years.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

44 GOVERNMENT GRANTS (INVESTMENT PROMOTION ASSISTANCE)

The Company has made investments of ₹ 362.35 crores up to 31st March, 2023 in the State of Madhya Pradesh, Andhra Pradesh and Gujarat for establishing manufacturing facilities at Malanpur, Hindupur and Anjar respectively as per provisions of the Industrial Investment Promotion Assistance Schemes/ Policy of these states. The Company has been eligible for periodical Grants during the specified period by way of assistance/ reimbursement of VAT/ CST/ SGST/ Power Cost and recognised the same in revenue on satisfying the conditions mentioned under the respective schemes/ policies. These incentive claims are periodically evaluated and necessary adjustments /reversals have been made time to time for deductions made or expected in processing, verifications, clarifications or change in policies/guidelines. Accordingly, The Company has recognised grants of ₹ 98.59 crores up to 31st March, 2023 (₹ 105.58 crores up to 31st March, 2022 (Out of which ₹ 61.04 crores remained outstanding as on 31st March, 2023 and ₹ 70.11 crores as on 31st March, 2022).

45 PROJECT FOR SUPPLY, IMPLEMENTATION, OPERATION AND MAINTENANCE OF ORISSA GREENFIELD STREET LIGHTING SYSTEM THROUGH SPV COMPANY

SRL has been awarded project by Directorate of Municipal Administration(DMA), Orissa for designing, implementing, operating, maintaining the Greenfield Pubic Street Lighting System along with other infrastructure including CCMS and automation. The project is required to be executed through Special Purpose Vehicle Company (SPV) as per terms of LOA and accordingly SRL has incorporated a wholly-owned subsidiary namely SURYA ROSHNI LED LIGHTING PROJECTS LIMITED on 21st January, 2019. Further, Company has executed Supply Installation Operation and Maintenance (SIOM) Agreement on 29th December, 2018 with the DMA and 21 Urban Local Bodies. As per terms of SIOM, the Company had executed shareholder agreement with the SPV Company on 30th August, 2019 and novation agreement with the DMA and the SPV company . Company has committed the funding requirement of SPV for project completion including enhancement in the value of project. The company has also committed to compensate the losses/ damages, if any. The required funding has been mandatory provided by the Company and project is being implemented efficiently.

46 EMPLOYEE BENEFITS

Disclosures pursuant to Ind AS -19 "Employee Benefits" (Specified under the section 133 of the Companies Act 2013 (the Act) read with Companies (Indian Accounting Standards) Rule 2015 (as amended from time to time) and other relevant provision of the Act) are given below

Contribution to Defined Contribution Plan, recognised as expenses are as under :

(₹ in crore)

Particulars	For the Year Ended	
	31st March, 2023	31st March, 2022
Employer's Contribution to defined contribution plans	14.32	13.43

I The principal actuarial assumptions used for estimating the Company's defined benefit obligations are set out below:

Particulars	Valuation as at	
	31st March, 2023	31st March, 2022
Attrition rate for various ages in %	1.00 to 5.00	1.00 to 5.00
Discount Rate in %	7.37	7.16
Expected Rate of increase in salary in %	5.35	5.35
Mortality rate - Indian Assured Lives Mortality	100% of IALM (2012-14)	100% of IALM (2012-14)
Expected Average remaining working lives of employees (years)	14.24	14.73

- Discount rate is based on the prevailing market yields of Indian Government securities as at the balances sheet date for the estimated term of obligations.
- The assumption of future salary increase takes into account the inflation, seniority, promotion, business plan, HR Policy and other relevant factors such as supply and demand in employment market.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

II Movement in Obligation

(₹ in crore)

Particulars	For the Year ended 31st March, 2023		For the Year ended 31st March, 2022	
	Gratuity (partly funded)	Compensated absences (Unfunded)	Gratuity (partly funded)	Compensated absences (Unfunded)
Present value of obligation as at the beginning of the period	57.12	16.75	54.11	15.72
Current Service cost	4.01	1.84	3.79	1.82
Past Service Cost including curtailment Gain/Losses	-	-	-	-
Interest cost	4.09	1.20	3.68	1.07
Benefits paid	(4.06)	(3.86)	(3.89)	(1.27)
Actuarial loss / (gain) arising from changes in Demographic assumptions	-	-	-	-
Actuarial loss / (gain) arising from changes in Financial assumptions	(0.95)	(0.31)	(1.61)	(0.52)
Actuarial loss / (gain) arising from experience adjustment	1.52	2.19	1.04	(0.07)
Present value of obligation as at the end of the period	61.73	17.81	57.12	16.75

III Amount recognised in the statement of Profit and Loss:

(₹ in crore)

Particulars	For the Year ended 31st March, 2023		For the Year ended 31st March, 2022	
	Gratuity	Compensated absences	Gratuity	Compensated absences
Current Service cost	4.01	1.84	3.79	1.82
Interest cost	4.09	1.20	3.68	1.07
Remeasurement - Actuarial loss/(gain)	-	1.88	-	(0.59)
Expenses recognised in the statement of Profit and Loss	8.10	4.92	7.47	2.30

IV Component of defined benefit costs recognised in other comprehensive income

(₹ in crore)

Particulars	Gratuity	
	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022
Actuarial loss / (gain) arising from changes in demographic assumptions	-	-
Actuarial loss / (gain) arising from changes in Financial assumptions	(0.95)	(1.61)
Actuarial loss / (gain) arising from experience adjustment	1.52	1.04
Actuarial loss / (gain) arising on plan asset	-	-
Component of defined benefit costs recognised in other comprehensive income	0.57	(0.57)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

V Current and non-current provision for Gratuity and Compensated absences

(₹ in crore)

Particulars	As at 31st March 2023		As at 31st March 2022	
	Gratuity	Compensated absences	Gratuity	Compensated absences
Current provision	8.16	3.52	7.32	3.05
Non-current provision	3.54	14.29	49.78	13.70
Total provision	11.70	17.81	57.10	16.75

VI Maturity profile of Defined Benefit Obligation are as under :-

(₹ in crore)

Particulars	As at 31st March 2023		As at 31st March 2022	
	Gratuity	Compensated absences	Gratuity	Compensated absences
0 to 1 Year	8.66	3.52	7.32	3.05
1 to 5 Years	15.36	3.43	12.95	2.92
5 Year Onwards	37.71	10.86	36.85	10.78

VII Movements in the fair value of the plan assets are as follows:

(₹ in crore)

Gratuity	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022
Opening fair value of plan assets	0.02	0.02
Interest income	-	-
Return on plan assets (excluding amounts included in net interest expenses)	0.02	-
Employer Contribution	50.00	-
Benefits paid	-	-
Closing fair value of the plan assets	50.04	0.02

Note: The Company has invested the plan assets in India only with Life insurance corporation of India & SBI Life and closing value of the plan assets are the fair value of plan assets

VIII Sensitivity Analysis:

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and withdrawal rate. The sensitivity analysis below have been determined based on reasonably possible changes of respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant

(₹ in crore)

Particulars	For the Year ended 31st March, 2023		For the Year ended 31st March, 2022	
	Effect on Gratuity Obligation	Effect on Compensated absences Obligation	Effect on Gratuity Obligation	Effect on Compensated absences Obligation
One percentage point increase in discount rate	(4.35)	(1.38)	(4.25)	(1.37)
One percentage point decrease in discount rate	4.64	1.48	4.55	1.45
One percentage point increase in salary growth rate	4.71	1.50	4.61	1.49
One percentage point decrease in salary growth rate	(4.45)	(1.41)	(4.34)	(1.40)
One percentage point increase in attrition rate	0.50	0.20	0.45	0.19
One percentage point decrease in attrition rate	(0.52)	(0.23)	(0.47)	(0.20)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

Note :

- The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.
- Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.
- There was no change in the method and assumptions used in preparing the sensitivity analysis from prior years.

47 INFORMATION IN RESPECT OF OPTIONS GRANTED UNDER THE COMPANY'S EMPLOYEE STOCK OPTION SCHEME ('SCHEME'):

S. No.	Particulars (during the financial year ended 31st March, 2023)	SRL- ESOS (2018)		
1	Date of Shareholders' approval	:	28th September, 2018	
2	Total number of Options approved under the Scheme	:	8,00,000	
3	Vesting Schedule	:	The vesting period for conversion of Options is as follows: On completion of 1 year from the date of grant of the Options: 33% vests On completion of 2 years from the date of grant of the Options: 33% vests On completion of 3 years from the date of grant of the Options: 34% vests	
4	Exercise price	:	The exercise price has been fixed at ₹ 75/- per share of 6,44,000 options granted on 29th October, 2020 by Nomination and Remuneration Committee ("Compensation Committee") The exercise price has been fixed at ₹ 150/- per share of 1,63,500 options granted on 9th July, 2021 by Nomination and Remuneration Committee ("Compensation Committee") The exercise price has been fixed at ₹ 230/- per share of 22,525 options granted on 29th March, 2023 by Nomination and Remuneration Committee ("Compensation Committee")	
5	Maximum term of Options granted	:	3 years from the date of vesting	
6	Source of Shares	:	Secondary - Market purchase by Surya Roshni Employees Welfare Trust (Trust)	
7	Variation in terms of Options	:	None	
8	Method used for accounting of : share based payment plans	:	The employee compensation cost has been calculated using the fair value method of accounting for Options issued under the Company's Employee Stock Option Scheme. The employee compensation cost as per fair value method for the financial year 2022-23 is ₹ 3.43 crores (Previous Year ₹ 3.50 crores)	
9	Nature and extent of employee share based payment plans that existed during the period including the general terms and conditions of each plan	:	Each Option entitles the holder thereof to apply for and be allotted one Equity Share of the Company of ₹ 10/- each upon payment of the exercise price during the exercise period. The exercise period commences from the date of vesting of the Options and expires at the end of three years from the date of vesting. The above is in addition to the other terms and conditions provided in the table under Serial Nos. (3) to (5) hereinbefore	
10	Weighted average exercise prices and weighted average fair values of Options whose exercise price either equals or exceeds or is less than the market price of the stock	:		
			As at 31st March, 2023	As at 31st March, 2022
			Weighted average exercise price per Option in ₹	95.48
			Weighted average fair value per Option in ₹	213.74

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

S. No.	Particulars (during the financial year ended 31st March, 2023)	SRL- ESOS (2018)			
		ended 31st March, 2023		ended 31st March, 2022	
11	Option movements during the year				
	(a) Number of options outstanding at the beginning of the year	:	4,85,280		6,44,000
	(b) Number of options granted during the year	:	22,525		1,63,500
	(c) Number of options forfeited / lapsed/ surrendered during the year	:	57,545		1,67,450
	(d) Number of options vested and exercisable during the year (net of Options lapsed and exercised)	:	1,84,830		1,75,230
	(e) Number of options exercised during the year	:	1,93,345		1,54,770
	(f) Number of shares arising as a result of exercise of options	:	1,93,345		1,54,770
	(g) Number of options outstanding at the end of the year	:	2,56,915		4,85,280
	(h) Number of options exercisable at the end of the year	:	11,945		20,460
	(i) Money realised by exercise of options (₹ In crore), if scheme is implemented directly by the Company	:	Not Applicable since the scheme is implemented through Trust		
12	Loan repaid by the Trust during the year from exercise price received in (₹ in crore)	:	1.71		1.16
13	Summary of the status of Options				
	Particulars	As at 31st March, 2023		As at 31st March, 2022	
		No. of Options	Weighted average Exercise Prices (in ₹)	No. of Options	Weighted average Exercise Prices (in ₹)
	Outstanding at the beginning of the year	:	4,85,280	95.48	6,44,000
	Add: Granted during the year	:	22,525	230.00	1,63,500
	Less: Lapsed/ surrendered during the year	:	57,545	100.66	1,67,450
	Less: Exercised during the year	:	1,93,345	88.70	1,54,770
	Outstanding at the end of the year	:	2,56,915	111.21	4,85,280
	Options exercisable at the end of the year	:	11,945	96.76	20,460
14	Weighted average share price of Shares arising upon exercise of Options	:	₹ 497.70		₹ 606.61

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

S. No.	Particulars (during the financial year ended 31st March, 2023)	SRL- ESOS (2018)						
15	Summary of Options outstanding, scheme-wise:	:	As at 31st March, 2023			As at 31st March, 2022		
	Particulars		No. of Options outstanding	Range of Exercise Price (₹)	Weighted average remaining contractual life	No. of Options outstanding	Range of Exercise Price (₹)	Weighted average remaining contractual life
	Grant date - 29th October, 2020	:	1,56,890	75	2.59 Years	3,52,780	75	3.59 Years
	Grant date - 9th July, 2021	:	77,500	150	3.27 Years	1,32,500	150	4.27 Years
	Grant date - 29th March, 2023	:	22,525	230	4.99 Years	-	-	-
16	A description of the method used during the year to estimate the fair values of Options, the weighted average exercise prices and weighted average fair values of Options granted	:	The fair value of each Option is estimated using the Black Scholes Option Pricing model Weighted average exercise price per Option : ₹ 230.00 Weighted average fair value per Option : ₹ 439.92			The fair value of each Option is estimated using the Black Scholes Option Pricing model Weighted average exercise price per Option : ₹ 150.00 Weighted average fair value per Option : ₹ 376.49		
	The significant assumptions used to ascertain the above	:	The fair value of each Option is estimated using the Black Scholes Option Pricing model after applying the following key assumptions on a weighted average basis:					
			Particulars			During the Financial year 2022-23	During the Financial year 2021-22	
			(i) Risk-free interest rate			7.12% to 7.16%	4.83% to 5.67%	
			(ii) Expected life			2.5 to 4.5 years	2.5 to 4.5 years	
			(iii) Expected volatility			50.97% to 53.15%	49.19% to 52.63%	
			(iv) Expected dividends			1.80%	1.61%	
			(v) The price of the underlying shares in market at the time of Option grant			₹ 643.95	₹ 522.65	
17	Methodology for determination of expected volatility	:	The volatility used in the Black Scholes Option Pricing model is the annualised standard deviation of the continuously compounded rates of return on the stock over a period of time.					
		:	The period to be considered for volatility has to be adequate to represent a consistent trend in the price movements and the movement due to abnormal events if any gets evened out. Estimates of expected future long term volatility should be based on historical volatility for a period that approximates the expected life of the options being valued.					
18	Options granted to : (a) Senior managerial personnel	:	As provided below:					
			Name	Designation		During the financial year 2022-23	During the financial year 2021-22	
			1 Jitendra J Agrawal	CEO-Lighting & Consumer Durables		6,525	-	
			During the Financial Year 2022-23			During the Financial Year 2021-22		
	The Optionees were granted Options on :		29th March, 2023 at the exercise price of ₹ 230.00 per Option			9th July, 2021 at the exercise price of ₹ 150.00 per Option		

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

S. No.	Particulars (during the financial year ended 31st March, 2023)	SRL- ESOS (2018)		
	(b) Any other employee who received a grant on any one year of Options amounting to 5% or more of the Options granted during the year.	:	None	None
	(c) Identified employees who were granted Options, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.	:	None	None

S. No.	Particulars (during the financial year ended 31st March, 2023)	Surya Roshni Limited Employees Stock Option Scheme - 2021 (SRL ESOS-2021)											
1	Date of Shareholders' approval	:	19th June, 2021										
2	Total number of Options approved under the Scheme	:	8,00,000										
3	Vesting Schedule	:	The vesting period for conversion of Options is as follows: On completion of 1 year from the date of grant of the Options: 33% vests On completion of 2 years from the date of grant of the Options: 33% vests On completion of 3 years from the date of grant of the Options: 34% vests										
4	Exercise price	:	The exercise price has been fixed at ₹ 150/- per share of options granted on 9th July, 2021 by Nomination and Remuneration Committee ("Compensation Committee")										
5	Maximum term of Options granted	:	3 years from the date of vesting										
6	Source of Shares	:	Secondary - Market purchase by Surya Roshni Employees Welfare Trust (Trust)										
7	Variation in terms of Options	:	None										
8	Method used for accounting of share based payment plans	:	The employee compensation cost has been calculated using the fair value method of accounting for Options issued under the Company's Employee Stock Option Scheme. The employee compensation cost as per fair value method for the financial year 2022-23 is ₹ 3.58 crores (Previous Year – ₹ 3.03 crores)										
9	Nature and extent of employee share based payment plans that existed during the period including the general terms and conditions of each plan	:	Each Option entitles the holder thereof to apply for and be allotted one Equity Share of the Company of ₹ 10/- each upon payment of the exercise price during the exercise period. The exercise period commences from the date of vesting of the Options and expires at the end of three years from the date of vesting. The above is in addition to the other terms and conditions provided in the table under Serial Nos. (3) to (5) hereinbefore										
10	Weighted average exercise prices and weighted average fair values of Options whose exercise price either equals or exceeds or is less than the market price of the stock	:	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 70%;"></th> <th style="text-align: center;">As at 31st March, 2023</th> <th style="text-align: center;">As at 31st March, 2022</th> </tr> </thead> <tbody> <tr> <td>Weighted average exercise price per Option in ₹</td> <td style="text-align: center;">150.00</td> <td style="text-align: center;">150.00</td> </tr> <tr> <td>Weighted average fair value per Option in ₹</td> <td style="text-align: center;">376.49</td> <td style="text-align: center;">376.49</td> </tr> </tbody> </table>			As at 31st March, 2023	As at 31st March, 2022	Weighted average exercise price per Option in ₹	150.00	150.00	Weighted average fair value per Option in ₹	376.49	376.49
	As at 31st March, 2023	As at 31st March, 2022											
Weighted average exercise price per Option in ₹	150.00	150.00											
Weighted average fair value per Option in ₹	376.49	376.49											
11	Option movements during the year		Ended 31st March, 2023	Ended 31st March, 2022									
	(a) Number of options outstanding at the beginning of the year	:	3,33,375	NIL									
	(b) Number of options granted during the year	:	NIL	7,53,420									
	(c) Number of options forfeited / lapsed/surrendered during the year	:	24,260	4,20,045									

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

S. No.	Particulars (during the financial year ended 31st March, 2023)	Surya Roshni Limited Employees Stock Option Scheme - 2021 (SRL ESOS-2021)						
		As at 31st March, 2023		As at 31st March, 2022				
	(d) Number of options vested and exercisable during the year (net of Options lapsed and exercised)	:	1,03,777		NIL			
	(e) Number of options exercised during the year	:	89,928		NIL			
	(f) Number of shares arising as a result of exercise of options	:	89,928		NIL			
	(g) Number of options outstanding at the end of the year	:	2,19,187		3,33,375			
	(h) Number of options exercisable at the end of the year	:	13,849		NIL			
	(i) Money realised by exercise of options (₹ In crore), if scheme is implemented directly by the group.	:	Not Applicable since the scheme is implemented through Trust					
12	Loan repaid by the Trust during the year from exercise price received	:	1.35		NIL			
13	Summary of the status of Options		As at 31st March, 2023		As at 31st March, 2022			
	Particulars		No. of Options	Weighted average Exercise Prices (in ₹)	No. of Options	Weighted average Exercise Prices (in ₹)		
	Outstanding at the beginning of the year	:	3,33,375	150.00	NIL	-		
	Add: Granted during the year	:	NIL	150.00	7,53,420	150.00		
	Less: Forfeited/ Lapsed/ surrendered during the year	:	24,260	150.00	4,20,045	150.00		
	Less: Exercised during the year	:	89,928	150.00	NIL	-		
	Outstanding at the end of the year	:	2,19,187	150.00	3,33,375	150.00		
	Options exercisable at the end of the year	:	13,849	150.00	NIL	-		
14	Weighted average share price of Shares arising upon exercise of Options	:	₹ 438.86		Not Applicable since Exercise of Options are to be commenced on or after 9th July, 2022			
15	Summary of Options outstanding, scheme-wise:		As at 31st March, 2023			As at 31st March, 2022		
	Particulars		No. of Options outstanding	Range of Exercise Price (₹)	Weighted average remaining contractual life	No. of Options outstanding	Range of Exercise Price (₹)	Weighted average remaining contractual life
	SRL- ESOS (2021)	:	2,19,187	150	3.27 Years	3,33,375	150	4.27 Years

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

S. No.	Particulars (during the financial year ended 31st March, 2023)	Surya Roshni Limited Employees Stock Option Scheme - 2021 (SRL ESOS-2021)					
16	A description of the method used during the year to estimate the fair values of Options, the weighted average exercise prices and weighted average fair values of Options granted The significant assumptions used to ascertain the above	:	Not Granted during the Year	The fair value of each Option is estimated using the Black Scholes Option Pricing model Weighted average exercise price per Option : ₹150.00 Weighted average fair value per Option : ₹ 376.49			
				Particulars	During the Financial year 2022-23	During the Financial year 2021-22	
				(i) Risk-free interest rate	Not Applicable	4.83% to 5.67%	
				(ii) Expected life	Not Applicable	2.5 to 4.5 years	
				(iii) Expected volatility	Not Applicable	49.19% to 52.63%	
				(iv) Expected dividends	Not Applicable	1.61%	
				(v) The price of the underlying shares in market at the time of Option grant	Not Applicable	₹ 522.65	
17	Methodology for determination of expected volatility	:	The volatility used in the Black Scholes Option Pricing model is the annualised standard deviation of the continuously compounded rates of return on the stock over a period of time. The period to be considered for volatility has to be adequate to represent a consistent trend in the price movements and the movement due to abnormal events if any gets evened out. Estimates of expected future long term volatility should be based on historical volatility for a period that approximates the expected life of the options being valued.				
18	Options granted to : (a) Senior managerial personnel	:	As provided below:				
			Name	Designation	During the financial year 2022-23	During the financial year 2021-22 \$	
			1	Bharat Bhushan Singal	CFO & Company Secretary	NIL	3,000
			\$ (net off of forfeited/ lapsed/ surrendered)				
			The Optionees were granted Options on 9th July, 2021 at the exercise price of ₹ 150.00 per Option.				
	(b) Any other employee who received a grant on any one year of Options amounting to 5% or more of the Options granted during the year.	:	None				
	(c) Identified employees who were granted Options, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Group at the time of grant.	:	None				

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

48 RELATED PARTY TRANSACTIONS

In accordance with the requirements of IND AS 24, on related party disclosures, name of the related party, relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods, are reported here

List of related parties

1 Key Management Personnel

S.No.	Name	Designation
1	Mr. Jai Prakash Agarwal	Executive Chairman
2	Mr. Raju Bista	Managing Director
3	Mr. Vinay Surya	Managing Director w.e.f. 26th October, 2021
4	Mr. Kaustubh N Karmarkar	Whole Time Director
5	Mrs. Urmil Agarwal	Director
6	Mr. Tara Sankar Sudhir Bhattacharya	Independent Director
7	Mr. Surendra Singh Khurana	Independent Director
8	Mr. Sunil Sikka	Independent Director
9	Ms. Suruchi Agarwal (w.e.f. 14th February, 2022)	Independent Director
10	Mr. Tekan Ghanshyam Keswani (w.e.f. 28th October, 2022)	Independent Director
11	Mr. Naresh Agarwal (w.e.f. 4th November, 2022)	Independent Director
12	Mr. Pramod Jain (from 27th November, 2021 to 21st September, 2022)	Independent Director
13	Mr. Krishan Kumar Narula (up to 4th September, 2022)	Independent Director
14	Mr. Sudhanshu Kumar Awasthi (up to 4th September, 2022)	Independent Director
15	Mrs. Suruchi Mittar (from 18th December, 2021 to 13th January, 2022)	Independent Director
16	Mr. Ravinder Kumar Narang (up to 12th January, 2022)	Independent Director
17	Mrs. Bhavna Kasturia (up to 8th December, 2021)	Independent Director
18	Mr. Tarun Baldua	ED and CEO- Steel Operations
19	Mr. Jitendra J Agrawal (w.e.f. 10th November, 2022)	CEO- Lighting & Consumer Durables
20	Mr. Bharat Bhushan Singal	CFO & Company Secretary
21	Mr. Nirupam Sahay (from 29th October, 2020 to 31st May, 2022)	Ex-ED & CEO Lighting
22	Mr. R.N. Maloo (superannuated on 23rd December, 2021)	Ex-ED & Group CFO

2 Relatives of key management personnel where transactions have taken place

S.No.	Name of Relatives	Relationship
1	Mr. Rajesh Bista	Brother of Mr. Raju Bista
2	Mrs. Puja Surya	Spouse of Mr. Vinay Surya
3	Master Jaivardhan Surya	Son of Mr. Vinay Surya
4	Ms. Parinistha Surya	Daughter of Mr. Vinay Surya
5	Ms. Vasudha Surya	Daughter of Mr. Vinay Surya
6	Mrs. Bharti Bangur	Daughter of Mr. Jai Prakash Agarwal
7	Mrs. Padmini Agarwal	Daughter of Mr. Jai Prakash Agarwal
8	Mr. Basu Dev Agarwal	Father of Mr. Jai Prakash Agarwal

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

i Compensation of Key Management Personnel of the Company

(₹ in crore)

S.No.	Nature of transaction/ relationship	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
a)	Short Term Benefit (See notes below)	15.51	15.94
b)	Directors commission	16.06	6.90
	Total Short-Term benefits	31.57	22.84
c)	Director sitting Fee's	0.49	0.56

Notes:

- Short-term benefits comprises the expenses recorded under the head employee benefit expenses (eg. Salary and wages, contribution to provident fund, NPS, Leave encashment payments, and taxable value of perquisites etc.
- The liability for gratuity and compensated absences are provided on actuarial basis for the Company as a whole, amounts accrued pertaining to key managerial personnel are not included above.
- The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.
- The Company has granted Stock Options to eligible employees, including Executive Directors and KMPs, under its Employee Stock Option Schemes [within the meaning of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014] as amended. However, in accordance with Ind AS -102, the Company has recorded employee benefits expense by way of share based payments to employees at ₹ 7.01 crores for the year ended 31st March, 2023 [2022 - ₹ 6.53 crores].

(₹ in crore)

S.No.	Nature of transaction/ relationship	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
ii	Dividend paid to Key Management Personnel	1.17	0.25
iii	Payment of Salaries and perquisites to relatives of Key Management Personal	0.81	0.55
iv	Dividend paid to relatives of Key Management Personnel	0.74	0.16

49 SEGMENT INFORMATION

Description of segments and principal activities

The Chief operational decision makers (CODM) monitor the operating results of its Business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segments have been identified on the basis of the nature of products/ services and have been identified as per the quantitative criteria specified in the Ind AS.

Specifically, the Group's reportable segments under Ind AS are as follows:

- Steel Pipe and Strips (comprises Steel pipes and cold rolled strips)
- Lighting and consumer durables (comprises Lamps, fittings, street light, fans, electric appliances and allied items)

Identification of Segments:

For financial statements presentation purposes, these individual operating segments have been aggregated into a single operating segment after taking into consideration the similar nature of the products, production processes and other risk factors. For financial statements presentation purposes, these individual operating segment's have been aggregated into a single operating segment taking into account the following factors:

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

- i. These operating segments have similar long-term gross profit margins;
- ii. The nature of the products and production processes are similar; and
- iii. The methods used to distribute the products to the customer are same

The additional factors taken into consideration for aggregation into a single operating segment are as follows:

- i. Operating revenues and expenses related to both third party and inter-segment transactions are included in determining the segment results of each respective segment.
- ii. Finance expense incurred are not allocated to individual segment and the same has been reflected at the Company level for segment reporting.
- iii. Segment assets represent assets directly managed by each segment, and primarily include receivables, property, plant and equipment, intangibles, inventories, operating cash and bank balances, inter-segment assets and exclude derivative financial assets, deferred tax assets and income tax recoverable.
- iv. Segment liabilities comprise operating liabilities and exclude external borrowings, provision for taxes, deferred tax liabilities and derivative financial liabilities.
- v. Segment capital expenditure comprises additions to property, plant and equipment and intangible assets (net of rebates, where applicable).
- vi. Unallocated expenses/ results, assets and liabilities include expenses/ results, assets and liabilities (including inter-segment assets and liabilities) and other activities not allocated to the operating segments. These also include current taxes, deferred taxes and certain financial assets and liabilities not allocated to the operating segments.

I. Segment revenues and results

		(₹ in crore)	
Particulars		For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Segment revenue	Steel Pipe and Strips	6,451.89	6,402.06
	Lighting and consumer durables	1,545.17	1,332.93
		7,997.06	7,734.99
Less : Inter Segment revenue		0.35	4.17
		7,996.71	7,730.82
Segment profit (earning before interest and taxes)	Steel Pipe and Strips	408.62	260.16
	Lighting and consumer durables	95.48	80.14
		504.10	340.30
Finance costs		44.85	63.65
Profit before tax		459.25	276.65
Tax expense		123.73	71.73
Profit after tax		335.52	204.92

II. Segment Assets and Liabilities

		(₹ in crore)	
Particulars		For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Segment assets	Steel Pipe and Strips	2,170.13	2,241.26
	Lighting and consumer durables	887.04	861.77
	Total Segment assets	3,057.17	3,103.03
	Unallocated assets	-	11.67

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

		(₹ in crore)	
Particulars		For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
		3,057.17	3,114.70
Segment liabilities	Steel Pipe and Strips	290.47	502.60
	Lighting and consumer durables	419.01	411.74
	Total Segment Liabilities	709.48	914.34
	Unallocated Liabilities	484.10	652.78
		1,193.58	1,567.12

Notes :

I Unallocated assets comprises of income tax refundable.

II Unallocated liabilities comprises of borrowings, provision for income tax, deferred tax etc.

III. Other segment information

		(₹ in crore)	
Particulars		For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Cost incurred on acquisition of Property, plant and equipment	Steel Pipe and Strips	19.51	48.99
	Lighting and consumer durables	21.17	20.12
		40.68	69.11
Depreciation and amortisation expense of Property, plant and equipment	Steel Pipe and Strips	88.55	82.04
	Lighting and consumer durables	20.59	19.54
		109.14	101.58

IV. Geographical information

The Group operates in seven geographical areas: India (country of domicile), Asia, Africa, North-America, Central America, South-America and Europe.

The Group's revenue from operations from customers by location of operations and information about its non-current assets by location of assets are detailed below:

a. Revenue from external customers

		(₹ in crore)	
		For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
India		6,732.35	6,286.02
Outside India		1,264.36	1,444.80
Total		7,996.71	7,730.82

b. Non-current assets

		(₹ in crore)	
Particulars		As at 31st March, 2023	As at 31st March, 2022
Non-Current Assets	Within India	969.74	1,047.11
	Outside India	Nil	Nil
		969.74	1,047.11

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

V. Information about major customers

The Group do not have single customer from whom the revenue is not less than 10 % of the revenue from external customers of the Company

50 EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

(₹ in crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Dividend proposed for Equity shareholders @ ₹ 4.00 per share (previous year ₹ 4.00 per share)	21.76	21.76

There are no other significant subsequent event items which require an adjustment in financial statements

51 FINANCIAL INSTRUMENTS

Fair value of financial assets and liabilities

The value of financial assets and liabilities by categories were as follows:

As at 31st March, 2023

(₹ in crore)

S. No.	Particulars	Measured at Amortised cost	Measured at Fair Value (Level 2)	Total carrying value
Assets:				
i	Cash and cash equivalents	1.11		1.11
ii	Bank Balances other than (ii) above	0.52		0.52
iii	Trade receivables	746.92		746.92
iv	Other financial assets	76.22	0.53	76.75
	Total	824.77	0.53	825.30
Liabilities:				
i	Non Current Borrowings	-	-	-
ii	Current Borrowings	403.94	-	403.94
iii	Trade payables	406.56	-	406.56
iv	Lease liabilities	13.83	-	13.83
v	Other financial liabilities	164.35	-	164.35
	Total	988.68	-	988.68

The financial assets measured at fair value are derivative contracts outstanding as at 31st March 2023.

As at 31st March, 2022

(₹ in crore)

S. No.	Particulars	Measured at Amortised cost	Measured at Fair Value (Level 2)	Total carrying value
Assets:				
i	Cash and cash equivalents	0.26	-	0.26
ii	Bank Balances other than (ii) above	0.60	-	0.60
iii	Trade receivables	888.16	-	888.16
iv	Other financial assets	71.47	1.61	73.08
	Total	960.49	1.61	962.10
Liabilities:				
i	Non Current Borrowings	60.67	-	60.67
ii	Current Borrowings	519.35	-	519.35
iii	Trade payables	593.56	-	593.56
iv	Lease liabilities	13.07	-	13.07
v	Other financial liabilities	156.72	-	156.72
	Total	1,343.37	-	1,343.37

The financial assets measured at fair value are derivative contracts outstanding as at 31st March 2022.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels :

Level 1: Quoted prices in active markets for identical assets and liabilities

Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs. This includes the assets and liabilities carried at forward contract rates / prevailing exchange rate at year end and assets carried at present value using appropriate discounting rate

Level 3: Inputs which are not based on observable market data.

52 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Risk Management Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Risk Management committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Risk Management Committee. The Group is exposed to financial market risk, credit risk and liquidity risk.

I. Financial Market risk

Financial market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of financial instrument. The value of a financial instrument may change as a result of change in the interest rates, foreign currency exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency trade receivables, trade payables and borrowings.

a. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. In order to optimise the Company's position with regards to interest and to manage the interest rate risk, finance department performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate with reset clause and floating rate financial instruments in its total portfolio. The borrowings of the Group are on floating interest rate along with periodical interest reset.

The Group is not exposed to significant interest rate risk at the respective reporting dates. With all other variables held constant, the following table demonstrates the impact of borrowing cost on floating rate portion of loans and borrowings are taken.

Interest rate sensitivity	Effect on profit before tax	
	Decrease by 50 basis point	Increase by 50 basis point
For the year ended 31st March, 2023	2.02	(2.02)
For the year ended 31st March, 2022	2.90	(2.90)

(₹ in crore)

b. Foreign currency risk

The Group transacts business primarily in Indian Rupee, USD and Pound sterling (GBP). The Group has taken foreign currency loans and has trade payables as well as receivables in foreign currency. The Group evaluates foreign currency exposure time to time and follows established risk management policies by taking foreign exchange forward contracts mostly with a maturity less than one year from the reporting date. The Group do not use derivative financial instrument for trading or speculation purpose to hedge exposure of foreign currency risk.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

The particulars of forward contract taken are given below :-

Particulars	Type	No.of Contract	USD (million)	Equivalent (₹ In crore)
As at 31st March, 2023	Sell	21	13.69	112.47
	Buy	29	11.16	91.71
As at 31st March, 2022	Sell	14	22.93	173.82
	Buy	24	13.82	104.73

The net foreign currency exposure towards pending import /(export) orders in hand stands at (USD 6.32 million) as at 31st March, 2023 (Previous year (USD 14.35 million)).

II Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and cash and cash equivalents. To manage this, the Group periodically assesses the financial risk limits of the customers, taking into account the payment behaviour, aging of outstanding, credit ratings, current economic trends, and analysis of historical bad debts. Further the Group makes provision for bad and doubtful debts on trade receivables based on Expected Credit loss (ECL) method based on provision matrix.

Trade Receivable

The company's exposure to credit risk is influenced by the individual characteristics of each customer. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. The Company has a detailed review mechanism of overdue trade receivables at various levels in the organisation to ensure proper attention and focus on realisation.

Expected credit loss assessment

Exposures to customers outstanding at the end of each reporting period are reviewed by the Group to determine incurred and expected credit losses. Management believes that the unimpaired amounts that are past due are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk.

The movement in the allowances for impairment in respect of trade receivables during the year was as follows:

Particulars	(₹ in crore)	
	As at 31st March, 2023	As at 31st March, 2022
Opening Balances	7.03	7.08
Add : Impairment loss recognised	0.15	0.56
Less : Impairment Loss Reversed/Bad debts written off	-	0.61
Closing balance	7.18	7.03

Cash and Cash Equivalents, Deposit in Banks and other Financial instruments

The Group considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances and deposits are maintained. Generally, the balances are maintained with the institutions with which the Group has also availed borrowings. The Group does not maintain significant cash and deposit balances as it has sufficient vacant cash credit limits with its bankers. For other financial assets the Group monitors ratings, credit spreads and financial strengths of its counterparties. Based on its ongoing assessment of the counter party's risk, the Group adjust its exposures to various counter parties. Based on the assessment there is no impairment in other financial assets.

III Liquidity risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at a reasonable price. The Group's finance department manage the liquidity through verity of sources of borrowings, by ensuring sufficient liquidity to meet its liabilities when due, under all circumstances, without incurring unacceptable losses or risk to the Group's reputation. The current committed working capital facilities are used 50% to 60% and sufficient to meet its requirement. The Group monitor rolling forecast for its liquidity requirements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

Maturity profile of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date.

(₹ in crore)				
As at 31st March, 2023	Less than 1 year	1 year - 5 years	Above 5 years	Total
Non Current Borrowings	-	-	-	-
Current Borrowings	403.94	-	-	403.94
Trade payables	406.56	-	-	406.56
Lease liabilities	7.01	6.82	-	13.83
Other financial liabilities	150.46	13.89	-	164.35
Total	967.97	20.71	-	988.68
As at 31st March 2022				
Non Current Borrowings	-	60.67	-	60.67
Current Borrowings	519.35	-	-	519.35
Trade payables	593.56	-	-	593.56
Lease liabilities	6.05	7.02	-	13.07
Other financial liabilities	144.61	12.11	-	156.72
Total	1,263.57	79.80	-	1,343.37

53 CAPITAL MANAGEMENT

For the purposes of the Group's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Group's Capital Management is to maximise shareholder value. The Board of Directors monitors the return on capital, dividend to shareholders, maintain balance between capital and borrowing in the light of changes in economic environment and the business requirements. In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings.

Further the Group monitors capital using gearing ratio, which is net debt divided by Equity and net debt. as under: -

(₹ in crore)		
Particulars	As at 31st March, 2023	As at 31st March, 2022
Debt (consist of long term and short term borrowings refer note 17 and 22)	403.94	580.02
Less: Cash and cash equivalents	1.11	0.26
Net Debt	402.83	579.76
Equity	1,863.59	1,547.58
Equity and Net Debt	2,266.42	2,127.34
Gearing ratio in %	17.77%	27.25%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

Ratios

Particulars	Numerator	Denominator	As at 31st March, 2023	As at 31st March, 2022	Variance in %
Current Ratio (In Times)	Current Assets	Current Liabilities	1.92	1.51	27.15
Debt-Equity Ratio (In times)	Total Debt (Term Loans and Working Capital Loans)	Equity	0.22	0.37	(40.54)
Debt Service Coverage Ratio (In times)	Earnings before Interest, Depreciation and Exceptional Items	Interest + Regular Repayments of long term loans	11.28	3.22	250.31
Return on Equity Ratio in %	Profit after Tax	Average Net Worth	19.67	14.06	39.90
Inventory turnover ratio (In Times)	Cost of Goods Sold	Inventories	5.40	6.27	(13.88)
Trade Receivable turnover ratio (In Times)	Revenue from Operation	Trade Receivable	10.71	8.70	23.10
Trade Payables turnover ratio (In Times)	Cost of Goods Sold	Trade Payable	15.30	10.43	46.69
Net Capital turnover ratio (In Times)	Turnover	Net Worth	4.29	5.00	(14.20)
Net Profit ratio (in %)	Profit after Tax	Turnover	4.20	2.65	58.49
Return on Capital employed in %	Profit before Interest and Tax	Average Capital Employed	22.94	16.16	41.96

Reasons for change in the ratio by more than 25% as compared to the preceding year

- Current Ratio improved due to substantial reduction in Current Liabilities in comparison to last year whereas no major change in Current assets.
- Debt Equity Ratio improved due to substantial reduction in Debt and increased total equity with higher profitability of current year.
- Debt Service Coverage Ratio improved due to substantial reduction in Interest cost and NIL Debt repayment obligation with higher earnings of current year.
- Return on Equity Ratio increased due to substantial increase in Profit after tax of the current year in comparison to average Net worth.
- Trade Payable turnover ratio increased due to substantial reduction in Trade Payables whereas no major changes in Cost of Goods Sold.
- Net profit ratio increased due to substantial increase in Profit after Tax whereas no major changes in turnover.
- Return on Capital employed increased due to higher EBIDTA and no major change in average capital employed

ESOS- Loan to Employees Welfare Trust

The Company has introduced Employees Stock Option schemes for its employees and hold 6,03,687 Treasury equity shares as on 31st March, 2023 (10,81,930 Treasury equity shares as on 31st March, 2022) acquired by way of secondary acquisition through Surya Roshni Employees Welfare Trust and for the same provided funds by way of interest free loan to the Trust in compliance of Provisions of The Companies Act, 2013 and SEBI (SBEB Regulations), 2014 as amended having outstanding balance of ₹ 25.22 crores as on 31st March, 2023 (₹ 36.50 crores as on 31st March, 2022)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

54 The Group has made an assessment of the impact of the continuing Covid-19 pandemic on its current and future operations, liquidity position and cash flow giving due consideration to the internal and external factors. The Company is continuously monitoring the situation and does not foresee any significant impact on its operations and the financial position as at March 31, 2023.

55 ADDITIONAL INFORMATION

- (i) All title deeds of Immovable properties are held in name of the respective Companies;
- (ii) The Group has no investment property hence disclosure of fair value of investment property is not applicable;
- (iii) The Group has not revalued its Property, Plant and Equipment (including Right-of-Use Assets), hence disclosure on the basis of its revaluation is not applicable;
- (iv) The Group has no intangible assets hence disclosure on the basis of its revaluation is not applicable;
- (v) No Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:
 - a) Repayable on demand; or
 - b) Without specifying any terms or period of repayment,
- (vi) No proceeding has been initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder;
- (vii) The Company has borrowings from banks or financial institutions on the basis of security of current assets and quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts;
- (viii) The Group is not a declared wilful defaulter by any bank or financial institutions or other lender in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India;
- (ix) The Group has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956;
- (x) No charges or satisfaction are yet to be registered with ROC beyond the statutory period;
- (xi) The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017;
- (xii) No Scheme of Arrangement has been approved by the Competent Authority in terms of Section 230 to 237 of the Companies Act, 2013 during the year;
- (xii) (A) The Group has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities(Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall
 - (i) 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
 - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (B) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall
 - (i) 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
 - (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- (xiv) The Group has not traded or invested in Crypto currency or Virtual currency during the financial year, hence disclosure is not required;
- (xv) The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date;

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023 (Contd.)

- (xvi) There are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income-Tax Act, 1961, that has not been recorded in the books of account.
- 56** The Group has perpetual system of balance confirmation and reconciliation of Trade receivables and Trade payables, however at year end some of the balances remain subject to confirmation and reconciliation.
- 57** Previous Period figures are regrouped /reclassified wherever necessary in line with requirement of Schedule III to the Companies Act 2013.
- 58** Additional information pursuant to para 2 of general instructions for the preparation of consolidated financial statements

(₹ in crore)

Name of entity	Net assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	as % of consolidated net assets	Amount	as % of consolidated profit or loss	Amount	as % of consolidated other comprehensive income	Amount	as % of consolidated total comprehensive income	Amount
Surya Roshni Limited	99.91	1,860.95	99.93	335.28	100.00	(0.43)	99.93	334.85
Indian Subsidiary								
Surya Roshni LED Lighting Projects Limited	0.14	2.64	0.07	0.24	-	-	0.07	0.24
Consolidated	100.00	1,863.59	100.00	335.52	100.00	(0.43)	100.00	335.09

59 APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved for issue by the Board of Directors on 27th April, 2023

As per our report of even date

For Ashok Kumar Goyal & Co.

Chartered Accountants

(Firm Registration No. ICAI: 02777N)

CA. Ashok Kumar

Partner FCA

Membership no. 017644

Place : New Delhi

Dated : 27th April, 2023

For and on behalf of the Board

Vinay Surya

Managing Director

DIN: 00515803

Tarun Baldua

Executive Director & CEO (Steel Operations)

Raju Bista

Managing Director

DIN: 01299297

Jitendra J Agrawal

CEO (Lighting & Consumer Durables)

J P Agarwal

Chairman

DIN: 00041119

B B Singal

Chief Financial Officer & Company Secretary

Our Tiranga Our Pride
Surya Illuminates in a
Positive Stride



6-Line
TRICOLOR
LED Batten

20
WATT



- GLARE FREE LIGHT
- SURGE PROTECTION
- EASY INSTALLATION

SURYA

SURYA ROSHNI LIMITED

CIN – L31501HR1973PLC007543

Corporate Office: Padma Tower-1, Rajendra Place, 2nd Floor, New Delhi - 110008, (India)

Tel: +91-11-47108000, 25810093, 1800 102 5657 (Toll Free No.) Fax: +91-11-25789560

E-mail: investorgrievances@sroshni.com, Website: www.surya.co.in

Regd. Office: Prakash Nagar, Delhi - Rohtak Road, Sankhol

Bahadurgarh - 124507 (Haryana)

Tel: +01276-241840, 8813874800

SURYA

SURYA ROSHNI LIMITED

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

Corporate Identity Number (CIN) – L31501HR1973PLC007543

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

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

NOTICE

Notice is hereby given that the Fiftieth (50th) Annual General Meeting of the members of **SURYA ROSHNI LIMITED** ("the Company") will be held on **Friday, the 15th September, 2023 at 12:00 noon**, through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM"), to transact the following business:

ORDINARY BUSINESS

- To consider and adopt the audited standalone financial statement of the Company for the financial year ended 31st March, 2023 and the reports of the Board of Directors and Auditors thereon and the audited consolidated financial statement of the Company for the financial year ended 31st March, 2023 and the report of Auditors thereon.
- To declare final dividend of ₹ 4.00/- per equity share for the financial year ended 31st March, 2023.
- To appoint Mrs. Urmil Agarwal (Director Identification No. – (00053809) who retires by rotation as a Director and, being eligible, offers herself for re-appointment and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mrs. Urmil Agarwal (DIN: 00053809), who retires by rotation at this meeting be and is hereby appointed as a Director of the Company."

SPECIAL BUSINESS

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

"RESOLVED THAT pursuant to Section 180(1) (a) and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules made thereunder (including any statutory modifications or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to the Board of Directors of the Company or a Committee of Directors authorised by the Board in this behalf for creating such mortgage and / or charge of all the immovable and movable properties of the Company where so ever situated, present and future and the whole of the undertaking of the Company in favour of IDBI Bank Limited and / or Punjab National Bank, acting for itself and as an agent of Banks to secure the Working Capital Limits including CEL Limits for forward cover of ₹ 1,79,700 lakh, secured on Second Charge basis, lent and advanced / agreed to be

lent and advanced by State Bank of India, Punjab National Bank, IDBI Bank Limited, Canara Bank, HDFC Bank Limited, Bank of Baroda, DCB Bank Limited and Union Bank of India to the Company, together with interest thereon at the respective agreed rates, interest tax, compound interest, additional interest, liquidated damages, commitment charges, premia on prepayment or on redemption, costs, charges, expenses and other monies payable by the Company to State Bank of India, Punjab National Bank, IDBI Bank Limited, Canara Bank, HDFC Bank Limited, Bank of Baroda, DCB Bank Limited and Union Bank of India under Loan Agreements entered into/to be entered into by the Company in respect of the aforesaid loans together with interest thereon.

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

- To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 and such other applicable provisions, if any, of the Companies Act, 2013, (the Act) and the Companies (Audit and Auditors) Rules, 2014, including any statutory modification or any amendment or any substitution or re-enactment thereof for the time being in force, the Cost Auditor M/s R J Goel & Co. (a Cost Audit firm FRN:000026), who was appointed by the Board of Directors of the Company to conduct the audit of its cost records for the financial year ending 31st March, 2024, at a remuneration of ₹ 6,00,000 (Rupees Six lakh only) be and is hereby ratified.

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

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

"RESOLVED THAT in accordance with the provisions of Section 149, 150, 152, 160 and Schedule IV and such other applicable provisions, if any, of the Companies Act, 2013, (the Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014 including any statutory modification or any amendment or any substitution or re-enactment thereof for the time being in force read with the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (referred to as the Listing Regulations), if any, and such other applicable provisions and upon the recommendations of the Nomination and Remuneration Committee and the Board of Directors of the Company, approval of the members of the Company be and is hereby accorded to re-appoint Mr. Sunil Sikka, having Director Identification No. (DIN) – 08063385, who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations, and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act proposing his candidature for the office of a director, as an Independent Director of the Company, for the second term of a period of five consecutive years from 28th September, 2023 to 27th September, 2028 not liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors be and are hereby severally authorised to do all such acts, deeds and things as may be considered necessary to give effect to the aforesaid resolution but not limited to filing of necessary forms with the concerned statutory authorities."

7. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT in accordance with the provisions of Section 152, 178, 196, 197, 198, 200 and 202 read with Schedule V and such other applicable provisions, if any, of the Companies Act, 2013, (the Act) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 including any statutory modification or any amendment or any substitution or re-enactment thereof for the time being in force (referred to as 'Listing Regulations') and the Articles of Associations of the Company and subject to approvals, consents of any authorities as may be required, if any and upon the recommendation/

approval of Nomination & Remuneration Committee/ Board of Directors of the Company, the approval of the members of the Company be and is hereby accorded to the re-appointment Mr. Kaustubh Narsinh Karmarkar having Director Identification No. (DIN – 00288642) as the Whole-time Director of the Company for a period of five years commencing from 10th August, 2023 to 09th August, 2028 liable to retire by rotation, on such terms and conditions including remuneration, perquisites, benefits and amenities payable, as set out in the Agreement executed / to be executed between the Company and Mr. Kaustubh Narsinh Karmarkar, the main terms of which are set out in the explanatory statement with authority to the Board of Directors of the Company (which shall include the Nomination and Remuneration Committee of the Board) to alter and / or vary the terms and conditions of the said appointment within the limits, if any, prescribed in the Act and / or any schedules thereto.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the aforesaid period, the remuneration proposed to be paid to Mr. Kaustubh Narsinh Karmarkar shall be paid as minimum remuneration in due compliance of the provisions of Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors be and are hereby severally authorised to do all such acts, deeds and things as may be considered necessary to give effect to the aforesaid resolution but not limited to filing of necessary forms with the concerned statutory authorities."

8. To consider and, if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

SUB-DIVISION OF EQUITY SHARES FROM THE FACE VALUE OF RS. 10/- PER SHARE TO RS. 5/- PER SHARE

"RESOLVED THAT pursuant to provisions of Section 61(1)(d) and all other applicable provisions of the Companies Act, 2013 and rules framed thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the provisions of the Memorandum and Articles of Association of the Company and subject Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 referred to as 'Listing Regulations' and subject to such approvals, consents, permissions and sanctions as may be necessary from the appropriate statutory authority(ies), approval of the members of the Company be and is hereby accorded for sub-division of Equity Share of the Company having a face value of ₹ 10/- (Rupees Ten only) each fully paid up into two

(2) Equity Shares having a face value of ₹ 5/- (Rupees Five only) each fully paid up on such date as may be fixed by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any Committee thereof for the time being exercising the powers conferred by the Board) for this purpose (hereinafter referred to as "Record Date").

RESOLVED FURTHER THAT pursuant to the sub-division of equity shares of the Company, the Authorised, Issued, Subscribed, and Paid-up Equity Share Capital of 1(One) Equity Share of the face value of ₹ 10/- (Rupees Ten only) each shall stand sub-divided into two (2) equity shares having a face value of ₹ 5/- (Rupees Five only) each, existing on the Record Date and shall rank pari-passu in all respects with each other and carry the same rights as to the existing fully paid-up Equity Share of ₹ 10/- (Rupees Ten only) each of the Company.

RESOLVED FURTHER THAT the Board or Committee thereof be and is hereby authorised to make fair and reasonable adjustments as to the number and price of Options or Shares, as the case may be, due to sub-division of Equity Shares to such Granted options as on the Record Date and yet to be exercised by the employees of the Company under SRL Employee Stock Option Scheme – 2018 and Surya Roshni Limited Employees Stock Option Scheme – 2021, pursuant to Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and make any other necessary amendments in the Scheme if required thereto from time to time, such that the rights of the employees upon exercise of options shall stand proportionately adjusted.

RESOLVED FURTHER THAT upon the sub-division of the Equity Shares as aforesaid, the Existing Share Certificate(s) in relation to the existing Equity Shares of the face value of ₹ 10/- each held in physical form shall be deemed to have been automatically cancelled and to be of no effect on and from the Record Date and the Company may without requiring the surrender of the existing Share Certificate(s) directly issue and dispatch the new Share Certificate(s) of the Company, in lieu of such existing issued Share Certificate(s) and in case of the Equity Shares held in dematerialised form, the number of sub-divided Equity Shares be credited to the respective beneficiary accounts of the shareholders with the Depository Participants, in lieu of the existing credits representing the Equity Shares of the Company before sub-division.

RESOLVED FURTHER THAT the Board be and is hereby authorised, to take such steps as may be necessary including the delegation of all or any of its powers

herein conferred to any Director(s), the Company Secretary or any other officer(s) of the Company for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to execute all deeds, applications, documents, papers and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to above resolutions.

9. To consider and, if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

ALTERATION OF CLAUSE V I.E. CAPITAL CLAUSE OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY

"RESOLVED THAT pursuant to provisions of Section 13, 61 and other applicable provisions, if any, of the Companies Act, 2013, and rules issued there under (including any statutory modification or re-enactment thereof for the time being in force), and subject to such other approval(s)/consent(s) from the concerned Statutory/Regulatory Authority(ies) the approval of the members of the Company is hereby accorded to alter the existing Clause V of the Memorandum of Association of the Company relating to Capital by substituting with the following Clause V:

"V. The Authorised Share Capital of the Company is ₹ 2,67,50,00,000/- (Rupees Two hundred sixty seven crores fifty lakhs only) divided into 52,26,00,000 Equity Shares of ₹ 5/- each and 6,20,000 Redeemable Preference Shares of ₹ 100/- with rights, privileges and conditions attaching thereof as are provided in the Articles of Association of the Company for the time being with the power to increase, reduce or reorganise the Capital and to attach thereto, respectively, such preferential, qualified or special rights, privileges or conditions as may be determined by or in such manner as may be permitted by the Companies Act, 2013 or any other law relating to Companies for the time being in force or provided by the Articles of Association of the Company for the time being."

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any Committee thereof or any other person(s) for the time being exercising the powers conferred by the Board and as may be authorised by the Board in that behalf), be and is hereby authorised, to take such steps as may be necessary including the delegation of all or any of its powers herein conferred to any Director(s),

the Company Secretary or any other officer(s) of the Company for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to do all such acts, deeds, matters, and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution."

10. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT in accordance with the provisions of Section 152, 178, 196, 197, 198, 200, 202 and 203 read with Schedule V and such other applicable provisions, if any, of the Companies Act, 2013, (the Act) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 including any statutory modification or any amendment or any substitution or re-enactment thereof for the time being in force (referred to as 'Listing Regulations') and the Articles of Associations of the Company and subject to approvals, consents of any authorities as may be required, if any and upon the recommendation/ approval of Nomination & Remuneration Committee and Board of Directors of the Company, the approval of the members of the Company be and is hereby

accorded to the re-appointment of Mr. Raju Bista having Director Identification No. (DIN – 01299297) as the Managing Director of the Company for a period of five years commencing from 11th August, 2023 to 10th August, 2028 liable to retire by rotation, on such terms and conditions including remuneration, perquisites, benefits and amenities payable, as set out in the Agreement executed / to be executed between the Company and Mr. Raju Bista, the main terms of which are set out in the explanatory statement with authority to the Board of Directors of the Company (which shall include the Nomination and Remuneration Committee of the Board) to alter and / or vary the terms and conditions of the said appointment within the limits, if any, prescribed in the Act and / or any schedules thereto.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the aforesaid period, the remuneration proposed to be paid to Mr. Raju Bista shall be paid as minimum remuneration in due compliance of the provisions of Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors be and are hereby severally authorised to do all such acts, deeds and things as may be considered necessary to give effect to the aforesaid resolution but not limited to filing of necessary forms with the concerned statutory authorities."

By order of the Board

Registered Office:
Prakash Nagar, Sankhol,
Bahadurgarh – 124 507 (Haryana)
Dated: 11th August, 2023

Sd/-
B. B. SINGAL
CFO & COMPANY SECRETARY
Membership No. ACS 10781

NOTES

1. The Ministry of Corporate Affairs ("MCA") has vide its General circular Nos, 20/2020, 02/2021, 19/2021, 21/2021 and 10/2022 dated 5th May, 2020, 13th January, 2021, 8th December, 2021, 14th December, 2021 and 28th December, 2022 (collectively referred to as "MCA Circulars") permitted convening the Annual General Meeting ("AGM" / "Meeting") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), without the physical presence of the members at a common venue. In accordance with the MCA Circulars, provisions of the Companies Act, 2013 ('the Act') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company. Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and the proxy need not be a member of the Company. Since this AGM is being held through VC pursuant to the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed hereto. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. The Members can join the AGM in the VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. However, this number does not include the large Shareholders i.e. Shareholders holding 2% or more shareholding, Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. In compliance with the MCA Circulars and SEBI Circular dated 12th May, 2020, 15th January, 2021, 13th May 2022 and 5th January, 2023, Notice of the AGM along with the Annual Report 2022-23 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories at the close of the business hours on Friday, 18th August, 2023. Members may note that the Notice and Annual Report 2022-23 will also be available on the Company's website www.surya.co.in and also on the websites of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. However, a member may request hard copy of the same via writing us at cs@surya.in
6. **In terms of the provisions of Section 108 of the Companies Act, 2013 (the Act) read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (the Rules), as amended and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars, the Company is providing its members facility to exercise their right to vote on the Items of Business given in the AGM Notice dated 11th August, 2023 proposed to be passed in the Annual General Meeting ("meeting") of the Company scheduled to be held on Friday, 15th September, 2023 through Video Conferencing ("VC")/ Other Audio- Visual Means ("OAVM"), The members may cast their votes using an electronic voting system from a place other than the venue of the meeting (remote e-voting). The Company has engaged National Securities Depository Limited (NSDL) to provide e-voting platform to members. The facility of casting votes by a member using remote e-voting system as well as e-voting on the day of the AGM will be provided by NSDL The process of remote e-voting shall be as follows:**
THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING ANNUAL GENERAL MEETING ARE AS UNDER: -
 The remote e-voting period begins on Tuesday, 12th day of September, 2023 at 9:00 A.M. (IST) and ends on Thursday, 14th day of September, 2023 at 5:00 P.M. (IST) The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the cut-off date i.e. 8th September, 2023, may cast their vote electronically. The voting right of shareholders shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date, being 8th September, 2023.

Process to vote electronically using NSDL e-Voting system

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

I. Access to Depositories e-voting system in case of Individual Members holding shares in demat mode

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> If members are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under "IDeAS" section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on options available against company name on e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name on e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 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. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants.	Members can also login using the login credentials of its demat account through their Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name on e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Securities held with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 022-48867000 / 022-24997000
Securities held with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

II. Access to NSDL e-voting system in case of Members holding shares in physical and non-individual Members in demat mode

Step 1:

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

How to Log-in to NSDL e-Voting website

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

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

4. Your User ID details are given below :

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

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Click on "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

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

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

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Instructions:

- a) Any person who becomes members of the Company after dispatch of the Notice of the meeting and holding shares as on the cut-off date i.e. 8th September, 2023, will follow the above stated procedure or obtain the login ID and password by sending a request at evoting@nsdl.co.in or to the Company Registrar - MAS Services Limited at investor@masserv.com.
- b) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to send a scanned copy (PDF / JPG Format) of the Board Resolution / Authority Letter / Power of Attorney (POA) etc. together with attested specimen signature of the authorised signatory(ies) who are authorised to vote, to the Scrutinizer through e-mail to info@piassociates.co.in with a copy marked to evoting@nsdl.co.in.
- c) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User

Reset Password?" option available on www.evoting.nsdl.com to reset the password.

- d) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on 022-48867000 / 022-24997000 or send a request at evoting@nsdl.co.in or contact Ms. Pallavi Mhatre, Senior Manager, National Securities Depository Limited, Trade World, 'A' Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400013, at the designated email address: pallavid@nsdl.co.in/evoting@nsdl.co.in or at telephone no. +91 22 2499 4545.
- e) Members can also download the notice of the meeting at www.surya.co.in for exercising their e-voting rights.
- f) Members who have cast their vote through remote e-voting prior to the meeting may attend the meeting but shall not be allowed to cast their vote again.
- g) Mr. Ankit Singhi, (FCS No. 11685, C.P. No. 16274) Partner, M/s PI & Associates, Practicing Company Secretary (PR No. 1498/2021) failing which Mr. Nitesh Latwal, (ACS No.32109, C.P.No. 16276) Partner, M/s PI & Associates, shall act as the Scrutinizer as appointed by the Board for conducting the entire voting process in a fair and transparent manner in accordance with the applicable provisions of the Act & Rules.
- h) At the end of the Annual General Meeting voting exercise, Scrutinizer will download the entire voting data using its scrutinizer login.
- i) The Scrutinizer will submit his final report after the conclusion of the Annual General Meeting but not later than 2 (two) working days from the conclusion of AGM to the Chairman of the meeting or to the Company Secretary of the Company.
- j) The Chairman of the meeting or the Company Secretary of the Company shall announce the result of voting on the resolutions taken up at the 50th Annual General Meeting on or after submission of final report by the Scrutinizer.
- k) The results along with the Scrutinizer's Report, will be placed on the Company's website at www.surya.co.in and the website of NSDL immediately after the result is declared. The results shall simultaneously be communicated to the Stock Exchanges where the securities of the Company are listed. The resolutions will be deemed to be passed on the date of AGM subject to receipt of the requisite number of votes in favour of the resolutions.

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

- i) The procedure for e-Voting on the day of the AGM is as per the instructions mentioned overleaf.
- ii) Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
- iii) Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- iv) The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

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

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

before the start of the AGM. Those Members who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

PROCEDURE FOR REGISTRATION OF E-MAIL ADDRESS OF SHAREHOLDERS AND GETTING COPY OF NOTICE OF ANNUAL GENERAL MEETING AND ANNUAL REPORT 2022-23

- (i) Members, who are holding shares in physical/ electronic form and their e-mail addresses are not registered with the Company/their respective Depository Participants, are requested to register their e-mail addresses at the earliest by filling Form ISR-1 and sending the scanned copy of the Form mentioning their name, complete address, folio number, number of shares held with the Company along with self-attested scanned copy of the PAN Card and self-attested scanned copy of any one of the following documents viz., Aadhaar Card, Driving Licence, Election Card, Passport, utility bill or any other Govt. document in support of the address proof of the Member as registered with the Company for receiving the Annual Report 2022-23 along with AGM Notice by email to investor@masserv.com. Members holding shares in demat form can update their email address with their Depository Participants and send scan copy of client master to investor@masserv.com.
- (ii) If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
- (iii) Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
- (iv) In terms of SEBI circular dated 9th December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.
- (v) A member can also register his email address and contact details with us, by writing to us addressed to the Secretarial Department at our Corporate Office, or at our E-mail ID: investorgeivances@sroshni.com. This will help us in prompt sending of notices, annual reports and other shareholder communications in electronic form.

7. A statement pursuant to Section 102(1) of the Companies Act, 2013, are annexed hereto.
8. The recorded transcript of the forthcoming AGM on 15th September, 2023, shall also be made available on the website of the Company www.surya.co.in.
9. The Record date for taking into account the list of shareholders for final dividend entitlement is **25th August, 2023**.
10. The final dividend on Company's Equity Shares for the year ended 31st March, 2023, as recommended by the Board of Directors, if approved at the AGM, payment of such dividend subject to deduction of tax at source will be made as under:
 - (i) To all Beneficial Owners in respect of shares held in dematerialised form as per the data as may be made available by the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL"), collectively "Depositories", as of the close of business hours on **Friday, 25th August, 2023**.
 - (ii) To all Members in respect of shares held in physical form after giving effect to valid transfer, transmission or transposition requests lodged with the Company as of the close of business hours on **Friday, 25th August, 2023**.
11. Pursuant to Finance Act, 2020, dividend income will be taxable at the hands of shareholders w.e.f. 1st April, 2020 and the Company is required to deduct tax at source from dividend paid to members at prescribed rates. For the prescribed rates for various categories the members are requested to refer to the Finance Act, 2020 and amendments thereto. However, no tax shall be deducted on the dividend payable to a resident individual shareholder if the total dividend to be received during 2023-24 does not exceed ₹ 5,000/- A resident individual shareholder with PAN who is not liable to pay income tax submit a yearly declaration in Form 15G/15H, to avail the benefit of non-deduction of tax at Company's RTA at investor@masserv.com. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.
12. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, and the relevant documents referred to in the Notice will be available electronically for inspection by the members during the AGM.

All relevant documents referred to in the Notice or in the accompanying Statement can be obtained for inspection by writing to the Company at its email ID cs@surya.in on all working days till the date of AGM.
13. Pursuant to the provisions of Section 124(5) and (6) of the Companies Act, 2013, Ministry of Corporate Affairs (MCA) vide notification dated February 28, 2017 and 16th October, 2017 has notified Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules 2017 ('IEPF Rules') and inter-alia specified the manner for transfer of Unclaimed Dividend along with the shares, in respect of which dividend is unpaid or unclaimed for a period of seven years, to Investor Education and Protection Fund (IEPF) established by the Central Government. During the year, the Company has transferred 14,664 equity shares to IEPF Account as tabulated below in respect of which dividend stands unclaimed for a continuous period of seven years starting from 2014-15 onwards. Disclosure with respect to transfer of shares to IEPF account as per the provisions of section 124(6) of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

Year	Total No. of Shareholders at the beginning of the year	Outstanding Shares in IEPF demat suspense account at the beginning of the year	Total No. of Shareholders whose shares are transferred to IEPF demat suspense account during the year	Total No. of Shares transferred to IEPF suspense account during the year	Total No. of Shareholders who approached the Company for transfer of shares from IEPF suspense account during the year	No. of Shareholders to whom shares were transferred from IEPF Suspense Account during the year	No. of Shares Transferred from IEPF Suspense Account during the year	Aggregate No. of shareholders in demat suspense account lying at the end of the year.	Outstanding Shares in demat suspense account lying at the end of the year.	Voting Rights Frozen
2022-23	1,987	2,26,902	132	14,664	14	4	1,417	2,115	2,40,149	Nil

Further, pursuant to the provisions of Section 124(6) of the Act read with the relevant Rules made thereunder, shares on which dividend has not been paid or claimed for seven (7) consecutive years or more i.e. for 2015-16 to 2022-23 shall be transferred to the IEPF as notified by the Ministry of Corporate Affairs.

In accordance with the IEPF Rules, the Company has sent notices to all the Shareholders whose shares are due for transfer to the IEPF and has also published the details thereof in notices published in newspapers. The list of the shareholders whose shares are due for transfer during the year is also be available on the website of the Company www.surya.co.in under Investor.

The Members whose dividend/shares are transferred to the IEPF may claim the dividend/shares by making an application to the IEPF by following the procedure as detailed in the IEPF Rules and as enumerated on the website of IEPF at <http://www.iepf.gov.in/IEPF/refund.html>.

14. The Securities and Exchange Board of India ('SEBI') vide its circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3rd November, 2021 read with circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated 14th December, 2021 and circular no. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 16th March, 2023 has made it mandatory for the shareholders holding securities in physical form to furnish PAN, KYC (complete address with pin-code, bank detail with MICR-CODE & IFS CODE, Email-ID, Mobile Number) and Nomination details to the Registrar and Transfer Agent ('RTA') of the Company as effective from 1st January, 2022. Registrar will not process, any service requests or complaints received from the member until unless above KYC and nomination will not be completed by shareholder and such shareholders holding will be freeze by RTA on or after 1st October, 2023.

The shareholders holding shares in physical form are requested to note that in case of failure to provide required documents and details as per aforesaid SEBI circular, all folios of such shareholders shall be frozen on or after 1st October, 2023 by the RTA. In view of the above, shareholders of the Company holding securities in physical form are requested to provide following documents/details to RTA:

- i. PAN; (using ISR-1)
- ii. Nomination in Form No.SH-13 or submit declaration to 'Opt-out' in Form ISR-3;
- iii. Contact details including Postal address with PIN code, Mobile Number, E-mail address;
- iv. Bank Account details including Bank name and branch, Bank account number, IFS code;

- v. Specimen signature. (using ISR-2)

Any cancellation or change in nomination shall be provided in Form No.SH-14

The shareholders can download the forms mentioned in SEBI circular from the website of the Company www.surya.co.in or from RTA website i.e www.masserv.com. For any queries in this regard send an e-mail request at investor@masserv.com.

Shareholder(s) are requested to forward the duly filled in documents along with the related proofs as mentioned in the respective forms to the Company RTA MAS Services Limited, T-34, 2nd Floor, Okhla Industrial Area, Phase - II, New Delhi - 110020, Ph. : 011-26387281-82-83, Website:-www.masserv.com
Email:-investor@masserv.com

The scan copies of the documents may also be e-mailed through your registered email id with MAS Services Limited (RTA) at the e-mail id investor@masserv.com duly e-Signed on the forms and all proofs.

(A separate communication has already been sent to the respective shareholders from time to time.)

The security holder(s) whose folio(s) have been frozen shall be eligible:

- a. to lodge grievance or avail any service request from the RTA only after furnishing the complete documents / details as furnished above.
- b. for any payment including dividend, interest or redemption payment in respect of such frozen folios, only through electronic mode with effect from 1st April, 2024.
- c. Frozen folios shall be referred by the RTA / Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002, if they continue to remain frozen as on 31st December, 2025.

The RTA shall revert the frozen folios to normal status upon receipt of all the documents/details (self-attested) as above.

15. The SEBI has made it mandatory for all Companies to use the bank account details furnished by the Depositories and the bank account details maintained by the RTA for payment of dividend to Members electronically. The Company has extended the facility of electronic credit of dividend directly to the respective bank accounts of the Member(s) through Electronic Clearing Service (ECS)/National Electronic Clearing Service (NECS)/ Real Time Gross Settlement (RTGS)/ Direct Credit/NEFT etc. In the absence of ECS facilities, the Company will print the bank account details if available, on the payment instrument for distribution of dividend.

In order to receive the dividend without loss of time, the Members holding shares in physical form are requested to submit particulars of their bank accounts in Form No. ISRR-1 along with the original cancelled cheque bearing the name of the Member to the RTA, MAS Services Limited/Company to update their bank account details and all the eligible shareholders holding shares in demat mode are requested to update with their respective DPs, their correct Bank Account Number, including 9 Digit MICR Code and 11 digit IFSC Code, e-mail ID and Mobile No(s).

Members holding shares in physical form may communicate these details to the RTA viz. MAS Services Limited having address at RTA i.e. MAS Services Limited, having address at T-34 2nd Floor, Okhla Industrial Area, Phase-II, New Delhi 110020, by quoting the reference folio number and attaching photocopy of the cheque leaf of their active bank account and a self-attested copy of their Permanent Account Number ('PAN') card.

This will facilitate the remittance of the dividend amount as directed by SEBI in the bank account electronically. Updation of e-mail IDs and Mobile No(s) will enable the Company in sending communication relating to credit of dividend, un-encashed dividend, etc.

The Company or RTA cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the DPs of the Members.

16. In compliance with SEBI vide its circular SEBI/HO/ MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated

25th January, 2022, the following requests received by the Company / Company RTA in physical form will be processed and the shares will be issued in dematerialisation form only:-

- i. Issue of duplicate share certificate
- ii. Claim from unclaimed suspense account
- iii. Renewal/Exchange of securities certificate
- iv. Endorsement
- v. Sub-division / splitting of securities certificate / Consolidation of securities certificates/folios
- vi. Transmission
- vii. Transposition

For this purpose, the securities holder/claimant shall submit a duly filled up Form ISR-4 which is hosted on the website of the Company as well as on the website of MAS Services Limited, Registrar and share transfer agent (RTA) The aforementioned form shall be furnished in hard copy form.

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

To appoint Mrs. Urmil Agarwal (Director Identification No. – (00053809) who retires by rotation as a Director and, being eligible, offers herself for re-appointment and in this regard, to consider and if thought fit, to pass, with or without modification(s), the resolution as an Ordinary Resolution as set out in Item No.3 of the Notice.

Name of Director (DIN)	Urmil Agarwal (DIN-00053809)
Date of Birth,	15 th March, 1953
Age	70 years.
No. of Equity Shares held, either directly or indirectly in form of beneficial interest for any other person	No. of Shares held in the Company – 2,92,081
Qualification	B.A
Inter-se relationship with other directors and key managerial personnel of the Company	Mr. Jai Prakash Agarwal (Executive Chairman of the Company) and Mr. Vinay Surya (Managing Director) being as a spouse and son respectively.
Brief Resume, experience, nature of expertise in specific functional areas	She is the director of the Company since December, 2016 and has sound business acumen & understanding of both the businesses of the Company. Her active and effective participation in the Board and NRC Committee Meetings is highly praised. Being a lady she provides softer dimensions, which are more human, but remain charged and energised on key issues related to Company. She is a committed and dedicated lady for the entire Company. A great lady who balances the family, work and Company together.
Name of Companies in which she holds Directorship	Listed : Surya Roshni Limited Other than Listed : Pankaj Investments Limited

The number of meetings of the Board attended during the year	Attended 3 Board Meetings of the Company during the FY 2022-23 and 2 Board Meetings in FY 2023-24
Name of Committees of the Companies of which she holds Membership/ Chairmanship	Surya Roshni Limited - Member of Nomination & Remuneration Committee
Listed Entities from which the Director has resigned from Directorship in last 3 (three) years	None
Date of first appointment on the Board	19 th December, 2016
Terms and conditions of appointment	Mrs. Urmil Agarwal, who retires by rotation at this meeting being eligible, offers herself for re-appointment.
Details of remuneration sought to be paid and last drawn remuneration	He is entitled only for sitting fees for attending the Board and Committee Meetings of the Company. Sitting fees in FY 2022-23 : ₹ 3,70,000/-.

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

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

ITEM NO. 4

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

The Working Capital Limits including CEL Limits for forward cover of ₹ 1,79,700/- lakh secured on Second Charge basis, lent and advanced/agreed to be lent and advanced by State Bank of India, Punjab National Bank, IDBI Bank Limited, Canara Bank, HDFC Bank Limited, Bank of Baroda, DCB Bank Limited and Union Bank of India to the Company.

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

Section 180(1)(a) of the Companies Act, 2013 provides inter alia that the Board of Directors of a Public Company shall not, without the consent of shareholders of such Public Company in General Meeting, sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company, or where the Company owns more than one undertaking/unit, of the whole or substantially the whole of any such undertaking.

Since the mortgage by the Company of its immovable and movable properties as aforesaid in favour of the Lenders may be regarded as disposal of the Company's properties/undertakings, it is necessary for the members to pass a Special Resolution under Section 180(1)(a) of the Companies Act, 2013, before creation of the said fresh/ modification of the mortgage/charge.

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

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

ITEM NO. 5

The Board of Directors of the Company, on the recommendation of the Audit Committee in their meeting held on 27th April, 2023 approved the appointment of M/s R J Goel & Company (a Cost auditor firm having registration No.000026) as Cost Auditors to conduct the Audit of the cost records of the Company for the financial year ending 31st March, 2024 at a remuneration of ₹ 6,00,000/-.

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

Accordingly, consent of the members is sought via Ordinary Resolution as set out in Item No. 5 of the Notice for ratification of the remuneration payable to M/s R J Goel & Company (a Cost auditor firm) for the financial year ending 31st March, 2024.

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

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

ITEM NO. 6

Mr. Sunil Sikka having DIN -08063385 was last appointed as Non-Executive; Independent Director of the Company for a period of 5 years from 28th September, 2018 to 27th September, 2023 by the Shareholders in the 45th Annual General Meeting (AGM) of the Company held on 28th September, 2018.

Mr. Sunil Sikka, aged about 68 years, has an illustrious career of more than 4 decades and served Havells and Bajaj Electricals at top positions. He has also been the president of ELCOMA. During his tenure, he led multiple initiatives to accelerate growth in marketing of consumer electrical and lighting in India. He is a man who always looking for new-age products and with dynamic marketing strategies. His long experience in Lighting sector helps him to deliver its best as a member on the Board / Committee Meetings. Under his guidance the Company has achieved higher growth and emerged today as the leading organisation in the Lighting segment. The Board has benefitted from his relevant specialisation and expertise. Details on his attendance of various Board Meetings held during the last financial year are included in the Corporate Governance Report of the Annual Report.

Mr. Sunil Sikka is not disqualified from being re appointed as Director in terms of Section 164 nor debarred by any SEBI order and has given a declaration that he meets the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013 to act as an Independent Director of the Company.

On the basis of his long experience and positions held at various levels, the Board of Directors is of the opinion that he possesses appropriate balance of skills, experience and knowledge including required capabilities for being reappointed as an independent director on the Board of the Company and enable the Board to discharge its function and duties effectively.

As per the provisions of Section 149, an independent director can hold office for a term up to 5 (five) consecutive years on the board of a company for two consecutive terms and shall not be included in the total number of directors for retirement of rotation. Mr. Sunil Sikka meets the criteria of independence and is eligible for reappointment for a second term as per the provisions of the Companies Act, 2013 and the rules made thereunder read with Listing Regulations and he is not debarred from re-appointment by any order of SEBI or any other authority.

Further as per Listing Regulations, no listed entity can continue the directorship of any person as a non-executive director who has attained the age of 75 (seventy-five) years of re-appoint for the second term unless a special resolution is passed to that effect.

In line with the above requirements, the Board of Directors upon the recommendation of the Nomination and Remuneration Committee and based on his exceptional performance evaluation report over the years, in its meeting held on 11th August, 2023 proposed the name of Mr. Sunil Sikka for re-appointment as a Non-executive Independent Director of the Company for the second term for a consecutive period of five years from 28th September, 2023 to 27th September, 2028 not liable to retire by rotation and recommends the same for the approval by the shareholders of the Company as a **Special Resolution** as set out at item no. 6 of this notice.

Draft terms and conditions for appointment of Independent Director of the Company are available on the website of the Company and can be accessed via. www.surya.in

Except Mr. Sunil Sikka and his relatives (to the extent of their shareholding in the Company, if any), no other Director(s) and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the said Resolution.

The requisite details and information pursuant to Regulation 36(3) of the Listing Regulations, the Act and Secretarial Standards-2, as on the date of Notice, are provided at Page No 17 of this Notice.

ITEM NO. 7

The shareholders of the Company at the Annual General Meeting held on 28th September, 2018 had approved the appointment of Mr. Kaustubh Narshin Karmarkar (DIN-00288642) as Whole-time Director designated as Director – Human Resource of the Company for a period of five years from 10th August, 2018 to 09th August, 2023. Since assumed the office of Whole-time Director as Human Resource Director of the Company he is managing the most sensitive portfolio of Human Resouce in the Company and through his managerial skills have developed harmonious relations between workers, staff and management. He is taking care of the deployment, imparting training and skill up-dation in the youth of the Company. He is also looking after the Corporate Social Responsibility (CSR) activities of the Company. Being a competent and dedicated person, he is looking after each plants and offices as an occupier of the Company. He discharged his role effectively through rationalisation of manpower by re-deployment of it.

The Board, upon the recommendation of the Nomination and Remuneration Committee, in its Meeting held on 11th August, 2023, has approved the reappointment of Mr. Kaustubh Narsinh Karmarkar as Whole-Time Director designated as Director – Human Resource for a period of five years w.e.f. 10th August, 2023 to 09th August, 2028 at the following remuneration:

- SALARY** : ₹ 8,03,572/- per month w.e.f 10th August, 2023 (CTC of ₹ 9,00,000/- per month upto 31st March, 2024 with an annual increment of 5% in CTC w.e.f. 1st April of every year).
- PERQUISITES** : Perquisites will be allowed in addition to salary. For this purpose unless the context otherwise requires, perquisites are classified into three categories: Parts A, B and C and the ceiling shall apply only to Part-A.
- PART-A** : Perquisites upon exercise of Employee Stock Options already granted to him which are yet to be exercised, whether vested or not, under the SRL Employee Stock Options Scheme – 2018.

PART-B

The following perquisites shall not be included in the computation of the ceiling on remuneration specified in Paragraph I of Section IV of part II of Schedule V of the Companies Act, 2013.

- 1) Contribution to Provident Fund to the extent that is not taxable under the Income Tax Act.
- 2) Gratuity payable shall not exceed a half months's salary for each completed year of service.
- 3) Encashment of leave at the end of the tenure.

PART-C

The Company shall provide a car with driver and telephone facility at the residence of the Whole – time Director. Provision of car with driver for use of Company's business and telephone facility at the residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company on the Whole-Time Director.

The aforesaid remuneration shall be subject to the limit of 5% of the net profits as laid down under sub-section (1) of section 197 of the Companies Act, 2013.

If the Company has no profits or the profits are inadequate in any financial year during the terms of his office as the Whole-time Director, Sh. Kaustubh Narsinh Karmarkar will be entitled to receive the above remuneration and perquisites as minimum remuneration , provided that the total remuneration, of salary , perquisites and any other allowances shall not exceed the ceiling as provided in section II of the Part II of Schedule V of the Companies Act, 2013 or such other amount and perquisites as/is may be provided in the said schedule V as may be amended from time to time or any equivalent statutory re-enactment(s) thereof.

No sitting fees will be paid to him for attending the meetings of the Board of Directors of the Company or Committees thereof.

Shri Kaustubh Narsinh Karmarkar is not debarred from re-appointment pursuant to any order of SEBI or any other competent authority.

The Board of Directors recommends the resolution as set out in item No.7 of the notice for the approval of the shareholders as an Ordinary Resolution.

Copy of the Agreement executed / to be executed between the Company and Mr. Kaustubh Narsinh Karmarkar along with other relevant documents related to his re-appointment as Whole-time Director are open for

inspection electronically without any fees for the members from the date of dispatch of this notice till the date of the meeting. Members seeking to inspect such documents can send an email to cs@surya.in.

Except Sh. Kaustubh Narsinh Karmarkar and his relatives (to the extent of their shareholding in the Company , fi any), no other Director(s) and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the said Resolution.

The requisite details and information pursuant to Regulation 36(3) of the Listing Regulations, the Act and Secretarial Standards-2, as on the date of Notice, are provided at Page No 17 of this Notice.

ITEM NO. 8 & 9

The Equity Shares of your Company are listed and traded on BSE Limited and National Stock Exchange of India Limited

With a view to encourage wider participation of small investors and to enhance the liquidity of the Equity Shares at the Capital Market, the Board of Directors at its meeting held on 11th August, 2023, has considered and recommended the subdivision of 1 (One) Equity Share of the Company of the face value of ₹ 10/- (Rupees Ten only) each into 2 (Two) Equity Shares of the Company of face value of ₹ 5/- (Rupees Five only) each fully paid up subject to the approval of the Members and other statutory and regulatory approvals, as applicable.

Presently, the Authorised Equity Share Capital of the Company is ₹ 2,61,30,00,000/- divided into 26,13,00,000 Equity Shares of ₹ 10/- each and the paid-up equity share capital of the Company is ₹ 54,40,89,740/- divided into 5,44,08,974 Equity Shares of ₹ 10/- each fully paid-up.

There will not be any change in the amount of authorised and paid-up share capital on account of the sub-division of Equity Shares. However, the paid-up equity share capital may change as on the record date due to the allotment of shares, if any, before the record date. The sub-division as aforesaid would also require consequential amendments to the existing Clause V of the Memorandum of Association ("MOA") of the Company as set out in Item No. 9 of the Notice to reflect the change in face value of each Equity Share of the Company from existing Rs 10 (Rupees Ten only) each to proposed ₹ 5/- (Rupees Five only) each. As per the provision of Sections 13 and 61 of the Companies Act, 2013, any alteration in the Capital clause of MOA of the Company shall be effected only after the approval of the Members by passing an Ordinary Resolution.

Further, sub-division of Equity Shares, inter alia, require appropriate adjustments with respect to all the options granted by the Company under SRL Employee Stock Option Scheme – 2018 and Surya Roshni Limited Employee Stock Option Scheme – 2021, such that all the options outstanding as on the Record Date as well as options which are available for grant and those already granted but not exercised as on the Record Date shall be proportionately adjusted.

None of the Directors / Key Managerial Personnel of the Company or their relatives are concerned or interested in the resolution except to the extent of their shareholding in the Company, if any.

The Board recommends the resolutions set forth in Item no. 8 and 9 of the notice for the approval of the members as Ordinary Resolutions.

ITEM NO. 10

The shareholders of the Company at the Annual General Meeting held on 4th September, 2019 had approved the appointment of Mr. Raju Bista (DIN-01299297) as Managing Director of the Company for a period of five years from 14th November, 2018 to 13th November, 2023.

Mr. Raju Bista, is a strong young dynamic leader who leads from the front with a balanced approach. He is a phenomenal man blessed with exemplary leadership

qualities with caliber, patience, modern ideas, conceptual thinking that stands him today among one of the top Industry leaders. He is an astute strategist in terms of technology, marketing network. He is young in age but his grasp in terms of Industry knowledge is exceptional. He is a visionary man who took prompt and effective decision by analyzing the situation well before it actually happens to ensure performance of the Company will not suffer in any scenario. He is a man with clarity in its mind and speech makes him an exceptional leader. He focuses not only on creating the Company's intrinsic value but also the extrinsic value. Being a managing director of the Company over a decade, he always delivers his best.

The Board, upon the recommendation of the Nomination and Remuneration Committee, in its Meeting held on 11th August, 2023, has approved the reappointment of Mr. Raju Bista as Managing Director for a period of five years w.e.f. 11th August, 2023 to 10th August, 2028 on the remuneration and terms and conditions, as set out in the Agreement executed / to be executed and as stated below in suppression of the earlier Principal Agreement dated 17th November, 2018 along with all subsequent supplementary Agreements executed time to time between the Company and Mr. Raju Bista related to his earlier tenure of appointment at the following remuneration:

BASIC SALARY	:	₹ 27.00 Lakhs per month w.e.f 11th August, 2023 (upto 31st March, 2024) with an annual increment of 5% on last drawn basic salary on 1st April of every year.
COMMISSION	:	1% of the Profit Before Tax (PBT) of the financial year derived on the basis of Audited Financial Statements of the Company and will be paid on or after the approval of Audited Financial Statements by the Board of Directors of the Company for the concerned financial year per annum basis for the period served under the agreement.
PERQUISITES	:	Perquisites will be allowed in addition to salary. For this purpose, unless the context otherwise requires, perquisites are classified into three categories: Parts A, B and C and the ceiling shall apply only to Part-A.

PART-A

Medical Reimbursement	:	Expenses incurred for self and family subject to a ceiling of one month's salary per year or three months' salary in period of three years.
Leave Travel Concession	:	For self and family once in a year incurred with the rules specified by the Company.
Club Fees	:	Fees of club subject to maximum of two clubs. Admission and life membership fees shall not be allowed.
Personal Accident Insurance	:	Premium not exceed ₹ 4,000/- per month.

PART-B

The following perquisites shall not be included in the computation of the ceiling on remuneration specified in Paragraph I of Section IV of part II of Schedule V of the Companies Act, 2013.

- 1) Contribution to Provident Fund to the extent that is not taxable under the Income Tax Act.
- 2) Gratuity payable shall not exceed a half months' salary for each completed year of service.

- 3) Encashment of leave at the end of the tenure.

PART-C

The Company shall provide a car with driver and telephone facility at the residence of the Managing Director. Provision of car with driver for use of Company's business and telephone facility at the residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company on the Managing Director.

The aforesaid remuneration shall be subject to the limit of 5% of the net profits as laid down under sub-section (1) of section 197 of the Companies Act, 2013.

If the Company has no profits or the profits are inadequate in any financial year during the terms of his office as the Managing Director, Mr. Raju Bista will be entitled to receive the above remuneration and perquisites as minimum remuneration, provided that the total remuneration, of salary, perquisites and any other allowances shall not exceed the ceiling as provided in section II of the Part II of Schedule V of the Companies Act, 2013 or such other amount and perquisites as/is may be provided in the said schedule V as may be amended from time to time or any equivalent statutory re-enactment(s) thereof.

Apart from the aforesaid remuneration, Mr. Raju Bista will be entitled to reimbursement of expenses incurred in connection with the business of the Company.

No sitting fees will be paid to him for attending the meetings of the Board of Directors of the Company or Committees thereof

Shri Raju Bista is not debarred from re-appointment pursuant to any order of SEBI or any other competent authority.

The Board of Directors recommends the resolution as set out in item No.10 for the approval of the shareholders as Ordinary Resolution.

Copy of the Agreement executed / to be executed between the Company and Mr. Raju Bista along with other relevant documents related to his re-appointment as Managing Director are open for inspection electronically without any fees for the members from the date of dispatch of this notice till the date of the meeting. Members seeking to inspect such documents can send an email to cs@surya.in.

Except Mr. Raju Bista and his relatives (to the extent of their shareholding in the Company, if any), no other Director(s) and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the said Resolution.

The requisite details and information pursuant to Regulation 36(3) of the Listing Regulations, the Act and Secretarial Standards-2, as on the date of Notice, are provided at Page No 17 of this Notice.

Details of Directors seeking Appointment / Re-appointment

[Pursuant to Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard-2 on General Meeting]

Name of Director (DIN)	Sunil Sikka (DIN-08063385)	Kaustubh Narsinh Karmarkar (DIN-00288642)	Raju Bista (DIN-01299297)
Date of Birth	16 th September, 1955	7 th February, 1979	3 rd January, 1986
Age	68 years.	44 years.	37 years.
No. of Equity Shares held, either directly or indirectly in form of beneficial interest for any other person	No. of Shares held in the Company – Nil	No. of Shares held in the Company – Nil	No. of Shares held in the Company – Nil
Qualification	B.E. (Mech.)	Commerce Graduate from Delhi University	Graduate in Arts from Manipur and has done executive Master Programme in Business Administration in Marketing Management from National Institute of Business Management.
Inter-se relationship with other directors and key managerial personnel of the Company	None	None	None
Brief Resume, experience, nature of expertise in specific functional areas	Possess vast experience of more than 4 decades and served Havells and Bajaj Electricals at top positions and has also been the president of ELCOMA. During his tenure, he led multiple initiatives to accelerate growth in marketing of consumer electrical and lighting in India.	Possess vast experience of 25 years in the field of Management, Human Resources and Planning.	Possess vast experience of 15 years in the field of Management, Finance, Marketing.
Name of Companies in which he holds Directorship	Listed: Eveready Industries India Limited, Surya Roshni Limited Other than Listed: Sudhir Power Limited	Listed : Surya Roshni Limited Other than Listed: Surya Roshni LED Lighting Projects Limited	Listed : Surya Roshni Limited

The number of meetings of the Board attended during the year	Attended 4 Board Meetings of the Company during the FY 2022-23 and 2 Board Meetings in FY 2023-24	Attended 4 Board Meetings of the Company during the FY 2022-23 and 2 Board Meetings in FY 2023-24	Attended 4 Board Meetings of the Company during the FY 2022-23 and 2 Board Meetings in FY 2023-24
Name of Committees of the Companies of which he holds Membership/ Chairmanship	<p>Sudhir Power Limited</p> <ul style="list-style-type: none"> - Member of Audit Committee <p>Eveready Industries India Limited</p> <ul style="list-style-type: none"> - Chairmanship of Audit Committee <p>Surya Roshni Limited</p> <ul style="list-style-type: none"> - Member of Audit Committee - Chairperson of Risk Management Committee, - Chairperson of Stakeholders Relationship Committee - Chairperson of Committee of Directors 	<p>Surya Roshni Limited</p> <ul style="list-style-type: none"> - Member of Risk Management Committee - Member of Corporate Social Responsibility Committee 	<p>Surya Roshni Limited</p> <ul style="list-style-type: none"> - Member of Corporate Social Responsibility, - Member of Stakeholders Relationship Committee, - Member of Committee of Directors
Listed Entities from which the Director has resigned from Directorship in last 3 (three) years	None	None	None
Date of first appointment on the Board	12 th February, 2018	10 th August, 2018	18 th June, 2009
Terms and conditions of appointment	Re-appointment as an Independent Director of the Company for the second term of five consecutive years from 28th September, 2023 to 27th September, 2028 (for further details refer Item No.6 of Notice and Explanatory Statement).	Re-appointment as Whole-time Director of the Company for a period of five years from 10th August, 2023 to 9th August, 2028 (for further details refer Item No.7 of Notice and Explanatory Statement).	Re-appointment as Managing Director of the Company for a period of five years from 11th August, 2023 to 10th August, 2028 (for further details refer Item No.10 of Notice and Explanatory Statement).
Details of remuneration sought to be paid and last drawn remuneration	He is entitled only for sitting fees for attending the Board and Committee Meetings of the Company. Sitting fees in FY 2022-23 : ₹ 8,10,000/-	Remuneration sought to be paid is specified in Item No. 7 of Notice and Explanatory Statement. The last drawn remuneration is ₹ 1.377 crore in FY 2022-23 as per terms of agreement approved by shareholders at AGM held on 28th September, 2018.	Remuneration sought to be paid is specified in Item No.10 of Notice and Explanatory Statement. The last drawn remuneration is ₹ 7.680 crore in FY 2022-23 as per terms of agreement approved by shareholders at AGM held on 4th September, 2019.

By order of the Board

Registered Office:
Prakash Nagar, Sankhol,
Bahadurgarh – 124 507 (Haryana)
Dated: 11th August, 2023

Sd/-
B. B. SINGAL
CFO & COMPANY SECRETARY
Membership No. ACS 10781