

**32<sup>ND</sup> ANNUAL REPORT**  
**SURAJ INDUSTRIES LTD.**  
**2023-24**

## CORPORATE INFORMATION

NON-EXECUTIVE CHAIRPERSON OF THE COMPANY	MR. SANJAY KUMAR JAIN
MANAGING DIRECTOR	MR. SURAJ PRAKASH GUPTA
WHOLE TIME DIRECTOR	MR. ASHU MALIK
NON-EXECUTIVE INDEPENDENT WOMEN DIRECTOR	MRS. POOJA SOLANKI
NON-EXECUTIVE INDEPENDENT DIRECTOR	MR. NAZIR BAIG
NON-EXECUTIVE DIRECTOR	MR. VYOM GOEL
CHIEF FINANCIAL OFFICER	MR. SOMIR BHADURI
COMPANY SECRETARY & COMPLIANCE OFFICER	MS. SNEHLATA SHARMA
BANKER	PUNJAB NATIONAL BANK
STATUTORY AUDITOR	M/S PAWAN SHUBHAM & CO., CHARTERED ACCOUNTANTS
SECRETARIAL AUDITOR	M/S A R MISHRA & ASSOCIATES COMPANY SECRETARIES
REGISTERED OFFICE	PLOT NO. 2, PHASE III SANSARPUR TERRACE, DISTT. KANGRA, HIMACHAL PRADESH, 173212  CONTACT NO-01970-256414
CORPORATE OFFICE	F-32/3, SECOND FLOOR, OKHLA INDUSTRIAL AREA, PHASE - II, NEW DELHI-110020  CONTACT NO-011-42524455
REGISTRAR & SHARE TRANSFER AGENT	BEETAL FINANCIAL & COMPUTER SERVICES PVT. LTD. BEETAL HOUSE, 3 <sup>RD</sup> FLOOR, 99, MADANGIR, NEW DELHI-110062  CONTACT NO-011-29961281/83

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## NOTICE OF THE 32<sup>ND</sup> ANNUAL GENERAL MEETING

Notice is hereby given that the 32<sup>nd</sup> (Thirty Second) Annual General Meeting (AGM) of the members of **M/s Suraj Industries Ltd** will be held on **Thursday, September 26, 2024 at 03:30 P.M. (IST)** through Video Conferencing (“VC”)/ Other Audio Visual Means (“OAVM”), to transact the following business:

### ORDINARY BUSINESS

1. **TO CONSIDER AND ADOPT THE AUDITED STANDALONE AND CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024 TOGETHER WITH THE REPORT OF THE BOARD OF DIRECTORS AND AUDITORS’ THEREON.**
2. **TO APPOINT A DIRECTOR IN PLACE OF MR. ASHU MALIK (DIN:07998930), WHO RETIRES BY ROTATION, AND BEING ELIGIBLE, OFFERS HIMSELF FOR THE RE-APPOINTMENT.**

### SPECIAL BUSINESS

3. **TO CONSIDER AND APPROVE INCREASE IN AUTHORISED SHARE CAPITAL AND CONSEQUENT AMENDMENT TO THE CAPITAL CLAUSE OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY.**

To consider and if thought fit, to pass the following resolution as **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 13, 61 and 64 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the “Act”) and the Rules made thereunder {including any statutory modification(s) thereto or re-enactment thereof, for the time being in force} and Article No. 3 of Articles of Association of the Company, the authorized share capital of the Company, be and is hereby accorded to increase from Rs. 20,00,00,000/- (Rupees Twenty Crore Only) divided into 2,00,00,000 (Two Crore) equity shares of Rs.10/- (Rupees Ten Only) each to Rs. 25,00,00,000/- (Rupees Twenty-Five Crore Only) divided into 2,50,00,000 (Two Crore and Fifty Lakhs) equity shares of Rs. 10/- (Rupees Ten Only) each, by creation of additional 50,00,000 (Fifty Lakh) equity shares of Rs.10/- (Rupees Ten Only) each.”.

**RESOLVED FURTHER THAT** pursuant to provisions of Section 13, 61 and 64 of the Act, all other applicable provisions, if any, of the Act read with the enabling provisions of the Articles of Association, the consent of the Members of the Company be and is hereby accorded to substitute the existing Capital Clause (Clause V) of the Memorandum of Association of the Company with the following Capital Clause (Clause V):

**Clause: V. The authorized share capital of the Company is Rs. 25,00,00,000/- (Rupees Twenty-Five Crore Only) divided into 2,50,00,000 (Two Crore and Fifty Lakh) equity shares of Rs.10/- (Rupees Ten Only) each.**

**RESOLVED FURTHER THAT** any Director/Company Secretary of the company be and is hereby severally authorized to sign and file the necessary forms and returns with the concerned Registrar of

companies and to take such other actions and to do all deeds and things as may be necessary or desirable for giving effect to this resolution.”

**RESOLVED FURTHER THAT** all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified and confirmed in all respect.

**4. APPOINTMENT OF MR. VYOM GOEL (DIN: 10063284) AS DIRECTOR OF THE COMPANY.**

To consider and if thought fit, to pass the following resolution as **Ordinary Resolution**:

“**RESOLVED THAT** Mr. Vyom Goel (DIN: 10063284), who was appointed by the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee as an Additional (Non- Executive Non- Independent) Director of the Company with effect from August 13, 2024 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) and any other applicable provisions, if any, of the Companies Act, 2013 (“Act”) (including any statutory modifications and re-enactments thereof for the time being in force), read with article 94 of the Articles of Association of the Company, and who is eligible for appointment and has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company, liable to be retire by rotation.”

**RESOLVED FURTHER THAT** any Director/Company Secretary of the company be and is hereby severally authorized to sign and file the necessary forms and returns with the concerned Registrar of companies and to take such other actions and to do all deeds and things as may be necessary or desirable for giving effect to this resolution.”

**5. TO CONSIDER AND APPROVE THE ALTERATION OF THE ARTICLES OF ASSOCIATION OF THE COMPANY.**

To consider and if thought fit, to pass the following resolution as **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 5, 14 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”), read with Rules made thereunder (including any statutory modifications or re-enactment thereof, for the time being in force), the consent of the members of the Company be and is hereby accorded to alter the Article no. 18, Article no. 25 and Articles no. 34 of the Articles of Association of the Company by substituting with the following new Article no. 18 , Article no. 25 and Article No. 34 :

**18. Length of Notice of Calls**

*Not less than fourteen (14) days” notice of any call shall be given specifying the time and place of payment and the person to whom such call shall be paid, provided that the Board may, by notice in writing to the Members of the Company, extend the time for payment thereof.*

**25. Forfeiture**

*The notice shall name a day, not earlier than the expiration of fourteen (14) days from the date of service of the notice, on or before which the payment required by the notice is to be made, and shall*

*state that, in the event of non-payment on or before the time appointed, the Shares in respect of which the same is owing will be liable to be forfeited.*

### **34. Enforcing lien by Sale**

*For the purpose of enforcing such lien, the Board may sell the Shares subject thereto in such manner as it may think fit but no sale shall be made until the expiration of fourteen (14) days after a notice in writing stating and demanding payment of such amount, in respect of which the lien exists, has been given to the registered holder of the Shares for the time being or to the person entitled to the Shares by reason of the death or insolvency. Default shall have been made by him or them in payment, fulfilment, or discharge of such debts, liabilities or engagements for fourteen (14) days after such notice.*

**RESOLVED FURTHER THAT** any Director/Company Secretary of the company be and is hereby severally authorized to sign and file the necessary forms and returns with the concerned Registrar of companies and to take such other actions and to do all deeds and things as may be necessary or desirable for giving effect to this resolution.”

**RESOLVED FURTHER THAT** all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified and confirmed in all respect.

### **6. RE-APPOINTMENT OF MR. ASHU MALIK (DIN: 07998930) AS WHOLE TIME DIRECTOR OF THE COMPANY.**

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Regulation 17(1C) and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), Articles of Association, and based on the recommendation of Nomination and Remuneration Committee and approval of the Board of Directors, subject to all other necessary approval(s) as may be required, the consent of the members of Company be and is hereby accorded for the re-appointment of Mr. Ashu Malik (DIN: 07998930) as Whole Time Director of the Company designated as Key Managerial Personnel for a further period of 1 (One ) year commenced from June 27, 2024 till June 26,2025, upon the terms and conditions as referred in explanatory statement.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 196, 197 and 203 read with the rules made thereunder and Schedule V to the Act and other applicable provisions, if any, and subject to such approvals as may be required, and pursuant to the Articles of Association of the Company, the consent of the members of the Company be and is hereby accorded for payment of remuneration as may be approved by the Board of Directors subject to a maximum of Rs.1.25 Lakhs per month.

**RESOLVED FURTHER THAT** on the recommendations of the Nomination and Remuneration Committee, the Board of Directors be and are hereby authorized to increase, vary or amend the remuneration including salary, allowances, perquisites and benefits, minimum remuneration and

other terms of his appointment, from time to time, as deemed expedient or necessary within the overall limit of Rs 1.25 lakhs per month.”

**RESOLVED FURTHER THAT** notwithstanding anything contained in Sections 197, 198 and Schedule V of the Act or any amendments / re-enactment thereof or any revised/ new schedule thereof, in the event of absence of profits or inadequate profits in any financial year, the remuneration, as provided above be paid as minimum remuneration to Mr. Ashu Malik, the Whole-time Director of the Company even if it exceeds the various stipulated limits of the various provisions of the Act or the rules related thereto during the tenure of his office

**RESOLVED FURTHER THAT** no sitting fees will be paid to Whole Time Director for attending meeting of the Board of Directors or any committee thereof.

**RESOLVED FURTHER THAT** any Director/Company Secretary of the company be and is hereby severally authorized to sign and file the necessary forms and returns with the concerned Registrar of companies and to take such other actions and to do all deeds and things to comply with all the formalities required to be fulfilled in connection with the re-appointment of Whole-Time Director.”

**By Order of the Board of Directors  
For Suraj Industries Ltd**

**Place : New Delhi  
Dated : August 30,2024**

**Sd/-  
Snehlata Sharma  
Company Secretary  
Membership No. A62066**

**Registered Office:**  
Plot No. 2, Phase-III, Sansarpur Terrace,  
Distt .Kangra, Himachal Pradesh-173212  
Ph- 01970-256414

**Corporate office:**  
F-32/3, Second Floor, Okhla Industrial Area,  
Phase –II, New Delhi-110020  
Ph- 011-42524455

## NOTES

- a. With Reference to General Circular No.14/2020 dated April 08, 2020, General Circular No. 17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021, Circular No. 19/2021 dated December 8, 2021, Circular No. 21/2021 dated December 14, 2021, Circular No. 02/2022 dated May 5, 2022 , Circular No. 10/2022 dated December 28, 2022 and Circular No. 09/2023 dated September 25, 2023 respectively, issued by the Ministry of Corporate Affairs (“MCA Circulars”) read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11, dated January 15, 2021 , SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 , SEBI/HO/CFD/PoD-2/ P/CIR/2023/4 dated January 05, 2023 and SEBI/HO/CFD/CFD-PoD-2/ P/CIR/2023/167 dated October 07, 2023 issued by the Securities and Exchange Board of India (“SEBI Circular”) and in compliance with the provisions of the Companies Act, 2013 (“Act”) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations/SEBI Listing Regulations”) all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and it can be held through video conferencing (“VC”) or other audio visual means (“OAVM”). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM. In compliance with the applicable provisions of the Act, SEBI Listing Regulations, MCA Circulars, the AGM of the Company is being held through VC/OAVM on **Thursday, 26<sup>th</sup> September, 2024 at 03:30 P.M. (IST)**. The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company at Plot No. 2, Phase - III, Sansarpur Terrace, Kangra, Himachal Pradesh – 173212. The deemed venue for the AGM shall be the Registered Office of the Company. Instructions for attending the meeting through VC/OAVM and remote e-voting are attached.
- b. In line with the various MCA Circulars, Notice of the AGM is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories (“DP”)/ Registrar & Share Transfer Agent of the Company (“RTA”). Members may note that the Notice of AGM will also be available on the Company's website [www.surajindustries.org](http://www.surajindustries.org) , website of BSE Limited ([www.bseindia.com](http://www.bseindia.com)) and website of e-voting agency i.e. Central Depository Services Limited ([www.evotingindia.com](http://www.evotingindia.com)).
- c. The Notice calling the AGM along with complete Annual Report has been uploaded on the website of the Company [www.surajindustries.org](http://www.surajindustries.org). The Notice can also be accessed from the websites of the Stock Exchanges i.e. at [www.bseindia.com](http://www.bseindia.com) and the AGM Notice is also available on the website of CDSL (agency for providing the Remote e-Voting facility and providing necessary platform for Video Conference/OAVM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
- d. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to items of Special Business is attached and forms part of this notice.
- e. E-voting shall commence on **Monday, September 23, 2024 at 10:00 A.M. (IST) and end on Wednesday, September 25, 2024 at 5:00 P.M. (IST)**. The e-voting module shall be disabled for voting thereafter. The voting rights of the Members (for voting through remote e-Voting before/ during the AGM) shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut-off date of **September 19, 2024**. Votes once casted can't be change subsequently.



- f. The Members are requested to cast their vote for both the events if they are holding fully paid-up shares (EVSN XXXX) as well as partly paid-up shares (EVSN XXXX). However, if any Member holding either of the shares i.e. fully paid-up or partly paid-up, they are requested to cast their vote under the respective Event only.
- g. Pursuant to the provisions of the Companies Act, 2013, a member entitled to attend and vote at the General Meeting is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM will be held through VC / OAVM physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the Annual General Meeting and hence the Proxy Form and Attendance Slip & Route Map to the venue of AGM are not being annexed to this Notice.
- h. 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. Members can attend and participate in the Annual General Meeting through VC/OAVM only.
- i. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/ JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the company by email through its registered email address at [secretarial@surajindustries.org](mailto:secretarial@surajindustries.org).
- j. SEBI vide its Circular dated November 03, 2021 has made it mandatory for the shareholders holding shares in physical form to furnish PAN, KYC details and Nominations viz Forms ISR-1, ISR-2, ISR-3, SH-13, SH-14. A copy of such forms can be downloaded from the website of the Company at [www.surajindustries.org](http://www.surajindustries.org). In case of failure to provide required documents and details as per the aforesaid Circular, all folios of such shareholders shall be frozen on or after October 01, 2023 by the RTA. Further, such frozen securities shall be referred by the RTA or the 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 of December 31, 2025.

In compliance with the above stated Circular, the Company had already send individual communication to its shareholders holding shares in the physical form requesting them to update their PAN, KYC details and Nomination. In order to avoid freezing of folios, such members are further requested to furnish details in the prescribed form as mentioned in the aforesaid SEBI circular along with the supporting documents, wherever required, to our RTA, Beetal Financial and Computer Services (Pvt) Limited, for immediate action.

In case of any query/assistance, members are requested to contact our R&TA at [beetalrta@gmail.com](mailto:beetalrta@gmail.com).

SEBI vide Circular (SEBI/HO/MIRSD/DOP1/CIR/P/2018/73) dated April 20, 2018 has mandated the submission of Permanent Account Number (PAN) and Bank details by every participant in securities market. Members holding shares in electronic form are mandatorily required to submit their PAN and Bank details to their depository participants with whom they are maintaining their D-mat accounts. Members holding shares in physical form can submit their PAN and Bank details to the Company/ RTA. Shareholders who have not updated their details are requested to send their PAN and Bank details in terms of the above said SEBI Circulars.

- k. As per Regulation 40 of the SEBI Listing Regulations, as amended, securities of the listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition and re-lodged transfers of securities. Further, SEBI vide its circular no. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/236 dated 2nd December, 2020 had fixed March 31, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Shareholders holding shares in physical form are requested to consider converting their holdings to dematerialised form.
- l. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company's Registrars, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
- m. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
- n. Electronic copy of all documents referred to the accompanying Notice of the 32<sup>nd</sup> Annual General Meeting will be available for inspection by members in electronic mode at the Company's website i.e. [www.surajindustries.org](http://www.surajindustries.org).
- o. The Company has a registered e-mail address [secretarial@surajindustries.org](mailto:secretarial@surajindustries.org) for members to mail their queries or lodge complaints, if any. The Company endeavors to reply to queries at the earliest. The Company's website [www.surajindustries.org](http://www.surajindustries.org) has a dedicated section on Investors.
- p. Pursuant to Section 72 of the Act, member(s) of the Company may nominate a person in whom the shares held by him/them shall vest in the event of his/ their unfortunate death. Member(s) holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's RTA. In respect of shares held in dematerialized form, the nomination form may be filed with the respective Depository Participant.
- q. If the members have any query in relation to the matters to be considered in the AGM through VC/OAVM are requested to serve the company a list of query along with their names, folio no., mobile number and email Id to the Company at [secretarial@surajindustries.org](mailto:secretarial@surajindustries.org) on or before **September 19, 2024** to enable the Company to keep the information ready at the Meeting.
- r. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI Listing Regulations (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated January 13, 2021 read with MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services Limited ("CDSL").
- s. Mr. Vijay Jain, a Practicing Company Secretary (ACS No. 50242, C.P. No.: 18230) Proprietor, Vijay Jain & Co., Company Secretaries, has been appointed as "Scrutinizer" to scrutinize the remote e-Voting in a fair and transparent manner and he has communicated his willingness to be appointed and he himself or his/her authorized representative will be available at the AGM for the same purpose.

- t. The Scrutinizer shall, immediately after the conclusion of e-voting at the AGM, unblock the votes cast through remote e-voting and make, within **two (2) working days** of conclusion of the AGM, a consolidated Scrutinizer Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
- u. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed at the AGM scheduled to be held on **26<sup>th</sup> September, 2024**.
- v. The Results declared along with the Scrutinizer's Report shall be placed on the website of the Company at [www.surajindustries.org](http://www.surajindustries.org) and on the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com) immediately after the declaration of Result by the Chairman or any person authorized by him in writing. The Results shall also be forwarded to the Stock Exchanges where the shares of Company are listed, i.e., BSE Limited.
- w. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (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.
- x. The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment/retire by rotation at this AGM are annexed to the notice.
- y. Members holding shares in electronic form are requested to intimate all changes pertaining to their bank particulars, nominations, power of attorney, change of address, change of name, email address, contact numbers, etc., to their Depository Participants (DP). Changes intimated to the DP will then be automatically reflected in the Company's record, which will help the Company and Beetal Financial and Computer Services Private Limited (Registrar and Transfer Agent) of the Company, to provide efficient and better services.
- z. Members desirous of getting any information about the accounts, operations or if the members have any query in relation to the matters to be considered in the AGM through VC/OAVM are requested to serve the company a list of query along with their names, folio no., mobile number and email id to the Company at [secretarial@surajindustries.org](mailto:secretarial@surajindustries.org) on or before **September 19, 2024** to enable the Company to keep the information ready at the Meeting.
- aa. Members of the Company holding shares either in physical form or in electronic form as on the cut-off date of **September 19, 2024** may cast their vote by remote e-Voting. The remote e-Voting period commences on, **Monday September 23, 2024 at 10:00 A.M. (IST) and ends on Wednesday, September 25, 2024 at 5:00 P.M. (IST)**. The remote e-Voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. The voting rights of the Members (for voting through remote e-Voting before/ during the AGM) shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut-off date of **September 19, 2024**.

- bb. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by CDSL (Central Depository Services Limited).
- cc. The Results declared along with details of the number of votes cast for and against the Resolution, invalid votes for at least three days on the Notice Board of the company at its Registered Office and its Corporate Office. Also, the Results declared along with the Scrutinizer’s Report shall be placed on the website of the Company at [www.surajindustries.org](http://www.surajindustries.org) and on the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com), immediately after the declaration of Result by the Chairman or any person authorized by him in writing. The Results shall also be forwarded to the Stock Exchanges where the shares of Company are listed.
- dd. The Company has been allotted ISIN (INE170U01011) by CDSL and NSDL (for dematerialization of the company’s shares). We hereby request all the members to get their shares dematerialized.

### INSTRUCTIONS FOR REMOTE E-VOTING AND ATTENDING THE AGM

#### INSTRUCTIONS FOR REMOTE E-VOTING & PARTICIPATING IN THE ANNUAL GENERAL MEETING (“AGM”) THROUGH VIDEO CONFERENCING / OTHER AUDIO VISUAL MEANS.

##### **Instructions for Remote Electronic Voting (E-Voting) prior to the AGM**

In order to increase the efficiency of the voting process and in pursuance of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9 December, 2020, e-voting facility is being provided to all the Demat account holders, by way of single login credential, through their demat accounts/websites of Depositories/Depository Participants (DPs). Demat account holders would be able to cast their vote without having to register again with the E-voting Service Provider (‘ESP’), thereby not only facilitating seamless authentication but also ease and convenience of participating in e-voting process. Further, Shareholders are advised to update their mobile number and e-mail-id with their DPs in order to access e-Voting facility.

- i. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in Demat mode with CDSL/NSDL:**

Type of Shareholders	Login Method
<b>Individual shareholders holding securities in Demat mode with CDSL</b>	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select <b>New System Myeasi</b>.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is</li> </ol>

	<p>in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a>. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
<p><b>Individual Shareholders holding securities in demat mode with NSDL</b></p>	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a>.</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold 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</p>

	company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
<b>Individual Shareholders (holding securities in demat mode) login through their Depository Participants</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful 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 company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login Type	Helpdesk Details
<b>Individual Shareholders holding securities in Demat mode with CDSL.</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no.1800225533
<b>Individual Shareholders holding securities in Demat mode with NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30.

**ii. Login method for e-voting and joining virtual meetings for shareholders other than individuals holding shares in Demat form:**

- i) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period.
- ii) Click on “Shareholders” tab.
- iii) Now enter your User ID;
  - a. For CDSL: 16 digits beneficiary ID
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID.
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- iv) Next enter the Image Verification as displayed and Click on Login.

v) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.

vi) If you are a first-time user follow the steps given below:

For Physical shareholders and other than individual shareholders holding shares in Demat.	
PAN	Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)  * Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iii).

vii) After entering these details appropriately, click on “SUBMIT” tab.

viii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

ix) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

x) Shareholders holding multiple demat accounts / folios shall choose the voting process separately for each demat account / folio.

xi) On Successful login, the system will prompt you to select the “EVSN” i.e. **Suraj Industries Ltd.- AGM** and click on “Submit”.

xii) On the voting page, you will see “**RESOLUTION DESCRIPTION**” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- xiii) Click on the “**RESOLUTIONS FILE LINK**” if you wish to view the entire Resolution details.
- xiv) After selecting the resolution, you have decided to vote on, click on “**SUBMIT**”. A confirmation box will be displayed. If you wish to confirm your vote, click on “**OK**”, else to change your vote, click on “**CANCEL**” and accordingly modify your vote.
- xv) Once you “**CONFIRM**” your vote on the resolution, you will not be allowed to modify your vote.
- xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- xvii) If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xviii) Shareholders can also cast their vote using CDSL’s mobile app “m-Voting”. The m-Voting app can be downloaded from respective App Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.
- xix) **Note for Non – Individual Shareholders and Custodians – For Remote E-Voting only.**
- a. Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required scrutiny to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
  - b. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - c. After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - d. The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - e. A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - f. Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Company at the email address viz; [secretarial@surajindustries.org](mailto:secretarial@surajindustries.org), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at



[www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to **Shri Rakesh Dalvi**, Sr. Manager, Central Depository Services (India) Limited, A Wing, 25 Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER**

- i. The procedure for attending meeting & e-voting on the day of the AGM is same as the instructions mentioned above for e-voting.
- ii. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
- iii. Shareholders who have voted through Remote e-voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
- iv. Shareholders are encouraged to join the Meeting through Laptops / iPads for better experience.
- v. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- vi. 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.
- vii. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance on or before **19.09.2024** mentioning their name, demat account number/folio number, email id, mobile number at [secretarial@surajindustries.org](mailto:secretarial@surajindustries.org). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance on or before **19.09.2024** mentioning their name, demat account number/folio number, email id, mobile number at [secretarial@surajindustries.org](mailto:secretarial@surajindustries.org). These queries will be replied to by the company suitably by email
- viii. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- ix. Only those shareholders, who are 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 available during the AGM.

- x. If any votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders participating in the meeting.
- xi. The voting rights of members shall be in proportion to their shares to the paid-up equity share capital of the Company as on the **cut-off date i.e. September 19, 2024**. Members may cast their votes separately for each business to be transacted in the AGM and may also elect not to vote on any of the resolution(s).

**Process for those shareholders whose email addresses are not registered with the depositories for obtaining copy of this notice and login credentials for e-voting for the resolutions proposed in this Notice:**

- i. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company** at [secretarial@surajindustries.org](mailto:secretarial@surajindustries.org) or RTA at [beetalrta@gmail.com](mailto:beetalrta@gmail.com) marking CC to Company.
- ii. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP) or alternatively please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to **Company** at [secretarial@surajindustries.org](mailto:secretarial@surajindustries.org) or RTA at [beetalrta@gmail.com](mailto:beetalrta@gmail.com) marking CC to Company.

Members who need assistance before or during the AGM may contact CDSL on any of the following Helpline Numbers:

Name of Concerned Official	Contact Number	Email id
<b>Shri Rakesh Dalvi, Senior Manager</b>	022-23058542/43 and 022- 23058738	helpdesk.evoting@cdslindia.com

**EXPLANATORY STATEMENT**  
**(Pursuant to Section 102 of the Companies Act, 2013)**

Pursuant to Section 102 of the Companies Act, 2013 (“the Act”), the following Explanatory Statement sets out all material facts relating to the Special business, to be transacted at the 32<sup>nd</sup> Annual General Meeting to be held on Thursday, September 26, 2024, mentioned under Item Nos. 3 to 6 of the accompanying Notice dated August 30, 2024.

**ITEM NO.:3**

The Board of Directors of the Company at their meeting held on August 30, 2024 have approved the proposal of increasing the authorised share capital of the Company, subject to approval of the Members of the Company, from Rs. 20,00,00,000/- (Rupees Twenty Crore Only) divided into 2,00,00,000 (Two Crore) equity shares of Rs.10/- (Rupees Ten Only) each to Rs. 25,00,00,000/- (Rupees Twenty-Five Crore Only) divided into 2,50,00,000 (Two Crore and Fifty Lakhs) equity shares of Rs. 10/- (Rupees Ten Only) each, by creation of additional 50,00,000 (Fifty Lakh) equity shares of Rs.10/- (Rupees Ten Only) each, to accommodate any future capital requirements for funding the growth and operations of the Company.

The increase in authorized share capital as aforesaid would require consequential amendments to the existing Clause V of the Memorandum of Association of the Company. Further, the increase in authorized share capital and alteration of relevant clause(s) of the Memorandum of Association of the Company are subject to Members’ approval in terms of Sections 13, 61 and 64 of the Companies Act, 2013 and any other applicable statutory and regulatory approvals. Accordingly, the approval of the Members of Company is being sought by way of an ordinary resolution. A copy of the Memorandum of Association of the Company duly amended will be available for inspection in accordance with the applicable laws.

Accordingly, the Board recommends the Ordinary Resolution set forth at Item No. 3 of the Notice for approval by the Members by way of Ordinary Resolution.

None of the Directors or Key Managerial Personnel and/ or their respective relatives is in any way, concerned or interested, financially or otherwise, in the Resolution mentioned at Item No. 3 of the Notice.

Necessary documents in this regard are available for inspection by the members in electronic mode under Investor Relations link of Company’s website i.e [www.surajindustries.org](http://www.surajindustries.org).

**ITEM NO.: 4**

In terms of the provisions of Section 161(1) of the Companies Act, 2013 and Article 94 of the Articles of Association of the Company, based on the recommendation of the Nomination and Remuneration Committee (‘NRC’), the Board of Directors, at their meeting held on August 13, 2024, appointed Mr. Vyom Goel (DIN: 10063284) as an Additional Director under the category Non-Executive Non – Independent Director of the Company, with effect from August 13, 2024, liable to retire by rotation. In terms of Section 161(1) of the Act, Mr. Vyom Goel holds the office of Additional Director only upto the date of this Annual General Meeting of the Company, and is eligible for appointment as a Director.

The Company has, in terms of Section 160(1) of the Act, received in writing a notice from member, proposing his candidature for the office of Director. Mr. Vyom Goel has also confirmed that he is not disqualified from being appointed as Director, in terms of the provisions of Section 164(1), 164(2) of the Act and is not debarred to hold the office of a Director by virtue of any order passed by SEBI or any other authority and has given his consent to act as a Director of the Company.

Additional information in respect of Mr. Vyom Goel, pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2), is provided at **Annexure A** to this Notice.

The Board recommends the Ordinary Resolution at Item No. 4 of the accompanying Notice for approval by the Members of the Company.

Except Mr. Vyom Goel being an appointee, none of the Directors, key managerial persons or their relatives in any way are concerned or interested, financial or otherwise, in the resolution set out in item no. 4.

Necessary documents in this regard are available for inspection by the members in electronic mode under Investor Relations link of Company's Website [www.surajindustries.org](http://www.surajindustries.org)

#### **ITEM NO.: 5**

Article 18 of the existing Articles of Association of the Company states about the length of notice of call i.e. minimum 30 (Thirty) days of notice of any call shall be given specifying the time and place of payment and to whom such call shall be paid. Article 25 states about the notice shall not being less than 30 (Thirty) days from the date of the notice and a place or places on and at which such call or instalment and such interest and expenses as aforesaid are to be paid. Article 34 states about the purpose of enforcing lien, the Directors may sell the shares subject thereto in such manner as they think fit, but no sale shall be made until such period as aforesaid shall have elapsed and until notice in writing of the intention to sell shall have been, served on such member, his committee, or other person recognized by the Company as entitled to represent such member and default shall have been made by him or them in the payment of the sum payable as aforesaid for thirty days after such notice.

Your Board proposes to alter Article no. 18, Article no. 25 and Article no 34 of the Articles of Association of the Company in accordance with the Table F of Schedule I of the Companies Act, 2013 to improve operational efficiency by allowing the Company to access capital more quickly when needed. This can be particularly important in fast moving markets where timely funding is critical. It Could improve the Company's ability to manage its liquidity more effectively, which could be crucial during times of financial uncertainty or when pursuing strategic investments. As per Section 14 of the Companies Act, 2013, the Articles of Association of the Company can be altered by a special resolution passed by the members of the Company.

Accordingly, the Board recommends the Special Resolution set forth at Item No. 5 of the Notice for approval by the Members by way of Special Resolution.

None of the Directors or Key Managerial Personnel and/ or their respective relatives is in any way, concerned or interested, financially or otherwise, in the Resolution mentioned at Item No. 5 of the Notice.

Necessary documents in this regard are available for inspection by the members in electronic mode

under Investor Relations link of Company's website i.e [www.surajindustries.org](http://www.surajindustries.org).

#### ITEM NO.: 6

Mr. Ashu Malik (DIN: 07998930) was re-appointed as Whole-time Director of the Company by the Board of Directors for a period of further 1 (one) year i.e. from June 27, 2023 to June 26, 2024 and his term as a Whole-time Director was set to expired on June 26,2024.

Based on the recommendation of the Nomination and Remuneration Committee of the Company, and considering that re-appointment of Mr. Ashu Malik (DIN: 07998930) is appropriate and in the best interest of the Company, the Board of Directors of the Company at its meeting held on the May 28, 2024, has approved the re-appointment of Mr. Ashu Malik (DIN: 07998930) as Whole-time Director of the Company for a further period of 1 (one) year commencing from June 27, 2024 till June 26, 2025 on such terms and conditions including remuneration upto a sum of Rs. 1.25 lakh per month ,with the liberty to the board or Nomination and remuneration committee thereof in its absolute discretion to decide the basic salary and annual increments within the above prescribed amount.

As per section 196 ,197 read with Schedule V of the Act, the terms and conditions of appointment and remuneration of Whole-time Director shall be, subject to the approval of the shareholders. Further, as per Regulation 17(1C) of the SEBI Listing Regulations, 2015, approval of shareholders for the appointment of a person on the Board of Directors is required to be taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier.

Additional information in respect of Mr. Ashu Malik (DIN: 07998930), pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2), is provided at **Annexure A** to this Notice.

*Statement containing the relevant details required under Section II, Part II of Schedule V of the Act are as stated hereunder:*

#### I. GENERAL INFORMATION

(1)	Nature of Industry	Suraj Industries Limited is engaged in the business of bottling operations of the Rajasthan Made Liquor and Country Liquor.  The Company is also in the business of trading of edible oils like Palm oil, Soyabean Oil Etc.
(2)	Date or expected date of commencement of commercial production	The Commercial production in the liquor bottling unit commenced on 12.07.2021
(3)	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable (As the Company is already in operation)

(4)	Foreign investments or collaborators, if any	Nil		
(5)	Financial performance of the Company for the last 3 years is given below:			
Particulars	Financial Year Ended			
	31 <sup>st</sup> March 2022	31 <sup>st</sup> March 2023	31 <sup>st</sup> March 2024	
	(Amount in Rs. Lakh)			
Revenue	4126.41	6737.89	5106.28	
Other Income	2.09	84.56	70.25	
Total Income	4128.50	6822.45	5176.53	
Total Expenditure	3716.04	6130.07	4958.07	
Profit/ (Loss) before Tax	412.46	692.38	218.46	
<b>Profit/Loss after tax and adjustments</b>	<b>304.76</b>	<b>479.40</b>	<b>157.11</b>	

## II. INFORMATION ABOUT THE APPOINTEE

### MR. ASHU MALIK AS WHOLE TIME DIRECTOR

(1)	<b>Background Details</b>	He is B. SC from Alcohol Tech by qualification
(2)	<b>Past Remuneration</b>	Rs.90,000 Per month.
(3)	<b>Recognition or Awards</b>	--
(4)	<b>Job Profile and his suitability</b>	He has more than 20 years of experience in edible oil and alcoholic beverages sector which is suitable for this job profile.
(5)	<b>Remuneration Proposed</b>	As stated in the resolution.
(6)	<b>Comparative remuneration profile w.r.t industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t to the country of his origin)</b>	The remuneration payable is comparable to the remuneration paid to a person holding similar position in other companies of similar size as that of the Company. With an increasing size of business, it is also imperative for the Company to have highly experienced professionals having specialized knowledge and skills to understand and project the market trend, consumer behaviour, consumption pattern and many relevant indicators for better product mix. It also requires expertise for appropriate fund allocation, optimum utilization of various resources in the business.
(7)	<b>Pecuniary relationship directly or indirectly with the Company, or</b>	NIL, apart from receiving the remuneration proposed, he does not have any other material pecuniary relationship directly or indirectly with the Company.

relationship with the managerial personnel, if any

### III. OTHER INFORMATION

(1)	<b>Reason for loss or inadequate profits</b>	The Company has diversified into bottling operations of Rajasthan Made Liquor and Country Liquor during the FY 2021-2022 and started generating revenues. It is in the initial stage of earning after diversification, therefore the Company is not having sufficient profits.
(2)	<b>Steps taken or proposed to be taken for improvement</b>	The company has diversified into bottling operations of Rajasthan Made Liquor and Country Liquor. Mr. Ashu Malik who has more than 20 years experience in the Liquor business has been appointed as a Whole Time Director to manage the liquor operations.
(3)	<b>Expected increase in productivity and profits in measurable terms</b>	The Company is very conscious about improvement in productivity and undertakes constant measures to improve it. However, it is extremely difficult in the present scenario of the economy to predict profit in the measurable terms.

Accordingly, Item No. 6 are recommended for your approval as Special Resolution.

Except Mr. Ashu Malik being an appointee, none of the Directors, key managerial persons or their relatives in any way are concerned or interested, financial or otherwise, in the resolution set out in item no. 6.

Necessary documents in this regard are available for inspection by the members in electronic mode under Investor Relations link of Company's Website [www.surajindustries.org](http://www.surajindustries.org)

**By Order of the Board  
For Suraj Industries Ltd**

**Place : New Delhi  
Dated : August 30, 2024**

**Sd/-  
Snehlata Sharma  
Company Secretary  
Membership No. A62066**

**Registered Office:**  
Plot No. 2, Phase-III, Sansarpur Terrace,  
Distt.Kangra, Himachal Pradesh-173212  
Ph- 01970-256414

**Corporate office:**  
F-32/3, Second Floor, Okhla Industrial Area,  
Phase –II, New Delhi-110020  
Ph- 011-42524455

“Annexure A”

**SPECIFIC DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING OF THE COMPANY (PURSUANT TO THE PROVISIONS OF LISTING REGULATIONS AND SECRETARIAL STANDARDS-2 ON GENERAL MEETINGS)**

**FOR ITEM NO- 4 & 6**

S. No.	Particulars	Mr. Vyom Goel	Mr. Ashu Malik
1.	Name of Director	Mr. Vyom Goel	Mr. Ashu Malik
1.	DIN No.	10063284	07998930
2.	Date of Birth	14-08-1990	16-01-1978
3.	Nationality	Indian	Indian
4.	Age	34 Years	46 Years
5.	Date of First Appointment on the Board	13-08-2024	27/06/2021
6.	Experience in specific functional area	He has worked as Senior Associate and Consultant in firms like JP Morgan and EURONEXT. Currently he is involved in the family business and handling.	He is having 20 years of experience in Liquor Business.
7.	No. of equity shares held in the Company (as on 31st March, 2024)	NIL	NIL
8.	Qualifications	He is a B-Tech IT from NIET Greater Noida and MBA-Finance from Christ University, Bengaluru	B. Sc. from Alcohol Tech
9.	List of other Directorships (as on 31.03.2024)	M/s Shri Gang Industries and Allied Products Limited.	NIL
10.	Membership/Chairman of Committees of the other Companies (As on 31.03.2024)	Nil	Nil
11.	Relationships, between Directors inter se	Not related to any Director/ Key Managerial Personnel	Not related to any Director/ Key Managerial Personnel
12.	Number of Board Meeting attended during	Not Applicable	04



	the year		
13.	Terms & Conditions of Appointment / Re-appointment	Terms & Conditions of appointment or re-appointment are as per the Nomination and Remuneration Policy of the Company	Terms & Conditions of appointment or re-appointment are as per the Nomination and Remuneration Policy of the Company
14.	Last drawn remuneration details along with remuneration sought to be paid.	No remuneration is sought to be paid.	He has drawn Rs. 90000/- per month which may extend subject to the maximum of Rs. 1,25,000 by the sole discretion of the Board of Directors and Remuneration Committee which is as per the Nomination and Remuneration Policy of the Company.
15.	Listed entities from which the person has resigned in the past three years.	Nil	Nil

Place : New Delhi  
Dated : August 30, 2024

By Order of the Board  
For Suraj Industries Ltd

Sd/-  
Snehlata Sharma  
Company Secretary  
Membership No. A62066

**Registered Office:**  
Plot No. 2, Phase-III, Sansarpur Terrace,  
Distt.Kangra, Himachal Pradesh-173212  
Ph- 01970-256414

**Corporate office:**  
F-32/3, Second Floor, Okhla Industrial Area,  
Phase –II, New Delhi-110020  
Ph- 011-42524455

# DIRECTOR'S REPORT



To,  
The Members,  
Suraj Industries Ltd

Your Directors hereby present the 32<sup>nd</sup> Annual Report along with the Audited Standalone and Consolidated Financial Statement of Accounts for the Financial Year ended March 31 2024.

## FINANCIAL PERFORMANCE OF THE COMPANY

The financial performance of the Company for the year under review and comparative figures for the previous year are summarized below:

**(Amount in Lakhs)**

Particulars	Standalone		Consolidated	
	<u>2023-2024</u>	<u>2022-2023</u>	<u>2023-2024</u>	<u>2021-2022</u>
<b>Total Income</b>	<b>5176.53</b>	<b>6822.45</b>	<b>5218.19</b>	<b>6822.45</b>
<b>Total Expenses</b>	<b>4958.07</b>	<b>6130.07</b>	<b>5007.26</b>	<b>6130.07</b>
Profit/(Loss) before Extra-ordinary Items and Exceptional Items	218.46	692.38	210.93	692.38
Share of profit of Associate (net of tax)	--	--	297.36	264.11
Profit/(Loss) before tax	218.46	692.38	508.29	956.49
<b>Tax Expenses</b>				
Current Tax	50.13	188.95	51.13	188.95
Income tax-Earlier years	10.17	9.83	10.21	9.83
Deferred Tax	3.10	16.86	3.10	16.87
<b>Profit/(Loss) for the period</b>	<b>155.06</b>	<b>476.74</b>	<b>443.85</b>	<b>740.84</b>

<b>Other Comprehensive Income:</b> Re-measurement of defined benefits plans	2.05	2.66	2.05	2.66
<b>Total Comprehensive Income for the period</b>	<b>157.11</b>	<b>479.40</b>	<b>445.90</b>	<b>743.50</b>

## PERFORMANCE OF BUSINESS OR RESULTS OF OPERATIONS

### Standalone

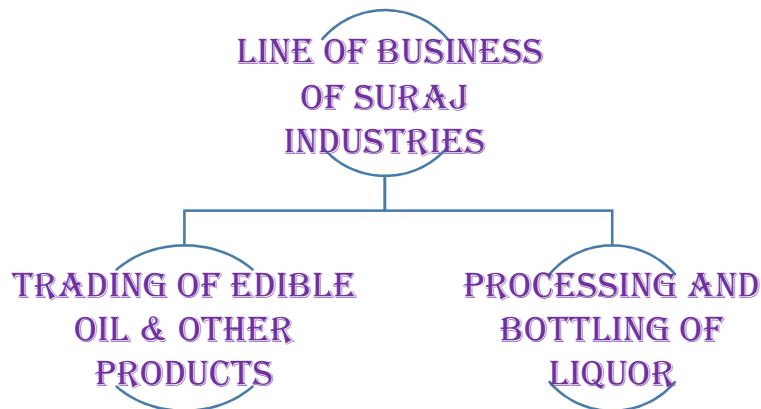
During the financial year 2023-2024 under review, the total Revenue of the company was Rs. 5176.53 lakh as against Rs. 6822.45 lakh in the previous year and the net profit after tax was Rs. 157.11 Lakhs as compared to profit of Rs. 479.40 Lakhs in the previous financial year 2022-23.

### Consolidated

During the financial year 2023-2024 under review, as per the Consolidated Financial Statements, the net profit is Rs. 445.90 Lakhs which includes share of profit of Associate company amounting to Rs 297.36 Lakhs as compared to profit of Rs. 743.50 Lakhs (inclusive of associate's profit of Rs. 264.11 Lakhs) in the previous financial year.2022-23.

## STATE OF COMPANY'S AFFAIRS AND OUTLOOK

Company is into the business of (i) trading edible oils and other products, which consist Palm Oil, Soybean Oil, Rice etc and (ii) processing and bottling of Liquor.



The company is engaged in two business verticals-

a) Trading Business

Trading of edible oils and other products, which consist Palm Oil, Soybean Oil, Rice flakes, Malt, Empty Glass bottles; and

b) Liquor Business

- ❖ Processing and Bottling of Rajasthan Made Liquor (RML) for Rajasthan State Ganganagar Sugar Mills Limited (RSGSM), a Government of Rajasthan undertaking having exclusive wholesale rights for Country Liquor and RML in the State of Rajasthan.
- ❖ The company has also started to manufacture and sell Country Liquor in its own brands.
- ❖ On May 24, 2024, the Company has commenced commercial production in new fully automatic Liquor Bottling line installed at the premises of M/s Rajasthan State Ganganagar Sugar Mills Ltd. (“RSGSM”) at Near Railway Station , Mandore, Jodhpur, Rajasthan-342006 for manufacturing of Country Liquor for Rajasthan State Ganganagar Sugar Mills Limited (RSGSM) having a capacity of the Bottling line as 2200 cases per day (one case contains 48 bottles of 180 ml).

The liquor business is the major focus area for the Company as a step towards growth and enhancing its business prospect.

### **SHARE CAPITAL OF THE COMPANY**

The Authorised Share capital of the Company as on March 31, 2024 was Rs. 20,00,00,000/- (Rupees Twenty Crore Only) divided into 2,00,00,000 (Two Crore only) equity shares of Rs. 10/- (Rupees Ten Only) each.

The paid up equity share capital as on March 31,2023 was Rs. 12,29,41,720/- (Rupees Twelve Crore Twenty-Nine Lakh Forty-One Thousand Seven Hundred Twenty Only) divided into 1,29,94,172 (One Crore Twenty-Nine Lakh Ninety Four Thousand One Hundred and Seventy Two only) Equity Shares of Rs. 10/- (Rupees Ten) each.

During the financial year 2023-24 the Company has allotted 5,51,724 equity shares of Rs. 10 each in following manner: -

- ❖ On October 07, 2023, the Company has approved the allotment of 2,75,862 Equity Shares of face value of Rs. 10/- each pursuant to conversion of 2,75,862 Fully Convertible Warrants (“Warrants”), issued and allotted as on May 12, 2022, at an issue price of Rs. 145/- each, by way of preferential allotment on a private placement basis, to the person belonging to ‘Promoter and Promoter group’
- ❖ On October 21, 2023, the Company has approved the allotment of 2,75,862 Equity Shares of face value of Rs. 10/- each pursuant to conversion of 2,75,862 Fully Convertible Warrants (“Warrants”), issued and allotted as on May 12, 2022, at an issue price of Rs. 145/- each, by way of preferential allotment on a private placement basis, to the person belonging to ‘Promoter and Promoter group’.

As a result, of the above allotments the paid up equity share capital of the Company as on March 31,2024 was Rs. 12,84,58,960/- (Rupees Twelve Crore Eighty-Four Lakh Fifty-Eight Thousand and Nine Hundred Sixty Only) divided into 1,28,45,896 (One Crore Twenty-Eight Lakh Forty-Five Thousand Eight Hundred and Ninety-Six Only) Equity shares of Rs. 10/- (Rupees Ten) each.

### **UPDATE ON RIGHT ISSUE OF EQUITY SHARES**

On February 10, 2023, the Board of Directors approved the raising funds for the Company by way of issue of securities (the “issue”) to the existing equity shareholders of the Company on a right basis aggregating up to Rs. 20 Crore (Twenty Crore Only).

On December 18, 2023, the Right issue committee of the Board of Directors of your Company approved to rights issue of up to 29,97,375 partly paid-up equity shares of the face value of Rs. 10 each (“Rights equity shares”) of the company for cash at a price of Rs. 65/- per rights equity share (including a premium of Rs. 55/- per rights equity share) for an amount aggregating up to Rs. 1,948.29/- lakh on a rights basis to the eligible equity shareholders of the company in the ratio of 7 (Seven) rights equity shares for every 30 (thirty) fully paid-up equity shares held by the eligible equity shareholders of the company to meet the objects as mentioned in the letter of offer filed with the BSE Limited

The Company appointed M/s Beetal Financial and Computer Services Private Limited as Registrar to the Issue and IDBI Bank Limited, Banker to the Issue. Subsequently the Board of Directors at their Meeting held on July 04, 2024 fixed July 10, 2024 as Record Date and approved the issue period. from July 22, 2024 to August 05, 2024 and the last date for On Market trading of Rights Entitlements was July 30, 2024., The basis of allotment was approved by the Right Issue Committee of the Board of directors on August 09, 2024 in consultation with BSE Limited, the designated Stock Exchange and M/s Beetal Financial and Computer Services Private Limited.

The Right issue committee of the Board of Directors at their meeting held on August 09,2024 allotted 29,97,375 partly paid up equity shares to the Shareholders of the Company and further obtained the listing approval from BSE Limited on August 12, 2024 and received the trading approval from BSE Limited on August 19,2024

On August 24,2024, the Board of Directors of the Company has fixed the record date i.e. Wednesday, September 04, 2024 and period for first and final call i.e. payable from Friday, September 06, 2024 to Saturday, October 05, 2024, both days inclusive (“Call Payment Period”) in respect of 29,97,375 outstanding partly paid-up equity shares having face value Rs. 10/- each (Rs. 5/- paid up) issued on rights basis pursuant to Letter of Offer dated July 04, 2024.

### **DIVIDEND**

The Board of Directors (“Board”), after considering holistically the relevant circumstances and keeping in view the tremendous growth opportunities that your company is currently engaged with, has decided that it would be prudent not to recommend any dividend for the financial year 2023-24 under review.

### **AMOUNT TRANSFERRED TO RESERVES**

No amount was transferred to reserves during the financial year 2023-24 under review.

### **CREDIT RATING**

During the year under review, the Company was not required to have credit rating.

### **DIRECTORS AND KEY MANAGERIAL PERSONNELS**

As of March 31, 2024, your Company’s Board had six members comprising of two Executive Directors, one Non-Executive and Non-Independent Director, one Non-Executive and Nominee Director and two Non –Executive Independent Directors including one women Independent Director. The details of Board and Committee composition, tenure of Directors, areas of expertise and other details are available in the Corporate Governance Report, which forms part of this Annual Report.

The composition of the Board of Directors as on March 31,2024 are as follows:

Sr. No.	Name of Director	Designation
1.	Mr. Suraj Prakash Gupta	Managing Director
2.	Mr. Ashu Malik	Whole Time Director
3.	Mr. Sanjay Kumar Jain#	Non-Executive Nominee Director
4.	Mr. Nazir Baig	Non-Executive Independent director
5.	Mrs. Pooja Solanki	Non-Executive Women Independent Director
6.	Mr. Syed Azizur Rahman*	Non-Executive Non-Independent Director

None of the Directors are disqualified under Section 164(2) of the Companies Act, 2013. Further, they are not debarred from holding the office of Director pursuant to order of SEBI or any other authority.

\* *Mr. Syed Azizur Rahman has tendered his resignation from the position of Chairperson and Non-Executive & Non-Independent Director in the Company vide his resignation letter dated July 01, 2024 with effect from the close of business hours of July 04, 2024.*

# *Mr. Sanjay Kumar Jain, Non-Executive Nominee Director of the Company has appointed as Non-Executive Chairperson of the Company with effect from July 05, 2024.*

### **Changes in the composition of the Board of Directors and Key Managerial Personnel**

The following changes *occurred* during FY 2023-24 till the date of this Report:

**During the Financial Year 2023-24 till the date of this Report , following changes took place in the Directors and Key Managerial Personnel of the Company, pursuant to the applicable provisions of the Companies Act, 2013 read with the rules made thereunder (including any statutory modification (s) or re-enactment thereof for the time being in force), SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 and on the recommendation of Nomination and Remuneration Committee:-**

- i. Re- appointment of Mr. Ashu Malik (DIN: 07998930) as Whole-time Director of the Company for a period of one (1) year with effect from June 27, 2023 subject to the approval of the members of the Company. Later shareholders in their meeting held on September 26, 2023 had approved his re-appointment as Whole Time Director for a further period of one year effective from June 27, 2023.
- ii. Mr. Sanjai Kapoor resigned from the position of Chief Financial Officer of the Company with effect from November 03 ,2023..
- iii. Mr. Somir Bhaduri was appointed as Chief Financial Officer of the Company with effect from February 02 ,2024.

- iv. Mr. Syed Azizur Rahman resigned from the position of Chairperson and Non-Executive & Non-Independent Director in the Company vide his resignation letter dated July 01, 2024 with effect from the close of business hours of July 04, 2024.
- v. Mr. Sanjay Kumar Jain, Non-Executive Nominee Director of the Company has appointed as Non-Executive Chairperson of the Company with effect from July 05, 2024.
- vi. The Board appointed Mr. Vyom Goel (DIN: 10063284) as Additional Non-Executive Non Independent Director of the Company w.e.f. August 13, 2024 whose appointment as Director under section 152(6) of the Companies Act, 2013 is subject to approval of the members at the ensuing 32<sup>nd</sup> Annual General Meeting (“32<sup>nd</sup> AGM”).

In order to comply with the provisions of Section 152 (6) of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, executive directors and non-executive directors except the Independent Directors are subject to retire by rotation. Based on the terms of appointment and the Articles of Association of your Company, Mr. Ashu Malik (DIN: 07998930 ) who is the longest serving member in the current term and is liable to retire by rotation, being eligible offers himself for re-appointment.

Appropriate resolutions seeking their appointment/re-appointment are being placed for your approval in the ensuing Annual General Meeting.

### **Key Managerial Personnel**

During the year under review, the Company is having the following persons as Key Managerial Personnel in accordance with provisions of Section 203 of the Companies Act, 2013,

<b>Sr. No.</b>	<b>Name of Key Managerial Personnel</b>	<b>Designation</b>
1.	Mr. Suraj Prakash Gupta	Managing Director
2.	Mr. Ashu Malik	Whole Time Director
3.	Mr. Sanjai Kapoor*	Chief Financial Officer
4	Mr. Somir Bhaduri#	Chief Financial Officer
5.	Ms. Snehlata Sharma	Company Secretary & Compliance Officer

\* Mr. Sanjai Kapoor resigned from the position of Chief Financial Officer of the Company with effect from November 03,2023.

# Mr. Somir Bhaduri was appointed as Chief Financial Officer of the Company with effect from February 02,2024.

### **DIRECTORS RESPONSIBILITY STATEMENT**

In terms of Section 134 (5) of the Companies Act, 2013, the directors would like to state that:

- i) In the preparation of the Annual Accounts for the financial year ended March 31, 2024, the applicable Accounting standards have been followed and that there are no material departures.

- ii) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024 and of the profit of the Company for the Financial year ended March 31, 2024.
- iii) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) That accounts for the year ended March 31, 2024 have been prepared following the going concern basis.
- v) 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.
- vi) The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **CORPORATE SOCIAL RESPONSIBILITY**

Pursuant to section 135 of the Companies Act, 2013, every company having net worth of Rs. 500 crore or more, or turnover of Rs. 1000 crore or more, or a net profit of Rs. 5 crore or more during the immediate preceding financial year shall contribute at least two percent of the average net profits of the company made during the three immediately preceding financial years. In the FY 2022-23, the net profit of the company exceeded Rs. 5 Crore and therefore the provisions of section 135 became applicable to the Company. The Board has also approved the Corporate Social Responsibility Policy (“CSR Policy”). The salient features of the Policy forms part of the Annual Report on CSR activities annexed to the Board’s Report. The CSR policy is available on the website of the Company at [https://www.surajindustries.org/policy/CSR%20Policy\\_SIL.pdf](https://www.surajindustries.org/policy/CSR%20Policy_SIL.pdf). In compliance with the provisions of Section 135(9) read with Section 135(1) of the Act and Rules made thereunder, if the amount to be spent by a company under sub-section (5) does not exceed Rupees Fifty Lakh, the requirement under sub-section (1) for constitution of the Corporate Social Responsibility Committee shall not be applicable and accordingly, the functions of Corporate Social Responsibility Committee shall be discharged by the Board of Directors of the Company.

The objective of the Company’s Corporate Social Responsibility (“CSR”) initiatives is to improve the quality of life of communities through long-term value creation for all stakeholders. The Company’s key objective is to make a difference to the lives of the underprivileged, promote development through social and economic transformation and help them to bring a self-sustaining level.

During the financial year 2023-24, the Company was required to spend Rs. 8.86 Lakhs. The Company has met its CSR obligation by spending Rs. 8.86 Lakhs during the year. The brief details of the CSR obligations undertaken by the Company during the year under review has been annexed as “Annexure – III”.

### **STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE OF INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR**

The Board is of the opinion that all the independent directors appointed are having good integrity and possess the requisite expertise and experience (including the proficiency). Independent Directors have confirmed that they are not aware of any circumstances or situation, which exist or may be reasonably



anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the independent directors, the Board has confirmed that they meet the criteria of independence and that they are independent of the management.

### MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments affecting the financial Position of your Company have occurred between the end of the financial year of the Company to which the financial statements relate and on the date of this report except the following:

1. The Board of Directors of the Company in their meeting held on May 01, 2024, has approved the proposal for shifting of registered office of the Company from the State of Himachal Pradesh to State of NCT of Delhi. The same has been approved by the shareholders of the Company in the EGM held on May 30, 2024.
2. On May 24, 2024, the Company has commenced commercial production in new fully automatic Liquor Bottling line installed at the premises of M/s Rajasthan State Ganganagar Sugar Mills Ltd. ("RSGSM") at Near Railway Station , Mandore, Jodhpur, Rajasthan-342006 for manufacturing of Country Liquor for RSGSM having a capacity of the Bottling line as 2200 cases per day (one case contains 48 bottles of 180 ml).
3. The Board of Directors in their meeting held on May 31, 2024, has approved to give Corporate Guarantee in favour of UCO Bank, Hazratganj branch, Lucknow to secure the credit facilities to the extent of Rs. 186.89 Crore sanctioned by UCO Bank to M/s Carya Chemicals & Fertilizers Private Limited ("CARYA"), a material Subsidiary Company of the Company, for setting up distillery unit and bottling plant for manufacturing of IMFL and Country Liquor at Plot No. SP1-2, RIICO Industrial Area, Guwadi & Majhari, Block Shahbad, Dist. Baran, Rajasthan Baran, Rajasthan.
4. On August 09, 2024, the Right Issue committee of the Board of Directors has approved the allotment of 29,97,375 Partly Paid-up Equity Shares ("Rights Equity Shares") of face value of Rs.10/- each (Rs. 5/- paid-up) on rights basis at an issue price of Rs. 65/- per Rights Equity Share (including a premium of Rs. 55/- per Rights Equity Share).
5. The Board of Directors of the Company has fixed the record date i.e. **Wednesday, September 04, 2024 and period for first and final call i.e. payable from Friday, September 06, 2024 to Saturday, October 05, 2024**, both days inclusive ("Call Payment Period") in respect of 29,97,375 outstanding partly paid-up equity shares having face value Rs. 10/- each (Rs. 5/- paid up) issued on rights basis pursuant to Letter of Offer dated July 04, 2024.

### COMMITTEES OF THE BOARD

As required under the Act and the SEBI Listing Regulations, the Company has constituted various Statutory Committees. Additionally, the Board has formed other governance committees to review specific business operations and governance matters including any specific items that the Board may decide to delegate. As on March 31, 2024, the Board has constituted the following committees / sub-committees.

#### Statutory Committees:

- a) Audit Committee
- b) Nomination and Remuneration Committee
- c) Stakeholders Relationship Committee

#### **Governance Committees:**

- a) Preferential Issue Committee
- b) Right Issue Committee
- c) Investment Committee

Details of all the committees such as terms of reference, composition, and meetings held during the year under review are disclosed in the Corporate Governance Report, which forms part of this Integrated Annual Report.

#### **STATUTORY AUDITORS & THEIR REPORT**

Pursuant to the provisions of Section 139 of the Companies Act, 2013 ('the Act'), read with the Companies (Audit and Auditors) Rules, 2014, the members of the Company at their 30th Annual General Meeting held in the year 2022, approved the appointment of M/s. Pawan Shubham & Co, Chartered Accountants (FRN 011573C) as the Statutory Auditors of the Company for a term of 5 years i.e. from the conclusion of 30th Annual General Meeting till the conclusion of ensuing 35th Annual General Meeting of the Company.

The Audit reports dated May 28, 2024 (Standalone UDIN: 24523411BKAPER5188) (Consolidated UDIN: 24523411BKAPES6818) issued by M/s. Pawan Shubham & Co, Chartered Accountants, Statutory Auditors on the Company's standalone and consolidated financial statements for the financial year ended March 31, 2024 is part of the Annual Report.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report on Standalone and Consolidated financial statements does not contain any qualification, reservation or adverse remark. The Auditor's Report on Standalone and Consolidated financial statements are enclosed with their Financial Statements in this Annual Report.

During the financial year, there have been no instances of fraud reported by the Statutory Auditors under Section 143(12) of Companies Act, 2013 read with rules framed thereunder, either to the Company or to the Central Government.

#### **SECRETARIAL AUDITOR & THEIR REPORT**

In terms of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Board of Directors based on the recommendation of the Audit Committee appointed CS Ashok Ranjan Mishra, Proprietor of M/s. A R Mishra & Associates (CP No:22727, M.No.: FCS 5377), Practicing Company Secretaries, to conduct Secretarial Audit for the financial year 2023-24.

The Secretarial Audit Report, pursuant to Section 204(1) of the Act for the financial year ended March 31, 2024 is annexed to this Report as "**Annexure – IV**" and forms part of this Report

The Secretarial Audit Report for Financial Year 2023-24 does not contain any qualification, reservation or adverse remarks.

During the year, the Company has complied with the applicable corporate governance requirements as prescribed under the SEBI Listing Regulations with respect to its material subsidiary. Therefore, the Secretarial Audit of the Material Subsidiary viz. M/s Carya Chemicals & Fertilizers Private Limited (“CARYA”), was carried out by CS. Ashok Ranjan Mishra, Practicing Company Secretary in terms of Regulation 24A of the Listing Regulations and a copy of the report is annexed to this Board Report as **Annexure- V**. The Secretarial audit report of CARYA does not contain any qualification, reservation, adverse remark or disclaimer.

The Company has undertaken an Annual Secretarial Compliance Audit for the financial year 2023-24 pursuant to Regulation 24A (2) of the SEBI Listing Regulations. The Annual Secretarial Compliance Report for the financial year ended 31st March 2024 has been submitted to the Stock Exchanges and the said report may be accessed on the Company’s website at [https://www.surajindustries.org/documents/Annual%20SC%20Reports/ASCR\\_31.03.2024.pdf](https://www.surajindustries.org/documents/Annual%20SC%20Reports/ASCR_31.03.2024.pdf)

Your Company is in compliance with all applicable Secretarial Standards issued by the Institute of Company Secretaries of India for the financial year ended March 31, 2024.

### **INTERNAL AUDITOR**

Pursuant to the provisions of Section 138 of the Companies Act, 2013 read with relevant applicable rules your company was required to appoint an Internal Auditor. Further, the Board of Directors at its meeting held on November 08, 2023 has appointed M/s Padam Dinesh & Co., Chartered Accountants as Internal Auditor of the Company.

### **ANNUAL RETURN**

In accordance with the provisions of section 134(3)(a) & 92(3) of Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company for the Financial Year 2022-23 is available on the Company’s website at [www.surajindustries.org](http://www.surajindustries.org). Further the Annual return for FY 2023-24 shall be made available on the Company’s website upon the same being filed with the concerned Registrar of Companies.

### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has adequate Internal Control System, commensurate with the size, scale and complexity of its operations. The Internal Audit function is handled by an external firm of Chartered Accountants. The Internal Control Systems are regularly being reviewed by the Company’s Internal Auditors with a view to evaluate the efficacy and adequacy of Internal Control Systems in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and to ensure that these are working properly and wherever required, are modified/ tighten to meet the fast changing business requirements.

The Audit Committee regularly interacts with the Internal Auditors, the Statutory Auditors and Senior Executives of the Company responsible for financial management and other affairs. The Audit Committee evaluates the internal control systems and checks and balances for continuous updation and improvements therein. The Audit Committee also regularly reviews and monitors the budgetary control system of the Company as well as the system for cost control, financial controls, accounting controls, physical verification, etc. The Audit Committee regularly observes that proper internal financial controls are in place including with reference to financial statements. During the year, such controls were reviewed, and no reportable material weakness was observed.

### **DETAILS OF SUBSIDIARIES/JOINT VENTURE AND ASSOCIATES COMPANY**

As on 31st March 2024, the Company has one unlisted Material subsidiary and one Associate company-

### **Material Subsidiary Company**

As on March 31, 2024, the Company had 1 (One) unlisted material subsidiary i.e M/s Carya Chemicals & Fertilizers Private Limited (“CARYA”),. Your Company has formulated a policy for determining Material Subsidiaries. The policy is available on your Company’s website at <https://www.surajindustries.org/policy/Policy%20for%20determining%20Material%20Subsidiary.pdf>.

### **Associate Company**

M/s Shri Gang Industries and Allied Products Limited (“Shri Gang”) is an associate Company of the Company under the provisions of Section 2(6) of the Companies Act, 2013. Shri Gang has set up a Bottling Plant for the manufacture of Indian Made Foreign Liquor/ Country Liquor and a grain-based Distillery for manufacture of Extra Neutral Alcohol (“ENA”) at Sandila, District Hardoi, Uttar Pradesh.

## **CONSOLIDATED FINANCIAL STATEMENTS**

The Consolidated Financial Statements of the Company for the year ended March 31, 2024, have been prepared in accordance with the Indian Accounting Standards (IND AS) 110 - “Consolidated Financial Statements” as notified by Ministry of Corporate Affairs and as per the general instructions for preparation of Consolidated Financial Statements given in Schedule III and other applicable provisions of the Act, and in compliance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The financial statements of the subsidiary and the related detailed information will be made available to the shareholders of the Company seeking such information. The Audited Consolidated Financial Statements along with the Auditors’ Report thereon forms part of this Annual Report. A gist of financial highlights/performance of these Companies is contained in Form AOC-1 and forms part of this report and annexed as **Annexure-I**.

## **NUMBER OF BOARD MEETING AND ATTENDANCE BY EACH DIRECTOR**

During the financial year 2023-2024, **Five (05)** Board Meetings were held on **30.05.2023, 11.08.2023, 28.08.2023, 08.11.2023** and **02.02.2024**. The intervening gap between any two meetings did not exceed the time prescribed under Companies Act, 2013 and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as amended. The details of composition of Board and presence of each director in the meeting is mentioned hereunder.

S. No	Name of Director	Designation	No. of Board Meetings Held	No. of Board Meetings Attended
1.	Mr. Suraj Prakash Gupta	Managing Director	05	05
2.	Mr. Ashu Malik	Whole Time Director	05	04
3.	Mr. Syed Azizur Rahman*	Non-Executive Non-Independent Director	05	05
4.	Mr. Sanjay Jain	Non-Executive – Nominee Director	05	05
5.	Ms. Pooja Solanki	Non-Executive - Independent Director	05	05

6.	Mr. Nazir Baig	Non-Executive - Independent Director	05	05
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\* Mr. Syed Azizur Rahman tendered his resignation from the position of Chairperson and Non-Executive & Non-Independent Director in the Company vide his resignation letter dated July 01, 2024 with effect from the close of business hours of July 04, 2024.

### **AUDIT COMMITTEE**

The primary objective of the Audit Committee is to monitor and provide effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting.

The Committee comprises of Mr. Nazir Baig , Mr Syed Azizur Rahman and Mrs. Pooja Solanki . The Committee met 7 (Seven) times during the year under review, the details of which are given in the Corporate Governance Report of this Annual Report.

During the year under review, there were no instances when the recommendations of the Audit Committee were not accepted by the Board.

### **CORPORATE GOVERNANCE DISCLOSURE**

The Company strives to achieve appropriate Corporate Governance practices. In accordance with the requirements of Schedule V read with Regulation 34(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 with the Stock Exchange.

Corporate governance is an ethically driven business process that is committed to values aimed at enhancing an organization's brand and reputation. This is ensured by taking ethical business decisions and conducting business with a firm commitment to values, while meeting stakeholders' expectations. It is imperative that your company's affairs are managed in a fair and transparent manner. This is vital to gain and retain the trust of the stakeholders.

### **CODE OF CONDUCT**

The Board of Directors has approved a Code of Conduct, which is applicable to the Members of the Board and all Employees in the course of day-to-day business operations of the Company.

The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated Employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with Stakeholders.

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated Employees of the Company. The Code requires pre-clearance for dealing in the Company's Shares and prohibits the purchase or sale of Company Shares by the Directors and the designated Employees while in possession of Unpublished Price Sensitive Information in relation to the Company and during the period when the trading window is closed. The Board is responsible for implementation of the Code.

The Board Members have affirmed compliance with the Code of Conduct for the year ended March 31, 2024. The code of conduct is available on our website [www.surajindustries.org](http://www.surajindustries.org).

**PREVENTION OF INSIDER TRADING CODE**

As per SEBI (Prohibition of Insider Trading) Regulation, 2015 as amended from time to time, the Company has adopted a Code of Conduct to Regulate, Monitoring & Reporting of Trading by Insiders. During the year under review, there has been due compliance with the said code.

**PREVENTION OF SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE**

The Company has always believed in providing a safe and harassment free workplace for every woman working in Company's premises, through various interventions and practices. The Company has adopted policy and constituted the Internal Complaint Committee under Prevention of Sexual Harassment of Women at Workplace in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 as amended from time to time.

The following are the summary of sexual harassment complaints received and disposed of during the year:

Sl. No.	Particulars	Status of the Complaints disposed off	No. of the received and
1.	Number of complaints on sexual harassment received	Nil	
2.	Number of complaints disposed off during the year	Nil	
3.	Number of cases pending for more than ninety days	Nil	
4.	Nature of action taken by the employer or district officer	Nil	

The Company has not received any complaints during the year.

**DECLARATION BY INDEPENDENT DIRECTOR(S)**

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013 that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and qualify to act as Independent Director of the Company confirming that:

- They meet the criteria of independence as prescribed under the provisions of the Act, read with the Schedules and Rules issued thereunder,
- In terms of Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014, they have registered themselves with the Independent Director's database maintained by the Indian Institute of Corporate Affairs, Manesar.

**MEETING OF INDEPENDENT DIRECTORS**

The Independent Directors met on **March 16, 2024**, without the attendance of Non-Independent Directors and members of the management. The Independent Directors reviewed the performance of Non-Independent Directors, the Committees and the Board as a whole along with the performance of the Chairman of your Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed 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.

### **NOMINATION AND REMUNERATION POLICY.**

Pursuant to the provisions of Section 178 of the Act, and in terms of Regulation 19 read with Part D of Schedule-II of the SEBI Listing Regulations, the Company has a Nomination and Remuneration Policy for its Directors, Key Managerial Personnel and Senior Management which also provides for the diversity of the Board and provides the mechanism for performance evaluation of the Directors and the said Policy was amended from time to time. It includes criteria for determining qualifications, positive attributes and Independence of a Director. It is available on the Company's website and can be accessed through the following link <https://www.surajindustries.org/policy/Nomination-&-Remuneration-Policy.pdf>.

### **PARTICULARS OF LOAN(S), GUARANTEE(S) OR INVESTMENT(S) UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

Particulars of loans, guarantees and investments made by the Company required under section 186(4) of the Act are contained in Notes of the Standalone Financial Statements and are not reproduced for the sake of brevity.

However, On May 31,2024, the Board of Directors has approved to give Corporate Guarantee in favour of UCO Bank, Hazratganj branch, Lucknow to secure the credit facilities to the extent of Rs. 186.89 Crore by UCO Bank to M/s Carya Chemicals & Fertilizers Private Limited ("CARYA"), a material Subsidiary Company of the Company, for setting up distillery unit and bottling plant for manufacturing of IMFL and Country Liquor at Plot No. SP1-2, RIICO Industrial Area, Guwadi & Majhari, Block Shahbad, Dist. Baran, Rajasthan Baran, Rajasthan.

### **PARTICULARS OF CONTRACT OR ARRANGEMENTS MADE WITH RELATED PARTIES.**

In line with the requirements of the Companies Act, 2013 and the SEBI Listing Regulations, the Company has formulated a Policy on Related Party Transactions. The Policy can be accessed on the Company's website at [https://www.surajindustries.org/policy/Related%20Party%20Transaction%20Policy\\_SIL.pdf](https://www.surajindustries.org/policy/Related%20Party%20Transaction%20Policy_SIL.pdf). The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties. This Policy specifically deals with the review and approval of RPT, keeping in mind the potential or actual conflicts of interest that may arise because of entering into these transactions. All RPT are placed before the Audit Committee for review and approval.

All Related Party Transactions (RPT) that were entered into by the Company during the financial year under review were at arm's length basis and in the ordinary course of business. During the year under review, the Company has entered into material related party transactions with M/s Carya Chemicals and Fertilizers Private Limited (CARYA) and details of the same are stated in Form AOC-2 in **Annexure- II** of this report. The material related party transactions are entered by the Company are within the limits approved by the Shareholders at their Extra-Ordinary General Meeting ("EGM") and 31<sup>st</sup> Annual General Meeting ("AGM") of the Company held on March 11,2023 and September 26,2023 respectively.

All the related party transactions were entered on arms' length basis and were in the ordinary course of business. Further, the transactions with related parties were in compliance with applicable provisions of the Act and the Listing Regulations. Omnibus approval was obtained for the transactions which were foreseen and repetitive in nature. A statement of all related party transactions was presented before the Audit Committee on a quarterly basis.

Details of related party transactions entered into by the Company, in terms of IND AS-24 have been

disclosed in the notes to the standalone/consolidated financial statements forming part of the Annual Accounts for the Financial Year 2023-24.

### **DEPOSITS**

The Company has not accepted any deposits including deemed deposits during the Financial Year 2023-24 covered under Chapter V of the Companies Act, 2013, i.e. within the meaning of Section 2(31) of the Companies Act, 2013 read with Rule 2(1)(c) of the Companies (Acceptance of Deposits) Rules, 2014 and as such there are no such overdue deposits outstanding as on March 31,2024.

### **BORROWINGS FROM DIRECTORS & THEIR RELATIVES**

Pursuant to Rule 2(1)(c) of Companies (Acceptance of Deposits) Rules, 2014, it is stated that during the financial year under review, the Company had repaid a loan taken from director in compliance of the Provisions of the Act. The details are provided in the notes to financial statements.

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

The Company is not engaged in any activity where conservation of energy and technology absorption is required. Further, during the year there were no foreign exchange earnings or outgo. Hence the details required under Section 134(3) (m) of the Companies Act 2013 read with rule 8(3) Companies (Accounts) Rule, 2014 are not given.

### **RISK MANAGEMENT**

The Company has in place comprehensive risk assessment and minimization procedures, which are reviewed by the Board periodically. Board has prepared Risk Management plan, which is reviewed and monitored on regular basis, to identify and review critical risks.

### **PERFORMANCE EVALUATION**

The Companies Act, 2013 read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as applicable provides that the Board needs to undertake a formal Annual Evaluation of its own performance and that of its Committees and individual Directors. Schedule IV of the Companies Act, 2013 read with the Rules issued there understates that the performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the Director being evaluated.

The Board has carried out the annual evaluation of its own performance, performance of the Directors individually as well as the performance of the working of its Audit, Nomination & Remuneration and other Committees of the Board. The evaluation was carried out taking into consideration various aspects of the Board's functioning, such as adequacy of the composition of the Board and its Committees, execution and performance of specific duties, obligations and governance, etc.

The Directors expressed their satisfaction with the evaluation process.

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

There was no change in the nature of business during the financial year 2023-2024.

### **SIGNIFICANT AND MATERIAL ORDERS**



There were no significant material orders passed by any Regulators/Courts that would impact the going concern status of the Company and its future operations.

Your Company has complied with all the Acts, Rules, Regulations and Guidelines issued/prescribed by the Securities Exchange Board of India, Ministry of Corporate Affairs and other statutory authorities.

### **VIGIL MECHANISM/ WHISTLE BLOWER POLICY**

The Board of Directors of the Company had adopted the Vigil Mechanism /Whistle Blower Policy in compliance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A mechanism has been established for employees to report concerns about unethical behavior, actual or suspected fraud, or violation of Code of Conduct and Ethics. It also provides for adequate safeguards against the victimization of employees who avail of the mechanism and allows direct access to the Chairperson of the Audit Committee in exceptional cases. The Audit Committee reviews periodically the functioning of whistle blower mechanism. No complaints/suggestions were received during the Financial Year ended March 31, 2024. No personnel have been denied access to the Audit Committee during the Financial Year 2023-24.

The details of said vigil mechanism are given in Corporate Governance Report, which forms part of this Annual Report. A copy of the Whistle Blower Policy is available in the company's website i.e. <https://www.surajindustries.org/policy/Vigil-Mechanism-Policy.pdf> .

### **HUMAN RESOURCES**

The focus on human capital continued to be a cornerstone of the Company's strategic endeavours. Recognizing the pivotal role of our workforce as the driving force behind our diverse business ventures, the Company endeavored to cultivate an environment conducive to their growth, development, and overall well-being.

We consider the employees as our most valuable asset and help them realize their full potential.

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

#### **1. Disclosure in terms of Rule 5 (1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014: -**

- i. The ratio of the remuneration of each director to the median remuneration of the employee of the Company for the financial year 2023-24:

Sr. No.	Name of Director	Category of Director	Ratio to Median Remuneration
1.	Mr. Suraj Prakash Gupta	Executive Director	11.92
2.	Mr. Ashu Malik	Executive Director	1.79
3.	Mr. Nazir Baig	Non-Executive Director	--
4.	Mr. Syed Azizur Rahman	Non-Executive Director	--

5.	Ms. Pooja Solanki	Non-Executive Director	--
6.	Mr. Sanjay Kumar Jain*	Non-Executive Director	--

- ii. The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year:

Sr. No.	Name	Category	% increase/ decrease in the remuneration in the financial year
1.	Mr. Suraj Prakash Gupta	Executive Director	-
2.	Mr. Ashu Malik	Executive Director	2.86%
3.	Mr. Sanjai Kapoor*	Chief Financial Officer	NA
4.	Mr. Somir Bhaduri	Chief Financial Officer	NA <sup>#</sup>
5.	Ms. Snehlata Sharma	Company Secretary	15.28%

\* Mr. Sanjai Kapoor resigned from the position of Chief Financial Officer of the Company with effect from November 03,2023.

# Mr. Somir Bhaduri was appointed as Chief Financial Officer of the Company with effect from February 02,2024.

- iii. The percentage increase in remuneration in the median remuneration of employee in the financial year: (-) 15.95%

There was percentile decrease in the median remuneration due to increase in number of employees with lower salary base commensurating with their qualification and experience

- iv. The Company had 35 permanent employees as on March 31,2024.

- v. Average Percentile Increase already made in the Salaries of Employees other than the Managerial Personnel in the last Financial Year and its Comparison with the Percentile Increase in the Managerial Remuneration: -

Percentage increase in the managerial remuneration for the year: 0.36%

**Percentage increase in Salaries of Employees other than the Managerial Personnel: (-) 3.94%**

There was percentile decrease in the Salaries of Employees other than the Managerial Personnel due to increase in number of employees with lower salary base commensurating with their qualification and experience

The percentile increase in the managerial remuneration was due to the increase in the salary of Managing Director

- vi. Affirmation that the remuneration is as per the remuneration policy of the Company:

The Company affirms remuneration is as per the remuneration policy of the Company.

**2. Disclosure in terms of Rule 5 (2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014: -**

There was no employee who has drawn salary as mentioned in the previously mentioned rule.

**MANAGEMENT DISCUSSION & ANALYSIS REPORT**

In terms of the provisions of Regulations 34 and Part B of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations 2015, the Management's discussion and analysis report has been given separately and forms integral part of this Annual Report.

**INDUSTRIAL RELATIONS**

The Industrial Relations have continued to be stable and harmonious during the course of the year.

**DISCLOSURES UNDER SECRETARIAL STANDARDS**

The directors state that applicable Secretarial Standards, i.e SS-1 and SS-2, relating to 'Meeting of the board of Directors' and 'General Meetings', respectively, have been duly followed by the company.

**DISCLOSURE ABOUT MAINTENANCE OF COST RECORDS**

The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/business activity,

**ISSUANCE OF EQUITY SHARES WITH DIFFERENTIAL RIGHTS AS TO DIVIDEND, VOTING OR OTHERWISE.**

As on March 31,2024, the Company has no equity shares with differential rights as to dividend voting right or otherwise.

**DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR**

During the financial year under review, neither any application is made by the Company nor is any proceeding pending under the Insolvency and Bankruptcy Code, 2016.

**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**

During the financial year under review, disclosure w.r.t. 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, is not applicable.

**DEVIATION(S) OR VARIATION(S) IN THE USE OF PROCEEDS OF PREFERENTIAL ISSUE, IF ANY**

There were no instances of deviation(s) or variation(s) in the utilization of proceeds from the allotment of 551724 fully paid-up equity shares against conversion of equal number of warrants during financial year 2023-24.

The details of the status of receipt of funds and their utilization periods are given in Corporate Governance Report, which forms part of this Annual Report.

**GREEN INITIATIVE**

As a responsible corporate citizen, the Company supports the ‘Green Initiative’ undertaken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents including the Annual Report etc. to Members at their e-mail address registered with the Depository Participants (“DPs”) and RTAs. To support the ‘Green Initiative’, Members who have not registered their email addresses are requested to register the same with the Company’s Registrar and Share Transfer Agent (“RTAs”)/ Depositories for receiving all communications, including Annual Report, Notices, Circulars, etc., from the Company electronically. Pursuant to the MCA Circulars and SEBI Circulars, the Annual Report of the Company for the financial year ended 31 March 2024 including therein the Audited Financial Statements for the financial year 2023-24, are being sent only by email to the Members.

**ACKNOWLEDGEMENTS**

We, the Board of Directors, feel compelled to express our sincere acknowledgement and heartfelt appreciation to the customers, investors, bankers, employees and business associates, all the stakeholders, shareholders, various departments of the State and the Central Government and Investors who have put their faith in the Company.

We would also like to express our gratitude to our investors for their unwavering confidence in our vision. Your financial backing and strategic guidance have propelled our growth and enabled us to pursue innovation and expansion. Your belief in our potential has been instrumental in transforming our ideas into reality, and we remain committed to delivering sustainable returns on your investment.

**Place: New Delhi**  
**Date: August 30, 2024**

**By Order of the Board**  
**For Suraj Industries Ltd**  
Sd/-  
**Sanjay Kumar Jain**  
**Chairperson of the Company**  
**(DIN: 01014176)**  
**Address: 263 , SFS, Hauz Khas**  
**New Delhi -110016**

**Annexure I****Form AOC-1**

(Pursuant to 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/associate companies/joint ventures**

**Part “A”: Subsidiaries**

(Information in respect of subsidiary to be presented.)

(INR in Lakhs)

Sl. No.	Particulars	Details
1.	Name of the Subsidiary	M/s Carya Chemicals & Fertilizers Private Limited
2.	Date since when subsidiary was acquired	June 15, 2022
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	March 31, 2024
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.
5.	Share capital	5200.00
6.	Reserves & surplus	(9.99)
7.	Total assets	5327.60
8.	Total Liabilities	5327.60
9.	Investments	--
10.	Turnover	--
11.	Profit before taxation	(7.55)
12.	Provision for taxation	1.04
13.	Profit after taxation	(8.59)
14.	Proposed Dividend	0.00
15.	% of shareholding	50.73%

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

- Names of subsidiaries which are yet to commence operation : M/s Carya Chemicals & Fertilizers Private Limited
- Names of subsidiaries which have been liquidated or sold during the year : N.A

**Part “B”: Associates and Joint Ventures****Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures.**

Name of associates/ <del>Joint Ventures</del>	M/s Shri Gang Industries and Allied Products Limited
1. Latest audited Balance Sheet Date	March 31,2024
2. Date on which the Associate was acquired	July 09, 2022
3. Shares of Associate/ <del>Joint Ventures</del> held by the company on the year end (i) No. (ii) Amount of Investment in Associates/ <del>Joint Venture</del> (iii) Extend of Holding%	(i) 36,00,000 equity shares (ii) Rs. 360 Lakhs (iii) 20.08 %
4. Description of how there is significant influence	There is significant influence due to the percentage (%) of equity shares held by the Company.
5. Reason why the associate/ <del>joint venture</del> is not consolidated	N.A.
6. Net worth attributable to shareholding as per latest audited Balance Sheet	Rs. (601.48) lacs
7. Profit/Loss for the year	
i. Considered in Consolidation	Rs. 297.36 lacs
ii. Not Considered in Consolidation	Rs. 1183.52 lacs

1. Names of associates or joint ventures which are yet to commence operations : N.A.

2. Names of associates or joint ventures which have been liquidated or sold during the year: N.A.

Place: New Delhi  
Date: August 30, 2024

By Order of the Board  
For Suraj Industries Ltd  
Sd/-  
Sanjay Kumar Jain  
Chairperson of the Company  
(DIN: 01014176)  
Address: 263 , SFS, Hauz Khas  
New Delhi -110016

**Annexure II****Form AOC-2**

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

**Form for Disclosures of particulars of contracts /arrangements entered into by the Company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms-length transaction under third proviso thereto.**

- 1) **Details of Contracts or arrangements or transactions not at arm's length basis**  
Not applicable ,all contracts or arrangements or transactions with related parties are at arm's length basis.
- 2) **Details of material contracts or arrangement or transactions at arm's length basis**

Sl. No.	Particulars	Details
a.	Name(s) of the related party and nature of Relationship	Carya Chemicals & Fertilizers Private Limited ("CARYA"), a subsidiary company of the Company
b.	Nature of contracts/arrangements /transactions	During the financial year the company had given a Loan of amount of Rs. 1.80 Crore to CARYA and CARYA repaid a loan of amount of Rs. 2.56 Crore including outstanding of Rs. 76 Lakhs as on March 31,2023.
c.	Duration of the contracts/arrangements/transactions	Loan – 3 years (extendable with mutual consent)
d.	Salient terms of the contracts or arrangements or transactions including the value, if any	Unsecured Loan given- Rs 1.80 Crore Repaid – Rs. 2.56 Crore Balance- Nil Rate of Interest – 12.50 %
e.	Date(s) of approval by the Board, if any:	The Board of Directors approved transactions with M/s Carya Chemicals and Fertilizers Private Limited on February 10,2023 and August 28, 2023, and shareholders also approved these transactions in Extra- Ordinary General Meeting held on March 11,2023 and 31 <sup>st</sup> Annual General Meeting held on September 26, 2023.
f.	Amount paid as advances, if any:	Nil

Place: New Delhi  
Date: August 30, 2024

By Order of the Board  
For Suraj Industries Ltd  
Sd/-  
Sanjay Kumar Jain  
Chairperson of the Company  
(DIN: 01014176)  
Address: 263, SFS, Hauz Khas  
New Delhi -110016

Annexure IIIANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024.**1. A brief outline of the Company's CSR policy**

The Board of Directors has adopted a CSR policy to enable the Company to carry-out CSR activities in one or more than one activities mentioned in the Schedule VII to the Companies Act, 2013. The CSR initiatives of the Company are mainly focused in education, healthcare, environment, relief, disaster management etc. and Covid-19 related activities as permitted by the law. Details of the CSR policy of the Company is available on the website of the Company at [www.surajindustries.org](http://www.surajindustries.org).

**2. Composition of CSR Committee:**

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of Committee meetings held during the year	Number of CSR meetings held during the year	Number of CSR meetings attended during the year
--- Not Applicable during the financial year 2023-24 as the functions and responsibilities of CSR committee was done by the Board of Directors of the Company-----					

**3. The web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company at:**

[https://www.surajindustries.org/policy/CSR%20Policy\\_SIL.pdf](https://www.surajindustries.org/policy/CSR%20Policy_SIL.pdf)

**4. The executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: Not Applicable****5. (a) Average net profit of the Company as per Section 135(5) = Rs. 4.43 Crore**

(b)	<b>2% of the average net profit of the company as per Section 135(5)</b>	<b>Rs. 8.86 Lakhs</b>
(c)	Surplus arising out of the CSR Projects or programmes or activities of the previous Financial Year	--
(d)	Amount required to be set off for the Financial Year, if any	--
(e)	<b>Total CSR Obligation for the financial year (b+c-d)</b>	<b>Rs. 8.86 Lakhs</b>

**6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) = Rs. 8.86 Lakhs**

(b) Amount spent in Administrative Overheads Nil

(c) Amount spent on Impact Assessment, if applicable Nil

(d) Total amount spent for the Financial Year [(a)+(b)+(c)] **Rs. 8.86 Lakhs**

(e) CSR amount spent or unspent for the financial year:



Total Amount Spent for the financial year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per proviso second proviso to Section 135(5)		
Rs. 8.86 Lakhs	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
Not applicable, since there is no unspent amount.					

(f) Excess amount for set off, if any : Not Applicable

S. No.	Particulars	Amount
(i)	Two percent of average net profit of the company as per section 135(5)	Rs. 8.86 Lakhs
(ii)	Total amount spent for the financial year	Rs. 8.86 Lakhs
(iii)	Excess amount spent for the financial year [(ii)-(i)]	--
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	--
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	--

7. (a) Details of Unspent CSR amount for the Preceding Three Financial Years :

1	2	3	4	5	6		7	8
Sr. No.	Preceding FY	Amount transferred to Unspent CSR Account for the Project as per section 135(6) (in Rs.)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in Rs.)	Amount Spent in the Financial Year (in Rs.)	Amount transferred to a fund as specified under Schedule VII as per second proviso to sub-section (5) section 135(5), if any		Amount remaining to be spent in succeeding FY (in Rs.)	Deficiency, if any
					Amount (in Rs.)	Date of Transfer		
-----NIL-----								

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **Not Applicable**
9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135 : **Not Applicable**

**Place: New Delhi**  
**Date: August 30, 2024**

**By Order of the Board**  
**For Suraj Industries Ltd**  
**Sd/-**  
**Suraj Prakash Gupta**  
**Managing Director**  
**(DIN: 00243846)**  
**Address: W-15/40, W-15, Western**  
**Avenue, Sainik Farms**  
**Pushpa Bhawan, Delhi-110062**

Annexure IV

## Form No. MR-3

## SECRETARIAL AUDIT REPORT

**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024**  
**[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies**  
**(Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A**  
**Of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ]**

**TO,**  
**THE MEMBERS,**  
**SURAJ INDUSTRIES LTD**  
**CIN: L26943HP1992PLC016791**  
**Plot No. 2, Phase III,**  
**Sansarpur Terrace, Kangra,**  
**Himachal Pradesh-173212**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practices by M/s **SURAJ INDUSTRIES LTD** (hereinafter called the Company) for the year ended **March 31,2024** (“**Audit Period**”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2024** (**Audit Period**) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter along with **Annexure 1** attached to this report:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 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 (FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings (ECB); (**No FDI and ECB was taken and no ODI was given by the company during the Audit Period**)
- 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 **(Not applicable to the Company during the Audit Period)**;
  - e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not applicable to the Company during the Audit Period)** ;
  - 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; **(Not applicable as the Company is not registered as Registrar to an issue and Share Transfer Agent during the Audit Period)**;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021(herein after “Delisting Regulations”) **(Not applicable to the Company during the Audit Period) ;and**
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the Audit Period)**

#### **OTHER LAWS SPECIFICALLY APPLICABLE TO THE COMPANY AS IDENTIFIED BY THE MANAGEMENT**

- 1) Foods Safety & Standards Act, 2006 and Foods Safety & Standards (Licensing & Registration of Food Business), Regulations, 2011;
- 2) Rajasthan Excise Act, 1950 and rules made thereunder.

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

- a) Secretarial Standards issued by The Institute of Company Secretaries of India (SS-1 and SS-2);
- b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and the Listing Agreements entered into by the Company with BSE Limited (“BSE”).

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, and Guidelines to the extent applicable, Standards, etc. as mentioned above.

Based on the information received and records maintained, we further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive, women and Independent Directors. The changes in the composition of the Board

of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

2. Adequate notice of at least seven days was given to all directors to schedule the Board Meetings along with agenda and detailed notes on agenda 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 in compliance of the Act.
3. Majority decision is carried through and recorded in the minutes of the Meetings. Further, as informed, no dissent was given by any director in respect of resolutions passed in the board and committee meetings.

Based on the compliance mechanism established by the company and based on the Compliance Certificate (s) placed and taken on record by the Board of Directors at their meeting (s), **we further report that;**

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

We further report that during the audit period the company has not incurred any specific event / action that can have major bearing on the company's affairs in pursuance of above referred laws, rules, regulations; guidelines, standards etc. except the following:

1. During the year under review, the Board of Directors have made following allotments of fully paid equity shares pursuant to conversion of 5,51,724 fully convertible Warrants ("Warrants") issued on 12.05.2024 to persons belonging to promoter and Promoter Group
  - Allotment of 2,75,862 Equity Shares of Rs.10 each on 7.10.2023 which were listed on BSE w.e.f. 01.11.2023.
  - Allotment of 2,75,862 Equity Shares of Rs.10 each on 7.10.2023 which were listed on BSE w.e.f. 22.11.2023.
2. The Right Issue Committee of the Board of Directors at its meeting held on December 18,2023 approved the Draft Letter of Offer in relation to the Right Issue of securities of up to Rs.1948.29 Lakh approved by the Board of Directors in its Board Meeting held on February 10,2023. The Company has filed draft Letter of Offer ("LOI") with the BSE on December 26,2023 for its In-Principle approval and the Company has received In- Principle Approval from BSE on May 10,2024.

**FOR A R MISHRA & ASSOCIATES  
COMPANY SECRETARIES**

**Date: July 29, 2024**

**Place: New Delhi**

**UDIN: F005377F000842356**

Sd/-  
**(Ashok Ranjan Mishra)**  
**Proprietor**  
**FCS No. 5377, CP No.22727**  
**FRN No. S2020DE715600**  
**Peer Review No. 2781/2022**

Annexure 1

To,  
THE MEMBERS,  
SURAJ INDUSTRIES LTD  
CIN: L26943HP1992PLC016791  
Plot No. 2, Phase III,  
Sansarpur Terrace, Kangra,  
Himachal Pradesh-173212

**Sub: Our Secretarial Audit for the Audit Period is to be read along with this letter.**

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our Audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. We believe that the processes and practices, we followed provide a reasonable basis to our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules, and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of the procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.
7. As per the information provided by the company, there is one case filed against the company, which is currently lying pending before the Hon'ble Himachal Pradesh High Court. However as informed the financial impact will be determined after the disposal of the case.

**FOR A R MISHRA & ASSOCIATES  
COMPANY SECRETARIES**

**Date: July 29, 2024  
Place: New Delhi  
UDIN: F005377F000842356**

**Sd/-  
(Ashok Ranjan Mishra)  
Proprietor  
FCS No. 5377, CP No.22727  
FRN No. S2020DE715600**

Annexure -V

## Form No. MR-3

## SECRETARIAL AUDIT REPORT

**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024**

**[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A Of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]**

**TO,  
THE MEMBERS,  
CARYA CHEMICALS & FERTILIZERS PRIVATE LIMITED  
CIN: U24297DL2013PTC252503  
Ground Floor, F-32/3,  
Okhla Industrial Area,  
Phase-II New Delhi - 110020**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practices by M/s **CARYA CHEMICALS & FERTILIZERS PRIVATE LIMITED** (hereinafter called the Company) for the financial year ended **March 31,2024** (“**Audit Period**”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2024 (Audit Period)** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter along with **Annexure 1** attached to this report:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 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; (Not applicable to the Company during the Audit Period)
- 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 (FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings (ECB); **(No FDI and ECB was taken and no ODI was given by the company during the Audit Period)**
- 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 **(Not applicable to the Company during the Audit Period)**
- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **(Not applicable to the Company during the Audit Period)**
- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the Company during the Audit Period)**
- d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 **(Not applicable to the Company during the Audit Period);**
- e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not applicable to the Company during the Audit Period) ;**
- 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; **(Not applicable as the Company is not registered as Registrar to an issue and Share Transfer Agent during the Audit Period);**
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (herein after “Delisting Regulations”) **(Not applicable to the Company during the Audit Period) ;and**
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the Audit Period)**
- i) i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; (Applicable only to the extent)

**OTHER LAWS SPECIFICALLY APPLICABLE TO THE COMPANY AS IDENTIFIED BY THE MANAGEMENT**

1. Water (Prevention and Control of Pollution ) Act 1974.;
2. AIR (Prevention and Control of Pollution) Act 1974.
3. Environment (Protection) Act 1986.
4. Petroleum Act 1934.

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

- a) Secretarial Standards issued by The Institute of Company Secretaries of India (SS-1 and SS-2);
- b) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India. (Not applicable to the Company during the Audit Period).

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, and Guidelines to the extent applicable, Standards, etc. as mentioned above.

Based on the information received and records maintained, we further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive,



Non-Executive, women and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

2. Adequate notice of at least seven days was given to all directors to schedule the Board Meetings along with agenda and detailed notes on agenda except in few meetings conducted with shorter notice 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 in compliance of the Act.
3. Majority decision is carried through and recorded in the minutes of the Meetings. Further, as informed, no dissent was given by any director in respect of resolutions passed in the board and committee meetings.

Based on the compliance mechanism established by the company and based on the Compliance Certificate (s) placed and taken on record by the Board of Directors at their meeting (s), **we further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the company has not incurred any specific event / action that can have major bearing on the company's affairs in pursuance of above referred laws, rules, regulations; guidelines, standards etc. except the following:

- 1) Special Resolution have been passed by the members in the 10<sup>th</sup> Annual General Meeting of the company held on 25<sup>th</sup> September, 2023 to:
  - a. increase the limits to create pledge/charge/mortgage/hypothecation on the movable and immovable a properties of the company, both present and future, in respect of borrowings upto Rs. 200,00,00,000/- (Rupees Two Hundred Crores Only) under section 180(1)(a) of the Act.
  - b. increasing the limit of borrowings of the Company upto Rs. 200,00,00 000 Rupees Two Hundred Crores Only) under Section 180(1)(c) of the Act.
- 2) During the year, the Company has started the process of setting up Bottling Plant for IMFL Country Liquor and Grain based Distillery at SP 1-2, RIICO Industrial Area, Village Guwadi & Majhari , Tehsil Shahabad , District Baran, Rajasthan

**FOR A R MISHRA & ASSOCIATES  
COMPANY SECRETARIES**

**Date: July 23, 2024**

**Place: New Delhi**

**UDIN: F005377F000802437**

**Sd/-  
(Ashok Ranjan Mishra)  
Proprietor  
FCS No. 5377, CP No.22727  
FRN No. S2020DE715600  
Peer Review No. 2781/2022**

Annexure 1

To,  
THE MEMBERS,  
CARYA CHEMICALS & FERTILIZERS PRIVATE LIMITED  
CIN: U24297DL2013PTC252503  
Ground Floor, F-32/3,  
Okhla Industrial Area,  
Phase-II New Delhi - 110020

**Sub: Our Secretarial Audit for the financial Year ended March 31,2024 of even date s to be read along with this letter.**

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our Audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. We believe that the processes and practices, we followed provide a reasonable basis to our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules, and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of the procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.
7. As per the information provided by the company, there is no case filed against by or against the company, which has major impact on the Company.

**FOR A R MISHRA & ASSOCIATES  
COMPANY SECRETARIES**

**Date: July 23,2024  
Place: New Delhi  
UDIN: F005377F000802437**

**Sd/-  
(Ashok Ranjan Mishra)  
Proprietor  
FCS No. 5377, CP No.22727  
FRN No. S2020DE715600  
Peer Review Peer Review No. 2781/2022**

# MANAGEMENT DISCUSSION AND ANALYSIS REPORT



## INDUSTRY STRUCTURE AND DEVELOPMENTS

India is primarily a domestic demand-driven economy, with consumption and investments contributing to 70% of the economic activity. With an improvement in the economic scenario and the Indian economy recovering from the Covid-19 pandemic shock, several investments and developments have been made across various sectors of the economy. According to World Bank, India must continue to prioritise lowering inequality while also putting growth-oriented policies into place to boost the economy.



The alcohol industry plays an important role in the national economy, generating jobs, income, and economic growth. India is one of the fastest-growing alcohol markets in the world, market is dominated by whisky followed by beer and wine. The country's population is around 1.3 billion and the strong demographic profile that the youngest population make-ups in the world with ~50% of its population below the age of 25; and ~65% of the population below the age of 35 the

per capita alcohol consumption in India is set to boom. As we look to the future, the importance of the alcohol industry in India is poised to grow because of the demographic shift, the growth of the young, expanding middle class with increased purchasing power, rapid urbanization, changing consumer preferences, and a reduction in cultural barriers to drinking. A conducive operating environment for this sector can be fostered through constructive government policies.

### Edible Oil

#### Demand for Edible Oil

The global cooking oil market is driven by the robust demand for organic health-based products, with increased consumption of high-quality edible oils/cooking oils by health-conscious consumers and the growing demand from the various applications, such as confectionery, primarily in the production of candies.

Also, refined olive oil and coconut oil are increasingly being used in various bakery applications, as they are bland in taste, thereby, allowing the food to maintain the original flavour. Additionally, they do not exhibit any pungency, unlike mustard oil

The demand for non-GMO cooking oil has also catered to the market, as it augmented the shares of sunflower oil, coconut oil, and olive oil, together with leading segments of the market studied, including, palm oil, canola oil, and soybean oil.

Asia-Pacific holds a significant share in the market studied, due to the huge demand from food industries, attributed to the increasing number of health-conscious consumers, strong population base, and changing living standards, coupled with the presence of major palm oil producing nations in the region. Additionally, a prominent factor in the increasing edible oil use is the growing consumption of processed food.

## **INDIAN EDIBLE OIL INDUSTRY**

Edible oil market in India is projected to grow from around \$ 21.5 billion in 2019 to \$ 35.2 billion by 2025 due to increasing disposable income and rising consumer awareness about healthy lifestyle & wellness. Moreover, strong marketing activities by leading edible oil brands, changing tastes and preferences of consumers, expanding population, and shifting consumption pattern towards branded oils is leading to rising consumption of edible oils in the country.

### **Importance of Edible Oils in the Country's Economy**

Oilseeds and edible oils are two of the most sensitive essential commodities. India is one of the largest producers of oilseeds in the world and this sector occupies an important position in the agricultural economy, accounting for the estimated production of 36.56 million tons of nine cultivated oilseeds during the year 2020-21 (November- October) as per 3rd Advance Estimates released by the Ministry of Agriculture on 25.05.2021

### **Consumption Pattern of Edible Oils in India**

India is a vast country and inhabitants of several of its regions have developed specific preference for certain oils largely depending upon the oils available in the region. For example, people in the South and West prefer groundnut oil while those in the East and North use mustard rapeseed oil. Likewise, several pockets in the South have a preference for coconut and sesame oil. Inhabitants of northern plain are basically consumers of fats and therefore prefer Vanaspati, a term used to denote a partially hydrogenated edible oil mixture of oils like soyabean, sunflower, rice bran and cottonseed oils. Many new oils from oilseeds of tree and forest origin have found their way to the edible pool largely through Vanaspati route. Of late, things have change

Through modern technological means such as physical refining, bleaching and de-odorization, all oils have been rendered practically colorless, odorless and tasteless and therefore, have become easily interchangeable in the kitchen. Oils such as soyabean oil, cottonseed oil, sunflower oil, rice bran oil, palm oil and its liquid fraction-palmolein which were earlier not known have now entered the kitchen. The share of raw oil, refined oil and Vanaspati in the total edible oil market is estimated roughly at 35%, 60% and 5% respectively. About 56 % of domestic demand of edible oils is met through imports out of which palm oil/palmolein constitutes about 54%. The consumption of refined palmolein (RBD palmolein) as well as its blending with other oils has increased substantially over the years and is used extensively in hotels, restaurants and in preparation of wide varieties of food products.

## ALCOHOL

### GLOBAL OUTLOOK

The global alcoholic beverages industry has seen positive volume and value growth following a turbulent few years. Tuning into the latest set of financial results from major alcoholic drinks players gives much reason for optimism – the trend towards premiumisation appears to



Nao Spirits, Jimmy's Cocktails, RockClimber - Alcoholic Beverage Companies in India

show no signs of abating, and – as the threat of the pandemic subsides – both volume and value growth have returned. Since the peak of the pandemic, alcoholic drinks volumes have spiked by 7.3% as of 2022, and are expected to soar even higher by 2026. In value terms, the current global industry size is at US\$1.8T, a 10% growth increase from 2021, and is expected to hit US\$2.2T in 2026, according to Global Data forecasts.

#### ***Alcoholic drinks sales will bounce back from the Covid-19 pandemic***

As previously outlined, sales of alcoholic beverages are expected to fully recover from the disruption caused by the Covid-19 pandemic. On-trade sales have returned to pre-pandemic levels in most markets, as have total volumes and value figures. At the group's capital markets day in Paris in June, Pernod Ricard CEO Alexandre Ricard said that the pandemic was “gone from a business point of view”, adding that the Malibu brand owner was above Pre-Covid crisis levels by “almost double-digits” in its three key reporting regions.

Between 2022-2026, value is expected to outpace volume growth in all regions due to inflation and ongoing premiumisation trends, although the industry is expected to face challenges in the form of rising commodity prices and the ongoing Russia-Ukraine conflict.

Among the categories of alcoholic drinks, the most significant volume growth will be seen in flavored alcoholic beverages and non-alcoholic spirits drinks and spirits drinks, with 8.9% and 4.9% CAGR predicted between 2022 and 2026, respectively.

### **The Indian Alcohol Market**

The alcohol market in India is primarily divided into four categories

**Indian-made Foreign Liquor (IMFL):** This term is used by the governments to designate the types of liquors that are domestically manufactured apart from the indigenous alcoholic beverages like feni, arrack, etc. IMFL category includes drinks like Rum, brandy, whiskey, vodka, gin, etc.

**Beer:** This segment comprises all sorts of beer, strong or mild. United breweries dominate the market with its Kingfisher beer.

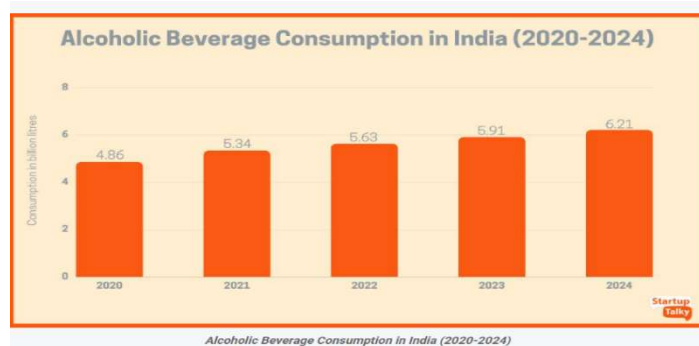
**Wine:** It has three main types- red wine, white wine, and rose wine. India is also a huge market for wine that is both imported and produced in the country itself. Wine customers are mostly from the middle-class urban population. Maharashtra and Karnataka have the largest vineyards in India.

**Indian-made Indian liquor (IMIL) or Country Liquor:** These are regional drinks that are locally produced. For instance, Feni is the most popular local drink which is produced in parts of Goa. Feni is

made of cashew or coconut. Similarly, Mahua is prevalent in parts of Bihar, Bengal, and Jharkhand. Almost every state in India has its regional drinks consumed by its local population.

### Alcohol Consumption in India

The rate of consumption of alcohol has been growing in India for the last three decades. After the pandemic, the swift bounce back of alcohol shows the vast customer base inside the country. Because of India's high population growth rate, every year produces 13 million drinking-age adults of which at least 3-5 million eventually end up consuming alcohol in some way or another which shows an increase in the rate of consumption of it at a huge pace.



With such a high-growth trajectory, consumption patterns are significantly changing with surprising trends emerging every year in the alcohol industry. World statistics show that India is the largest consumer of whiskey. Additionally, India is the 9th largest alcohol consumer in the world from the perspective of consumption volume.

According to the National Family Health Survey-5 (NFHS-5) 2019-21, alcohol consumption among both men and women is higher in rural India than in urban India. Overall, 1% of women aged between 15-49, drink alcohol, compared to 22% of men in the same age group.

This breaks up into 1.6%(rural) and 0.6%(urban) among women, and 19.9% and 16.5% respectively among men. Arunachal Pradesh, Telangana, and Sikkim have the highest drinking men population, standing at 52.6%, 45.4%, and 39.9% respectively. On the other hand, Lakshadweep, Gujarat, Jammu and Kashmir have the lowest percentage of 0.4%, 5.8%, and 8.7% respectively. Among women, Arunachal Pradesh, Sikkim, and Assam have the highest drinking percentage of 24.2%, 16.2%, and 7.3% respectively. Whereas, the percentage in Kerala and Jammu and Kashmir stands at 0.2% each.

Arunachal Pradesh tops the rank and has the highest percentage of both men (53%) and women (24%) drinking alcohol. Among women, Arunachal Pradesh is followed by Sikkim (16%) and among men, it is followed by Telangana (43%). Alcohol consumption is more common in scheduled tribes than in any other caste/tribe groups; this is true for both women (6%) and men (33%).

Besides Arunachal Pradesh and Telangana, alcohol consumption among men is higher (40%) in the upper Brahmaputra region of Assam, districts in Jharkhand and Bastar region of Chhattisgarh, and the Chhota Nagpur region of Jharkhand and Odisha.

## OPPORTUNITY & THREATS, RISK & CONCERNS

### Opportunities and Threats:

- There is huge opportunity in the sale of potable liquor. The demand for potable liquor is showing a steady increase year on year.
- The Company's strong focus on understanding consumer preferences, product development and roll out capabilities.

- Long standing relationship with our customers.
- Low per capita consumption, rapid urbanization, favorable macroeconomics indicators, higher disposable incomes and evolving lifestyles bode well for the industry as a whole.
- The business of potable liquor is subject to policies of the State Governments as it is a State subject. There is always a threat of change in Government policies in terms of “Prohibition in consumption of Liquor” as imposed in States of Gujarat and Bihar.
- High competitive intensity due to inflationary pressures and other macroeconomics factors.
- Consumption degrowth due to inflationary pressures and other macroeconomic factors

### **FINANCIAL PERFORMANCE**

#### **Standalone**

During the financial year 2023-2024 under review, the total Revenue of the company was Rs.5106.28 lakh as against Rs.6737.89 lakh in the previous year and the net profit after tax was Rs. 157.11 Lakhs as compared to profit of Rs. 479.40 Lakhs in the previous financial year.2022-23.

#### **Consolidated**

During the financial year 2023-2024 under review, as per the Consolidated Financial Statements, the net profit is Rs. 445.90 Lakhs which includes share of profit of Associate company amounting to Rs 297.36 Lakhs as compared to profit of Rs. 743.50 Lakhs (inclusive of associate’s profit of Rs. 264.11 Lakhs) in the previous financial year.2022-23.

### **OUTLOOK**

The company is engaged in two business verticals-

a) Trading Business

Trading of edible oils and other products, which consist Palm Oil, Soybean Oil, Rice etc; and

b) Liquor Business

- ❖ Processing and Bottling of Rajasthan Made Liquor (RML) for Rajasthan State Ganganagar Sugar Mills Limited (RSGSM), a Government of Rajasthan undertaking having exclusive wholesale rights for Country Liquor and RML in the State of Rajasthan.
- ❖ The company has also started to manufacture and sell Country Liquor in its own brands.
- ❖ on May 24, 2024, the Company has commenced commercial production in new fully automatic Liquor Bottling line installed at the premises of M/s Rajasthan State Ganganagar Sugar Mills Ltd. (“RSGSM”) at Near Railway Station , Mandore, Jodhpur, Rajasthan-342006 for manufacturing of Country Liquor for Rajasthan State Ganganagar Sugar Mills Limited (RSGSM) having a capacity of the Bottling line as 2200 cases per day (one case contains 48 bottles of 180 ml).

The liquor business is the major focus area for the Company as a step towards growth and enhancing its business prospect

### **RISKS AND CONCERNS**

- The industry is exposed to multiple regulatory risks emanating from state taxes, adverse ruling from courts and changes in regulations with respect to pricing, licensing, working of operating facilities, manufacturing processes, marketing, advertising, and distribution.
- Further due to regulated nature of the industry, your Company is exposed to the restrictions by the state governments on production, movement and sale of spirits.
- Another concern emerges from the dependence on state governments to get price increases or changes. Margins may get severely impacted due to commodity cost inflation.
- Prohibition in certain states poses a threat to legitimate sales. The business of potable liquor is subject to policies of the State Governments as it is a State subject. There is always a threat of change in Government policies in terms of “Prohibition in consumption of Liquor” as imposed in States of Gujarat and Bihar.

### **CASH FLOW ANALYSIS**

The Cash Flow Statement for the year under reference in terms of **Regulation 34(2) of the (Listing Obligations and Disclosures Requirements) Regulations, 2015** is annexed with the Annual Accounts of the Company.

### **FINANCE COST**

The financial charges for the year ended March 31, 2024 was Rs. 103.03 Lakhs. This is mainly on account of interest payable on the unsecured loans and vehicle loan taken by the company.

### **OTHER EQUITY (RESERVES AND SURPLUS)**

As on March 31, 2024, the Reserves and Surplus in the Balance Sheet at Rs 3088.94 Lakh as compared to the balance of Rs. 2386.99 Lakhs during the previous Financial Year 2022-23.

### **EARNING PER SHARE**

Earnings per share of the company is 1.24 as against the EPS of 4.12 in the previous year.

### **SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS**

Ratios	2023-24	2022-23	Variation (in %)	Reason for change
Debtors Turnover	0.30	0.20	53.36	This is due to lower level of trade receivables vis a vis previous year.
Inventory Turnover Ratio (in days)	75.02	142.89	-47.50	Due to reduction in inventory levels.
Interest Coverage				Due to decline in profit and increase in



Ratio	3.12	10.94	-71.49	interest cost
Current Ratio	1.17	0.84	38.92	Current ratio has improved due to higher increase in current assets as compared to current liabilities.
Debt Equity Ratio	0.23	0.29	-19.68	Debt equity ratio has improved due to increase in the shareholder's equity.
Operating Profit Ratio (in %)	10.81	13.78	-21.54	Due to decrease in turnover as well as profit margins
Net Profit Margin (in %)	3.04	7.08	- 57.08	Due to decrease in turnover as well as profit margins

### **INTERNAL CONTROLS AND THEIR ADEQUACY**

The Company has adequate Internal Control System, commensurate with the size, scale and complexity of its operations. The Internal Audit function is handled by an external firm of Chartered Accountants. The Internal Control Systems are regularly being reviewed by the Company's Internal Auditors with a view to evaluate the efficacy and adequacy of Internal Control Systems in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and to ensure that these are working properly and wherever required, are modified/ tighten to meet the fast changing business requirements.

The Audit Committee regularly interacts with the Internal Auditors, the Statutory Auditors and Senior Executives of the Company responsible for financial management and other affairs. The Audit Committee evaluates the internal control systems and checks and balances for continuous updation and improvements therein. The Audit Committee also regularly reviews and monitors the budgetary control system of the Company as well as the system for cost control, financial controls, accounting controls, physical verification, etc. The Audit Committee regularly observes that proper internal financial controls are in place including with reference to financial statements. During the year, such controls were reviewed, and no reportable material weakness was observed.

### **ENVIRONMENT AND SAFETY**

Quality and Environment safety is of primary importance to the Company. It ensures that the quality control system remains robust and the products undergo strict quality checks.

### **HUMAN RESOURCES AND CORPORATE SOCIAL RESPONSIBILITY**

Human capital is the most essential part of the Company. The Company keeps promoting a collaborative work environment where all the employees feel safe and a part of the Company. The Human Resources policies of the Company are aimed at attracting, nurturing and retaining talent in a constantly evolving business environment while ensuring trust, transparency and teamwork amongst its employees.

The Company recognizes the importance of human resources in realising its growth ambitions and believes in nurturing talent within the organization to take up leadership positions. During the year Company continued to maintain healthy and cordial relationship with its employees.

**CAUTIONARY STATEMENT**

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations and others may constitute "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results may differ from those expressed or implied. Several factors that could significantly impact the Company's operations include economic conditions affecting demand, supply and price conditions in the domestic and overseas markets, changes in Government regulations, tax laws and other statutes, climatic conditions and such incidental factors over which the Company does not have any direct control. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

**Place: New Delhi**  
**Date: August 30, 2024**

**By Order of the Board**  
**For Suraj Industries Ltd**  
Sd/-  
**Sanjay Kumar Jain**  
**Chairperson of the Company**  
**(DIN: 01014176)**  
**Address: 263 , SFS, Hauz Khas**  
**New Delhi -110016**

# CORPORATE GOVERNANCE REPORT



The Directors of Suraj Industries Ltd (“the Company”) have pleasure in presenting the Company’s Report on Corporate Governance for the Financial Year 2023-24 in pursuant to Regulation 34(3) read with Schedule V and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘SEBI Listing Regulation’).

## COMPANY PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Corporate Governance is to conduct business with a firm commitment to values, while meeting stakeholders’ expectations. It is based on preserving core beliefs and ethical business conduct while maintaining a strong commitment to maximize long-term stakeholder value. Your Company carries on an ethically driven business process that is committed to ethical practices aimed at enhancing stakeholder value. As a good corporate citizen, your Company is dedicated towards following the best corporate governance practices built through conscience, fairness, transparency, accountability, building confidence of its various stakeholders, thereby paving the way for its enduring success.

Since its inception, your Company has taken conscious efforts to operate in a manner responsible to all stakeholders. Your Company has maintained the highest standards of corporate governance all through its operations. Your Company is committed to moulding Corporate Governance practices in line with its core values, beliefs and ethics. Your Company believes in attainment of highest levels of transparency in all facets of its operations and maintains an unwavering focus on good Corporate Governance practices.

Your Company continues to strengthen its governance principles to generate long-term value for its various stakeholders on a sustainable basis thus ensuring ethical and responsible leadership both at the Board and at the Management levels.

The Corporate Governance is ongoing process and your Company has always focused on good corporate governance, which is a key driver of its long term value creation and trust. Even in fiercely competitive business environment, the management and employees of your company are committed to uphold the core values of transparency, integrity, honesty and accountability.

Your Company's Corporate Governance Framework ensures that the company makes timely disclosures, shares accurate information regarding its financial and business performance.

We believe that an active, well-informed and independent Board is necessary to ensure the highest standards of Corporate Governance. We firmly believe that Board independence is essential to bring objectivity and transparency in the management and in the dealings of the Company.

Your Company has adopted best of corporate governance practices and is based on following principles:

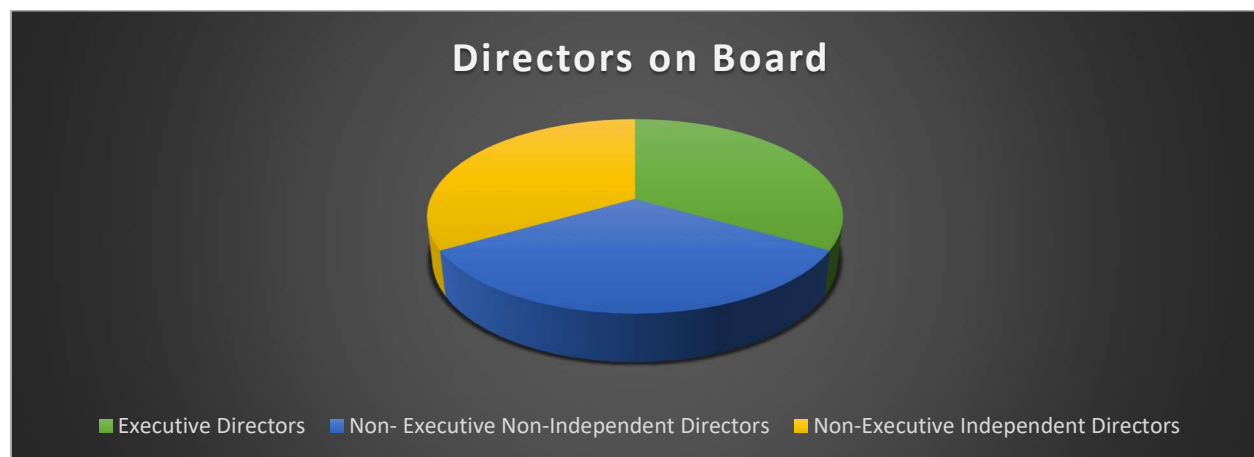
- ❖ Corporate Governance Standards should satisfy both the spirit of the law and the letter of the law.
- ❖ Accountability for functioning and transparency in conduct.
- ❖ Have a simple and transparent corporate structure driven solely by business needs.
- ❖ Compliance with applicable laws and regulations
- ❖ Value creation and wealth maximization for stakeholders.
- ❖ The Management is the trustee of the members' capital and not the owner.

### **BOARD OF DIRECTORS (the "Board")**

The Board, being the trustee of the Company, is responsible for the establishment of cultural, ethical, sustainable and accountable growth of the Company and, is constituted with a high level of integrated, knowledgeable and committed professionals. The Board is at the helm of the Company's Corporate Governance practice. It provides strategic guidance and independent views to the Company's senior management while discharging its fiduciary responsibilities.

### **Composition of the Board**

The Board of your company bears the ultimate responsibility for the organization and administration of your company. It is vital to have a well-balanced Board with a combination of Executive, Non-Executive and Independent, Woman Director on the Board of the Company to ensure Board's independence and effective management. The Company has a balanced Board with optimum combination of Executive, Non-Executive Directors and Non-Executive Independent Directors, which plays a crucial role in Board processes and provides independent judgment on issues of strategy and performance.



The Board Composition of your company is in conformity with the requirement of Section 149(4) of the Companies Act, 2013 (“the Act”) and Regulation 17 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended from time to time. As on March 31, 2024, the Board consists of 6 (six) Directors out of which 2 (Two) Directors are Executive Directors, 2 (two) are Non-Executive Non- Independent Directors, and remaining 2 (Two) are Independent Directors out of which 1(one) Woman Independent Director. The Board periodically evaluates the need for change in its composition and size.

None of the Independent Directors on the Board serve as an independent director in more than 07 (seven) listed entities and none of the Directors on the Board is a member of more than 10 (ten) Committees excluding private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013 (“the Act”) or Chairman of more than 5( five) Committees as specified in Regulation 26 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, across all the Companies in which he/she is a Director. The Directors have made the necessary disclosures regarding Committee positions during the period under review. For the purpose of determination of limit of the Board Committees, Chairpersonship and Membership of the Audit Committee and Stakeholders’ Relationship Committee has been considered as per Regulation 26(1)(b) of SEBI Listing Regulations.

The composition of the Board represents a healthy blend and optimal mix of professionalism, knowledge and experience which enables the Board to discharge its responsibilities and provide effective leadership for long term vision and to achieve the highest level of governance.

That pursuant to SEBI (LODR) Regulations, 2015, the Board shall meet At least 4 (Four) times in a year and the time gap between any two Board Meeting did not exceed 120 (One Hundred and Twenty) days.

The Board of Directors periodically reviews compliance reports pertaining to all laws applicable to the Company. All Statutory and other matters of significance including information as mentioned in Part A of Schedule II (Listing Obligations and Disclosure Requirements) Regulations, 2015 are informed to the Board to enable it to discharge its responsibility of strategic supervision of the Company.

### **Roles, Responsibilities and Duties of the Board**

The role, responsibilities, and duties of the Board of Directors are crucial in ensuring effective governance and the sustainable growth of a company. Under the Securities and Exchange Board of India (SEBI) Listing Obligations and Disclosure Requirements (LODR) and Section 166 of the Companies Act, 2013, the Board has specific obligations to fulfil.

The primary role of the Board is to act as a fiduciary for the company, representing the interests of its shareholders and stakeholders. The Board is responsible for providing strategic guidance and setting the overall direction and objectives of the company. It must exercise independent judgment and act in the best interests of the company while considering the interests of all stakeholders.

### **The responsibilities of the Board include:**

- ❖ **Corporate Governance:** The Board is accountable for maintaining high standards of corporate governance, ensuring transparency, and adhering to legal and regulatory requirements. It must establish and monitor systems of internal control and risk management to safeguard the company’s assets and reputation.

- ❖ **Strategy and Planning:** The Board plays a crucial role in formulating the company's strategic plans, assessing risks, and identifying opportunities. It approves annual budgets, business plans, and major investment decisions. It also monitors the implementation of strategies and evaluates their effectiveness.
- ❖ **Oversight and Monitoring:** The Board has a duty to oversee the company's management, ensuring that it operates in a responsible and ethical manner. It appoints and evaluates the performance of key executive. The Board also reviews financial statements, internal audit reports, and compliance with legal and regulatory obligations.
- ❖ **Stakeholder Management:** The Board must consider the interests of various stakeholders, including shareholders, employees, customers, suppliers, and the community. It should foster effective communication and engagement with stakeholders and address their concerns.
- ❖ **Risk Management:** The Board is responsible for identifying and managing risks faced by the company. It should establish effective risk management policies and procedures, ensure appropriate insurance coverage, and regularly review the effectiveness of risk mitigation measures.
- ❖ **Compliance and Disclosures:** The Board ensures compliance with applicable laws, regulations, and codes of conduct. It oversees the disclosure of accurate and timely information to shareholders and other stakeholders, maintaining transparency and fairness.

Under Section 166 of the Companies Act, 2013, the Board has a fiduciary duty to act in good faith, exercise due care, and act in the best interests of the company. It should promote the company's objectives, preserve its assets, and ensure its long-term success. The Act emphasizes the duty of directors to act honestly, responsibly, and with reasonable diligence, using their skills and knowledge for the benefit of the company.

In conclusion, the Board of Directors plays a critical role in the governance and management of a company. It has various responsibilities and duties, including strategic planning, oversight, risk management, compliance, and stakeholder management. The SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and Section 166 of the Companies Act, 2013, provide a framework for the Board to fulfill its obligations and ensure the company's sustainable growth and success.

#### (A) Composition, Directorship and Attendance

Name	Category of Directors	Financial Year 2023-24 Attendance at	No. of Directorships in other companies including this listed entity as on 31.3.2024*	No. of Committee positions held in other companies including this listed entity as on 31.3.2024**

		Board Meeting	Last AGM	Listed Entities	Chairman	Member
<b>A. Promoters</b>						
Mr. Suraj Prakash Gupta	Executive – Managing Director	05	Yes	01	Nil	NIL
<b>B. Non- Promoters</b>						
Mr. Ashu Malik	Executive - Whole-time Director	04	Yes	01	Nil	NIL
Mr. Sanjay Kumar Jain <sup>#</sup>	Non-Executive Director – Nominee Director	05	Yes	03	01	02
Mr. Syed Azizur Rahman	Non-Executive Director – Non - Independent Director	05	Yes	02	Nil	05
Mrs. Pooja Solanki	Non – Executive Woman Independent Director	05	Yes	02	01	05
Mr. Nazir Baig <sup>***</sup>	Non – Executive Independent Director	05	Yes	01	Nil	02

*(Data presented above is after taking into account the disclosures furnished by the Directors in the First Board Meeting for the Financial Year 2024-25)*

*\*Directorship are reported for Listed Companies only in terms of Regulation 17A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.*

*\*\*Committee Membership/ Chairmanship are reported for Listed Companies and Unlisted Public Companies in terms of Regulation 26(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.*

*\*\*\* Company does not have any regular chairperson of the Committees. Therefore, Mr. Nazir Baig is being elected as chairperson for all the Committee Meetings held for the financial year 2023-24.*

Video conferencing facilities and other audio-visual means are provided to the Directors to participate in the meetings.

**DIRECTORSHIP IN OTHER LISTED ENTITIES AS ON 31<sup>ST</sup> MARCH, 2024**

Name of Director	Name of other Listed Entity	Category of Directorship
<b>Mr. Suraj Prakash Gupta</b>	--	--
<b>Mr. Ashu Malik</b>	--	--
<b>Mr. Sanjay Kumar Jain</b>	Shri Gang Industries and Allied Products Limited	Non-Executive Non-Independent Director
	Tinna Rubber and Infrastructure Limited	Non-Executive Independent Director
<b>Mr. Syed Azizur Rahman</b>	Shri Gang Industries and Allied Products Limited	Non-Executive Non-Independent Director
<b>Mr. Pooja Solanki</b>	SBC Exports Limited	Non-Executive Independent Director
<b>Mr. Nazir Baig</b>	--	--

**(B) Number of Meeting of Board of Directors held and dates on which held:**

During the year under review, Board met **05 (Five) times** i.e. on **30-05-2023, 11-08-2023, 28-08-2023, 08-11-2023 and 02-02-2024**.

The Board meets at least once in every quarter to review the Company's operations and financial performance. The maximum time gap between any two meetings is not more than 120 days. The necessary quorum was present in all the meetings.

The details of attendance of Directors at the Board Meetings and at the Annual General Meeting held on **September 26, 2023** are provided on the above mentioned table.

**(C) Disclosure of Relationship between Directors inter-se:**

None of the Directors of the Company is related to each other.

**(D) Number of Shares and Convertible Instruments held by Non-Executive Directors as March 31,2024 :-**



Name	Category of Director	No. of Shares
<b>Mr. Sanjay Jain</b>	Non-Executive Nominee Director	70,000
<b>Mr. Syed Azizur Rahman</b>	Non-Executive Non - Independent Director	100
<b>Mr. Nazir Baig</b>	Non – Executive Independent Director	100

**(E) Web Link where details of the Familiarization Programmes imparted to Independent directors is disclosed:**

The Board members are provided with necessary information, documents, reports and internal policies to familiarize them with the Company's procedure and practices. Up-dates on relevant statutory, regulatory changes encompassing important laws/ regulations applicable to the Company are duly intimated to all Directors.

Upon appointment, Independent Directors receive a letter of appointment, setting out in details the terms of their appointment, duties, roles and responsibilities.

The details of the familiarization programmers for independent directors are posted on the website of the Company i.e. [www.surajindustries.org](http://www.surajindustries.org)

**(F) Skills/Expertise/Competence of the Board of Directors**

The following is the list of core skills/ expertise/competencies identified by the Board of Directors as required in the context of the Company's businesses and the said skills are available with the Board Members:

<b><u>Skills/Expertise/Competencies of the Directors</u></b>						
<b>Name of Directors</b>	Knowledge on Company's Businesses, Policies and major risks, threats and opportunities and knowledge of the industry in which the Company operates	Behavioral Skills, attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company	Business Strategy, Corporate Governance, Administration, Decision Making	Financial and Management Skills	Technical and Professional Skills and Specialized Knowledge in relations to Company's Business.	

Mr. Suraj Prakash Gupta	✓	✓	✓	✓	✓
Mr. Ashu Malik	✓	✓	✓	✓	✓
Mr. Sanjay Kumar Jain	✓	✓	✓	✓	✓
Mr. Syed Azizur Rahman	✓	✓	✓	✓	✓
Mr. Nazir Baig	✓	✓	✓	✓	✓
Mrs. Pooja Solanki	✓	✓	✓	✓	✓

*Note - These skills/competencies are broad-based, encompassing several areas of expertise/experience. Each Director may possess varied combinations of skills/experience within the described set of parameters, and it is not necessary that all Directors possess all skills/experience listed therein.*

**(G) Confirmation of the Board**

The Board based on the declaration submitted by the Independent Directors of the Company as a part of Annual Disclosure for the Financial Year 2024-25, hereby certifies that all the Independent Directors of the Company fulfills the conditions specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

**(H) Declaration by Independent Directors:**

All the Independent Directors of the Company have given declarations and confirmed that they meet the criteria of Independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. They also declare that they did not have any pecuniary relationship or transactions with the company, its promoter, its directors, senior management and they are not a material supplier, service provider or customer or a lessor or lessee of the company, which may affect their independence, and was not a substantial member of the company i.e. owning two percent or more of the block of voting shares.

**(I) Resignation of Independent Director**

During the Financial Year 2023-24 under review, none of the Independent director resigned from the Company.

**(J) Board Committees**

As on March 31, 2024, the Board has constituted the following committees / sub-committees, namely:-

**Statutory Committees:**

- a) Audit Committee
- b) Nomination and Remuneration Committee
- c) Stakeholders Relationship Committee

**Governance Committees:**

- d) Preferential Issue Committee
- e) Right Issue Committee
- f) Investment Committee

The quorum for committee meetings is as per the Companies Act and SEBI Listing Regulation. The Company Secretary of the company is acting as the Secretary in each Committee.

**AUDIT COMMITTEE**

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

**Terms of reference**

The terms of reference of the Audit Committee is in alignment with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, are as follow:-

- I. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- II. Recommendation for appointment, remuneration and terms of appointment of auditors; Composition, Meeting and Attendance
- III. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- IV. Reviewing with the management, the quarterly/ annual financial results/statements and auditor's report thereon before submission to the Board for approval
- V. Reviewing with the management, the statement of uses/application of funds raised through an issue, the statement of funds utilized for purposes other than those stated in offer documents/prospectus/ notice and the report submitted by the monitoring agency monitoring

the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in the matter;

- VI. Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
- VII. Approval or any subsequent modification of transactions of the Company with related parties;
- VIII. Scrutiny of inter-corporate loans and investment
- IX. Valuation of undertakings or assets of the Company, wherever it is necessary;
- X. Evaluation of internal financial controls and risk management systems;
- XI. Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- XII. Reviewing the adequacy of internal audit function and discussion with the internal auditors of any significant findings and follow up thereon;
- XIII. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- XIV. Discussion with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- XV. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, members and creditors;
- XVI. Review the functioning of whistle blower mechanism
- XVII. Monitoring the Compliances as per the provisions of SEBI (PIT) Regulations, 2015;
- XVIII. Approval of appointment of Chief Financial Officer;
- XIX. Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments existing as on the date of coming into force of this provision;
- XX. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;
- XXI. Such other matter as prescribed under Part-C of Schedule-II of SEBI Listing Regulation and from time to time be required under any statutory, contractual or other regulatory requirement.
- XXII. Apart from the aforementioned terms of reference, the Audit Committee mandatorily monitors and provides an effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial

reporting. The Audit Committee oversees the work carried out in the financial reporting process by the Management, the internal auditors and the statutory auditors. The committee has the ultimate authority and responsibility to select, evaluate and where appropriate, replace the statutory auditors in accordance with the law. All possible measures were taken by the committee to ensure the objectivity and independence of the statutory auditors.

**b. Composition, name of the members and chairperson:**

Composition of the Committee as on March 31, 2024

Name of the Member	Designation	Category
Mr. Nazir Baig*	Member	Non- Executive Independent Director
Mrs. Pooja Solanki	Member	Non- Executive Independent Director
Mr. Syed Azizur Rahman	Member	Non- Executive Non- Independent Director

*\*Company does not have any regular chairperson of the Audit Committee. Therefore, Mr. Nazir Baig is being elected as chairperson for conducting the all audit Committee Meetings during the financial year 2023-24.*

**c. Meeting and attendance during the year:**

7 (Seven) meetings of the Audit Committee were held during the financial year 2023-24, i.e **May 30 2023, August 11, 2023, August 28, 2023, October 04, 2023, November 08, 2023, February 02, 2024 and March 27,2024**. The attendance details of the Committee Meeting are as follows:-

Name of the Member	No. of meetings	
	Held	Attended
Mr. Nazir Baig*	07	07
Mrs. Pooja Solanki	07	07
Mr. Syed Azizur Rahman	07	07

*\*Company does not have any regular chairperson of the Audit Committees. Therefore, Mr. Nazir Baig is being elected as chairperson for conducting the all audit Committee Meetings during the financial year 2023-24.*

**NOMINATION AND REMUNERATION COMMITTEE**

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

The terms of reference, constitution, powers, quorum and other matters in relation to the Nomination and Remuneration Committee are as per of the Regulation 19 read with Part D of Schedule II of SEBI Listing Regulations, Section 178 of the Companies Act, 2013 as amended from time to time.

- I. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to for remuneration for the directors, key managerial personnel and other employees;
- II. Formulation of criteria for evaluation of performance of Independent Directors and the board of directors;
- III. Devising a policy on diversity of board of Directors
- IV. Recommendation Identifying persons who are qualified to become of Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board of Directors their appointment and removal;
- V. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of Independent Directors;
- VI. Recommend to the Board, all remuneration, in whatever form payable to senior management
- VII. Evaluate the skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. For the purpose of identifying suitable candidates, the Committee may:
  - a. use the services of an external agencies, if required;
  - b. consider the time commitments of the candidates.
- VIII. The committee shall review and discuss all matters pertaining to candidates and shall evaluate the candidates in accordance with a process that it sees fit, passing on the recommendations to the Board. The committee coordinates and oversees the annual self- evaluation of the Board and of individual directors. The Committee also review the performance and approve the revision of annual fixed salary & variable pay and promotions of all the Employees one level below the Board including the Functional Heads of the Company. The committee also regularly evaluate the usefulness of such performance parameters, and make necessary amendments.

**b. Composition, name of the members and chairperson:**

Composition of the Committee as on March 31, 2024

Name of the Member	Designation	Category
<b>Mr. Nazir Baig*</b>	Member	Non- Executive Independent Director
<b>Mrs. Pooja Solanki</b>	Member	Non- Executive Independent Director
<b>Mr. Syed Azizur Rahman</b>	Member	Non- Executive Non- Independent Director

*\*Company does not have any regular chairperson of the Nomination and Remuneration Committee. Therefore, Mr. Nazir Baig is being elected as chairperson of all Nomination and Remuneration Committee Meetings conducted during the financial year 2023-24.*

**c. Meeting and attendance during the year:**

The Nomination and remuneration Committee held **4 (four) meetings during the year i.e May 30, 2023, August 28,2023, November 08, 2023 and February 02, 2024.**The attendance details of the Committee Meetings are as follows:-

Name of the Member	No. of meetings	
	Held	Attended
<b>Mr. Nazir Baig*</b>	04	04
<b>Mrs. Pooja Solanki</b>	04	04
<b>Mr. Syed Azizur Rahman</b>	04	04

*\*Company does not have any regular chairperson of the Nomination and Remuneration Committee. Therefore, Mr. Nazir Baig is being elected as chairperson of all Nomination and Remuneration Committee Meetings conducted during the financial year 2023-24.*

**STAKEHOLDERS RELATIONSHIP COMMITTEE**

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

The Stakeholders Relationship Committee's (SRC) composition and the terms of reference meet with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as specified in Section 178 of the Companies Act, 2013 & rules made thereof as amended from time to time as follows.

- i. Resolving the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings, etc.
- ii. Review of measures taken for effective exercise of voting rights by members.
- iii. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent.
- iv. To approve, Sub- division, Consolidation and issue of new/duplicate share certificates, whenever requested for by the members of the company.

**b. Composition, name of the members and chairperson:**

Composition of the Committee as on March 31, 2024

Name of the Member	Designation	Category
<b>Mr. Nazir Baig*</b>	Member	Non- Executive Independent Director
<b>Mrs. Pooja Solanki</b>	Member	Non- Executive Independent Director
<b>Mr. Syed Azizur Rahman</b>	Member	Non- Executive Non- Independent Director

*\* Company does not have any regular chairperson of the Stakeholders Relationship Committee. Therefore, Mr. Nazir Baig is being elected as chairperson of all Stakeholders Relationship Committee Meetings conducted during the financial year 2023-24.*

**c. Meeting and attendance during the year:**

**19 (Nineteen) meetings** of the Stakeholders Relationship Committee were held during the financial year 2023-24, i.e **May 17, 2023, May 27, 2023, June 20,2023, June 26, 2023, July 11, 2023, August 01, 2023, August 12, 2023, August 28, 2023, October 16, 2023, October 23, 2023, October 30, 2023, November 25, 2023, December 05, 2023, December 28, 2023, January 12, 2024, January 23,2024, February 02, 2024, February 16, 2024 and March 13, 2024.** The attendance details of the Committee Meeting are as follows: -

Name of the Member	No. of meetings	
	Held	Attended
Mr. Nazir Baig*	19	19
Mrs. Pooja Solanki	19	19
Mr. Syed Azizur Rahman	19	19

*\* Company does not have any regular chairperson of the Stakeholders Relationship Committee. Therefore, Mr. Nazir Baig is being elected as chairperson of all Stakeholders Relationship Committee Meetings conducted during the financial year 2023-24.*

**PREFERENTIAL ISSUE COMMITTEE**

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

The terms of reference of the Preferential Issue Committee is to consider, discuss and decide the terms and conditions and other related matters in connection with the smooth functioning of Preferential allotment of securities and such other matters as may be required.

**b. Composition, name of the members and chairperson:**

Composition of the Committee as on March 31, 2024

Name of the Member	Designation	Category
Mr. Suraj Prakash Gupta	Member	Executive Director
Mr. Syed Azizur Rahman	Member	Non- Executive Non-Independent Director
Mr. Nazir Baig	Member	Non- Executive Independent Director

**c. Meeting and attendance during the year:**

Preferential Allotment Committee meetings held **2 (two) meetings** during the financial year **2023-24** i.e. on **October 07, 2023 and October 21, 2023.** The attendance details of the Committee Meetings are as follows:-



Name of the Member	No. of meetings	
	Held	Attended
Mr. Suraj Prakash Gupta	02	02
Mr. Syed Azizur Rahman	02	02
Mr. Nazir Baig	02	02

*\* Mr. Nazir Baig is being elected as chairperson for Preferential Allotment Committee meetings held on October 07, 2023 and October 21, 2023.*

#### **INVESTMENT COMMITTEE**

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

The terms of reference of the Investment Committee is to consider, discuss and decide the terms and conditions and other related matters in connection with to decide the quantum of investment made by the company and any other matter which would be incidental to this.

**Composition, name of the members and chairperson:**

Composition of the Committee as on March 31, 2024

Name of the Member	Designation	Category
Mr. Suraj Prakash Gupta	Member	Executive Director
Mr. Sanjay Kumar Jain	Member	Non- Executive Non-Independent Director
Mr. Syed Azizur Rahman	Member	Non- Executive Non-Independent Director

**b. Meeting and attendance during the year:**

No Investment Committee meeting was held during the financial year 2023-24. Hence the attendance details of the Investment Committee Meeting is not applicable for the financial year 2023-24.:-

Name of the Member	No. of meetings	
	Held	Attended
Mr. Suraj Prakash Gupta	None	Not Applicable
Mr. Sanjay Kumar Jain		
Mr. Syed Azizur Rahman*		

#### **RIGHT ISSUE COMMITTEE**

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

The terms of reference of the Rights Issue Committee is to consider, discuss and decide the terms and conditions and other related matters in connection with the Rights Issue such as, appointment

of Merchant Banker, Registrar to the Issue, Banker to the issue and Related payment mechanism except Issue size, rights entitlement ratio, finalization of the Letter of offer, record date, opening & closing of the issue, allotment of shares and such other matters as may be required.

**b. Composition, name of the members and chairperson:**

Composition of the Committee as on March 31, 2024

Name of the Member	Designation	Category
<b>Mr. Suraj Prakash Gupta</b>	Member	Executive Director
<b>Mr. Sanjay Kumar Jain</b>	Member	Non- Executive Non-Independent Director
<b>Mr. Syed Azizur Rahman</b>	Member	Non- Executive Non-Independent Director

**c. Meeting and attendance during the year:**

**1 (One)** Right issue committee meeting was held on **December 18, 2023** during the financial year 2023-24. The attendance details of the Committee Meetings are as follows:-

Name of the Member	No. of meetings	
	Held	Attended
<b>Mr. Suraj Prakash Gupta</b>	01	01
<b>Mr. Sanjay Kumar Jain</b>	01	01
<b>Mr. Syed Azizur Rahman</b>	01	01

*\*Mr. Syed Azizur Rahman is being elected as Chairperson for Right Issue Committee meeting held on December 18, 2023.*

**Risk Management Committee (“RMC”)**

The provisions of Regulation 21 of SEBI (LODR) Regulations, 2015 are not applicable on the Company. Therefore, the Company is not required to constitute RMC.

Senior Management

Particulars of senior management of the company as on March 31, 2024 are as follows:-

Name	Designation
<b>Mr. Somir Bhaduri</b>	Chief Financial Officer
<b>Mr. Snehlata Sharma</b>	Company Secretary & Compliance Officer

Senior Management Personnel shall mean officers/personnel of the listed entity who are members of its Core Management Team excluding Board of Directors and shall include the Functional Heads, Company Secretary and Chief Financial Officer and such employees as may be deemed to be part of the core management team of the Company by the Board of Directors.

Mr. Sanjai Kapoor has resigned from the position of Chief Financial Officer of the Company w.e.f. 03.11.2023, subsequently the Company has appointed Mr. Somir Bhaduri as a Chief Financial Officer of the Company w.e.f. 02.02.2024.

#### **Compliance Officer**

Ms. Snehlata Sharma, Company Secretary & Compliance Officer for complying with the requirements of Securities Laws.

#### **Redressal of Investor Grievances**

The Status of investor Complaints received, disposed off, & pending during the Financial Year 2023-24 is as under:

Particulars	Status of Investor Complaint
<b>Number of shareholders' complaints as on April 01, 2023</b>	00
<b>Number of Complaints received during the year</b>	01
<b>Number of Complaints resolved during the year</b>	01
<b>Number of shareholders' complaints as on March 31, 2024</b>	00

#### **REMUNERATION OF DIRECTORS**

During the financial year 2023-24 under review, no pecuniary transactions with Non-Executive Director of the Company.

The Nomination and Remuneration Committee determines and recommends to the Board the compensation payable to director(s). All Board-level compensation shall be approved by the members and disclosed separately in the financial statements Remuneration for the Managing Director and Executive Director consists of fixed component and variable component.

No compensation paid to the Independent/ Non-Executive Directors for the financial year 2023-24. The performance of the Independent Directors is reviewed by the Board on an annual basis.

#### **a) All pecuniary relationship or transactions of the Non-Executive Directors:**

There is no pecuniary relationship or transactions between the company and Non-Executive directors.

#### **b) Criteria of making payments to Non-Executive Directors:**

No sitting fees sought to paid to the Non-executive directors.

There is no pecuniary relationship or transactions between the company and Non-Executive directors.

The Company follows a policy on remuneration of Directors, Key Managerial Personnel and Senior Management Employees. In compliance of the provisions of the Companies Act, 2013 rules and regulations made thereunder and SEBI (LODR) Regulations, 2015 the policy has been formulated by the Nomination and Remuneration Committee and approved by the Board. The said policy is available on the Company's website [www.surajindustries.org](http://www.surajindustries.org).

**Service Contract and Severance Fees:**

- The remuneration of Mr. Suraj Prakash Gupta (Managing Director) and Mr. Ashu Malik (Whole-time Director), as recommended by the Nomination and Remuneration Committee and Board of Directors of the Company has already been approved by the shareholders of the Company in their general meetings dated March 11,2023 and September 26,2023 respectively. The appointments of the above mentioned Directors are governed by the resolution(s) of the Board of Directors and Shareholders of the Company for their respective appointment/re-appointment which covers the terms & conditions of their appointment/re-appointment.
- No sitting paid/remuneration paid to the Non-Executive Directors.
- Services of the Executive Directors may be terminated by either party, giving the other party six months' notice or the Company paying six months' salary in lieu thereof. There is no separate provision for payment of severance pay.

**Stock Option details, if any and whether at a discount as well as the period over which accrued and over which exercisable:**

The Company does not have any Stock Option Scheme for any of its Director(s) or Employee(s).

**GENERAL BODY MEETING:**

**a) Location and time, where the last three annual general meeting held:**

For the financial year 2020-21, 2021-22 & 2022-23, the Company's Annual General Meeting was held through VC/OAVM pursuant to the Ministry of Corporate Affairs ("MCA") Circular No. Circular No. 10/2022 dated December 28, 2022 read together with 02/2022 dated May 5, 2022, Circular No. 02/2021 dated January 13, 2021, Circular No. 20/2020 dated May 05, 2020, circulars No. 19/2021 dated December 08, 2021 and Circular No. 21/2021 dated December 14, 2021 and SEBI CircularNo.SEBI/HO/CFD/PoD-2/ P/CIR/2023/4 dated January 05, 2023 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 SEBI (Listing Obligation & Disclosure Requirement) Regulations, 2015 and the deemed venue was the Registered Office of the Company.

The details of the last three Annual General Meetings of the Company and the Special resolutions passed are as follows:

Year	Location of AGM	Date & Time	Special Resolution Passed
2020-21	Meeting was conducted through video conferencing (“VC”), deemed venue considered as Plot No. 2, Phase III Sansarpur Terrace Himachal Pradesh Kangra HP 173212.	28.09.2021 at 03:30 P.M.	NIL
2021-22	Meeting was conducted through video conferencing (“VC”), deemed venue considered as Plot No. 2, Phase III Sansarpur Terrace Himachal Pradesh Kangra HP 173212.	27.09.2022 at 04:00 P.M.	<ol style="list-style-type: none"> <li>1. To consider and approve the re-appointment of Mr. Nazir Baig (DIN: 07468989) as an Independent Director of the Company for a second term of five consecutive years.</li> <li>2. To consider and approve the re-appointment of Mr. Ashu Malik (DIN: 07998930), as Whole Time Director of the Company.</li> </ol>
2022-23	Meeting was conducted through video conferencing (“VC”), deemed venue considered as Plot No. 2, Phase III Sansarpur Terrace Himachal Pradesh Kangra HP 173212.	26.09.2023 at 03:30 P.M.	<ol style="list-style-type: none"> <li>1. To consider and approve the re-appointment of Mr. Ashu Malik (DIN: 07998930), as Whole Time Director of the Company.</li> </ol>

### **POSTAL BALLOT**

- A. No special resolution was passed through postal ballot in last year.
- B. No Special Resolution is proposed to be conducted through postal ballot.

### **MEANS OF COMMUNICATION**

a) **Financial Results:**

The Quarterly/Half yearly/Annual Un-Audited/Audited Financial Results (Standalone & Consolidated) along with the Limited Review Report from Statutory Auditors are submitted to the Stock Exchanges and uploaded on the website of the Company as per the applicable provisions of the SEBI (LODR) Regulations, 2015 as amended from time to time.

The members are provided with the necessary information with notices sent for the Annual General Meeting / Extraordinary General Meeting. Any other information sought by members is being provided on request.

**b) Newspapers where results normally published:**

The quarterly/half yearly/annual financial results are announced within the stipulated period and are generally published in “**The Financial Express**” (English Newspaper) and “**Jansatta**” (Hindi Newspaper). The same are placed on the website of the Company i.e. [www.surajindustries.org](http://www.surajindustries.org) in the investor section along with all other shareholder’s information.

**c) Website:**

Your Company committed to maintaining transparency and providing timely disclosures to our stakeholders. The website i.e. [www.surajindustries.org](http://www.surajindustries.org) of your Company serves as a comprehensive source of information. Our Investor Relations section provides up-to-date financial reports, annual reports, quarterly results. We prioritize transparency and adhere to SEBI LODR guidelines, ensuring the timely dissemination of material information, including board meeting updates, insider trading disclosures, and other regulatory filings.

**d) News Releases, Presentations etc:**

No presentation of financial results has been made to Financial Institutions/ Analysts during the Financial Year ended on 31<sup>st</sup> March, 2024.

**e) Presentations to institutional investors/analysts:**

No presentation of financial results has been made to Financial Institutions/ Analysts during the Financial Year ended on 31<sup>st</sup> March, 2024

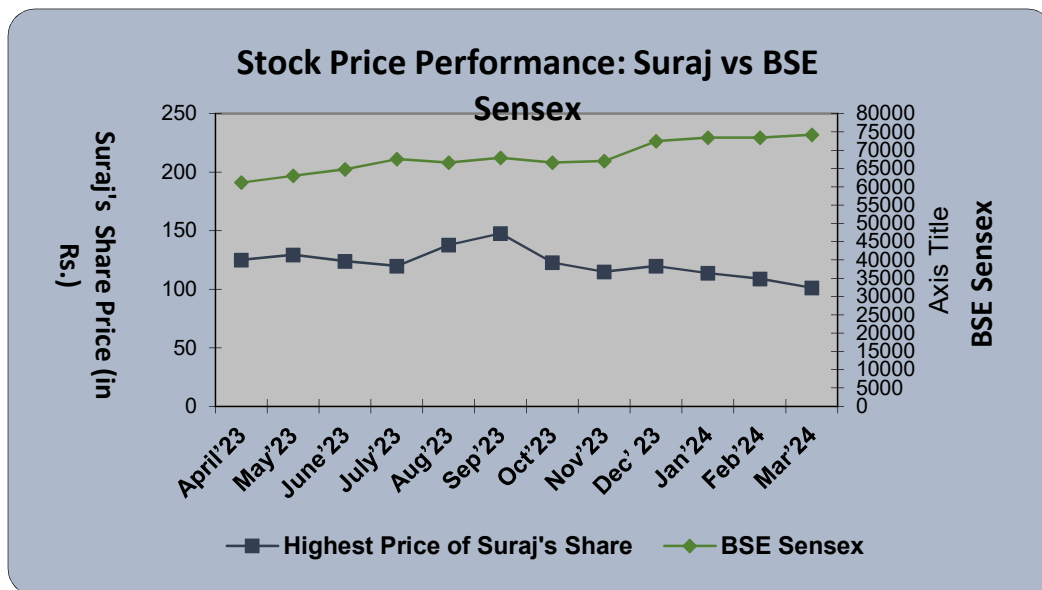
**GENERAL SHAREHOLDER INFORMATION**

a.	<b>Annual General Meeting - Date and Time</b>	<b>September 26,2024 &amp; 3:30 P.M.</b>
	<b>Deemed Venue</b>	Plot No.2, Phase-III, Sansarpur Terrace, Distt. Kangra, Himachal Pradesh-173212
b.	<b>Financial Year</b>	The Financial Year of the Company starts on 1st April of a year and ends on 31st March of the following year.(2023-24)
c.	<b>Dividend Payment Date</b>	The Company does not recommend any dividend for the financial year 2023-24 hence, not applicable.
d.	<b>Listing on Stock Exchanges</b>	The equity shares of the Company are listed at BSE Limited (BSE), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001.
e.	<b>Payment of Listing Fee</b>	The Company has paid the listing fee to BSE for the financial year 2024-25 and annual custody fee for the financial year 2024-25 to National Securities Depository Limited and Central Depository Services (India ) Limited.
f.	<b>Stock / Scrip Code</b>	BSE – 526211
g.	<b>ISIN Number</b>	The International Securities Identification Number (ISIN) allotted to Company’s share under the Depository System is INE170U01011.

h) Stock Market Data : high, low and volume during each month of the financial year 2023-24

Month	BSE Limited		
	High	Low	Volume
April 2023	125	101.5	35405
May 2023	129.5	107	49934
June 2023	124	106	131291
July 2023	120	101.2	76054
August 2023	138	108	168339
September 2023	147.8	109.45	150123
October 2023	122.8	91.45	39519
November 2023	115	100.5	64009
December 2023	120	96.1	170043
January 2024	114	100.6	82829
February 2024	108.95	91.25	130718
March 2024	101.28	76.5	72451

(Source: BSE website)

i) Performance in comparison to BSE Sensex

j) During the year under review the shares of your Company are not suspended from trading by any of the stock exchange where the shares are listed.

k) Registrar to an issue and Share Transfer Agent (RTA)

Beetal Financial & Computer Services (P) Limited

Beetal House, 3rd Floor,  
 99 Madangir, Behind Local Shopping Centre,  
 Near Dada Harsukhdas Mandir, New Delhi – 110 062  
 Telephone: 91-11- 29961281, 82 and 83  
 Fax: 91-11-29961284  
 Email: [beetalrta@gmail.com](mailto:beetalrta@gmail.com) , [beetal@beetalfinancial.com](mailto:beetal@beetalfinancial.com)  
 Website: [www.beetalfinancial.com](http://www.beetalfinancial.com)

#### **l) Share Transfer System**

SEBI vide its notification No. SEBI/LAD-NRO/GN/2018/24 dated June 08, 2019 notified that except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialized form with a depository and came into effect from April 01, 2019 . A summary of transmission of securities of the Company so approved by the directors are placed at every Stakeholder’s Relationship Committee. The Company obtains from a Company Secretary in Practice yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of SEBI (Listing Obligations & Disclosure Requirement) Regulations 2015 and files a copy of the said certificate with Stock Exchanges. Shareholders holding shares in the physical form are therefore requested to dematerialize their shares in their own interest.

#### **m) Distribution of Shareholding by Size as on 31<sup>st</sup> March, 2024**

S.No.	Category (Shares)	Holders	% of Total Holders	Shares	% of Total Shares
1.	1-5000	17120	98.250	1690184	13.1574
2.	5001-10000	148	0.849	117565	0.9152
3.	10001-20000	54	0.310	77656	0.6045
4.	20001-30000	14	0.080	34080	0.2653
5.	30001-40000	10	0.057	35960	0.2799
6.	40001-50000	38	0.218	184983	1.4400
7.	50001-100000	12	0.069	92656	0.7213
8.	100001 and above	29	0.166	10612812	82.6164
<b>Total</b>		<b>17425</b>	<b>100.00</b>	<b>12845896</b>	<b>100.0000</b>



**Distribution of shareholding as on March 31,2024.**

S.No.	Category of shareholders	No. of Shareholders	No. of Shares held	% of shares held	No. of Shares Dematerialized
1.	<b>Promoter &amp; Promoter Group</b>	05	6849152	53.32	6849152
2.	<b>I. Institutions</b>				
	Financial Institutions/Banks	01	100	0.00	00
	2. Central Govt/ State Govt./ President of India	0	0	0.00	0.00
3.	<b>Non- Institutions</b>				
4.	Indian Public	17337	3328299	25.90	1482349
5.	NRI	05	645	0.01	645
6.	Body Corporates	47	2601102	20.25	2588902
7.	Others	30	66598	0.52	66498
	<b>Total</b>	<b>17425</b>	<b>12845896</b>	<b>100.00</b>	<b>10987546</b>

*As on 31.03.2024, 1100 shares were lying in Suspense Escrow Account out of which 1000 shares were in demat form and 100 shares were in physical mode*

*However, the RTA had already issued the letter of confirmation for crediting these shares in Suspense Escrow Account which were under process as on March 31,2024 and finally get dematerialized on April 01,2024.*

**n) Dematerialization of shares and liquidity**

Total Shares in Demat and Physical form as on March 31, 2024..

Sl. No.	Category	Total Shares	% to equity
1.	Physical	1858350	14.466
2.	NSDL	3275566	25.499
3.	CDSL	7711980	60.035

**Dematerialization of shares**

85.54 % of the Company's paid-up Equity share capital has been dematerialized as on March 31, 2024. The total holdings of shares of promoters & promoter group are in Demat form. The trading of the Equity shares of the company is permitted only in dematerialized form as per the notification issued by SEBI.

The Company has complied the Regulation 31(2) of SEBI (Listing Obligation & Disclosure Requirement) Regulation 2015, as follows:

Category of shareholder	Total		Shares in dematerialized form
	No. of Shareholders	Number of shares held	Number of shares held
Promoter & Promoter Group	05	6849152	6849152
Public	17420	5996744	4138394
<b>TOTAL</b>	<b>17425</b>	<b>12845896</b>	<b>10987546</b>

To enable us to serve our investors better, we request shareholders whose shares are in the physical mode to dematerialize their shares and update their bank accounts with the respective depository participant.

**o) Outstanding Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments, conversion date and likely impact on equity**

The Company has not issued any ADRs/GDRs/ Warrants or any convertible instruments during the financial year 2023-24 under review.

**p) Commodity Price Risk or Foreign Exchange Risk and Hedging Activities**

Nil

**q) Plant Location**

The plant of the Company is situated at C/o RSGSM ,Taragarh Road, Ajmer(Rajasthan)-305003

**r) Address for correspondence**

The Company Secretary  
 Suraj Industries Ltd.  
 F-32/3 Second Floor, Okhla Phase –II,  
 New Delhi-110020.  
 Phone: 011-42524455  
 Email – [secretarial@surajindustries.org](mailto:secretarial@surajindustries.org)  
 Website- [www.surajindustries.org](http://www.surajindustries.org)

**Address for correspondence with Registrar and Transfer Agent**

Beetal Financial & Computer Services Private Limited  
 Beetal House, 3rd Floor,  
 99 Madangir, Behind Local Shopping Centre,  
 Near Dada HarsukhdasMandir, New Delhi – 110 062  
 Telephone: 91-11- 29961281, 82 and 83  
 Fax: 91-11-29961284  
 Email: [beetal@beetalfinancial.com](mailto:beetal@beetalfinancial.com)

**s) Credit Rating**

During the year under review, the Company was not required to have credit rating.

**OTHER DISCLOSURES**

**(a) Disclosure in materially significant related party transactions that may have potential conflict with the interests of listed entity at large**

During the period under review, there have been no materially significant related party transactions, monetary transactions or relationship between the Company and directors, the management, Key Managerial Personnel, or relatives, except material related party transactions with Carya Chemicals and Fertilizers Private Limited in terms of Regulation 24 of SEBI LODR, 2015. The material related party transactions entered by the Company are within the limits and in terms of the approval accorded by the Shareholders at their Extra-Ordinary General Meeting (“EGM”) held on March 11, 2023 and September 26, 2023.

All the related party transactions were entered on arms’ length basis and were in the ordinary course of business. Further, the transactions with related parties were in compliance with applicable provisions of the Act and the Listing Regulations. Omnibus approval was obtained for the transactions which were foreseen and repetitive in nature. A statement of all related party transactions was presented before the Audit Committee on a quarterly basis.

Further, the details of the transactions with Related Parties which not considered as material are provided in **Note No. 46** to the standalone financial statement, forming integral part of this Annual Report

The policy on Related Party Transactions is hosted on the website of the Company under the web link : [www.surajindustries.org](http://www.surajindustries.org).

**(b) Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by the stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years; [Schedule V(C)10(b) to the SEBI Listing Regulations].**

There was no non-compliance during the last three years by the Company on any matter related to Capital Market. There were no penalties imposed nor strictures passed on the Company by Stock Exchanges, SEBI or any Statutory Authority.

**(c) Details of establishment of vigil mechanism, whistle blower policy and affirmation that no personnel has been denied access to the audit committee: (Regulation 22 of the SEBI Listing Regulations)**

Pursuant to Section 177(9) of the Companies Act, 2013 read with Regulation 22 of the SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015, The Board of Directors of the Company had adopted the Whistle Blower Policy. A mechanism has been established for

employees to report concerns about unethical behaviour, actual or suspected fraud, or violation of Code of Conduct and Ethics. It also provides for adequate safeguards against the victimization of employees who avail of the mechanism and allows direct access to the Chairperson of the Audit Committee in exceptional cases. The Audit Committee reviews periodically the functioning of whistle blower mechanism. There is no complaint received during the Financial Year ended March 31, 2024.

No personnel have been denied access to the Audit Committee. The Whistle Blower Policy has been disclosed on the Company's website under the web link: [www.surajindustries.org](http://www.surajindustries.org).

**(d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements: Schedule II Part E of the SEBI Listing Regulations**

The Company has complied with all mandatory requirements of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015), as amended from time to time. The Company has adopted following non-mandatory requirements SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015:

With regard to the discretionary requirements, the Company has adopted the clauses relating to the following:

*The internal auditor directly reports to the Audit Committee.*

**(e) Web link where policy for determining “material” subsidiaries is disclosed: Regulation 16(1)(c) of the SEBI Listing Regulations.**

The policy of the Company on “Material” subsidiaries is available on the website of the Company at [www.surajindustries.org/policy/Policy%20for%20determining%20Material%20Subsidiary.pdf](http://www.surajindustries.org/policy/Policy%20for%20determining%20Material%20Subsidiary.pdf).

**(f) Web link where policy for dealing with related party transactions**

The policy of the Company on “Related Party Transactions” is available on the website of the Company at [www.surajindustries.org/policy/Related%20Party%20Transaction%20Policy\\_SIL.pdf](http://www.surajindustries.org/policy/Related%20Party%20Transaction%20Policy_SIL.pdf).

**(g) Details of utilization of funds raised through preferential allotment or qualified institutions placements as specified under Regulation 32 (7A).**

During the year under review, the status of receipt of funds and their utilization periods are summarized below:

Date of allotment/ conversion of Warrants	Nos. allotted	Amount received (in Rs.)	Date of receipt of funds	Date of funds utilisation
07-10-2023	Conversion of Warrants into Shares- 275862	2,99,99,993	06-10-2023	09-10-2023
21-10-2023	Conversion of Warrants into Shares- 275862	2,99,99,993	21-10-2023	23-10-2023

**(h) Certificate from a Company Secretary in practice**

Pursuant to Part C (10) (i) of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and on the basis of written presentations/ declaration received from the Directors of the Company as on March 31, 2024 , Mr. Vijay Jain, Proprietor of M/s Vijay Jain & Co., Company Secretaries (Membership No. ACS 50242, CP No. 18230), have issued a certificate confirming that none of the directors on the board 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 statutory authority. The Certificate has been attached as an annexure to this report.

**(i) During the year there were no instances where Board had not accepted any recommendation of any Committee of the Board which is mandatorily required.****(j) Fees paid to Statutory Auditors**

During the year under review your Company and its Subsidiary Associate Company paid the following remuneration/fees to the Statutory Auditor:-

S. No.	Name of the Company	Amount (Rs.)
1.	Suraj Industries Ltd.	2.25 Lakhs
2.	Shri Gang and Allied Products Limited- Associate Company	3.50 Lakhs
3.	Carya Chemical and Fertilizers Private Limited – Subsidiary Company	1 Lakhs

**(k) Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries. :-**

M/s Carya Chemicals & Fertilizers Private Limited (“CARYA”) incorporated in Delhi on May 10,2013 in terms of Regulation 16 of the Listing Regulations. The Company has appointed one of its Independent Directors on the Board of CARYA. The minutes of the Board meetings of the CARYA are placed at the Board meeting of the Company on a periodical basis. The Audit Committee reviews the financial statements including investments by the CARYA of the Company. The Management of the CARYA periodically brings to the notice of the Board of Directors of the Company, a statement of all significant transactions and arrangements entered into by unlisted subsidiary, if any. The required details for material subsidiary are as follows:-

Name	of	Date	of	Place	of	Name of the	Date of appointment of the Statutory
------	----	------	----	-------	----	-------------	--------------------------------------

Material Subsidiary	Incorporation	Incorporation	Statutory Auditors	Auditors
<b>M/s Carya Chemicals &amp; Fertilizers Private Limited</b>	May 10, 2013	Delhi	M/s Pawan Shubham & Company, Chartered Accountants	September 25 , 2023

The Policy for determining material subsidiaries has been uploaded and can be accessed on the Company's website at the following link:

[www.surajindustries.org/policy/Policy%20for%20determining%20Material%20Subsidiary.pdf](http://www.surajindustries.org/policy/Policy%20for%20determining%20Material%20Subsidiary.pdf) .

**(l) Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 as amended from time to time:**

The Company has always believed in providing a safe and harassment free workplace for every individual working in the office premises through various interventions and practices. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

The Company has in place robust policy on prevention of sexual harassment at workplace. The policy aims at prevention of harassment of employees as well as contractors and lays down the guidelines for identification, reporting and prevention of sexual harassment.

Further disclosure required in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 for the Financial Year ended on 31<sup>st</sup> March, 2024 is as follows:

Particulars	Nos.
<b>Number of Complaints outstanding at the beginning of financial year</b>	NIL
<b>Number of Complaints filed during the financial year</b>	NIL
<b>Number of Complaints disposed of during the financial year</b>	NIL
<b>Number of Complaints pending as on end of the financial year</b>	NIL

**(m) Code of Conduct: Regulation 17 of the SEBI (Listing Regulations)**

The members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct applicable to them during the year ended March 31, 2024. The Annual Report of the Company contains a certificate by the Mr. Suraj Prakash Gupta, Managing Director, on the

compliance declarations received from Independent Directors, Non-Executive Directors and Senior Management. The weblink is [www.surajindustries.org](http://www.surajindustries.org).

During FY 2023-2024, information as mentioned in Part A of Schedule II of SEBI Listing Regulations, has been placed before the Board for its consideration. The Board periodically reviews the compliance reports of all laws applicable to the Company.

**(n) Updation of PAN, KYC and Nomination**

The Company has also sent the letters to the Shareholders of the Company holding shares in physical form at their registered addresses, to furnish PAN, KYC details and Nomination pursuant to SEBI Circular SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 03, 2021 and March 16, 2023, read with clarification issued by SEBI Circular SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/687 dated December 14, 2021. The forms prescribed for these purposes are given below:

Forms	Purpose
FORM ISR-1	Request for registering PAN, KYC details or Changes/Updation thereof
FORM ISR-2	Specimen Signature
FORM ISR-3	Declaration to Opt-out for Nomination
FORM SH-13	Nomination form
FORM SH-14	Cancellation or Variation in Nomination

**(o) Disclosure of Loans and Advances.**

During the year under review, no loans and advances in the nature of loans to any firms/companies have been granted by the Company and its Subsidiaries in which directors are interested except for loans to M/s Carya Chemicals & Fertilizers Pvt Ltd, Subsidiary Company and M/s Shri Gang Industries & Allied Products Ltd, Associate Company and belonging to same Promoter Group

Particulars	(INR in lakhs)	
	Subsidiaries	Associates
Aggregate amount granted during the year	180.00	645.00
Balance outstanding as at balance sheet date	Nil	645.00

**(p) The Company has complied with all the requirements of Schedule V of the Corporate Governance report as stated under sub-para (2) to (10) of section (c) of Schedule V.**

**(q)** Disclosure of discretionary requirements as specified in Part E of Schedule II have been adopted: The Company has duly fulfilled the discretionary requirements as prescribed in Sub – Regulation 1 of Regulation 27 read with Part E of Schedule II of the SEBI Listing Regulations.

- (r) The Disclosure of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Listing Regulations are as follows:

The Company has complied with all the mandatory requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

S. No.	Particulars	Regulation	Compliance Status Yes/No/ NA
1.	Board of Directors	17	Yes
2.	Maximum Number of Directorship	17A	Yes
3.	Audit Committee	18	Yes
4.	Nomination and Remuneration Committee	19	Yes
5.	Stakeholders Relationship Committee	20	Yes
6.	Risk Management Committee	21	Not Applicable (Company does not fall under Top 1000 Companies as per market Capitalization as on March 31,2023.)
7.	Vigil Mechanism	22	Yes
8.	Related Party Transactions	23	Yes
9.	Subsidiaries of the Company	24	Yes
10.	Secretarial Audit and Secretarial Compliance Report	24A	Yes
11.	Obligations with respect to Independent Directors	25	Yes
12.	Obligations with respect to employees including Senior Management, Key Managerial Personnel, Directors and Promoters	26	Yes
13.	Other Corporate Governance requirements	27	Yes
14.	Website	46(2)(b) to (i)	Yes



**(s) Compliance Certificate from Practicing Company Secretary**

In terms of Para E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Certificate from Practicing Company Secretary regarding compliance of conditions of corporate governance forms an integral part of this report.

**(t) CEO and CFO Certification**

In terms of Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Compliance Certificate issued by the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) is annexed to this report. As on March 31,2024 , the Company is not having CEO , therefore the certificate is signed by Mr. Suraj Prakash Gupta , Managing director and Mr. Somir Bhaduri, CFO of the Company.

**(u) Transfer of Dividend and Corresponding Equity Shares to Investor Education and Protection Fund**

During the Financial Year 2023-24, no unclaimed dividend and corresponding shares in respect of which dividend entitlements remained unclaimed for seven consecutive years or more, were pending and therefore no amount and shares were transferred by the Company to Investor Education and Protection Fund, pursuant to section 124 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

**(v) Disclosure of Certain Types of Agreements Binding Listed Entities.**

No Agreements entered by Company falling under clause 5A of Paragraph A of part A of Schedule III of these regulations.

**(w) Disclosure with respect to demat suspense Escrow account/unclaimed suspense account:**

In accordance with the requirement of Clause F of Schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Company reports the following details in respect of equity shares lying in the suspense account:

<b>Particulars</b>	<b>No. of Shareholders</b>	<b>No. of equity shares</b>
<b>Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year i.e. April 01,2023.</b>	10	910
<b>Number of shareholders who approached listed entity for transfer of shares from suspense account during the year</b>	3	210
<b>Number of shareholders to whom shares were transferred from suspense account during the year</b>	3	210

<b>Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year i.e. March 31, 2024.</b>	11	1100*
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The voting rights on the shares outstanding in the suspense account as on March 31, 2024 shall remain froze till the rightful owner of such shares claim the shares.

*\* As on 31.03.2024, 1100 shares were lying in Suspense Escrow Account out of which 1000 shares were in demat form and 100 shares in physical mode.*

*However, the RTA had already issued the letter of confirmation for crediting these shares in Suspense Escrow Account which were under process and finally get dematerialised on April 01,2024.*

**Place: New Delhi**  
**Date: August 30, 2024**

**By Order of the Board**  
**For Suraj Industries Ltd**  
Sd/-  
**Sanjay Kumar Jain**  
**Chairperson of the Company**  
**(DIN: 01014176)**  
**Address: 263, SFS, Hauz Khas**  
**New Delhi -110016**

**CEO DECLARATION**

It is hereby certified that:

All Board Members and Senior Management Personnel have affirmed compliance with code of conduct as laid down by the Company during the financial year ended on March 31, 2024.

**Place : New Delhi**

**Date: August 30, 2024**

**Sd/-**

**Suraj Prakash Gupta  
Managing Director  
DIN:00243846**

*\* As on March 31,2024, the Company is not having CEO , therefore the certificate is signed by Mr. Suraj Prakash Gupta , Managing Director of the Company.*

**COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE BY PRATICING COMPANY  
SECRETARY  
(PURSUANT TO PARA E OF SCHEDULE V OF THE SEBI (LISTING OBLIGATIONS AND  
DISCLOSURE REQUIREMENTS) REGULATIONS, 2015)**

To  
The Members  
Suraj Industries Limited  
Plot No. 2, Phase III Sansarpur Terrace,  
Kangra, Himachal Pradesh-173212

We have examined the compliances of the conditions of Corporate Governance by M/s. Suraj Industries Ltd. (“the Company”) for the year ended on March 31, 2024, as stipulated under Regulation 17 to 27, clauses (b) to (i) and (t) of Regulation 46(2) and para C and D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

The compliance of condition of corporate governance is the responsibility of the Management. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. Further my/our scope of work under this examination did not involve /us performing audit tests for the purpose of expressing an opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representation made by the Management, I/we certify that the Company has complied with the conditions of corporate governance as stipulated under SEBI Listing Regulations as applicable for the year ended on March 31, 2024.

We further state that this certificate is neither an assurance as to the future viability of the Company nor of efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Vijay Jain & Co.**  
**Practicing Company Secretaries**

Sd/-

**Vijay Jain**

**Practicing Company Secretary**

Membership No.: 50242

C P NO.18230

**Peer Review No.2241/2022**

**UDIN : A050242F001085848**

**Date: August 30,2024**

**Place: New Delhi**

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**  
**(PURSUANT TO REGULATION 34(3) READ WITH SCHEDULE V PARA-C CLAUSE 10(I) OF**  
**THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS,**  
**2015)**

To  
The Members  
Suraj Industries Limited  
Plot No. 2, Phase III Sansarpur Terrace,  
Kangra, Himachal Pradesh-173212

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Suraj Industries Ltd. having CIN L26943HP1992PLC016791 and registered of Plot No. 2, Phase III Sansarpur Terrace, Kangra, Himachal Pradesh-173212 (hereinafter referred to as “the Company”), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulations 34(3) read with Schedule V Para-C Clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company, as stated below for the financial year ended 31st March 2024, have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority

Sr No.	Name of Director	DIN	*Date of Appointment
1.	Suraj Prakash Gupta	00243846	06-02-2020
2.	Syed Azizur Rahman	00242790	30-10-2015
3.	Sanjay Jain	01014176	29-03-2022
4.	Nazir Baig	07468989	27-09-2017
5.	Ashu Malik	07998930	27-06-2021
6.	Pooja Solanki	09039846	23-01-2021

\*the date of appointment is as per the MCA Portal.

Ensuring the eligibility of the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these, based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Vijay Jain & Co.**  
**Practicing Company Secretaries**

Sd/-

**Vijay Jain**

**Practicing Company Secretary**

Membership No.: 50242

C P NO.18230

**Peer Review No.2241/2022**

**UDIN : A050242F001085760**

**Date: August 30,2024**

**Place: New Delhi**

**CEO AND CFO CERTIFICATION**  
**(PURSUANT TO REGULATION 17(8) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015)**

To  
 The Board of Directors  
 Suraj Industries Ltd.  
 Plot No. 2, Phase III Sansarpur Terrace,  
 Kangra, Himachal Pradesh-173212

We, Mr. Suraj Prakash Gupta, Managing Director and Mr. Somir Bhaduri, Chief Financial Officer (“CFO”) of Suraj Industries Ltd (“the Company”) to the best of our knowledge and belief certify that

- (a) We have reviewed financial statements and the cash flow statement for the financial year ended March 31,2024 and that to the best of our knowledge and belief, we state that:
- (i) these statement does not contain any materially untrue statement or omit any material facts or contains any statements that might be misleading;
  - (ii) these statement together present a true and fair view of the Company’s affair and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) We further state that to the best of our knowledge and belief , there are no transactions entered into by the Company during the financial year 2023-24 which are fraudulent, illegal or violates the Company’s code of conduct.
- (c) We are responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls ,if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies .
- (d) We have indicated, based on our most recent evaluation ,wherever applicable ,to the auditors and the Audit Committee
- (i) significant changes, if any, in the internal control over financial reporting during the financial year 2023-24;
  - (ii) significant changes, if any, in the accounting policies made during the financial year 2023-24 and that the same have been disclosed in the notes to the financial statements; and
  - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company’s internal control system over financial reporting

**Date: 30.08.2024**  
**Place: New Delhi**

**Sd/-**  
**Suraj Prakash Gupta**  
**Managing Director**

**Sd/-**  
**Somir Bhaduri**  
**CFO**

*\*As on March 31,2024, the Company is not having CEO, therefore the certificate is signed by Mr. Suraj Prakash Gupta , Managing Director and Mr. Somir Bhaduri, CFO of the Company*



**STANDALONE FINANCIAL  
STATEMENT**

**INDEPENDENT AUDITOR'S REPORT**

**TO,  
THE MEMBERS OF SURAJ INDUSTRIES LTD**

**Report on the Audit of the Standalone financial statements**

**Opinion**

We have audited the accompanying standalone financial statements of **SURAJ INDUSTRIES LTD** (“**the Company**”), which comprise the Balance Sheet as at 31<sup>st</sup> March 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the statement of Cash Flows, the Statement of Changes in Equity for the year then ended, notes to the standalone financial statements including a summary of material accounting policies and other explanatory information (hereinafter referred to as the standalone financial statements).

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, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2024, and its profit, total comprehensive income, its cash flows and changes in equity for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the standalone 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 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 (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 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 standalone financial statements.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. In our opinion, 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 Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, but does not include the standalone financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will 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 identified above, when it becomes available, 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.

When we read the other information, if we conclude, that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

### **Management's Responsibility for the Standalone financial statements**

The Company's Management and Board of Directors are 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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards prescribed under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; 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, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibility 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 scepticism 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 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 Company has adequate internal financial controls with reference to standalone financial statements 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 and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income) the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
- d. In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
- e. On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2024 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 with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure A**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.
- 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 Company has disclosed the impact of pending litigations as at 31<sup>st</sup> March, 2024 on its financial position in its standalone financial statements –Refer Note No- 38 of standalone financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses during the year ended 31<sup>st</sup> March, 2024.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31<sup>st</sup> March, 2024.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. As stated in Note No. 15 (f) to the standalone financial statements, no dividend has been declared by the Company in current and previous years.
- vi. Based on our examination, the Company has used an accounting software for maintaining its books of accounts which has a feature of recording audit trail (edit log) facility. However, the Company is unable to verify to our satisfaction whether such facility operated throughout the year and whether such audit trail has been preserved or not. Due to such circumstances, we are unable to provide an opinion whether the audit trail requirements have been met as per the statutory requirements for record retention.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 1st April, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31st March, 2024.

2. As required by the Companies (Auditor's Report) Order, 2020 issued by the Central Government in terms of sub-section (11) of Section 143 of the Act ("the Order"), we give in **Annexure B** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
3. In our opinion and as per information and explanations given to us, the managerial remuneration for the year ended 31<sup>st</sup> March 2024 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 of the Act.

For **PAWAN SHUBHAM & CO.**  
**Chartered Accountants**  
**ICAI Firm Registration Number: 011573C**

**Sd/-**  
**CA Krishna Kumar**  
**Partner**  
**Membership Number: 523411**  
**UDIN: 24523411BKAPER5188**

Place of Signature: New Delhi  
 Date: 28<sup>th</sup> May, 2024

## **ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT**

### **Report on the Internal Financial Controls with reference to Standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act**

**Referred to in paragraph 1(f) of the Independent Auditors’ Report of even date to the members of SURAJ INDUSTRIES LTD on the Standalone financial statements for the year ended 31<sup>st</sup> March 2024**

We have audited the internal financial controls with reference to Standalone financial statements of **SURAJ INDUSTRIES LTD** (“the Company”) as of 31<sup>st</sup> March 2024 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 and Board of Directors of the Company are responsible for establishing and maintaining internal financial controls based on the internal controls 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 (ICAI). 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 Act.

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone 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”) and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to Standalone financial statements. 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 Standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone financial statements included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system with reference to Standalone financial statements.

#### **Meaning of Internal Financial Controls with reference to Standalone financial statements**

A company's internal financial control with reference to Standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

### **Inherent Limitations of Internal Financial Controls with reference to Standalone financial statements**

Because of the inherent limitations of internal financial controls with reference to Standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Standalone financial statements to future periods are subject to the risk that the internal financial control with reference to Standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to Standalone financial statements and such internal financial controls with reference to Standalone financial statements were operating effectively as at 31<sup>st</sup> March, 2024, 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 Issued by the ICAI.

For **PAWAN SHUBHAM & CO.**  
**Chartered Accountants**  
**ICAI Firm Registration Number: 011573C**

**Sd/-**  
**CA Krishna Kumar**  
**Partner**  
**Membership Number: 523411**  
**UDIN: 24523411BKAPER5188**

Place of Signature: New Delhi  
Date: 28<sup>th</sup> May, 2024

**Annexure B to Independent Auditors' Report****Referred to in paragraph 2 of the Independent Auditors' Report of even date to the members of SURAJ INDUSTRIES LTD on the Standalone financial statements as of and for the year ended 31<sup>st</sup> March, 2024**

In terms of the information and explanation sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we report the following: -

- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment and relevant details of right of use assets.  
  
(B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Property, Plant and Equipment were not physically verified during the year as Management has a programme of verification at reasonable intervals which, in our opinion, provides for physical verification of all the Property, Plant and Equipment and right of use assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) The Company does not have any immovable property. Therefore, this clause is not applicable.
- (d) The Company has not revalued any of its Property, Plant and Equipment (including right of use assets) or intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at 31<sup>st</sup> March, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) The physical verification of inventory (excluding stocks with third parties) has been conducted at reasonable intervals by the Management during the year. No inventory is lying with third parties. No discrepancies of 10% or more in aggregate for each class of inventory were noticed.
- (b) The Company has not been sanctioned any working capital limits from banks. Therefore, this clause is not applicable.
- iii. During the year, the company has made investments in and granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. However, it has not provided any guarantee and security to any other entity.

A) During the year, the Company has provided loans to other entity as follows:

(INR in lakhs)

Particulars	Subsidiaries	Joint Ventures	Associates	Others
Aggregate amount granted during the year	180.00	-	645.00	-
Balance outstanding as at balance sheet date	Nil	-	645.00	-

- B) In our opinion, the Company has not made investment in subsidiaries and associates in the current year. Also, the terms and conditions of the loans and advances are not prejudicial to the Company's interest.
- C) In our opinion, in respect of loans and advance, the terms and schedule of repayment of principal and interest has been stipulated and receipts are regular.
- D) In our opinion, no amount is overdue in respect of loans and advances given to subsidiaries, associates, joint ventures and other entities.
- E) No loans and advances have fallen due and thus this clause is not applicable.
- F) None of the loans and advances are repayable on demand. Proper schedule of repayment of principal and interest has been stipulated.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of the loans and investments made by it. The Company has not given any loan or advances to Directors, hence provisions of Section 185 of the Companies Act, 2013 are not applicable.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- vi. The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/business activity. Accordingly, reporting under clause 3(vi) of the Order is not applicable.
- vii. a) According to the records of the Company and information and explanations given to us and the records of the Company examined by us, the Company has been regular in depositing the undisputed statutory dues including goods and service tax, provident fund, employees state insurance, income tax, sale tax, service tax, duty of customs, duty of excise, value added tax, Cess and other material statutory dues applicable to it with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were in arrears as at 31<sup>st</sup> March, 2024 for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, there are no disputed amounts payable in respect of the aforesaid dues as at 31<sup>st</sup> March, 2024 except as below:

Name of the Statute	Nature of the Due	Amount (₹ In millions)*	Period to which the amount relates	Forum where dispute is pending
Central Goods and Service Tax Act, 2017	GST	5.90	2018-19	Addl. Commissioner State Tax & Excise (Cum Appellate Authority)

*\*after adjusting duty paid under protest.*

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

- b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
  - c) According to the records of the Company examined by us and the information and explanation given to us, term loans has not been taken by the Company. Therefore, this sub-clause is not applicable.
  - d) On an overall examination of the standalone financial statements of the Company, funds raised on short-term basis have not been used during the year for long-term purposes by the Company.
  - e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary, associate or Joint venture.
  - f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiary, joint venture or associate company.
- x. a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
  - b) During the year, the Company has made preferential allotment of shares in accordance with S.62 of the Companies Act, 2013 and funds have been utilised for the purpose for which funds have been raised.
- xi. a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
  - b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
  - c) No whistle-blower complaints were received by the Company during the year (and upto the date of this report) and hence reporting under clause 3(xi)(c) of the Order is not applicable.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
  - (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date.
- xv. During the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.



- xvi. In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a),(b) and (c) of the Order is not applicable. In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the current and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- 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 standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. (a) There is no unspent amount under sub-section (5) of section 135 of the Act pursuant to any project other than ongoing projects. Accordingly, clause 3(xx)(a) of the Order is not applicable.
- (b) There is no unspent CSR amount as at Balance Sheet date under section (5) of section 135 of the Act, pursuant to any ongoing project, hence, reporting under clause 3(xx)(b) of the Order is not applicable.

**For PAWAN SHUBHAM & CO.**  
**Chartered Accountants**  
**ICAI Firm Registration Number: 011573C**

**Sd/-**  
**CA Krishna Kumar**  
**Partner**  
**Membership Number: 523411**  
**UDIN: 24523411BKAPER5188**

Place of Signature: New Delhi  
 Date: 28<sup>th</sup> May, 2024

**SURAJ INDUSTRIES LTD**  
**Standalone Balance sheet as at 31st March 2024**

(INR in Lakhs)

Particulars	Note No.	31st March 2024	31st March 2023
		Audited	Audited
<b>I.</b>			
<b>Assets</b>			
1. <b>Non-Current assets</b>			
(a) Property, Plant and Equipment	3	1,094.97	1,132.97
(b) Capital Work in progress	4	80.36	65.21
(c) Right of Use Assets	5	58.18	73.36
(d) Financial Assets			
- Investments	6	2998.10	2,998.10
- Other Financial Assets	7	27.72	27.69
		<b>4259.33</b>	<b>4297.33</b>
2. <b>Current assets</b>			
(a) Inventories	8	58.43	77.71
(b) Financial Assets			
- Trade receivable	9	662.07	2421.54
- Cash and bank balances	10	63.64	5.87
- Bank balances Other than above	11	20.00	-
- Loans	12	645.00	136.00
- Other Financial Assets	13	54.23	51.50
(c) Income Tax Assets		-	-
(d) Other current assets	14	229.70	114.80
		<b>1,733.07</b>	<b>2,807.42</b>
<b>Total</b>		<b>5,992.40</b>	<b>7,104.75</b>
<b>II.</b>			
<b>EQUITY AND LIABILITIES</b>			
1 <b>Shareholders' funds</b>			
(a) Equity share capital	15	1,284.59	1,229.42
(b) Other Equity	16	3,088.94	2,386.99
		<b>4,373.53</b>	<b>3,616.41</b>
2 <b>Non-current liabilities</b>			
(a) <b>Financial Liabilities</b>			
- Borrowings	17	26.07	39.01
- Lease liability	18	54.82	68.38
(b) Provisions	19	10.66	9.09
(c) Deferred tax liabilities(Net)	20	49.18	45.39
		<b>140.73</b>	<b>161.87</b>
3 <b>Current liabilities</b>			
(a) <b>Financial Liabilities</b>			
- Borrowings	21	988.46	1,005.48
- Lease liability	22	13.56	11.13
- Trade Payables	23		
A) total outstanding dues of micro enterprises and small enterprises		17.65	-
B) total outstanding dues of creditors		354.78	2,120.49

	other than micro enterprises and small enterprises			
	- other Financial Liability	24	33.73	2.29
	(b)Other current liabilities	25	47.67	29.68
	(c)Provisions	26	0.01	0.06
	(d)Current Tax Liabilities	27	22.28	157.34
			<b>1478.14</b>	<b>3326.47</b>
<b>TOTAL</b>			<b>5992.40</b>	<b>7104.75</b>

**Corporate Information and summary of material accounting policies** 1 & 2

**Other notes to accounts** 3-51

**The accompanying notes form an integral part of the financial statements**

**As per our report of even date attached  
For Pawan Shubham & Co.**

**Chartered Accountants  
Firms's Registration No.: 011573C**

**For and on behalf of the Board of Directors of  
SURAJ INDUSTRIES LTD**

**Sd/-  
(CA Krishna Kumar)  
PARTNER  
Membership No. 523411**

**Sd/-  
Suraj Prakash Gupta  
(Managing Director)  
DIN: 00243846**

**Sd/-  
Syed Azizur Rahman  
(Non- Executive Director)  
DIN: 00242790**

**Place : New Delhi  
Date : 28-05-2024**

**Sd/-  
Somir Bhaduri  
Chief Financial Officer  
PAN No. AAXPB1836A**

**Sd/-  
Snehlata Sharma  
Company Secretary  
M.No.62066**

**SURAJ INDUSTRIES LIMITED**  
**Standalone Statement of Profit and Loss for the year ended on 31st March 2024**

*(INR in Lakh)*

Particulars	Note No.	For the year ended on 31st March, 2024	For the year ended on 31st March 2023
		Audited	Audited
<b>Income:</b>			
<b>I.</b> Revenue from operations	28	5106.28	6737.89
<b>II.</b> Other income	29	70.25	84.56
<b>III. Total Income (I+II)</b>		<b>5,176.53</b>	<b>6,822.45</b>
<b>IV. Expenses</b>			
Cost of materials consumed	30	720.07	459.41
Purchase of Stock in Trade	31	3379.35	5117.37
Changes in inventory of Finished Goods	32	(5.98)	-
Excise Duty on sale of Products		60.60	-
Employee benefit expense	33	238.09	178.00
Finance cost	34	103.03	69.63
Depreciation and amortization expense	35	119.33	125.98
Other expense	36	343.58	179.68
<b>Total expenses</b>		<b>4,958.07</b>	<b>6,130.07</b>
<b>V. Profit/ (loss) before tax (III-IV)</b>		<b>218.46</b>	<b>692.38</b>
<b>VI. Tax expense</b>			
Current tax		50.13	188.95
Deferred tax charge/(credit)		3.10	16.86
Earlier year taxes		10.17	9.83
<b>Total Tax Expense</b>		<b>63.40</b>	<b>215.64</b>
<b>VII. Profit/ (loss) for the year (V-VI)</b>		<b>155.06</b>	<b>476.74</b>
<b>VIII. Other comprehensive income</b>			
- Items not be reclassified to profit or loss		2.74	2.60
- Income tax (charge)/credit on above		(0.69)	0.06
<b>Other Comprehensive income for the year net of Tax</b>		<b>2.05</b>	<b>2.66</b>
<b>IX. Total comprehensive income for the year net of Tax(VII +VIII)</b>		<b>157.11</b>	<b>479.40</b>
<b>X. Earning per equity share:</b>	37		
(1)Basic		1.24	4.12
(2)Diluted		1.21	3.81
Nominal value of equity shares		10.00	10.00

Corporate Information and summary of material accounting policies 1 & 2

Other notes to account 3-51

The accompanying notes form an integral part of the financial statements

**As per our report of even date attached  
For Pawan Shubham & Co.  
Chartered Accountants  
Firms's Registration No.: 011573C**

**For and on behalf of the Board of Directors of  
SURAJ INDUSTRIES LTD**

**Sd/-  
(CA Krishna Kumar)  
PARTNER  
Membership No. 523411**

**Sd/-  
Suraj Prakash Gupta  
(Managing Director)  
DIN: 00243846**

**Sd/-  
Syed Azizur Rahman  
(Non-Executive Director)  
DIN: 00242790**

**Place : New Delhi  
Date : 28-05-2024**

**Sd/-  
Somir Bhaduri  
Chief Financial Officer  
PAN No. AAXPB1836A**

**Sd/-  
Snehlata Sharma  
Company Secretary  
M.No.62066**

## SURAJ INDUSTRIES LIMITED

## STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2024

(INR in Lakhs)

Particulars	For the year ended on 31st March 2024	For the year ended on 31st March 2023
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax & Extraordinary items	218.46	692.38
<b>Adjustment for Non cash and Non-operating items</b>		
Provision for Employee Benefits	4.26	1.16
Finance Cost	94.08	59.48
Depreciation	119.33	125.98
Interest Income	(49.50)	(67.80)
Interest on fair value measurement	8.95	10.15
<b>Operating Profit before Working Capital changes</b>	<b>395.58</b>	<b>821.35</b>
<b>Adjustments for:</b>		
Other financial and other Assets	(137.66)	(10.95)
Inventories	19.28	(61.11)
Trade Receivables	1759.47	(2189.82)
Trade Payable	(1748.05)	1977.50
Other Current Liabilities and provisions	49.44	76.21
<b>Cash Generated from operations before extraordinary item and tax</b>	<b>338.06</b>	<b>613.18</b>
Less: Taxes Paid	(195.36)	(198.78)
<b>Net Cash from Operating Activities.....(A)</b>	<b>142.70</b>	<b>414.40</b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment (including capital work-in-progress)(net)	(81.32)	(185.38)
Increase in Investments	-	(2998.10)
Interest Income	49.50	67.80
(Increase )/ Decrease in Loans	(509.00)	642.50
<b>Net Cash used in Investing Activities.....(B)</b>	<b>(540.82)</b>	<b>(2473.18)</b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Movement in Short Term/Long Term Borrowings	(29.96)	(913.29)
Movement in Lease Liability	(20.08)	69.37
Shares Issued during the year	800.00	2509.70
Finance Cost	(94.08)	(59.48)
Share Warrant Application Money Recd(net of amount converted)	(199.99)	172.57
<b>Net Cash received in financing Activities.....(C)</b>	<b>455.89</b>	<b>1778.87</b>
<b>D) NET INCREASE / (DECREASE) IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b>	<b>57.77</b>	<b>(279.91)</b>
Cash & Cash Equivalents as at beginning of year	5.87	285.78
Cash & Cash Equivalents as at end of year	63.64	5.87

**Notes**

- (I) Figures in brackets represent deductions and outflows  
 (II) The previous year's figures have been restated, wherever considered necessary.

**Corporate information and summary of material accounting policies** 1 & 2  
**Other notes to account** 3-51  
**The accompanying notes form an integral part of the financial statements**

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

**For Pawan Shubham & Co.**

**Chartered Accountants**  
**Firms's Registration No.: 011573C**

**For and on behalf of the Board of Directors of**  
**SURAJ INDUSTRIES LTD**

**Sd/-**  
**(CA Krishna Kumar)**  
**PARTNER**  
**Membership No. 523411**

**Sd/-**  
**Suraj Prakash Gupta**  
**(Managing Director)**  
**DIN: 00243846**

**Sd/-**  
**Syed Azizur Rahman**  
**(Non- Executive Director)**  
**DIN: 00242790**

**Place : New Delhi**  
**Date : 28-05-2024**

**Sd/-**  
**Somir Bhaduri**  
**Chief Financial Officer**  
**PAN No. AAXPB1836A**

**Sd/-**  
**Snehlata Sharma**  
**Company Secretary**  
**M.No.62066**

**SURAJ INDUSTRIES LIMITED**

Standalone Statement of changes in equity for the year ended on 31st March 2024.

**A. Equity Share Capital**

Particulars	Balance as at 01 April, 2022	Change in Equity Share Capital during the year	Balance as at 31 March, 2023	Change in Equity Share Capital during the year	Balance as at 31 March, 2024
<b>Nos. of Shares</b>	95,42,000	27,52,172	1,22,94,172	5,51,724	1,28,45,896
<b>Amount in Lakhs</b>	954.20	275.22	1229.42	55.17	1284.59

**B. Other Equity***(INR in lakhs)*

Particulars	Reserve and Surplus				Other Comprehensive Income	Total
	Capital Reserve	Share Premium	Equity Component of other financial instruments (share warrants)	Retained Earnings		
<b>Balance as at 01 April, 2022</b>	<b>231.69</b>	-	<b>27.42</b>	<b>(756.20)</b>	<b>(2.37)</b>	<b>(499.46)</b>
Amount received against Share warrants	-	-	282.27	-	-	282.27
Less: Share warrants converted to Equity Shares	-	-	(109.70)	-	-	(109.70)
Share Premium for issue of shares		2,234.48				2,234.48
Net Profit/(Net Loss) for the current year	-	-	-	476.74		476.74
Add: Actuarial Gain/ (Loss) for the year on PBO					2.66	2.66
<b>Balance as at 31 March, 2023</b>	<b>231.69</b>	<b>2,234.48</b>	<b>199.99</b>	<b>(279.46)</b>	<b>0.29</b>	<b>2,386.99</b>
<b>2023-24</b>						
Less: Share warrants converted to Equity Shares	-	-	(199.99)	-	-	(199.99)
Share Premium for issue of	-	744.83	-	-	-	744.83



shares						
Net Profit/(Net Loss) for the current year	-	-	-	155.06	-	155.06
Add: Actuarial Gain/ (Loss) for the year on PBO	-	-	-	-	2.05	2.05
<b>Balance as at 31 March, 2024</b>	<b>231.69</b>	<b>2979.31</b>	<b>-</b>	<b>(124.40)</b>	<b>2.34</b>	<b>3088.94</b>

**Corporate information and summary of material accounting policies 1 & 2**  
**Other notes to accounts 3-51**  
**The accompanying notes form an integral part of the financial statements**

**As per our report of even date attached  
For Pawan Shubham & Co.  
Chartered Accountants  
Firms's Registration No.: 011573C**

**For and on behalf of the Board of Directors of  
SURAJ INDUSTRIES LTD**

**Sd/-  
(CA Krishna Kumar)  
PARTNER  
Membership No. 523411**

**Sd/-  
Suraj Prakash Gupta  
(Managing Director)  
DIN: 00243846**

**Sd/-  
Syed Azizur Rahman  
(Non-Executive Director)  
DIN: 00242790**

**Place : New Delhi  
Date : 28-05-2024**

**Sd/-  
Somir Bhaduri  
Chief Financial Officer  
PAN No. AAXPB1836A**

**Sd/-  
Snehlata Sharma  
Company Secretary  
M.No.62066**

**SURAJ INDUSTRIES LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st**  
**MARCH 2024**

**1. 1. CORPORATE INFORMATION**

Suraj Industries Ltd (hereinafter referred to as "SIL" or "the Company") (CIN-L26943HP1992PLC016791) is a public limited company incorporated under the provisions of the Companies Act, 1956 having its registered office at Plot No. 2, Phase III, Sansarpur Terrace, Kangra, Himachal Pradesh-173212, India and their corporate office at F-32/3, Second Floor, Okhla Industrial Area, Phase- II, New Delhi-110020.

The company has ventured into bottling and packaging of alcoholic beverages i.e Rajasthan Made Liquor and Country Liquor for the state of Rajasthan.

**2. SIGNIFICANT ACCOUNTING POLICIES**

**a. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The company has adopted Indian Accounting Standards (Ind AS) with effect from 1st April 2017, with transition date of 1st April 2016, pursuant to notification issued by Ministry of Corporate Affairs dated 16th February 2015, notifying the Companies (Indian Accounting Standards) Rules, 2015. Accordingly, the standalone financial statements (hereinafter referred as "Financial statements") comply with Ind AS prescribed under section 133 of the Companies Act, 2013 (the "Act"), read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, relevant provisions of the Act and other accounting principles generally accepted in India.

The financial statements upto and for the year ended on 31st March 2017 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended), as notified under section 133 of the Act (Previous Indian GAAP) and other relevant provisions of the Act.

The financial statements are prepared on the historical cost convention, except for certain financial instruments which are measured at fair value. Accounting policies have been consistently applied except where:

- i) A newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.
- ii) The Company presents an additional balance sheet at the beginning of the earliest comparative period when: it applies an accounting policy retrospectively; it makes a retrospective restatement of items in its financial statements; or, when it reclassifies items in its financial statements, and the change has a material effect on the financial statements.

All amounts are stated in Lakhs of Rupees, rounded off to two decimal places, except when otherwise indicated.

The financial statements were authorised for issue by the Board of Directors of the company on 28.05.2024.

**b. CURRENT VERSUS NON-CURRENT CLASSIFICATION**

All assets and liabilities are classified into current and non-current.

#### **Assets**

An asset is classified as current when it satisfies any of the following criteria:

- a) it is expected to be realised in, or intended for sale or consumption in, the company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is expected to be realised within twelve months after the reporting period; or
- d) it is cash or cash equivalent unless it restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current assets

#### **Liabilities**

A Liability is classified as current when it satisfies any of the following criteria:

- a) it is expected to be settled in the Company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is due to be settled within twelve months after the reporting period; or
- d) the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Terms of 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 liabilities.

### **c. USE OF ESTIMATES**

The preparation of financial statements in conformity with Ind AS requires management to make estimates and assumptions that affect the reported amounts of Revenue, Expenses, Assets and Liabilities and disclosure of contingent liabilities at the end of the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

### **d. PROPERTY, PLANT AND EQUIPMENT**

#### **Initial recognition and measurement**

The cost of an item of property, plant and equipment is recognized as an asset if, and only if:

- a) it is probable that future economic benefits associated with the item will flow to the entity; and
- b) the cost of the item can be measured reliably.

Property, Plant and Equipments ('PPE') are stated at cost of acquisition or construction including any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management less accumulated depreciation and cumulative impairment losses & net of recoverable taxes (net of Cenvat and VAT credit wherever applicable).

Borrowing Cost attributable to acquisition, construction of qualifying assets is capitalized until such time as the assets are substantially ready for their intended use. Indirect expenses during construction period, which are required to bring the asset in the condition for its intended use by

the management and are directly attributable to bringing the asset to its position, are also capitalised.

#### **Subsequent Measurement**

Subsequent expenditure related to an item of PPE is added to its carrying amount or recognized as a separate asset, if appropriate and carrying amount of replacement parts is derecognized at its carrying value.

Spare parts or stores meeting the definition of PPE, either procured along with equipment or subsequently, are capitalized in the asset's carrying amount or recognized as separate asset, if appropriate. However, cost of day-to-day servicing are recognized in profit or loss as incurred. Cost of day-to-day service primarily include costs of labour, consumables, and cost of small spare parts.

An item of PPE is derecognized upon disposal or when no future economic benefits are expected to arise from continued use of the asset. Any gain or loss arising on the disposal or retirement of Property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the assets and is recognized in profit or loss.

#### **Transition to Ind AS**

For transition to Ind AS, the company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at 1st April, 2015 measured as per previous GAAP and use that carrying value as the deemed cost of Property, Plant & Equipment.

#### **Depreciation / amortization**

- a. Depreciation on items of PPE is provided on straight line method in accordance with the useful life as specified in Schedule II to the Companies Act, 2013.
- b. Depreciation on additions to assets or on sale/discard of assets is calculated pro-rata from the date of such addition or up to the date of such sale / discard.
- c. Assets residual values and useful lives are reviewed and adjusted, at the end of each reporting period.

The following useful lives are applied:

<b>Asset Category</b>	<b>Useful Life</b>
<b>Building</b>	
----- Factory Buildings	30 years
----- Building (other than factory buildings)	60 years
----- Other (including temporary structure, etc.)	05 years
----- Leasehold Building Improvements	Over the lease period
<b>Plant and Equipment</b>	10-25 years
<b>Furniture and Fittings</b>	10 years
<b>Office Equipment</b>	5 years
<b>Computers</b>	
----- Servers and networks	06 years
----- End user devices viz. desktops, laptops, etc.	03 years

#### **e. CAPITAL WORK-IN-PROGRESS**

Capital Work in Progress comprises of Property, Plant and Equipment that are not ready for their intended use at the end of reporting period and are carried at cost. Cost includes related acquisition expenses, construction cost, borrowing cost capitalized and other direct expenditure. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of Property, Plant and Equipment. Costs are capitalised till the period of assets are substantially ready for their intended use. Depreciation is not recorded on capital work-in-progress until construction and installation is complete and the asset is substantially ready for its intended use.

#### f. RIGHT OF USE ASSETS

##### **Company as a Lessee**

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain.

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.

##### **Finance lease**

The Company has entered into land lease arrangement at various locations for a period of 90 years. In case of lease of land for 90 years and above, it is likely that such leases meet the criteria that at the inception of the lease the present value of the minimum lease payments amounts to at least substantially all of the fair value of the leased asset. Accordingly, the Company has classified leasehold land as finance leases applying Ind AS 17. For such leases, the carrying amount of the right of-use asset at the date of initial application of Ind AS 116 is the carrying amount of the lease asset on the transition date as measured applying Ind AS 17. Leasehold land is amortised on a straight-line basis over the unexpired period of their respective lease. Leasehold improvements are depreciated on straight line basis over their initial agreement period.

#### g. INTANGIBLE ASSETS

Intangible assets with finite useful life are stated at cost of acquisition, less accumulated depreciation/ amortisation and impairment loss, if any. The cost of Intangible Assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities). Amortisation is recognised in Statement of Profit and Loss account on straight-line basis over estimated useful lives of respective intangible assets, but not exceeding useful lives given hereunder:

Asset Category	Useful Life
Computer Software	05 years

An item of Intangible Asset or any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal.

Any gain or loss arising on de-recognition of the asset (calculated as the difference between net disposal proceeds and carrying amount of the asset) is included in Statement of Profit and Loss Account when asset is derecognised.

## **h. FINANCIAL INSTRUMENTS**

### **1. Financial Assets**

#### **Initial recognition and measurement**

Financial Assets are recognised when the Company becomes a party to contractual provisions of Financial Instrument. Financial assets are initially measured at Fair Value. Transaction costs that are directly attributable to acquisition of financial assets (other than financial assets at Fair Value through Profit or Loss) are added to fair value of financial assets. Transaction costs directly attributable to acquisition of financial assets at Fair Value through profit or loss are recognised immediately in statement of Profit and Loss.

#### **Subsequent measurement**

### **I. Debt Instruments at Amortised Cost**

A 'debt instrument' is measured at amortised cost if both of the following conditions are met:

- a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b. Contractual terms of asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on principal amount outstanding.

After initial measurement, such Financial Assets are subsequently measured at amortised cost using Effective Interest Rate (EIR) method. All other debt instruments are measured at Fair Value through Other Comprehensive Income (FVOCI) or Fair Value through Profit and Loss (FVTPL) based on the Company's business model.

### **II. Equity Investments**

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at fair value through Profit and Loss (FVTPL). For all other equity instruments, the Company decides to classify the same either as at Fair Value through Other Comprehensive Income (FVOCI) or Fair Value through Profit and Loss (FVTPL) on an instrument-to-instrument basis.

### **III. Impairment of Financial Assets**

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on financial assets that are debt instruments, and are measured at amortised cost e.g., Loans, Debt Securities, Deposits and Trade Receivables or any contractual right to receive cash or another financial asset that result from transactions that are within scope of Ind AS 115.

The Company follows 'Simplified Approach' for recognition of impairment loss allowance on trade receivables. Application of simplified approach recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognising impairment loss allowance based on 12 month ECL.

ECL impairment loss allowance (or reversal) recognized during the period is recognized under the head 'Other Expenses' in the statement of Profit and Loss. The Balance Sheet presentation for various financial instruments is described below:

**i. Financial assets measured as at amortised cost:** ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the Balance Sheet. This allowance reduces the net carrying amount.

**ii. Debt instruments measured at FVTPL:** Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Change in fair value is taken to the statement of Profit and Loss.

**iii. Debt instruments measured at FVTOCI:** Since financial assets are already reflected at Fair Value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'Accumulated Impairment Amount' in the Other Comprehensive Income (OCI). The Company does not have any Purchased or Originated Credit Impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/origination.

#### IV. Derecognition of Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- i. The rights to receive cash flows from asset has expired, or
- ii. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass through' arrangement and either :-
  - (a) The Company has transferred substantially all risks and rewards of the asset, or
  - (b) The Company has neither transferred nor retained substantially all risks and rewards of the asset but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates, if and to what extent it has retained risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects rights and obligations that the Company has retained.

#### 2. Financial liability

### Initial recognition and measurement

Financial liabilities are classified at initial recognition as:

- a. Financial liabilities at fair value through Profit or Loss
- b. Loans and Borrowings
- c. Payables

All financial liabilities are recognised initially at fair value and in case of loans and borrowings and payables, they are recognised net of directly attributable transaction costs.

### Subsequent measurement

Measurement of financial liabilities depends on their classification as below:

- a. **Financial liabilities at Fair Value Through Profit or Loss (FVTPL):** Gains or losses on liabilities are recognised in the statement of profit and loss. Financial liabilities designated upon initial recognition at fair value through statement of profit and loss are designated as such at the initial date of recognition, and only if criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk is recognized in OCI. These gains/losses are not subsequently transferred to statement of profit and loss. However, the Company may transfer cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss.
- b. **Loans and Borrowings:** After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (hereinafter referred as EIR) method. Gains and Losses are recognised in statement of profit and loss when liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. EIR amortisation is included as Finance Costs in the statement of profit and loss.
- c. **Trade and Other Payables:** These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid.

### Derecognition of Financial liability

A Financial Liability is de-recognised when obligation under the liability is discharged or cancelled or expires.

## i. INVESTMENTS

### Subsidiaries

As per Ind AS 27, Control exists when the Company has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns.

Investments in subsidiaries are carried at cost as per Ind AS 27.



### Associates and Joint Ventures

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to net assets of joint venture. Joint control is contractually agreed sharing of control of an arrangement, which exists only when decisions about relevant activities require unanimous consent of parties sharing control.

An associate is an entity over which the Company has significant influence. Significant influence is power to participate in financial and operating policy decisions of investee but is not control or joint control over those policies.

Investment in joint ventures and associates are carried at cost as per Ind AS 27. Cost comprises price paid to acquire investment and directly attributable cost.

### j. INVENTORY

S. No.	Particulars / Item Type	Method of Valuation
1	Raw Material, Packing Material & Consumables (including in transit)	At Cost including direct procurement Overhead / Taxes.
2	Finished Goods (including in transit)	At cost or net realisable value, whichever is lower
3	Stock in process	At cost
4	By Products	At net realisable value
5	Loose Tools	At cost and charged off when discarded

In the above, cost is arrived at by FIFO cost method. In case of Finished Goods and Stock in Process, it also includes manufacturing & related establishment overheads, depreciation etc.

All the spares, which are primarily meant to be used for capitalization (except consumables and maintenance stores), are considered as part of the plant & machinery and shown accordingly.

### k. CASH AND CASH EQUIVALENTS

Cash and Cash Equivalents comprise Cash in Hand, Balances in Bank Account, Remittance in Transit, Cheques in hand and Demand Deposits, together with other short-term, highly liquid investments (original maturity less than 3 months) that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

### l. TAXES

#### Current Income Tax

Current Income tax assets and liabilities are measured at amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside Profit and Loss is recognised outside profit and loss (either in Other Comprehensive Income or in Equity). Current tax items are recognised in correlation to underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

## Deferred Tax

Deferred Income Taxes are calculated using Balance Sheet Approach, on temporary differences between tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except when it is probable that temporary differences will not reverse in foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences and carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to extent that it is probable that taxable profit will be available against which deductible temporary differences and carry forward of unused tax credits and unused tax losses can be utilized.

Carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and same taxation authority.

Tax expense for the year comprises of current tax and deferred tax.

## m. REVENUE RECOGNITION

### Revenue from contracts

Revenue from contracts with customers is recognised when control of the 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. Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts, incentive schemes, if any, as per contracts with customers. Taxes collected from customers on behalf of Government are not treated as Revenue.

### Interest Income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is rate that exactly discounts estimated future cash receipts through expected life of the financial asset to gross carrying amount of a financial asset. When calculating effective interest rate, the Company estimates expected cash flows by considering all contractual terms of financial instrument but does not consider expected credit losses.

**Other Income**

Other claims including interest on outstanding are accounted for when there is virtual certainty of ultimate collection.

**n. EMPLOYEE BENEFIT SCHEMES****Short-term employee benefits**

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, performance incentives and compensated absences which are expected to occur in next twelve months.

**Gratuity**

Liabilities with regard to gratuity benefits payable in future are determined by actuarial valuation at each Balance Sheet date using the Projected Unit Credit method. Actuarial gains and losses arising from changes in actuarial assumptions are recognized in Other Comprehensive Income and shall not be reclassified to the Statement of Profit and Loss in subsequent period.

**Provident Fund**

Eligible employees of the Company receive benefits from a Provident Fund, which is a defined benefit plan. Both the eligible employee and the Company make monthly contributions to provident fund plan equal to a specified percentage of covered employee's salary.

**o. FOREIGN CURRENCY****Functional and presentation currency**

The management has determined the currency of the primary economic environment in which the company operates i.e., functional currency, to be Indian Rupee (INR). The financial statements are presented in Indian Rupee in lakhs, which is company's functional and presentation currency.

**Transactions and balances**

Foreign Currency transactions during the year are recorded at rates of exchange prevailing on the date of transaction in the functional currency. Foreign currency monetary assets and liabilities are translated at using the year-end exchange rate. Exchange gains and losses are duly recognised in the Statement of profit and loss. All monetary assets and liabilities in foreign currency are restated at the end of the accounting period.

**p. EARNINGS PER SHARE**

- a. **Basic EPS** is calculated by dividing profit/ (loss) attributable to equity shareholders of the Company by weighted average number of equity shares outstanding during the period.
- b. **Diluted EPS** is computed using profit/ (loss) for the year attributable to shareholder' and weighted average number of equity and potential equity shares outstanding during the period, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

**q. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

The assessments undertaken in recognising provisions and contingencies have been made in accordance with applicable Ind AS. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

### **Provisions**

Provisions represent liabilities to the Company for which amount, or timing is uncertain. Provisions are recognized when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in the statement of profit and loss as a finance cost.

### **Contingent Liabilities**

In normal course of business, contingent liabilities may arise from litigation and other claims against the Company. There are certain obligations which management of the Company has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements. Claims against the Company, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities. Show Cause Notices received are not treated as Contingent Liabilities. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Company is involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.

### **Contingent Assets**

Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefits is probable.

## **r. CASH FLOW STATEMENT**

Cash flows are reported using indirect method as set out in Ind AS -7 “Statement of Cash Flows”, whereby profit/ (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash flows from operating, investing and financing activities of the Company are segregated based on available information.

## **s. SEGMENT REPORTING**

The company has two business segments- Edible Oil Operations and Liquor Operations and segment-wise results, assets and liabilities are accordingly given.

## **t. 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. Fair value measurement is based on presumption that transaction to sell asset or transfer liability takes place either:

- i. In the principal market for asset or liability, or
- ii. In absence of a principal market, in most advantageous market for asset or liability.

The principal or the most advantageous market must be accessible to the Company. Fair Value of an asset or liability is measured using 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 asset in its highest and best use or by selling it to another market participant that would use asset in its highest and best use.

The Company uses valuation techniques that are appropriate in circumstances and for which sufficient data are available to measure fair value, maximising use of relevant observable inputs and minimizing use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized 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 (unadjusted) market prices in active markets for identical assets or liabilities.

**Level 2-** Valuation techniques for which lowest level input that is significant to fair value measurement is directly or indirectly observable.

**Level 3-** Valuation techniques for which lowest level input that is significant to fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to fair value measurement as a whole) at end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

#### **u. 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 of subsidiaries, associate and joint ventures and impairment losses/write down in the value of investment in subsidiaries, associates and joint ventures and significant disposal of fixed assets.

**SURAJ INDUSTRIES LIMITED**  
**NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR**  
**ENDED ON 31st MARCH 2024**

**Note 3 Property, Plant and Equipment**

(INR in lakhs)

Particulars	Buildings	Plant and Equipments	Furniture and Fixtures	Computer	Vehicles	Office Equipments	Total
<b>Gross Carrying Amount</b>							
As at 1 April 2022	167.93	1,004.20	0.94	-	48.50	50.29	<b>1,271.86</b>
Additions	-	-	-	0.48	30.85	0.30	<b>31.63</b>
Disposal / Adjustment	-	-	-	-	-	-	-
<b>As at 31 March 2023</b>	<b>167.93</b>	<b>1,004.20</b>	<b>0.94</b>	<b>0.48</b>	<b>79.35</b>	<b>50.59</b>	<b>1303.49</b>
Additions	44.84	20.95	-	<b>0.36</b>	-	-	<b>66.15</b>
Disposal / Adjustment	-	-	-	-	-	-	-
<b>As at 31 March 2024</b>	<b>212.77</b>	<b>1,025.15</b>	<b>0.94</b>	<b>0.84</b>	<b>79.35</b>	<b>50.59</b>	<b>1369.64</b>

Depreciation and Impairment							
As at 1 April 2022	3.99	47.70	0.45	-	1.61	5.97	<b>59.72</b>
Additions	24.53	66.08	0.08	0.09	9.84	10.18	<b>110.80</b>
Disposal / Adjustment	-	-	-	-	-	-	-
<b>As at 31 March 2023</b>	<b>28.52</b>	<b>113.78</b>	<b>0.53</b>	<b>0.09</b>	<b>11.45</b>	<b>16.15</b>	<b>170.52</b>
Additions	<b>19.96</b>	<b>64.85</b>	<b>0.08</b>	<b>0.20</b>	<b>9.41</b>	<b>9.65</b>	<b>104.15</b>
Disposal / Adjustment	-	-	-	-	-	-	-
<b>As at 31 March 2024</b>	<b>48.48</b>	<b>178.63</b>	<b>0.61</b>	<b>0.29</b>	<b>20.86</b>	<b>25.80</b>	<b>274.67</b>
<b>Net Carrying Value</b>							
<b>As at 31 March 2024</b>	<b>164.29</b>	<b>846.52</b>	<b>0.33</b>	<b>0.55</b>	<b>58.49</b>	<b>24.79</b>	<b>1094.97</b>
As at 31 March 2023	139.41	890.42	0.41	0.39	67.90	34.44	<b>1132.97</b>

**Note 4 Capital Work in Progress (CWIP)**

(A) The changes in carrying value of Capital Work in Progress are as follows: (INR in lakhs)

Particulars	Building	Plant and Equipments	Furniture and Fixtures	Computer	Vehicles	Office Equipments	Total
As at 1 April 2022	-	-	-	-	-	-	-
Additions	44.84	20.37	-	-	-	-	<b>65.21</b>
Transfer to PPE / ROU	-	-	-	-	-	-	-
<b>As at 31 March 2023</b>	<b>44.84</b>	<b>20.37</b>	-	-	-	-	<b>65.21</b>

Additions	-	80.36	-	-	-	-	80.36
Transfer to PPE / ROU*	(44.84)	(20.37)	-	-	-	-	(65.21)
<b>As at 31 March 2024</b>	-	80.36	-	-	-	-	80.36

**Note 4.1 Capital Work in Progress Ageing Schedule**

Capital Work- in Progress (CWIP) ageing schedule as at 31st March, 2024 is as follows:

(INR in lakhs)

Capital Work in Progress (CWIP)	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Buildings	-	-	-	-	-
Plant and Equipments	80.36	-	-	-	80.36
Furniture and Fixtures	-	-	-	-	-
Computer					
Vehicles					
Office Equipments	-	-	-	-	-
<b>Total</b>	<b>80.36</b>	-	-	-	<b>80.36</b>

Capital Work- in Progress (CWIP) ageing schedule as at 31st March, 2023 is as follows:

(INR in lakhs)

Capital Work in Progress (CWIP)	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Building	44.84	-	-	-	44.84
Plant and Equipments	20.37	-	-	-	20.37
Furniture and Fixtures	-	-	-	-	-
Computer					
Vehicles					
Office Equipments	-	-	-	-	-
<b>Total</b>	<b>65.21</b>	-	-	-	<b>65.21</b>

**Note 5 Right of Use Assets (ROU Assets)**

Changes in the carrying value of Right of Use assets are as follows:

(INR in lakhs)

Particulars	Leasehold Building	Total
<b>Gross Carrying Amount</b>		
As at 1 April 2022	-	-
Additions	88.54	88.54

Disposal / Adjustment	-	-
<b>As at 31 March 2023</b>	<b>88.54</b>	<b>88.54</b>
Additions	-	-
Disposal / Adjustment	-	-
<b>As at 31 March 2024</b>	<b>88.54</b>	<b>88.54</b>
<b><u>Depreciation and Impairment</u></b>		
<b>As at 1 April 2022</b>	-	-
Additions	15.18	<b>15.18</b>
Disposal / Adjustment	-	-
<b>As at 31 March 2023</b>	<b>15.18</b>	<b>15.18</b>
Additions	<b>15.18</b>	<b>15.18</b>
Disposal / Adjustment	-	-
<b>As at 31 March 2024</b>	<b>30.36</b>	<b>30.36</b>
<b><u>Net Carrying Value</u></b>		
<b>As at 31 March 2024</b>	<b>58.18</b>	<b>58.18</b>
<b>As at 31 March 2023</b>	<b>73.36</b>	<b>73.36</b>

**Notes:**

(a) Refer note 39 for lease liabilities recognised on behalf of ROU Assets.

**Note 6 Investments***(INR in lakhs)*

Particulars	As at	As at
	31 March 2024	31 March 2023
<b>Equity Instruments at cost</b>		
<b>Investment in Subsidiary Company(unquoted)</b>		
2,63,81,000 equity shares ( PY: 2,63,81,000 equity shares ) of M/s Carya Chemicals & Fertilizers Pvt Ltd @ Rs 10 per share)	2,638.10	2,638.10
<b>Investment in Associate Company(Quoted)</b>		
36,00,000 equity shares ( PY: 36,00,000 equity shares) of M/s Shri Gang Industries & Allied Products Ltd @ Rs 10 per share)	360.00	360.00
<b>Total</b>	<b>2,998.10</b>	<b>2,998.10</b>

Aggregate cost of quoted investments	360.00	360.00
Aggregate Market value of quoted investments	2,485.08	2,424.60
Aggregate value of unquoted investments	2,638.10	2,638.10

**Note 7 Other Financial Assets- Non-Current***(INR in lakhs)*

Particulars	As at	As at
	31	31



	March 2024	March 2023
Security Deposits	24.31	24.38
Fixed Deposits with banks having more than 12 months Maturity*	3.41	3.41
<b>Total</b>	<b>27.72</b>	<b>27.69</b>

\*Fixed Deposits under lien/custody with Banks / Others

#### Note 8 Inventories

(INR in lakhs)

Particulars	As at	As at
	31 March 2024	31 March 2023
Raw Material	1.88	-
Finished Goods	5.98	-
Packing Material	49.24	76.69
Consumables	1.33	1.02
<b>Total</b>	<b>58.43</b>	<b>77.71</b>

#### Note 9 Trade Receivables

(INR in lakhs)

Particulars	As at	As at
	31 March 2024	31 March 2023
Secured, Considered Good	-	-
Unsecured, Considered Good	662.07	2,421.54
Receivables having Significant Increase in Credit Risk	-	-
Receivables Credit Impaired	-	-
<b>Total Trade Receivables (Gross)</b>	<b>662.07</b>	<b>2,421.54</b>
Less: Expected Credit Loss (ECL)	-	-
<b>Total</b>	<b>662.07</b>	<b>2,421.54</b>

#### Note 9.1 Trade Receivables ( Current) Ageing Schedule

##### (A) Trade Receivables Ageing Schedule as at 31 March, 2024

Particulars	Outstanding for following periods from due date of payment					
	< 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivable, considered good	623.84	-	-	-	-	623.84
(ii) Undisputed Trade Receivable, considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivable, considered good	-	-	-	-	38.23	38.23

(iv) Disputed Trade Receivable, considered doubtful	-	-	-	-	-	-
<b>Total</b>	<b>623.84</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>38.23</b>	<b>662.07</b>
<b>Less : Allowances for Expected Credit Loss (ECL)</b>						
<b>Total Trade Receivables</b>						<b>662.07</b>

**(B) Trade Receivables Ageing Schedule as at 31 March, 2023**

Particulars	Outstanding for following periods from due date of payment					
	< 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivable, considered good	2383.31	-	-	-	-	2383.31
(ii) Undisputed Trade Receivable, considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivable, considered good	-	-	-	-	38.23	38.23
(iv) Disputed Trade Receivable, considered doubtful	-	-	-	-	-	-
<b>Total</b>	<b>2383.31</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>38.23</b>	<b>2421.54</b>
<b>Less: Allowance for Expected Credit Loss (ECL)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Trade Receivables</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2421.54</b>

**Note: 10 Cash & bank balances****(INR in lakhs)**

Particulars	As at 31st March 2024	As at 31st March 2023
Balance with banks in Current Accounts	59.22	0.66
Cash in Hand	4.42	5.21
<b>Total</b>	<b>63.64</b>	<b>5.87</b>

**Note: 11 Bank Balance other than Cash & cash equivalents****(INR in lakhs)**

Particulars	As at 31st March 2024	As at 31st March 2023
Fixed Deposits with Original maturity of more than 3 months but less than 12 months	20.00	20.00
<b>Total</b>	<b>20.00</b>	<b>20.00</b>

\* Fixed Deposits under lien/ custody with Banks / Others

**Note: 12 Loans****(INR in lakhs)**

Particulars	As at 31st March 2024	As at 31st March 2023
Loans to Others	-	60.00

Loans to Related Party*	645.00	76.00
<b>Total</b>	<b>645.00</b>	<b>136.00</b>

\*Refer note 46 for related party disclosure.

### Note 13 Other Financial Assets

(INR in lakhs)

Particulars	As at	As at
	31 March 2024	31 March 2023
Interest Receivable from Related Party*	18.00	5.29
Interest Receivable from Others	-	38.21
Accrued Interest on FDRs	1.23	-
Security / Earnest Money Deposits	35.00	8.00
<b>Total</b>	<b>54.23</b>	<b>51.50</b>

\*Refer note 46 for related party disclosure.

### Note 14 Other current assets

(INR in lakhs)

Particulars	As at	As at
	31 March 2024	31 March 2023
GST Recoverable	23.00	13.29
MAT Credit	-	23.63
Prepaid Expenses	23.32	24.94
Advances to Supplier - Others	153.40	52.72
Capital advance	29.56	-
Amount Deposit under Appeal - GST	0.42	-
Amount Recoverable - Related Party*	-	0.22
<b>Total</b>	<b>229.70</b>	<b>114.80</b>

\*Refer note 46 for related party disclosure.

### Note 15 Equity Share Capital

(INR in lakhs)

Particulars	As at	As at
	31 March 2024	31 March 2023
<b>Authorised share capital</b>		
2,00,00,000 (Previous Year 2,00,00,000) Equity Shares of Rs. 10/- each	2,000.00	2,000.00
	<b>2,000.00</b>	<b>2,000.00</b>
<b>Issued. Subscribed &amp; Paid-up</b>		
1,28,45,896 (Previous Year 1,22,94,172) Equity Shares of Rs. 10/- each	1,284.59	1,229.42
	<b>1,284.59</b>	<b>1,229.42</b>

a) Details of reconciliation of the number of equity shares outstanding:

Particulars	31 March 2024		31 March 2023	
	No. of	INR in lakhs	No. of Shares	INR in lakhs

	Shares			
Shares outstanding at the beginning of the year	1,22,94,172	1,229.42	95,42,000.00	954.20
Add: Shares issued during the year	5,51,724	55.17	27,52,172.00	275.22
<b>Shares outstanding at the end of the year</b>	<b>1,28,45,896</b>	<b>1,284.59</b>	<b>1,22,94,172</b>	<b>1229.42</b>

**b) Details of shares in the Company held by each shareholder holding more than 5 percent shares:**

Name of the Shareholder	As at 31 March 2024		As at 31 March 2023	
	No. of Shares	% of shareholding	No. of Shares	% of shareholding
Suraj Prakash Gupta	65,79,754	51.22%	60,28,030	49.03%
Ayodhya Finlease Ltd	24,45,677	19.04%	24,55,172	19.97%
	<b>90,25,431</b>	<b>70.26%</b>	<b>84,83,202</b>	<b>69.00%</b>

**c) Promoter's Shareholding as at 31 March 2024 and percentage change in shareholding during the year as compared to previous year is as follows:**

Name of the Promoters	31 March 2024		31 March 2023		% Change
	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares	
Suraj Prakash Gupta	65,79,754	51.22%	60,28,030	49.03%	2.19%
Shuchi Bahl	185,000	1.44%	185,000	1.50%	-0.06%
Anita Gupta	10	0.00%	10	0.00%	0.00%
Rajesh Gupta	10	0.00%	10	0.00%	0.00%
M/s Global Spirits Private Limited	84,378	0.66%	84,378	0.69%	-0.03%
<b>Total</b>	<b>68,49,152</b>	<b>53.32%</b>	<b>62,97,428</b>	<b>51.22%</b>	<b>2.10%</b>

**d) Terms / rights attached to Equity shares:**

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed, if any, by the Board of Directors is subject to the approval of shareholders except in case of interim dividend. In event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company, after distribution of all preferential amount in proportion of their shareholding.

e) The Company has not issued any shares for consideration other than cash or as bonus shares, nor any shares had been brought back during the year.

f) The Company has not declared any dividends in the current year or preceding year.

**Note 16 Other Equity**

*(INR in lakhs)*

Particulars	As at	As at
	31 March 2024	31 March 2023
Share Premium	2,979.31	2,234.48
Capital Reserve	231.69	231.69

Equity Component of other financial instruments (share warrants)	-	199.99
Retained Earnings	(124.40)	(279.46)
Other Comprehensive Income	2.34	0.29
<b>Total</b>	<b>3,088.94</b>	<b>2,386.99</b>

**Note 17 Borrowings-Non current***(INR in lakhs)*

Particulars	As at	As at
	31 March 2024	31 March 2023
<b>Secured</b>		
Finance Lease Obligations on Hire Purchase of Vehicles*	39.01	50.97
Less: Current Maturities of Finance Lease Obligations on Hire Purchase of Vehicles	(12.94)	(11.96)
<b>Total</b>	<b>26.07</b>	<b>39.01</b>

*\*Secured against hypothecation of respective vehicles.***Note 18****Lease Liability Non Current***(INR in lakhs)*

Particulars	As at 31 March 2024	As at 31 March 2023
Lease Liability	54.82	68.38
<b>Total</b>	<b>54.82</b>	<b>38.38</b>

**Note 19 Provisions***(INR in lakhs)*

Particulars	As at	As at
	31st March 2024	31st March 2023
Provision for Gratuity	10.67	9.15
Less : Current value of Gratuity	(0.01)	(0.06)
<b>Total</b>	<b>10.66</b>	<b>9.09</b>

*Refer note 45 for provision for Gratuity***Note: 20****Deferred Tax Asset/ Liability**

Particulars	As at	As at
	31st March 2024	31st March 2023
<b>Deferred Tax Asset</b>		
Right of use asset	2.57	-
Employee Benefit Obligation	2.69	2.55
Employee Benefit Obligation – OCI	-	0.06
Other timing difference	-	-
<b>Total (A)</b>	<b>5.26</b>	<b>2.61</b>
<b>Deferred Tax Liability</b>		
WDV of Fixed Assets	53.75	48.00
Employee benefit Obligation – OCI	0.69	-
<b>Total (B)</b>	<b>54.44</b>	<b>48.00</b>

<b>Net Deferred Tax Asset/(Liability)</b>	<b>C= (A)-(B)</b>	<b>(49.18)</b>	<b>(45.39)</b>
<b>Less: Deferred tax already recognised</b>	<b>(D)</b>	<b>(45.39)</b>	<b>(28.58)</b>
<b>Charge/(Credit) to statement of profit and loss account (D-C)</b>		<b>3.79</b>	<b>16.81</b>

\*Refer note 40 for movement in deferred tax liability and deferred tax assets

### Note 21 Borrowings-Current

(INR in lakhs)

Particulars	As at	As at
	31 March 2024	31 March 2023
<b>Unsecured Loans</b>		
- From Bodies Corporate	450.52	
- From NBFC	525.00	450.52
- From Related Party*	-	525.00
Current Maturities of Finance Lease Obligations on Hire Purchase of Vehicles	12.94	18.00
		11.96
<b>Total</b>	<b>988.46</b>	<b>1,005.48</b>

Refer note 46 for related party disclosures.

### Note 22 Lease Liability Current

(INR in lakhs)

Particulars	As at	As at
	31 March 2024	31 March 2023
Lease liability	13.56	11.13
<b>Total</b>	<b>13.56</b>	<b>11.13</b>

### Note 23 Trade Payables

(INR in lakhs)

Particulars	As at	As at
	31 March 2024	31 March 2023
Outstanding dues of micro enterprises and small enterprises	17.65	-
Outstanding dues of creditors other than micro enterprises and small enterprises	354.78	2,120.49
<b>Total</b>	<b>372.43</b>	<b>2,120.49</b>

### Note 23.1 Trade Payables ageing schedule

(A) Trade payable ageing schedule as at 31st March 2024

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	17.65	-	-	-	17.65
(ii) Others	345.69	1.05	8.04	-	354.78
(iii) Disputes Dues- MSME	-	-	-	-	-
(iv) Disputes Dues- Others	-	-	-	-	-

<b>Total</b>	<b>363.64</b>	<b>1.05</b>	<b>8.04</b>	<b>-</b>	<b>372.43</b>
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**(B) Trade payable ageing schedule as at 31st March 2023**

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	2,111.32	8.83	0.30	0.04	2,120.49
(iii) Disputes Dues- MSME	-	-	-	-	-
(iv) Disputes Dues- Others	-	-	-	-	-
<b>Total</b>	<b>2,111.32</b>	<b>8.83</b>	<b>0.30</b>	<b>0.04</b>	<b>2,120.49</b>

**Note 23.2 Information as required to be furnished as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)\***

Particulars	As at	As at
	31 March 2024	31 March 2023
a) Amount remaining unpaid to supplier covered under MSMED Act at the end of the year		
-Principal	17.65	-
-Interest	-	-
<b>-Total</b>	<b>17.65</b>	<b>-</b>
b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
d) The amount of interest accrued and remaining unpaid at the end of the year.	-	-
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act.	-	-
f) The total dues of Micro and Small Enterprises which were outstanding for more than stipulated period.	-	-

*\*This information has been determined to the extent such parties have been identified on the basis of information available with the company.*

**Note 24 Other Financial Liability***(INR in lakhs)*

Particulars	As at	As at
	31 March 2024	31 March 2023
Interest payable	33.73	2.29

<b>Total</b>	<b>33.73</b>	<b>2.29</b>
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**Note 25 Other Current Liabilities***(INR in lakhs)*

Particulars	As at	As at
	31 March 2024	31 March 2023
Accrued Salary & Benefits	18.04	19.05
Expenses Payable	10.62	3.94
Statutory dues payable	19.01	6.69
<b>Total</b>	<b>47.67</b>	<b>29.68</b>

**Note 26 Provisions***(INR in lakhs)*

Particulars	As at	As at
	31 March 2024	31 March 2023
Provision for Employees Benefits		
i) Gratuity	0.01	0.06
<b>Total</b>	<b>0.01</b>	<b>0.06</b>

**Note 26.1 Movement of provisions**

Particulars	As at	As at
	31 March 2024	31 March 2023
Opening	9.15	7.97
Addition	1.52	1.18
Deletion	-	-
<b>Closing</b>	<b>10.67</b>	<b>9.15</b>
Current	0.01	0.06
Non-current	10.66	9.09

**Note 27 Current Tax Liabilities***(INR in lakhs)*

Particulars	As at	As at
	31 March 2024	31 March 2023
Provision for Current Year Tax (Net of TDS and Advance Tax)	22.38	157.34
<b>Total</b>	<b>22.38</b>	<b>157.34</b>

Refer note 41 for reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes.

**Note 28 : Revenue from operations***(INR in lakhs)*

Particulars	For year ended	For year end



		31st March 2024	d 31st March 2023
<b><u>Disaggregated revenue information</u></b>			
Sale of Products		-	-
Country Liquor		409.06	-
	(A)	<b>409.06</b>	-
<b>Sale of Traded Goods</b>			
Edible Oils		3,080.80	5,852.59
Unbranded Rice		644.51	-
	(B)	<b>3,725.31</b>	<b>5852.59</b>
Services Rendered			
Liquor Bottling Services		971.91	885.30
	(C)	<b>971.91</b>	<b>885.30</b>
<b>Total</b>	<b>(A+B+C)</b>	<b>5,106.28</b>	<b>6,737.89</b>

**Note 28.1 Timing of revenue recognition**

Particulars	For year ended 31st March 2024	For year ende d 31st Marc h 2023
Products transferred at a point of time	4,134.37	5,852.59
Services rendered at a point of time	971,91	885.30
<b>TOTAL</b>	<b>5,106.28</b>	<b>6,737.89</b>

**Note 28.2 Reconciliation of amount of revenue recognised with contract price**

Particulars	For year ended 31st March 2024	For year ende d 31st Marc

		<b>h</b>
		<b>2023</b>
<b>Revenue as per contracted price</b>	<b>5,106.2</b>	<b>6,737.</b>
	<b>8</b>	<b>89</b>
<b>Adjustments</b>	<b>-</b>	<b>-</b>
<b>Revenue from contract with customers</b>	<b>5,106.2</b>	<b>6,737.</b>
	<b>8</b>	<b>89</b>

**Note 28.3** Performance obligations for sale of products is satisfied upon delivery of the goods and that for sale of services is satisfied upon rendering of respective services.

**Note 28.4** Refer note 50 for segment information.

**Note 29 Other income**

*(INR in lakhs)*

Particulars	For the year ended on	For the year ended on
	31 MARCH 2024	31 MARCH 2023
Unpaid liabilities written back	6.43	13.01
Interest on Loan - Others	7.40	45.32
Interest on Loan – Related Party	40.73	22.48
Interest income on FDR	1.37	-
Other Income	14.32	3.75
<b>Total</b>	<b>70.25</b>	<b>84.56</b>

**Note 30 Cost of material consumed**

Particulars	For the year ended on	For the year ended on
	31 MARCH 2024	31 MARCH 2023
<b>Consumption of Spirit</b>		
Opening Stock	-	
Add : Purchase of Spirit	256.86	-
Less: Closing Stock (Including in-transit)	(1.88)	-
A	<b>254.98</b>	-
<b>Consumption of packing Material and Consumables</b>		
Opening Stock	77.71	16.60
Add : Purchase of packing Material and Consumables	437.95	520.52
Less: Closing Stock (Including in-transit)	(50.57)	(77.71)
B	<b>465.09</b>	<b>459.41</b>
<b>TOTAL (A+B)</b>	<b>720.07</b>	<b>459.41</b>

**Note 31 Purchase of Stock in Trade**

*(INR in lakhs)*

Particulars	For the year ended on	For the year ended on
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	31 MARCH 2024	31 MARCH 2023
Purchase of Unbranded Rice	598.30	-
Purchase of Edible Oils	2,781.05	5,117.37
<b>Total</b>	<b>3,379.35</b>	<b>5,117.37</b>

**Note 32 Changes in Inventory of Finished Goods***(INR in lakhs)*

Particulars	For the year ended on	For the year ended on
	31 MARCH 2024	31 MARCH 2023
Opening Inventory of Finished Goods	-	-
Less: Closing Inventory of Finished Goods	(5.98)	-
<b>Total</b>	<b>(5.98)</b>	<b>-</b>

**Note 33 Employee benefit expense***(INR in lakhs)*

Particulars	For the year ended on	For the year ended on
	31 MARCH 2024	31 MARCH 2023
Salaries, Wages and Incentives	226.29	170.84
Contribution to Provident & Other Funds	4.40	0.19
Provision for Long term employees benefits	4.26	3.78
Staff Welfare Expenses	3.14	3.19
<b>Total</b>	<b>238.09</b>	<b>178.00</b>

**Note 33.1 Compensation Paid To Key Managerial Personnel included in above: *(INR in lakhs)***

Particulars	For the year ended on	For the year ended on
	31 MARCH 2024	31 MARCH 2023
Salaries, Wages and Incentives	109.48	111.71
<b>Total</b>	<b>109.48</b>	<b>111.71</b>

*Refer note 46 for related party disclosure.**Refer note 45 for detail on employee benefits.***Note 34 Finance Cost***(INR in lakhs)*

Particulars	For the year ended on	For the year ended on
	31 MARCH 2024	31 MARCH 2023
Interest expenses:		
- Interest on Vehicle Loan	3.60	3.86
- Interest on unsecured loan	90.25	55.02
- Financial liabilities measured at amortized cost	8.95	10.15
	<b>102.80</b>	<b>69.03</b>
Bank Charges	0.23	0.60
<b>Total</b>	<b>103.03</b>	<b>69.63</b>

**Note 35 Depreciation and Amortisation Expenses***(INR in lakhs)*

Particulars	For the year ended on	For the year ended on
	31 MARCH 2024	31 MARCH 2023
Depreciation on Property, Plant and Equipment	104.15	110.80
Depreciation on Right of use Assets	15.18	15.18
<b>Total</b>	<b>119.33</b>	<b>125.98</b>

Refer note 3 on Property, Plant and Equipment and note 5 on Right of Use Assets (ROU Assets).

**Note 36 Other Expenses***(INR in lakhs)*

Particulars	For the year ended on	For the year ended on
	31 MARCH 2024	31 MARCH 2023
Auditors Remuneration ( Refer Note 36.1)	2.50	2.00
Power & Fuel	29.11	23.66
Repairs & Maintenance		
-Building	0.85	0.68
- Plant and Machinery	9.98	7.35
-Others	5.73	4.18
Business Promotion	9.83	-
Commission Expenses	3.80	-
Labour Charges	21.27	11.81
Fee & Taxes	74.08	27.46
Legal & Professional Expenses	34.34	31.65
Festival Expenses	2.61	4.72
Freight Expenses	28.14	-
Rent	43.80	29.39
Advertisement	0.68	0.63
Website Expenses	0.34	0.95
Printing & Stationery	2.42	4.36
Telephone, Postage & Internet Expenses	1.45	0.74
Insurance Expenses	2.94	3.77
Interest and Penalty on Government dues	0.01	-
Tours & Travelling & Conveyance	39.64	12.33
Security Services Agency charges	5.65	5.62
Corporate Social Responsibility Expenditure (Refer Note 36.2)	8.86	-
Miscellaneous Expenses	15.55	8.38
<b>Total</b>	<b>343.58</b>	<b>179.68</b>

**Note 36.1 Payment to the auditors as:***(INR in lakhs)*

Particulars	For the year ended on	For the year ended on
	31 MARCH 2024	31 MARCH 2023
<b>- Statutory Auditor</b>		
a) Statutory Audit Fees	2.25	2.00
b) For Taxation Matters	0.25	-
c) Certification Fees	-	-
<b>Total</b>	<b>2.50</b>	<b>2.00</b>

**Note : 36.2 Corporate Social Responsibility (CSR) Expenses during the year on :**

Particulars	For the year ended on	For the year ended on
	31 MARCH 2024	31 MARCH 2023
(i)Gross amount required to be spent by the company during the year as per provision of Section 135 of the Companies Act,2013 i.e. .2% of average net Profits for last three financial years, calculated as per Section 198 of the Companies Act, 2013.	<b>8.86</b>	-
(ii)Gross amount spent by the Company during the year		
1.Construction/ Acquisition of assets	-	-
2.On purpose other than (i) above	<b>8.86</b>	-
<b>Total</b>	<b>8.86</b>	-
(iii) Shortfall/(Excess) for the year (i-ii)	-	-
(iv)Total of previous years shortfall	-	-
(v)Previous years shortfall spent during the year	-	-
(vi)Reason for shortfall	NA	NA
(vii)Nature of CSR Activities- Development of Rural Area	NA	NA
(viii)CSR Activities with Related Parties	NA	NA
(ix) Movement of CSR Provision:		
<b>Particulars</b>	<b>For the year ended</b>	<b>For the year ended</b>
	<b>31 March 2024</b>	<b>31 March 2023</b>
Opening Provision	-	-
Created during the year	<b>8.86</b>	-
Utilized During the year	<b>8.86</b>	-
<b>Closing Provision</b>	<b>-</b>	<b>-</b>

**Note 37 Earnings Per Equity Share (EPS):****(A) Earnings Per Share**

Particulars	For the year ended on	For the year ended on
	31 MARCH 2024	31 MARCH 2023

Profit after Tax	155.06	476.74
Basic Earnings Per Share	1.24	4.12
Diluted Earnings Per Share	1.21	3.81
Par Value Per Equity Share	10.00	10.00

**(B) Weighted Average Number of Equity Shares used as Denominator :**

Particulars	For the year ended on	For the year ended on
	31 MARCH 2024	31 MARCH 2023
Number of Equity shares at the beginning of the year	1,22,94,172	95,42,000
Add: Weighted average number of equity shares issued during the year	2,54,758	20,82,366
<b>Weighted average number of Equity shares for Basic EPS</b>	<b>1,25,48,930</b>	<b>1,16,24,366</b>
Add: Adjustment for Share Warrants	2,96,966	9,73,632
<b>Weighted average number of equity shares for Diluted EPS</b>	<b>1,28,45,896</b>	<b>1,25,97,998</b>

**Note 38 Contingent Liabilities and commitments:***(INR in lakhs)*

Particulars	For the year ended on	For the year ended on
	31 MARCH 2024	31 MARCH 2023
<b>Contingent Liabilities:</b>		
a) Claims against the company not acknowledged as Debts.	6.32	-
(i) GST demands under appeal/ Pending appeal		
<b>Commitments:</b>		
a) Estimated amount of contracts remaining to be executed on capital account and not provided for.	21.97	-

**Note 39 Disclosures as required under Ind-AS 116 "Leases":***(INR in lakhs)***(A) Maturity analysis of lease liabilities (contractual undiscounted cash flows) on unconditional basis:**

Particulars	For the year ended on	For the year ended on
	31 MARCH 2024	31 MARCH 2023
Upto one year	21.04	20.08
After one year but not more than five years	65.17	86.21
More than five years	-	-

\*The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

**(B) Amounts recognised in Statement of profit and loss:**

Particulars	For the year ended on	For the year ended on
	31 MARCH 2024	31 MARCH 2023
Depreciation on ROU assets	15.18	15.18
Interest on lease liabilities	8.95	10.15
Lease payments not recognised as liability in 'Other Expenses':		
----Expenses relating to short-term leases	43.80	29.39
----Expenses relating to leases of low-value assets	-	-

**(C) Amounts recognised in Statement of cash flows:**

Particulars	For the year ended on	For the year ended on
	31 MARCH 2024	31 MARCH 2023
Total cash outflow for leases	20.08	19.17

**(D) Future lease Commitments**

Particulars	For the year ended on	For the year ended on
	31 MARCH 2024	31 MARCH 2023
The total future cash outflow for leases that had not yet commenced	-	-

**Note 40 Movement in Deferred Tax Assets / (Liability)**

*(INR in lakhs)*

**(A) Movement in Deferred Tax Assets**

Particulars	Right of use assets	Brought forward business losses and depreciation	Employee Benefit Obligation	Total Deferred Tax Assets
<b>As at 31 March 2022</b>	-	-	2.00	2.00
----Profit & Loss	-	-	0.55	0.55
----Other Comprehensive income	-	-	0.06	0.06
<b>As at 31 March 2023</b>	-	-	2.61	2.61
----Profit & Loss	2.57	-	0.14	2.71
----Other Comprehensive income	-	-	(0.06)	(0.06)
<b>As at 31 March 2024</b>	2.57	-	2.69	5.26

**(B) Movement in Deferred Tax Liability**

Particulars	Depreciation / amortization on PPE	Other timing differences	Total Deferred Tax Liability
<b>As at 31 March 2022</b>	30.59	-	30.59
----Profit & Loss	17.41	-	17.41
----Other Comprehensive income	-	-	-
<b>As at 31 March 2023</b>	<b>48.00</b>	-	<b>48.00</b>
----Profit & Loss	5.75	-	5.75
----Other Comprehensive income	-	0.69	0.69
<b>As at 31 March 2024</b>	<b>53.75</b>	<b>0.69</b>	<b>54.44</b>

**Note 41 A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized below:**

*(INR in lakhs)*

Particulars	As at	As at
	31 MARCH 2024	31 MARCH 2023
<b>Accounting Profit (Profit / (loss) before tax)</b>	218.46	692.38
Enacted tax rates in India	25.17%	27.82%
Computed expected tax expense	54.98	192.62
Tax Effect of non-deductible expenses	35.67	40.03
Tax reversals due to expenses allowed for Indian tax purpose	(41.59)	(50.13)
Interest on income tax	1.07	6.43
<b>Total Current Income tax expense</b>	<b>50.13</b>	<b>188.95</b>

*The applicable Indian corporate statutory tax rate for the year ended 31 March 2024 is 25.168% and 31 March 2023 is 27.82%.*

**Note 42 Disclosures of Ratios:**

*(INR in lakhs)*

S.No.	Ratio	Numerator	Denominator	31st March, 2024	31st March, 2023	% Variance	Reasons for change in ratio by more than 25% as compared to the previous year
<b>Performance Ratios</b>							
1	Net profit ratio	Profit after Tax	Net Sales	0.03	0.07	-57.08%	Variation due to decrease in turnover.



2	Net capital turnover ratio*	Net Sales	Average Working capital	(38.67)	(10.96)	252.81%	Variation due to decrease in turnover and increase in working capital as compared to previous year.
3	Return on capital employed	Earning before Interest and taxes	Capital Employed	0.06	0.16	-63.32%	Variation due to decrease in turnover.
4	Return on equity ratio	Net Profit after Tax	Average Shareholder Equity	0.04	0.23	-83.43%	Variation due to increase in share capital and decrease in profit.
5	Return on Investment	Interest Income	Weighted Average Cost of Investment	0.07	NA	NA	There was no investment in previous year.
6	Debt service coverage ratio	Earning Available for debt service	Debt service	9.63	0.99	877.19%	Debt service has improved due to reduction in loans.
<b>Leverages Ratios</b>							
7	Debt-equity ratio	Total Debt	Shareholder Equity	0.23	0.29	-19.68%	NA
<b>Liquidity Ratios</b>							

8	Current Ratio	Current Ratio	Current Liabilities	1.17	0.84	38.92%	Current ratio has improved due to higher increase in current assets as compared to current liabilities..
<b>Activity Ratios</b>							
9	Inventory turnover ratio	Sale	Average Inventory	75.02	142.89	-47.50%	Ratio improved due to reduction in inventory levels.
10	Trade receivables turnover ratio	Net Credit Sale	Avg Account Receivable	0.30	0.20	53.36%	This is due to lower level of trade receivables vis a vis previous year.
11	Trade Payable turnover ratio	Net Credit Purchase	Avg Trade Payable	0.37	0.22	66.78%	This is due to lower level of trade payables vis a vis previous year.

**Note 43 Investment in Subsidiary, Associate and Joint Venture***(INR in lakhs)***(A) Company's investment in direct subsidiary :**

Particulars	Country of Incorporation	Portion of ownership interest as at		Method used to account incorporation for the investment
		31 MARCH 2024	31 MARCH 2023	
M/s Carya Chemicals & Fertilzers Private Limited	India	50.73%	50.73%	Cost

**(B) Company's investment in Associate:**

Particulars	Country of Incorporation	Portion of ownership interest as at		Method used to account incorporation for the investment
		31 MARCH 2024	31 MARCH 2023	

M/s Shri Gang Industries & Allied Products Limited	India	20.08%	20.08%	Cost
--	-------	--------	--------	------

**(C) Disclosure required under Section 186(4) of the Companies Act, 2013 for year ended 31 March, 2024**

Particulars	Loan Given	Loan Given received back	Gross Outstanding Balance	Purpose of Loan Given
M/s Carya Chemicals & Fertilizers Private Limited	180.00	256.00	-	Business Expansion
M/s Shri Gang Industries & Allied Products Limited	645.00	-	645.00	Business Expansion

**(D) Disclosure required under Section 186(4) of the Companies Act, 2013 for year ended 31 March, 2023**

Particulars	Investment made	Loan Given	Gross Outstanding Balance	Purpose of Loan Given
M/s Carya Chemicals & Fertilizers Private Limited	2,638.10	76.00	76.00	Business Expansion
M/s Shri Gang Industries & Allied Products Limited	360.00	-	-	NA

**Note 44 Additional Notes**

**(A)** The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

**(B)** The Company do not have any transactions with companies struck off under section 248 of the Companies Act, 2013.

**(C)** The Company do not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

**(D)** The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(E) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in other person or entities ("ultimate beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries. The Company has not received any funds from any persons or entities, including foreign entities ("Funding Parties"), with the understanding that the Company shall lend or invest in other persons or entities identified by or on behalf of the Funding Party or provide any guarantee, security or the like from to or on behalf of the Ultimate Beneficiaries.

(F) The Company has not entered into any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(G) The company does not have any borrowings from banks and financial institutions on the basis of security of current assets.

(H) The company has not been declared as wilful defaulter by any bank or financial institution or any other lender.

(I) The Company did not have any foreign exchange contracts including derivative contracts for which there were any material foreseeable losses.

(J) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

(K) Rule 11 (g) of Companies (Audit and Auditors) Rule, 2014 ("rule") stipulates that where the Company has used accounting software for maintaining its books of account, whether it has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all transactions recorded in the software. The Company has used an accounting software for maintaining its books of accounts which has a feature of recording audit trail (edit log) facility and it operated throughout the year. However, management is not able to extract necessary control reports to determine whether the requirements of above rule has been met.

**Note 45 Disclosures under Ind AS 19 "Employee Benefits":**

*(INR in lakhs)*

The company has a defined benefit gratuity plan as long term benefits to employees. Provision is made on the basis of actuarial valuation.

Particulars	For the year ended on	For the year ended on
	31 MARCH 2024	31 MARCH 2023
<b>1) Change in benefit obligation</b>		
a) Present value of obligation as at the beginning of the period	9.15	7.97
b) Interest cost	0.68	0.58

c) Past service cost	-	-
d) Current service cost	3.58	3.20
e) Benefits paid	-	-
f) Actuarial (gain)/loss on obligation	(2.74)	(2.60)
<b>g) Present value of obligation as at the end of period</b>	<b>10.67</b>	<b>9.15</b>
<b>2) Actuarial gain / loss recognized</b>		
a) Actuarial gain / (loss) on arising from change in Demographic Assumption	-	-
b) Actuarial gain / (loss) on arising from change in Financial Assumption	0.04	(0.04)
c) Actuarial gain / (loss) on arising from Experience Adjustment	(2.78)	(2.56)
<b>3) Expense recognized in the statement of profit and loss</b>		
a) Current service cost	3.58	3.20
b) Past service cost	-	-
c) Interest cost	0.68	0.58
d) Expected return on plan assets	-	-
e) Expenses recognized in the statement of profit & losses	4.26	3.78
<b>4) Expense recognized in the Other Comprehensive income (OCI)</b>		
a) Net cumulative unrecognized actuarial gain/(loss) opening	-	-
b) Actuarial gain / (loss) for the year on PBO	2.74	2.60
c) Actuarial gain /(loss) for the year on Asset	-	-
d) Unrecognized actuarial gain/(loss) for the year	2.74	2.60
<b>5) Sensitivity Analysis of the defined benefit obligation.</b>		
<b>a) Impact of the change in discount rate</b>		
Present Value of Obligation at the end of the period	10.67	9.15
Impact due to increase of 0.50% Actual return on plan assets	(0.20)	(0.15)
Impact due to decrease of 0.50 % Acquisition adjustment	0.22	0.17
<b>b) Impact of the Change in salary increase</b>		
Present value of obligation at the end of the period	10.67	9.15
Impact due to increase of 0.50%	0.22	0.17
Impact due to decrease of 0.50%	(0.21)	(0.15)
<b>6) Actuarial Assumptions:</b>		
Particulars		
Mortality table	IALM (2012-14)	IALM (2012-14)

Discount rate	7.25%	7..39%
Expected rate of return on plan assets	N.A	N.A
Rate of escalation in salary per annum	5.00%	5.00%
Employee turnover up to 30 years	5.00%	5.00%
Above 30years but up to 44 years	3.00%	3.00%
Above 44 years	2.00%	2.00%

The estimates of future salary increase considered in actuarial valuation take into account the inflation, seniority, promotion and other relevant factors such as demand in the employment market and supply.

#### Note 46 The Related Party disclosures as per IND AS 24 "Related Party Disclosures"

The information given below is only in respect of the transactions entered into by the company or any outstanding, during the year with the related parties.

#### (A) Names of the Related parties and description of relationship (INR in lakhs)

S.NO.	Relationship	Name
1	Directors & Key Managerial Personnel (KMP)	Suraj Prakash Gupta, Managing Director Ashu Malik, Whole Time Director Syed Azizur Rahman, Non-executive Director Nazir Baig, Independent Director Pooja Solanki, Independent Director Sanjay Kumar Jain, Nominee Director Sanjai Kapoor, CFO (w.e.f June 22,2022) Chhavi Agrawal, Company Secretary (Upto October 18,2022) Snehlata Sharma, Company Secretary (w.e.f October 19,2022) Sanjai Kapoor, CFO (Upto November 03, 2023) Somir Bhaduri, CFO ( w.e.f February 02, 2024)
2	Subsidiary Company	Carya Chemicals & Fertilizers Pvt Ltd (w.e.f June 15,2022)
3	Associate Company	Shri Gang Industries & Allied Products Ltd (w.e.f July 09, 2022)
4	Relative of promoter	Ritesh Gupta, Chief Operating Officer (w.e.f. May 30, 2023)

#### (B)Transactions during the year with the Related Parties

Particulars	For the year ended on	For the year ended on
-------------	-----------------------	-----------------------

	31 MARCH 2024	31 MARCH 2023
<b>Managerial Remuneration Expense</b>		
<b>Directors and Key Managerial Personnel</b>		
Salary to Managing Director, Suraj Prakash Gupta	72.00	72.00
Salary to Whole Time Director, Ashu Malik	10.80	10.50
Salary to CFO, Sanjai Kapoor (upto 03.11.2023)	17.75	23.25
Salary to CFO, Somir Bhaduri (w.e.f. 02.02.2024)	2.70	-
Salary to Company Secretary, Chhavi Agrawal	-	3.50
Salary to Company Secretary, Snehlata Sharma	6.23	2.46
	<b>109.48</b>	<b>111.71</b>
<b>Relative of Promoter</b>		
Ritesh Gupta, Chief Operating Officer	24.15	-
	<b>24.15</b>	-
<b>Managerial Remuneration Payable</b>		
<b>Directors &amp; Key Managerial Personnel</b>		
Salary to Managing Director, Suraj Prakash Gupta	7.60	9.95
Salary to Whole Time Director, Ashu Malik	0.80	0.84
Salary to CFO, Sanjai Kapoor (upto 03.11.2023)	-	2.00
Salary to CFO, Somir Bhaduri (w.e.f. 02.02.2024)	1.03	-
Salary to Company Secretary, Snehlata Sharma	0.58	0.43
	<b>10.01</b>	<b>13.22</b>
<b>Relative of Promoter</b>		
Ritesh Gupta, Chief Operating Officer	1.84	-
	<b>1.84</b>	-
<b>Purchase of Raw Material</b>		
Shri Gang Industries & Allied Products Ltd, Associate	<b>16.32</b>	-
	<b>16.32</b>	-
<b>Interest Income</b>		
Carya Chemicals & Fertilzers Pvt Ltd, Subsidiary	4.05	22.48
Shri Gang Industries & Allied Products Ltd, Associate	36.69	-
	<b>40.74</b>	<b>22.48</b>
<b>Unsecured Loan received- Suraj Prakash Gupta, MD</b>		
Opening Balance	<b>18.00</b>	2.60
Loan received	-	24.00
Loan repaid	<b>18.00</b>	8.60
Closing Balance	-	<b>18.00</b>
<b>Unsecured Loan given- Carya Chemicals &amp; Fertilzers Pvt Ltd, Subsidiary</b>		
Opening Balance	76.00	86.00

Loan given	180.00	-
Loan repaid	256.00	10.00
Closing Balance	--	76.00
<b>Unsecured Loan given- Shri Gang Industries Ltd. and Allied Products Limited, Associate Company</b>		
Opening Balance	-	-
Loan given	<b>645.00</b>	-
Loan repaid	-	-
Closing Balance	<b>645.00</b>	-
<b>Interest Receivable</b>		
<b>Carya Chemicals &amp; Fertilzers Pvt Ltd</b>	-	5.29
<b>Shri Gang Industries Ltd. and Allied Products Limited</b>	18.00	-
	<b>18.00</b>	<b>5.29</b>
<b>Investment in Equity Shares</b>		
Carya Chemicals & Fertilzers Pvt Ltd, Subsidiary	-	2,638.10
Shri Gang Industries & Allied Products Ltd	-	360.00
	-	<b>2,998.10</b>
<b>Closing Balance Investment in Equity Shares</b>		
Carya Chemicals & Fertilzers Pvt Ltd, Subsidiary	2,638.10	2,638.10
Shri Gang Industries & Allied Products Ltd	360.00	360.00
	<b>2,998.10</b>	<b>2,998.10</b>
<b>Reimbursement of Expenses from:</b>		
<b>Shri Gang Industries &amp; Allied Products Ltd, Associate :</b>		
Expenses incurred	4.23	4.23
Amount received against expenses incurred	4.23	4.02
Closing Amount Recoverable	-	0.21

**Note 47 Fair Value Measurements***(INR in lakhs)*

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. Fair value measurement is based on presumption that transaction to sell asset or transfer liability takes place either:

- i. In the principal market for asset or liability, or
- ii. In absence of a principal market, in most advantageous market for asset or liability.

Fair Value of an asset or liability is measured using 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 asset in its highest and best use or by selling it to another market participant that would use asset in its highest and best use.



The Company uses valuation techniques that are appropriate in circumstances and for which sufficient data are available to measure fair value, maximising use of relevant observable inputs and minimizing use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized 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 (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2- Valuation techniques for which lowest level input that is significant to fair value measurement is directly or indirectly observable.

Level 3- Valuation techniques for which lowest level input that is significant to fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to fair value measurement as a whole) at end of each reporting period. For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

**(A) Carrying amounts of Financial Assets and Financial Liabilities in each category are as follows:**

*(INR in lakhs)*

Particulars	As at		As at	
	31 March 2024		31 March 2023	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial Assets</b>				
<b>At amortised cost</b>				
Trade receivable	662.07	662.07	2,421.54	2,421.54
Cash and Cash Equivalents	63.64	63.64	5.87	5.87
Other Bank Balances	20.00	20.00	-	-
Loans	645.00	645.00	136.00	136.00
Other Financial Assets	81.95	81.95	79.19	79.19
<b>Total</b>	<b>1,472.66</b>	<b>1,472.66</b>	<b>2,642.60</b>	<b>2,642.60</b>

<b>Financial Liability</b>				
<b>At amortised cost</b>				
Borrowings including short term	1,014.53	1,014.53	1,044.49	1,044.49
Trade payables	372.43	372.43	2,120.49	2,120.49
Other financial liabilities	33.73	33.73	2.29	2.29
<b>Total</b>	<b>1,420.69</b>	<b>1,420.69</b>	<b>3,167.27</b>	<b>3,167.27</b>

a) Carrying amount of Trade Receivables, Trade Payables, other financial assets, other financial liabilities and Cash and Cash Equivalent are considered to be the same as their Fair Value due to their short term nature.

- b) Carrying amount of Financial Assets and Liabilities carried of Amortized Cost is considered a reasonable approximation of fair value.

### (B) Fair Value Hierarchy

The following table provides the fair value measurement hierarchy for financial assets and liabilities:  
(INR in lakhs)

Particulars	31 March 2024			31 March 2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial Assets</b>						
Trade receivable	-	-	662.07	-	-	2,421.54
Cash and Cash Equivalents	-	-	63.64	-	-	5.87
Other Bank Balances	-	-	20.00	-	-	-
Loans	-	-	645.00	-	-	136.00
Other Financial Assets	-	-	81.95	-	-	79.19
<b>Total</b>	-	-	<b>1,472.66</b>	-	-	<b>2,642.60</b>

(INR in lakhs)

Particulars	31 March 2024			31 March 2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial Liability</b>						
Borrowings including short term	-	-	1,014.53	-	-	1,044.49
Trade payables	-	-	372.43	-	-	2,120.49
Other financial liabilities	-	-	33.73	-	-	2.29
<b>Total</b>	-	-	<b>1,420.69</b>	-	-	<b>3,167.27</b>

### Note 48 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

(INR in lakhs)

The Company's Corporate Treasury function provides services to the business, co-ordinates access to domestic market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The company does not have foreign trade transactions nor any foreign currency transactions. The Board of Directors manages the financial risk of the company through internal risk reports and analyse exposure by magnitude of risk.

The Company's overall risk management procedures to minimise potential adverse effects of financial market on the Company are as follows:

#### (A) Market Risk

Market risk is attributable to all the market risk sensitive financial instruments including investments and deposits, foreign currency receivables or payables. It includes three types of risks :a) Interest rate risk b) Currency risk and c) price and commodity risk.

A) Interest Rate Risk: The Company's borrowing are at fixed rates. Therefore, interest rate risk does not have any major impact on the company.

B) Currency Risk: Since, Company does not have any foreign currency dealings, this risk is not applicable to the Company.

C) Price and commodity risk: The Company majorly purchase Spirits and Grain in its

manufacturing . Since , prices are generally regulated, there are no major movements in the prices .Therefore, the adversity of this risk is low.

**(B) Credit Risk**

Credit Risk is the risk that counterparty will not meet its obligations under a financial instrument leading to a financial loss.The Company's exposure to credit risk primarily consists of trade receivables and other financial assets . The Company deals with only few customers since liquor operations are government regulated . Therefore, default risk on the part of debtors is significantly low.

**(C) Liquidity Risk**

The Company's principle source of liquidity are Cash and cash equivalents and cash generated from operations . The Company manages its liquidity risk in a manner so as to meet its normal financial obligations without any significant delay. The Company has developed appropriate internal control systems and contingency plans for managing liquidity risk.

**Note 49 CAPITAL MANAGEMENT**

*(INR in lakhs)*

**(A) Risk Management**

Capital management is driven by Company's policy to maintain a sound capital base to support the continued development of its business. The Management and Board of Directors seeks to maintain a prudent balance between different components of Company's capital. Management monitors capital structure and net financial debt at individual currency level. Net financial debt is defined as current and non-current financial liabilities including lease liabilities less cash and cash equivalents and short term investments.

The capital structure is governed by policies approved by the Board of Directors and monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, lease liabilities, less cash and cash equivalents.

Particulars	As at	
	31 March 2024	31 March 2023
Borrowings including current maturities and short term borrowings	1,014.53	1044.49
Trade Payables	372.43	2120.49
Other Payables including Lease Liabilities	102.11	81.81
Less: Cash & Cash Equivalents and other bank balances	( 83.64)	(5.87)
<b>Net Debt (A)</b>	<b>1,405.43</b>	<b>3,240.92</b>
Equity	1,284.59	1,229.42
Other equity	3,088.94	2,386.99
<b>Total Equity Capital (B)</b>	<b>4,373.53</b>	<b>3,616.41</b>
<b>Capital and Net Debt (C=A+B)</b>	<b>5,778.96</b>	<b>6,857.33</b>
<b>Gearing Ratio (%) (A/C*100)</b>	<b>24.32%</b>	<b>47.26%</b>

**(B) Dividends**

The Company has not declared any dividends in the current and previous year.

**Note 50 Segment Reporting***(INR in lakhs)***Disclosure as per Indian Accounting Standard (Ind AS) 108 “Operating Segments”**

The company has two business segments- Trading Operations and Liquor Operations.

Particulars	Trading operations		Liquor operations		Unallocated		Total	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023
<b>1. Segment Revenue</b>	3,725.31	5,852.59	1380.97	885.30	-	-	5,106.28	6,737.89
Less: Inter-segment Revenue	-	-	-	-	-	-	-	-
<b>Total</b>	<b>3,725.31</b>	<b>5,852.59</b>	<b>1380.97</b>	<b>885.30</b>	<b>-</b>	<b>-</b>	<b>5,106.28</b>	<b>6,737.89</b>
<b>2. Segment Results</b>	332.81	710.78	154.97	145.36	-	-	487.78	856.14
<b>Less:</b>								
a) Finance Cost	-	-	-	-	(103.03)	(69.63)	(103.03)	(69.63)
B) Other unallocable expenses	-	-	-	-	(166.29)	(94.13)	(166.29)	(94.13)
<b>Total</b>	<b>332.81</b>	<b>710.78</b>	<b>154.97</b>	<b>145.36</b>	<b>(269.32)</b>	<b>(163.76)</b>	<b>218.46</b>	<b>692.38</b>
<b>3. Segment Assets</b>	618.68	2,343.45	1504.69	1,393.27	3,869.03	3,368.03	5,992.40	7,104.75
<b>4. Segment Liabilities</b>	304.89	2,076.52	802.10	854.72	511.88	557.10	1,618.87	3,488.34

**Information about Geographical Segment:**

Secondary Segment Information	India		Outside India		Total	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Revenue	5,106.28	6,737.89	-	-	5,106.28	6,737.89
Non-Current Assets	4,259.33	4,297.33	-	-	4,259.33	4,297.33

**Information about major customers :**

Major customers having revenue exceeding 10% of total revenues	For the year ended on 31 March 2024		For the year ended on 31 March 2023	
	Rs. In	%	Rs. In	%

	<b>Lakhs</b>		<b>Lakhs</b>	
Rajasthan State Ganganagar Sugar Mills Ltd.	1380.96	27.04 %	885.30	13.14 %
Legacy Commodities Pvt. Ltd.	-	-	3,102.83	46.05 %
Regent Enterprises Limited	-	-	869.75	12.91 %
Euroasia Holding Private Limited	-	-	1,320.00	19.59 %
Pace Ventures Pvt Ltd.	<b>1480.00</b>	<b>28.98</b> %	-	-
Comtrack Tradelink LLP	<b>925.00</b>	<b>18.11</b> %	-	-
Navya International	<b>521.00</b>	<b>10.20</b> %	-	-

**Note 51** Previous year's figures have been regrouped/reclassified, wherever considered necessary

As per our Report of even date

**For PAWAN SHUBHAM & CO.**  
**Chartered Accountants**  
**Firm's Registration No: 011573C**

**For and On behalf of the Board of Directors of**  
**SURAJ INDUSTRIES LTD**

**Sd/-**  
**(CA Krishna Kumar)**  
**PARTNER**  
**Membership No. 523411**

**Sd/-**  
**Suraj Prakash Gupta**  
**(Managing Director)**  
**DIN-00243846**

**Sd/-**  
**Syed Azizur Rahman**  
**(Non- Executive Director)**  
**DIN- 00242790**

**Place: New Delhi**  
**Date: 28.05.2024**

**Sd/-**  
**Somir Bhaduri**  
**Chief Financial Officer**  
**PAN No.AAXPB1836A**

**Sd/-**  
**Snehlata Sharma**  
**Company Secretary**  
**M.No: 62066**

## CONSOLIDATED FINANCIAL STATEMENT

### INDEPENDENT AUDITORS'S REPORT

**TO,  
THE MEMBERS OF SURAJ INDUSTRIES LTD**

#### **Report on the Audit of the Consolidated financial statements**

#### **Opinion**

We have audited the accompanying consolidated financial statements of **SURAJ INDUSTRIES LTD** (hereinafter referred to as “the Holding Company”) and its subsidiary (the Holding Company and its subsidiary together referred to as “the Group”) which includes Group’s share of profit / (loss) in its associate, which comprise the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2024, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity for the year then ended, notes to the financial statements including summary of significant accounting policies and other explanatory information (hereinafter referred to as the consolidated financial statements).

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 state of affairs of the Group as at 31<sup>st</sup> March, 2024, and their consolidated profit, consolidated total comprehensive income and 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 and its Associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. In our opinion, 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 Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, 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 will 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 identified above, when it becomes available, compare with the financial statements of the subsidiary and associate to the extent it relates to these entities 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.

When we read the other information, if we conclude, that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

### **Management's Responsibility for the Consolidated financial statements**

The Holding Company's Management and Board of Directors are 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 and consolidated changes in equity of the Group including its Associate in accordance with the Indian Accounting Standards prescribed under section 133 of the Act and other accounting principles generally accepted in India. The respective Management and Board of Directors of the companies included in the Group and of its Associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its Associate and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the Companies included in the Group and its Associate are responsible for assessing the ability of the Group and its Associate 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 or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the Group and its Associate are responsible for overseeing the financial reporting process of the Group and its Associate.

### **Auditor's Responsibility for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism 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 Company has adequate internal financial controls with reference to financial statements 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 and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors 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 Group's ability and its Associate 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 and its Associate 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the consolidated financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.



We communicate with those charged with governance of the Holding Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit of the subsidiary and associate, 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 and returns.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income 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 Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
  - e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2024 taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company is disqualified as on 31st March, 2024 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 with reference to financial statements and the operating effectiveness of such controls, refer to our separate Report in “**Annexure A**”, which is based on the auditors' reports of the Holding Company. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements reporting of Holding

Company.

- 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, and its Associate – Refer Note No. 40 to the consolidated financial statements.
  - ii. The Group and its Associate did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses during the year ended 31<sup>st</sup> March, 2024.
  - iii. There has been no delay in transferring amounts required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year ended 31<sup>st</sup> March, 2024.
  - iv. (a) The Management of the Holding Company has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding 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, no funds (which are material either individually or in the aggregate) have been received by the Holding Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
  - v. As stated in Note No. 17(f) to the consolidated financial statements, no dividend has been declared by the Holding Company during the year.
  - vi. Based on our examination, the Company has used an accounting software for maintaining its books of accounts which has a feature of recording audit trail (edit log) facility.

However, the Company is unable to verify to our satisfaction whether such facility operated throughout the year and whether such audit trail has been preserved or not. Due to such circumstances, we are unable to provide an opinion whether the audit trail requirements have been met as per the statutory requirements for record retention.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 1st April, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31st March, 2024.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Holding Company, we give in "**Annexure B**" a statement on the matter specified in paragraphs 3(xxi) of the Order.
3. In our opinion and as per information and explanations given to us, the managerial remuneration for the year ended 31<sup>st</sup> March, 2024 has been paid / provided by the Holding Company to its directors in accordance with the provisions of section 197 of the Act.

For **PAWAN SHUBHAM & CO.**  
**Chartered Accountants**  
**ICAI Firm Registration Number: 011573C**

**Sd/-**  
**CA Krishna Kumar**  
**Partner**  
**Membership Number: 523411**

**UDIN: 24523411BKAPES6818**

Place of Signature: New Delhi  
Date: 28<sup>th</sup> May, 2024

**ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act****Referred to in paragraph 1(f) of the Independent Auditors’ Report of even date to the members of SURAJ INDUSTRIES LTD on the Consolidated Financial Statements for the year ended 31st March, 2024**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31<sup>st</sup> March, 2024, we have audited the internal financial controls with reference to consolidated financial statements of **SURAJ INDUSTRIES LTD** (hereinafter referred to as “Holding Company”), as of that date.

**Management’s Responsibility for Internal Financial Controls**

The Management and Board of Directors of the Holding Company are 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 (“the ICAI”). 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 the Holding 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.

**Auditor’s Responsibility**

Our responsibility is to express an opinion on the Holding Company’s internal financial controls with reference to consolidated 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) Act., to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. 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 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 over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s 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 Holding Company internal financial controls system with reference to consolidated financial statements.

### **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 over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 consolidated financial statements.

### **Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements**

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion to the best of our information and according to the explanations given to us, the Holding Company has, 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 31<sup>st</sup> March, 2024, 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 issued by the ICAI”.

For **PAWAN SHUBHAM & CO.**

**Chartered Accountants**

**ICAI Firm Registration Number: 011573C**

**Sd/-**

**CA Krishna Kumar**

**Partner**

**Membership Number: 523411**

**UDIN: 24523411BKAPES6818**

Place of Signature: New Delhi

Date: 28<sup>th</sup> May, 2024

**ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT**

**Referred to in paragraph 2 of the Independent Auditors’ Report of even date to the members of SURAJ INDUSTRIES LTD on the Consolidated Financial Statements as of and for the year ended 31<sup>st</sup> March 2024.**

I. As required under clause 3(xxi) of the Order we report as under:

According to the information and explanations given to us, following company incorporated in India and included in the Consolidated financial statements, have certain remarks included in the report under Companies (Auditor’s Report) Order, 2020 (“CARO”):

Sr. No.	Name	CIN	Clause number of the CARO report which is qualified or adverse
1	Suraj Industries Ltd (Holding Company)	L26943HP1992PLC016791	Nil
2	Carya Chemicals & Fertilizers Private Limited (Subsidiary)	U24297DL2013PTC252503	Nil

**For PAWAN SHUBHAM & CO.  
Chartered Accountants  
ICAI Firm Registration Number: 011573C**

**Sd/-  
CA Krishna Kumar  
Partner  
Membership Number: 523411**

**UDIN: 24523411BKAPES6818**

Place of Signature: New Delhi  
Date: 28<sup>th</sup> May, 2024

## SURAJ INDUSTRIES LTD

Consolidated Balance sheet as at 31st March 2024

(INR in Lakhs)

Particulars	Note No.	31st March 2024	31st March 2023
		Audited	Audited
<b>I. Assets</b>			
1. <b>Non-Current assets</b>			
(a) Property, Plant and Equipment	3	1,094.96	1,132.96
(b) Capital Work in progress	4	3177.36	1163.09
(c) Right of Use Assets	5	1118.80	1147.20
(d) Intangible Asset		0.71	0.71
(e) Financial Assets			
- Investments	6	921.47	624.11
- Other Financial Assets	7	43.50	40.07
(f) Income Tax Assets	8	2.87	0.28
(g) Other Non-Current Assets	9	902.99	1734.70
		<b>7262.66</b>	<b>5843.12</b>
2. <b>Current assets</b>			
(a) Inventories	10	58.43	77.71
(b) Financial Assets			
- Trade receivable	11	662.07	2421.54
- Cash and bank balances	12	284.02	1744.78
- Bank Balances other than above	13	20.00	-
- Loans	14	645.00	60.00
- Other Financial Assets	15	54.49	46.34
(c) Other current assets	16	257.42	150.27
		<b>1981.43</b>	<b>4500.64</b>
<b>Total</b>		<b>9244.09</b>	<b>10343.76</b>
<b>II. EQUITY AND LIABILITIES</b>			
1. <b>Shareholders' funds</b>			
(a) Equity share capital	17	1284.59	1229.42
(b) Other Equity	18	3646.05	2651.08
		<b>4930.64</b>	<b>3880.50</b>
(c) Non-Controlling Interest		<b>2556.98</b>	<b>2561.21</b>
		<b>7487.62</b>	<b>6441.71</b>
2. <b>Non-current liabilities</b>			
(b) <b>Financial Liabilities</b>			
- Borrowings	19	26.07	39.01
- Lease liability	20	54.82	68.38
(b) Provisions	21	10.66	9.09
(c) Deferred tax liabilities (Net)	22	49.18	45.39
		<b>140.73</b>	<b>161.87</b>
3. <b>Current liabilities</b>			
(a) <b>Financial Liabilities</b>			
- Borrowings	23	988.46	1015.48
- Lease liability	24	13.56	11.13

- Trade Payables	25		
C) total outstanding dues of micro enterprises and small enterprises		17.65	-
D) total outstanding dues of creditors other than micro enterprises and small enterprises		363.96	2120.49
- other Financial Liability	26	33.73	4.02
(b)Other current liabilities	27	176.09	431.66
(c)Provisions	28	0.01	0.06
(d)Current Tax Liabilities	29	22.28	157.34
		<b>1615.74</b>	<b>3740.18</b>
<b>TOTAL</b>		<b>9244.09</b>	<b>10343.76</b>

Corporate Information and summary of material accounting policies

1 & 2

Other notes to account

3-53

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For Pawan Shubham & Co.

Chartered Accountants

Firms's Registration No.: 011573C

For and on behalf of the Board of Directors of

SURAJ INDUSTRIES LTD

Sd/-

(CA Krishna Kumar)

PARTNER

Membership No. 523411

Sd/-

Suraj Prakash Gupta

(Managing Director)

DIN: 00243846

Sd/-

Syed Azizur Rahman

(Non-Executive Director)

DIN: 00242790

Place : New Delhi

Date : 28-05-2024

Sd/-

Somir Bhaduri

Chief Financial Officer

PAN No. AAXPB1836A

Sd/-

Snehlata Sharma

Company Secretary

M.No.62066



**SURAJ INDUSTRIES LIMITED**  
**Consolidated Statement of Profit and Loss for the year ended on 31st March 2024**

(INR in Lakh)

Particulars	Note No.	For the year ended on 31st March, 2024	For the year ended on 31st March 2023
		Audited	Audited
<b>Income:</b>			
<b>I.</b> Revenue from operations	30	5106.28	6737.89
<b>II.</b> Other income	31	111.91	84.56
<b>III. Total Income (I+II)</b>		<b>5218.19</b>	<b>6822.45</b>
<b>IV. Expenses:</b>			
Cost of materials consumed	32	720.07	459.41
Purchase of Stock in Trade	33	3379.35	5117.37
Changes in inventory of Finished Goods	34	(5.98)	-
Excise Duty on sale of Products		60.60	-
Employee benefit expense	35	271.44	178.00
Finance cost	36	103.03	69.63
Depreciation and amortization expense	37	130.85	125.98
Other expense	38	347.90	179.68
<b>Total expenses</b>		<b>5007.26</b>	<b>6130.07</b>
<b>V. Profit/ (loss) before share of Profit/(loss) of Associate (III-IV)</b>		<b>210.93</b>	<b>692.38</b>
<b>VI. Share of profit/(loss) of Associate (net of tax)</b>		<b>297.36</b>	<b>264.11</b>
<b>VII. Profit/(loss) before tax (V+VI)</b>		<b>508.29</b>	<b>956.49</b>
<b>VIII. Tax expense</b>			
Current tax		51.13	188.95
Deferred tax charge/(credit)		3.10	16.87
Earlier year taxes		10.21	9.83
<b>Total Tax Expense</b>		<b>64.44</b>	<b>215.65</b>
<b>IX. Profit/ (loss) for the year (VII-VIII)</b>		<b>443.85</b>	<b>740.84</b>
<b>X. Other comprehensive income</b>			
- Items not be reclassified to profit or loss		2.74	2.60
- Income tax (charge)/credit on above		(0.69)	0.06
<b>Other Comprehensive income for the year net of Tax</b>		<b>2.05</b>	<b>2.66</b>
<b>XI. Total comprehensive income for the year net of Tax(IX + X)</b>		<b>445.90</b>	<b>743.50</b>
<b>Profit/ (loss) attributable to</b>			
Equity Shareholders of Holding Company		<b>448.08</b>	<b>740.84</b>
Non Controlling Interests		<b>(4.23)</b>	-
<b>Other Comprehensive Income attributable to</b>			
Equity Shareholders of Holding Company		<b>2.05</b>	<b>2.66</b>

Non Controlling Interests		-	-
<b>Total Comprehensive Income attributable to Equity Shareholders of Holding Company</b>		<b>450.13</b>	<b>743.50</b>
Non Controlling Interests		<b>(4.23)</b>	-
<b>XII. Earning per equity share:</b>	39		
(1)Basic		<b>3.54</b>	<b>6.40</b>
(2)Diluted		<b>3.46</b>	<b>5.90</b>
Nominal value of equity shares		<b>10.00</b>	<b>10.00</b>

**Corporate Information and summary of material accounting policies 1 & 2**

**Other notes to account 3-53**

**The accompanying notes form an integral part of the financial statements**

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

**For Pawan Shubham & Co.**

**Chartered Accountants**

**Firms's Registration No.: 011573C**

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

**SURAJ INDUSTRIES LTD**

**Sd/-**

**(CA Krishna Kumar)**

**PARTNER**

**Membership No. 523411**

**Sd/-**

**Suraj Prakash Gupta**

**(Managing Director)**

**DIN: 00243846**

**Sd/-**

**Syed Azizur Rahman**

**(Non-Executive Director)**

**DIN: 00242790**

**Place : New Delhi**

**Date : 28-05-2024**

**Sd/-**

**Somir Bhaduri**

**Chief Financial Officer**

**PAN No. AAXPB1836A**

**Sd/-**

**Snehlata Sharma**

**Company Secretary**

**M.No.62066**

**SURAJ INDUSTRIES LIMITED**  
**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2024**  
*(INR in Lakhs)*

Particulars	For the year ended on 31st March 2024
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>	
Net Profit before Tax & Extraordinary items	210.93
<b>Adjustment for Non cash and Non-operating items</b>	
Provision for Employee Benefits	4.26
Finance Cost	94.08
Depreciation	130.85
Interest Income	(87.69)
Interest on fair value measurement	8.95
<b>Operating Profit before Working Capital changes</b>	<b>361.38</b>
<b>Adjustments for:</b>	
Financial Assets and other Assets	(109.17)
Inventories	19.28
Trade Receivables	1759.47
Trade Payable	(1738.88)
Other Current Liabilities and provisions	(255.57)
<b>Cash Generated from operations before extraordinary item and tax</b>	<b>36.51</b>
Less: Taxes Paid	(198.99)
<b>Net Cash from Operating Activities.....(A)</b>	<b>(162.48)</b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>	
Purchase of property, plant and equipment (including capital work-in-progress)(net)	(1276.57)
Interest Income	87.69
(Increase) / Decrease in Loans	(585.00)
<b>Net Cash used in Investing Activities.....(B)</b>	<b>(1773.88)</b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>	
Movement in Short Term/Long Term Borrowings	(39.96)
Movement in Lease Liability	(20.08)
Finance Cost	(64.37)
Shares Issued during the year	800.00
Share Warrant Application Money Recd(net of amount converted)	(199.99)
<b>Net Cash received in financing Activities.....(C)</b>	<b>475.60</b>
<b>D) NET INCREASE / (DECREASE) IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b>	<b>(1460.76)</b>
Cash & Cash Equivalents as at beginning of year	1744.78
<b>Cash &amp; Cash Equivalents as at end of year</b>	<b>284.02</b>

**Notes**

- (I) Figures in brackets represent deductions and outflows  
 (II) The previous year's figures have been restated, wherever considered necessary.

**Corporate information and summary of material accounting policies** 1 & 2  
**Other notes to account** 3-53  
**The accompanying notes form an integral part of the financial statements**

**As per our report of even date  
 For Pawan Shubham & Co.  
 Chartered Accountants  
 Firms's Registration No.: 011573C**

**For and on behalf of the Board of Directors of  
 SURAJ INDUSTRIES LTD**

**Sd/-  
 (CA Krishna Kumar)  
 PARTNER  
 Membership No. 523411**

**Sd/-  
 Suraj Prakash Gupta  
 (Managing Director)  
 DIN: 00243846**

**Sd/-  
 Syed Azizur Rahman  
 (Non- Executive Director)  
 DIN: 00242790**

**Place : New Delhi  
 Date : 28-05-2024**

**Sd/-  
 Somir Bhaduri  
 Chief Financial Officer  
 PAN No. AAXPB1836A**

**Sd/-  
 Snehlata Sharma  
 Company Secretary  
 M.No.62066**

**SURAJ INDUSTRIES LIMITED**

Consolidated Statement of changes in equity for the year ended on 31st March 2024.

**A. Equity Share Capital**

Particulars	Balance as at 01 April, 2022	Change in Equity Share Capital during the year	Balance as at 31 March, 2023	Change in Equity Share Capital during the year	Balance as at 31 March, 2024
<b>Nos. of Shares</b>	95,42,000	27,52,172	1,22,94,172	5,51,724	1,28,45,896
<b>Amount in Lakhs</b>	954.20	275.22	1229.42	55.17	1284.59

**B. Other Equity***(INR in lakhs)*

Particulars	Reserve and Surplus				Other Comprehensive Income	Total	Non – Controlling Interest
	Capital Reserve	Share Premium	Equity Component of other financial instruments (share warrants)	Retained Earnings			
<b>Balance as at 01 April, 2022</b>	<b>231.69</b>	-	<b>27.42</b>	<b>(756.21)</b>	<b>(2.37)</b>	<b>(499.47)</b>	-
Amount received against Share warrants	-	-	282.27	-	-	<b>282.27</b>	-
Less: Share warrants converted to Equity Shares	-	-	(109.70)	-	-	<b>(109.70)</b>	-
Share Premium for issue of shares		2,234.48				<b>2,234.48</b>	-
Net Profit/(Net Loss) for the current year	-	-	-	740.84		<b>740.84</b>	<b>2561.21</b>
Add: Actuarial Gain/ (Loss) for the year on PBO					2.66	<b>2.66</b>	
<b>Balance as at 31 March, 2023</b>	<b>231.69</b>	<b>2234.48</b>	<b>199.99</b>	<b>(15.37)</b>	<b>0.29</b>	<b>2651.08</b>	<b>2561.21</b>

2023-24							
Amount received against Share warrants	-	-	-	-	-	-	-
Less: Share warrants converted to Equity Shares	-	-	(199.99)	-	-	(199.99)	
Share Premium for issue of shares	-	744.83	-	-	-	744.83	
Net Profit/(Net Loss) for the current year	-	-	-	448.08	-	448.08	(4.23)
Add: Actuarial Gain/ (Loss) for the year on PBO	-	-	-	-	2.05	2.05	
Balance as at 31 March, 2024	231.69	2979.31	-	432.71	2.34	3646.05	2556.98

Corporate Information and summary of material accounting policies 1 & 2  
Other notes to account 3-53  
The accompanying notes form an integral part of the financial statements

As per our report of even date attached  
For Pawan Shubham & Co.  
Chartered Accountants  
Firms's Registration No.: 011573C

For and on behalf of the Board of Directors of  
SURAJ INDUSTRIES LTD

Sd/-  
(CA Krishna Kumar)  
PARTNER  
Membership No. 523411

Sd/-  
Suraj Prakash Gupta  
(Managing Director)  
DIN: 00243846

Sd/-  
Syed Azizur Rahman  
(Non-Executive Director)  
DIN: 00242790

Place : New Delhi  
Date : 28-05-2024

Sd/-  
Somir Bhaduri  
Chief Financial Officer  
PAN No. AAXPB1836A

Sd/-  
Snehlata Sharma  
Company Secretary  
M.No.62066

**SURAJ INDUSTRIES LIMITED**  
**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR**  
**ENDED ON 31 MARCH 2024**

**1. CORPORATE INFORMATION**

Suraj Industries Ltd (hereinafter referred to as "SIL" or "the Holding Company" or "the Company") (CIN-L26943HP1992PLC016791) is a public limited company incorporated under the provisions of the Companies Act, 1956 having its registered office at Plot No. 2, Phase III, Sansarpur Terrace, Kangra, Himachal Pradesh-173212, India and their corporate office at F-32/3, Second Floor, Okhla Industrial Area, Phase- II, New Delhi-110020.

The company has ventured into bottling and packaging of alcoholic beverages i.e Rajasthan Made Liquor and Country Liquor for the state of Rajasthan.

**2. MATERIAL ACCOUNTING POLICIES**

**a. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The Consolidated Financial Statements (hereinafter referred as Consolidated Financial Statements or the Financial Statements) of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Companies (Indian Accounting Standards) Rules, 2015. These Consolidated financial statements include Consolidated Balance Sheet as at 31st March, 2024, the Consolidated Statement of Profit and Loss including Other Comprehensive Income and Consolidated Statement of Changes in Equity for the year ended 31st March, 2024, and a summary of significant accounting policies and other explanatory information (together hereinafter referred to as Consolidated Financial Statements or the Financial Statements).

The Consolidated Financial Statements comprise Financial Statements of Holding Company and its Subsidiary (Collectively known as "Group") and Share of Profit/(Loss) of Associate for the year ended 31<sup>st</sup> March, 2024.

The financial statements are prepared on the historical cost convention, except for certain financial instruments which are measured at fair value. Accounting policies have been consistently applied except where:

- i) A newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.
- ii) The Group presents an additional balance sheet at the beginning of the earliest comparative period when: it applies an accounting policy retrospectively; it makes a retrospective restatement of items in its financial statements; or, when it reclassifies items in its financial statements, and the change has a material effect on the financial statements.

All amounts are stated in Lakhs of Rupees, rounded off to two decimal places, except when otherwise indicated.

The financial statements were authorised for issue by the Board of Directors of the company on 28.05.2024.

**b. BASIS OF CONSOLIDATION**

### **Basis of Accounting**

- Financial Statements of the Subsidiary and Associate in the consideration are drawn up to same reporting date as of Holding Company for purpose of consolidation.
- Consolidated Financial Statements have been prepared in accordance with Indian Accounting Standard (Ind AS) 110– ‘Consolidated Financial Statements’ specified under Section 133 of Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

### **Principles of Consolidation**

Subsidiaries are those entities in which the Holding Company directly or indirectly, has interest more than 50% of voting power or otherwise control composition of board or governing body so as to obtain economic benefits from activities.

Associates are all entities where the group has significant influence but not control or joint control. This is generally when the group holds between 20% and 50% of voting rights. Investment in associates are accounted for using equity method of accounting.

### **Consolidated Financial Statements have been prepared as per the following principles**

- Financial Statements of Holding Company and its Subsidiary are combined on a line by line basis by adding together of like items of Assets, Liabilities, Income and Expenses after eliminating intra-group balances, intra-group transactions, unrealized profits or losses in accordance with Ind AS 110–‘Consolidated Financial Statements’ notified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended time to time.
- Non-Controlling Interest (NCI) in net assets of the consolidated subsidiaries is identified and presented in Consolidated Balance Sheet separately from liabilities and equity attributable to Holding Company’s shareholders. NCI in net assets of consolidated subsidiary consists of:- a) Amount of equity attributable to NCI at the date on which investment in a subsidiary is made; and b) NCI share of movement in equity since the date the Holding Subsidiary relationship came into existence,
- For acquisitions of additional interests in subsidiary, where there is no change in control, Group recognises a reduction to NCI of the respective Subsidiary with difference between this figure and cash paid, inclusive of transaction fees, being recognised in equity. In addition, upon dilution of NCI, difference between cash received from sale or listing of subsidiary shares and increase to NCI is also recognised in equity.
- If Group loses control over a subsidiary, it derecognises related assets (including goodwill), liabilities, NCI and other components of equity, while any resultant gain or loss is recognised in profit and loss account. Any investment retained is recognised at fair value. Results of subsidiaries acquired or disposed of during the year are included in the Consolidated Statement of Profit and Loss from effective date of acquisition or up to effective date of disposal, as appropriate.
- In case of Associate and Joint Venture, investments are accounted for using equity method in accordance with Ind AS-28 “Investments in Associates and Joint Ventures”. Under equity method,



carrying amount of investment in Associates and Joint Ventures is increased or decreased to recognize the Group's share of Profit and Loss and Other Comprehensive Income of Associate and Joint Venture, adjusted where necessary to ensure consistency with Accounting Policies of Group. Goodwill relating to associate or joint venture is included in carrying amount of investment and is not tested for impairment individually. The carrying amount of these investments are tested for impairment in accordance with Ind AS-36 "Impairment of Assets".

- Consolidated Financial Statements are prepared using uniform Accounting Policies for like transactions and other events in similar circumstances and are presented to extent possible, in same manner as Holding Company's Separate Financial Statements except as otherwise stated in notes to the accounts.

### c. CURRENT VERSUS NON-CURRENT CLASSIFICATION

All assets and liabilities are classified into current and non-current.

#### Assets

An asset is classified as current when it satisfies any of the following criteria:

- a) it is expected to be realised in, or intended for sale or consumption in, the Group's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is expected to be realised within twelve months after the reporting period; or
- d) it is cash or cash equivalent unless it restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current assets

#### Liabilities

A Liability is classified as current when it satisfies any of the following criteria:

- a) it is expected to be settled in the Group's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is due to be settled within twelve months after the reporting period; or
- d) the group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Terms of 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 liabilities.

### d. USE OF ESTIMATES

The preparation of financial statements in conformity with Ind AS requires management to make estimates and assumptions that affect the reported amounts of Revenue, Expenses, Assets and Liabilities and disclosure of contingent liabilities at the end of the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

### e. PROPERTY, PLANT AND EQUIPMENT

#### Initial recognition and measurement

The cost of an item of property, plant and equipment is recognized as an asset if, and only if:

- a) it is probable that future economic benefits associated with the item will flow to the entity; and
- b) the cost of the item can be measured reliably.

Property, Plant and Equipments ('PPE') are stated at cost of acquisition or construction including any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management less accumulated depreciation and cumulative impairment losses & net of recoverable taxes (net of Cenvat and VAT credit wherever applicable).

Borrowing Cost attributable to acquisition, construction of qualifying assets is capitalized until such time as the assets are substantially ready for their intended use. Indirect expenses during construction period, which are required to bring the asset in the condition for its intended use by the management and are directly attributable to bringing the asset to its position, are also capitalised.

### Subsequent Measurement

Subsequent expenditure related to an item of PPE is added to its carrying amount or recognized as a separate asset, if appropriate and carrying amount of replacement parts is derecognized at its carrying value.

Spare parts or stores meeting the definition of PPE, either procured along with equipment or subsequently, are capitalized in the asset's carrying amount or recognized as separate asset, if appropriate. However, cost of day-to-day servicing are recognized in profit or loss as incurred. Cost of day-to-day service primarily include costs of labour, consumables, and cost of small spare parts.

An item of PPE is derecognized upon disposal or when no future economic benefits are expected to arise from continued use of the asset. Any gain or loss arising on the disposal or retirement of Property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the assets and is recognized in profit or loss.

### Depreciation / amortization

- a. Depreciation on items of PPE is provided on straight line method in accordance with the useful life as specified in Schedule II to the Companies Act, 2013.
- b. Depreciation on additions to assets or on sale/discard of assets is calculated pro-rata from the date of such addition or up to the date of such sale / discard.
- c. Assets residual values and useful lives are reviewed and adjusted, at the end of each reporting period.

The following useful lives are applied:

Asset Category	Useful Life
<b>Building</b>	
----- Factory Buildings	30 years
----- Building (other than factory buildings)	60 years
----- Other (including temporary structure, etc.)	05 years
----- Leasehold Building Improvements	Over the lease period
<b>Plant and Equipment</b>	10-25 years
<b>Furniture and Fittings</b>	10 years
<b>Office Equipment</b>	5 years
<b>Computers</b>	
----- Servers and networks	06 years
----- End user devices viz. desktops, laptops, etc.	03 years

**f. CAPITAL WORK-IN-PROGRESS**

Capital Work in Progress comprises of Property, Plant and Equipment that are not ready for their intended use at the end of reporting period and are carried at cost. Cost includes related acquisition expenses, construction cost, borrowing cost capitalized and other direct expenditure. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of Property, Plant and Equipment. Costs are capitalised till the period of assets are substantially ready for their intended use. Depreciation is not recorded on capital work-in-progress until construction and installation is complete and the asset is substantially ready for its intended use.

**g. RIGHT OF USE ASSETS****Group as a Lessee**

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain.

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.

**Finance lease**

The Company has entered into land lease arrangement at various locations for a period of 90 years. In case of lease of land for 90 years and above, it is likely that such leases meet the criteria that at the inception of the lease the present value of the minimum lease payments amounts to at least substantially all of the fair value of the leased asset. Accordingly, the Company has classified leasehold land as finance leases applying Ind AS 17. For such leases, the carrying amount of the right of-use asset at the date of initial application of Ind AS 116 is the carrying amount of the lease asset on the transition date as measured applying Ind AS 17. Leasehold land is amortised on a straight-line basis over the unexpired period of their respective lease. Leasehold improvements are depreciated on straight line basis over their initial agreement period.

**h. INTANGIBLE ASSETS**

Intangible assets with finite useful life are stated at cost of acquisition, less accumulated depreciation/ amortisation and impairment loss, if any. The cost of Intangible Assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities). Amortisation is recognised in Statement of Profit and Loss account on straight-line basis over estimated useful lives of respective intangible assets, but not exceeding useful lives given hereunder:

Asset Category	Useful Life
Computer Software	05 years

An item of Intangible Asset or any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal.

Any gain or loss arising on de-recognition of the asset (calculated as the difference between net disposal proceeds and carrying amount of the asset) is included in Statement of Profit and Loss Account when asset is derecognised.

## **i. FINANCIAL INSTRUMENTS**

### **1. Financial Assets**

#### **Initial recognition and measurement**

Financial Assets are recognised when the Group becomes a party to contractual provisions of Financial Instrument. Financial assets are initially measured at Fair Value. Transaction costs that are directly attributable to acquisition of financial assets (other than financial assets at Fair Value through Profit or Loss) are added to fair value of financial assets. Transaction costs directly attributable to acquisition of financial assets at Fair Value through profit or loss are recognised immediately in statement of Profit and Loss.

#### **Subsequent measurement**

#### **I. Debt Instruments at Amortised Cost**

A 'debt instrument' is measured at amortised cost if both of the following conditions are met:

- a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b. Contractual terms of asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on principal amount outstanding.

After initial measurement, such Financial Assets are subsequently measured at amortised cost using Effective Interest Rate (EIR) method. All other debt instruments are measured at Fair Value through Other Comprehensive Income (FVOCI) or Fair Value through Profit and Loss (FVTPL) based on the Group's business model.

#### **II. Equity Investments**

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at fair value through Profit and Loss (FVTPL). For all other equity instruments, the Group decides to classify the same either as at Fair Value through Other Comprehensive Income (FVOCI) or Fair Value through Profit and Loss (FVTPL) on an instrument-to-instrument basis.

#### **III. Impairment of Financial Assets**

In accordance with Ind AS 109, the Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on financial assets that are debt instruments, and are measured at amortised cost e.g., Loans, Debt Securities, Deposits and Trade Receivables or any contractual right to receive cash or another financial asset that result from transactions that are within scope of Ind AS 115.

The Group follows 'Simplified Approach' for recognition of impairment loss allowance on trade receivables. Application of simplified approach recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has

not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, the Group reverts to recognising impairment loss allowance based on 12 month ECL.

ECL impairment loss allowance (or reversal) recognized during the period is recognized under the head 'Other Expenses' in the statement of Profit and Loss. The Balance Sheet presentation for various financial instruments is described below:

**i. Financial assets measured as at amortised cost:** ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the Balance Sheet. This allowance reduces the net carrying amount.

**ii. Debt instruments measured at FVTPL:** Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Change in fair value is taken to the statement of Profit and Loss.

**iii. Debt instruments measured at FVTOCI:** Since financial assets are already reflected at Fair Value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'Accumulated Impairment Amount' in the Other Comprehensive Income (OCI). The Group does not have any Purchased or Originated Credit Impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/origination.

#### IV. Derecognition of Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- i. The rights to receive cash flows from asset has expired, or
- ii. The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass through' arrangement and either :-
  - (a) The Group has transferred substantially all risks and rewards of the asset, or
  - (b) The Group has neither transferred nor retained substantially all risks and rewards of the asset but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates, if and to what extent it has retained risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the group continues to recognise transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects rights and obligations that the Group has retained.

#### 2. Financial liability

##### Initial recognition and measurement

Financial liabilities are classified at initial recognition as:

- a. Financial liabilities at fair value through Profit or Loss
- b. Loans and Borrowings
- c. Payables

All financial liabilities are recognised initially at fair value and in case of loans and borrowings and payables, they are recognised net of directly attributable transaction costs.

### **Subsequent measurement**

Measurement of financial liabilities depends on their classification as below:

- a. Financial liabilities at Fair Value Through Profit or Loss (FVTPL):** Gains or losses on liabilities are recognised in the statement of profit and loss. Financial liabilities designated upon initial recognition at fair value through statement of profit and loss are designated as such at the initial date of recognition, and only if criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk is recognized in OCI. These gains/losses are not subsequently transferred to statement of profit and loss. However, the Group may transfer cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss.
- b. Loans and Borrowings:** After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (hereinafter referred as EIR) method. Gains and Losses are recognised in statement of profit and loss when liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. EIR amortisation is included as Finance Costs in the statement of profit and loss.
- c. Trade and Other Payables:** These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid.

### **Derecognition of Financial liability**

A Financial Liability is de-recognised when obligation under the liability is discharged or cancelled or expires.

## **j. INVESTMENTS**

### **Associates and Joint Ventures**

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to net assets of joint venture. Joint control is contractually agreed sharing of control of an arrangement, which exists only when decisions about relevant activities require unanimous consent of parties sharing control.

An associate is an entity over which the Group has significant influence. Significant influence is power to participate in financial and operating policy decisions of investee but is not control or joint control over those policies.

Investment in joint ventures and associates are carried at cost as per Ind AS 27. Cost comprises price paid to acquire investment and directly attributable cost.

## **k. INVENTORY**

S. No.	Particulars / Item Type	Method of Valuation
1	Raw Material, Packing Material & Consumables (including in transit)	At Cost including direct procurement Overhead / Taxes.
2	Finished Goods (including in transit)	At cost or net realisable value, whichever is lower
3	Stock in process	At cost
4	By Products	At net realisable value
5	Loose Tools	At cost and charged off when discarded

In the above, cost is arrived at by FIFO cost method. In case of Finished Goods and Stock in Process, it also includes manufacturing & related establishment overheads, depreciation etc.

All the spares, which are primarily meant to be used for capitalization (except consumables and maintenance stores), are considered as part of the plant & machinery and shown accordingly.

## I. CASH AND CASH EQUIVALENTS

Cash and Cash Equivalents comprise Cash in Hand, Balances in Bank Account, Remittance in Transit, Cheques in hand and Demand Deposits, together with other short-term, highly liquid investments (original maturity less than 3 months) that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

## m. TAXES

### Current Income Tax

Current Income tax assets and liabilities are measured at amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside Profit and Loss is recognised outside profit and loss (either in Other Comprehensive Income or in Equity). Current tax items are recognised in correlation to underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

### Deferred Tax

Deferred Income Taxes are calculated using Balance Sheet Approach, on temporary differences between tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except when it is probable that temporary differences will not reverse in foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences and carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to extent that it is probable that taxable profit will be available against which deductible temporary differences and carry forward of unused tax credits and unused tax losses can be utilized.

Carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax

asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and same taxation authority.

Tax expense for the year comprises of current tax and deferred tax.

### **Indirect Taxes**

Expenses and Assets are recognised net of the amount of Indirect Taxes viz. GST/VAT, except when the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, indirect tax is recognised as part of cost of acquisition of asset or as part of expense item, as applicable.

### **Excise Duty**

Excise Duty has been accounted on the basis of both payments made in respect of goods cleared and also provision made for goods lying in factory premises. Cenvat credit is accounted on accrual basis on purchase of materials.

## **n. REVENUE RECOGNITION**

### **Revenue from contracts**

Revenue from contracts with customers is recognised when control of the 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. Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts, incentive schemes, if any, as per contracts with customers. Taxes collected from customers on behalf of Government are not treated as Revenue.

### **Interest Income**

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is rate that exactly discounts estimated future cash receipts through expected life of the financial asset to gross carrying amount of a financial asset. When calculating effective interest rate, the Group estimates expected cash flows by considering all contractual terms of financial instrument but does not consider expected credit losses.

### **Other Income**

Other claims including interest on outstanding are accounted for when there is virtual certainty of ultimate collection.

## **o. EMPLOYEE BENEFIT SCHEMES**



**Short-term employee benefits**

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, performance incentives and compensated absences which are expected to occur in next twelve months.

**Gratuity**

Liabilities with regard to gratuity benefits payable in future are determined by actuarial valuation at each Balance Sheet date using the Projected Unit Credit method. Actuarial gains and losses arising from changes in actuarial assumptions are recognized in Other Comprehensive Income and shall not be reclassified to the Statement of Profit and Loss in subsequent period.

**Provident Fund**

Eligible employees of the Group receive benefits from a Provident Fund, which is a defined benefit plan. Both the eligible employee and the group make monthly contributions to provident fund plan equal to a specified percentage of covered employee's salary.

**p. FOREIGN CURRENCY****Functional and presentation currency**

The management has determined the currency of the primary economic environment in which the Group operates i.e., functional currency, to be Indian Rupee (INR). The financial statements are presented in Indian Rupee in lakhs, which is Group's functional and presentation currency.

**Transactions and balances**

Foreign Currency transactions during the year are recorded at rates of exchange prevailing on the date of transaction in the functional currency. Foreign currency monetary assets and liabilities are translated at using the year-end exchange rate. Exchange gains and losses are duly recognised in the Statement of profit and loss. All monetary assets and liabilities in foreign currency are restated at the end of the accounting period.

**q. EARNINGS PER SHARE**

- a. **Basic EPS** is calculated by dividing profit/ (loss) attributable to equity shareholders of the group by weighted average number of equity shares outstanding during the period.
- b. **Diluted EPS** is computed using profit/ (loss) for the year attributable to shareholder' and weighted average number of equity and potential equity shares outstanding during the period, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

**r. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

The assessments undertaken in recognising provisions and contingencies have been made in accordance with applicable Ind AS. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

**Provisions**

Provisions represent liabilities to the Group for which amount, or timing is uncertain. Provisions are recognized when the Group has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation. If the effect of the time value of money is material, provisions are determined by discounting

the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in the statement of profit and loss as a finance cost.

### **Contingent Liabilities**

In normal course of business, contingent liabilities may arise from litigation and other claims against the Group. There are certain obligations which management of the Group has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements. Claims against the Group, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities. Show Cause Notices received are not treated as Contingent Liabilities. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Group is involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.

### **Contingent Assets**

Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefits is probable.

## **s. CASH FLOW STATEMENT**

Cash flows are reported using indirect method as set out in Ind AS -7 “Statement of Cash Flows”, whereby profit/ (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash flows from operating, investing and financing activities of the Group are segregated based on available information.

## **t. SEGMENT REPORTING**

The Group has two business segments- Edible Oil Operations and Liquor Operations and segment-wise results, assets and liabilities are accordingly given.

## **u. 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. Fair value measurement is based on presumption that transaction to sell asset or transfer liability takes place either:

- i. In the principal market for asset or liability, or
- ii. In absence of a principal market, in most advantageous market for asset or liability.

The principal or the most advantageous market must be accessible to the Group. Fair Value of an asset or liability is measured using 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 asset in its highest and best use or by selling it to another market participant that would use asset in its highest and best use.

The Group uses valuation techniques that are appropriate in circumstances and for which sufficient data are available to measure fair value, maximising use of relevant observable inputs and minimizing use of

unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized 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 (unadjusted) market prices in active markets for identical assets or liabilities.

**Level 2-** Valuation techniques for which lowest level input that is significant to fair value measurement is directly or indirectly observable.

**Level 3-** Valuation techniques for which lowest level input that is significant to fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to fair value measurement as a whole) at end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

#### v. 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 of subsidiaries, associate and joint ventures and impairment losses/write down in the value of investment in subsidiaries, associates and joint ventures and significant disposal of fixed assets.

### SURAJ INDUSTRIES LIMITED NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH 2024

#### Note 3 Property, Plant and Equipment

(INR in lakhs)

Particulars	Buildings	Plant and Equipments	Furniture and Fixtures	Computer	Vehicles	Office Equipments	Total
<b>Gross Carrying Amount</b>							
As at 1 April 2022	167.93	1004.20	0.94	-	48.50	50.29	1,271.86
Additions	-	-	-	0.48	30.85	0.30	31.63
Disposal / Adjustment	-	-	-	-	-	-	-
<b>As at 31 March 2023</b>	<b>167.93</b>	<b>1,004.20</b>	<b>0.94</b>	<b>0.48</b>	<b>79.35</b>	<b>50.59</b>	<b>1303.49</b>
Additions	44.84	20.95	-	0.36	-	-	66.15
Disposal / Adjustment	-	-	-	-	-	-	-
<b>As at 31 March 2024</b>	<b>212.77</b>	<b>1,025.15</b>	<b>0.94</b>	<b>0.84</b>	<b>79.35</b>	<b>50.59</b>	<b>1369.64</b>
<b>Depreciation and Impairment</b>							
As at 1 April 2022	3.99	47.70	0.45	-	1.61	5.97	59.72

Additions	24.53	66.09	0.08	0.09	9.84	10.18	110.81
Disposal / Adjustment	-	-	-	-	-	-	-
<b>As at 31 March 2023</b>	<b>28.52</b>	<b>113.79</b>	<b>0.53</b>	<b>0.09</b>	<b>11.45</b>	<b>16.15</b>	<b>170.53</b>
Additions	19.96	64.85	0.08	0.20	9.41	9.65	104.15
Disposal / Adjustment	-	-	-	-	-	-	-
<b>As at 31 March 2024</b>	<b>48.48</b>	<b>178.64</b>	<b>0.61</b>	<b>0.29</b>	<b>20.86</b>	<b>25.80</b>	<b>274.68</b>
<b>Net Carrying Value</b>							
<b>As at 31 March 2024</b>	<b>164.29</b>	<b>846.51</b>	<b>0.33</b>	<b>0.55</b>	<b>58.49</b>	<b>24.79</b>	<b>1094.96</b>
As at 31 March 2023	139.41	890.41	0.41	0.39	67.90	34.44	1132.96

#### Note 4 Capital Work in Progress (CWIP)

(A) The changes in carrying value of Capital Work in Progress are as follows: *(INR in lakhs)*

Particulars	Buildings	Plant and Equipments	Furniture and Fixtures	Computer	Office Equipments	Preoperative expenses pending allocation	Total
<b>As at 1 April 2022</b>	312.73	-	-	1.28	22.20	622.35	<b>958.56</b>
Additions	44.84	20.37	-	0.38	0.25	138.69	<b>204.53</b>
Transfer to PPE / ROU	-	-	-	-	-	-	-
<b>As at 31 March 2023</b>	<b>357.77</b>	<b>20.37</b>	<b>-</b>	<b>1.66</b>	<b>22.45</b>	<b>761.04</b>	<b>1163.09</b>
Additions	1725.92	156.32	3.53	0.47	8.66	184.58	2079.48
Transfer to PPE / ROU*	(44.84)	(20.37)	-	-	-	-	(65.21)
<b>As at 31 March 2023</b>	<b>2038.65</b>	<b>156.32</b>	<b>3.53</b>	<b>2.13</b>	<b>31.11</b>	<b>945.62</b>	<b>3177.36</b>

#### Note 4.1 Capital Work in Progress Ageing Schedule

Capital Work- in Progress (CWIP) ageing schedule as at 31st March, 2024 is as follows:

*(INR in lakhs)*

Capital Work in Progress (CWIP)	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Buildings	1725.92	-	-	312.73	<b>2038.65</b>
Plant and Equipments	156.32	-	-	-	<b>156.32</b>
Furniture and Fixtures	3.53	-	-	-	<b>3.53</b>
Computer	0.47	0.38	-	1.28	<b>2.13</b>

Office Equipments	8.66	0.25		22.20	31.11
Preoperative expenses Pending allocation	184.58	138.69	12.80	609.55	945.62
<b>Total</b>	<b>2079.48</b>	<b>139.32</b>	<b>12.80</b>	<b>945.76</b>	<b>3177.36</b>

**Capital Work- in Progress (CWIP) ageing schedule as at 31st March, 2023 is as follows: (INR in lakhs)**

Capital Work in Progress (CWIP)	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Building	44.84	-	-	312.73	357.57
Plant and Equipments	-	-	-	-	-
Furniture and Fixtures	20.37	-	-	-	20.37
Computer	0.39			1.28	1.67
Office Equipments	0.25			22.20	22.45
Preoperative expenses Pending allocation	138.69	12.80	12.19	597.35	761.03
<b>Total</b>	<b>204.54</b>	<b>12.80</b>	<b>12.19</b>	<b>933.56</b>	<b>1163.09</b>

**Note 5 Right of Use Assets (ROU Assets)**

**Changes in the carrying value of Right of Use assets are as follows:**

*(INR in lakh)*

Particulars	Leasehold Land	Leasehold Building	Total
<b><u>Gross Carrying Amount</u></b>			
<b>As at 1 April 2022</b>	1142.14	-	1142.14
Additions	-	88.54	88.54
Disposal / Adjustment	-	-	-
<b>As at 31 March 2023</b>	1142.14	88.54	1230.68
Additions	26.41	-	26.41
Disposal / Adjustment	(28.11)	-	(28.11)
<b>As at 31 March 2024</b>	<b>1140.44</b>	<b>88.54</b>	<b>1228.98</b>
<b><u>Depreciation and Impairment</u></b>			
<b>As at 1 April 2022</b>	56.76	-	56.76
Additions	11.54	15.18	26.72
Disposal / Adjustment	-	-	-
<b>As at 31 March 2023</b>	<b>68.30</b>	<b>15.18</b>	<b>83.48</b>
Additions	11.52	15.18	26.70
Disposal / Adjustment	-	-	-
<b>As at 31 March 2024</b>	<b>79.82</b>	<b>30.36</b>	<b>110.18</b>
<b><u>Net Carrying Value</u></b>			

As at 31 March 2024	1060.62	58.18	1118.80
As at 31 March 2023	1073.84	73.36	1147.20

**Notes:**

(a) Refer note 41 for lease liabilities recognised on behalf of ROU Assets.

**Note 6 Investments***(INR in lakhs)*

Particulars	As at	As at
	31 March 2024	31 March 2023
<b>Equity Instruments at cost</b>		
<b>Investment in Associate Company(Quoted)</b>		
36,00,000 equity shares ( PY: 36,00,000 equity shares) of M/s Shri Gang Industries & Allied Products Ltd @ Rs 10 per share)	921.47	624.11
<b>Total</b>	<b>921.47</b>	<b>624.11</b>

Aggregate cost of quoted investments	360.00	360.00
	2,485.08	
Aggregate Market value of quoted investments		2,424.60

**Note 7 Other Financial Assets- Non-Current***(INR in lakhs)*

Particulars	As at	As at
	31 March 2024	31 March 2023
Security Deposits	38.09	34.66
Fixed Deposits with banks having more than 12 months Maturity*	5.41	5.41
<b>Total</b>	<b>43.50</b>	<b>40.07</b>

**Note 8 Income Tax Assets**

Particulars	As at	As at
	31 March 2024	31 March 2023
TDS/TCS Receivable	2.87	0.28
<b>Total</b>	<b>2.87</b>	<b>0.28</b>

**Note 9 Other Non-Current Assets**

Particulars	As at	As at
	31 March 2024	31 March 2023

<b>Capital Advance</b>	902.99	1,734.70
<b>Total</b>	<b>902.99</b>	<b>1,734.70</b>

**Note 10 Inventories***(INR in lakhs)*

Particulars	As at	As at
	31 March 2024	31 March 2023
Raw Material	1.88	-
Finished Goods	5.98	-
Packing Material	49.24	76.69
Consumables	1.33	1.02
<b>Total</b>	<b>58.43</b>	<b>77.71</b>

**Note 11 Trade Receivables***(INR in lakhs)*

Particulars	As at	As at
	31 March 2024	31 March 2023
Secured, Considered Good	-	-
Unsecured, Considered Good	662.07	2,421.54
Receivables having Significant Increase in Credit Risk	-	-
Receivables Credit Impaired	-	-
<b>Total Trade Receivables (Gross)</b>	<b>662.07</b>	<b>2,421.54</b>
Less: Expected Credit Loss (ECL)	-	-
<b>Total</b>	<b>662.07</b>	<b>2,421.54</b>

**Note 11.1 Trade Receivables ( Current) Ageing Schedule****(A) Trade Receivables Ageing Schedule as at 31 March, 2024**

Particulars	Outstanding for following periods from due date of payment					Total
	< 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivable, considered good	623.84	-	-	-	-	623.84
(ii) Undisputed Trade Receivable, considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivable, considered good	-	-	-	-	38.23	38.23
(iv) Disputed Trade Receivable, considered doubtful	-	-	-	-	-	-
<b>Total</b>	<b>623.84</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>38.23</b>	<b>662.07</b>

**(B) Trade Receivables Ageing Schedule as at 31 March, 2023**

Particulars	Outstanding for following periods from due date of payment					
	< 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivable, considered good	2383.31	-	-	-	-	2383.31
(ii) Undisputed Trade Receivable, considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivable, considered good	-	-	-	-	38.23	38.23
(iv) Disputed Trade Receivable, considered doubtful	-	-	-	-	-	-
<b>Total</b>	<b>2383.31</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>38.23</b>	<b>2421.54</b>

**Note: 12 Cash & cash equivalents**

(INR in lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Cash in Hand	13.23	14.50
Balance with banks		
in Current Accounts	170.79	1730.28
Fixed Deposits with less than 3 month maturity	100.00	-
<b>Total</b>	<b>284.02</b>	<b>1744.78</b>

**Note: 13 Bank Balance other than Cash & cash equivalents**

(INR in lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Fixed Deposits with Original maturity of more than 3 months but less than 12 months*	20.00	-
<b>Total</b>	<b>20.00</b>	<b>-</b>

\* Fixed Deposits under lien/ custody with Banks / Others

**Note: 14 Loans**

(INR in lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Loans to Others	-	60.00
Loans to Related Party*	645.00	-
<b>Total</b>	<b>645.00</b>	<b>60.00</b>

\*Refer note 48 for related party disclosure.

**Note 15 Other Financial Assets**

(INR in lakhs)

Particulars	As at	As at
	31 March 2024	31 March 2023
Interest Receivable from Related Party*	18.00	-
Interest Receivable from Others	-	38.21
Accrued Interest on FDRs	1.49	0.31



Security / Earnest Money Deposits	35.00	8.00
<b>Total</b>	<b>54.49</b>	<b>46.34</b>

\*Refer note 48 for related party disclosure.

**Note 16 Other current assets**

(INR in lakhs)

Particulars	As at	As at
	31 March 2024	31 March 2023
GST Recoverable	50.72	42.29
MAT Credit	-	23.63
Prepaid Expenses	23.32	24.94
Advances to Supplier - Others	153.40	59.19
Capital advance	29.56	-
Amount Deposit under Appeal - GST	0.42	-
Amount Recoverable - Related Party*	-	0.22
<b>Total</b>	<b>257.42</b>	<b>150.27</b>

\*Refer note 48 for related party disclosure.

**Note 17 Equity Share Capital**

(INR in lakhs)

Particulars	As at	As at
	31 March 2024	31 March 2023
<b>Authorised share capital</b>		
2,00,00,000 (Previous Year 2,00,00,000) Equity Shares of Rs. 10/- each	2,000.00	2,000.00
	<b>2,000.00</b>	<b>2,000.00</b>
<b>Issued. Subscribed &amp; Paid-up</b>		
1,28,45,896 (Previous Year 1,22,94,172) Equity Shares of Rs. 10/- each	1,284.59	1,229.42
	<b>1,284.59</b>	<b>1,229.42</b>

**a) Details of reconciliation of the number of equity shares outstanding:**

Particulars	31 March 2024		31 March 2023	
	No. of Shares	INR in lakhs	No. of Shares	INR .in lakhs
Shares outstanding at the beginning of the year	1,22,,94,172	1229.42	95,42,000.00	954.20
<b>Add: Shares issued during the year</b>	5,51,724	55.17	27,52,172.00	275.22
<b>Shares outstanding at the end of the year</b>	<b>1,28,45,896</b>	<b>1,284.59</b>	<b>1,22,94,172</b>	<b>1229.42</b>

**b) Details of shares in the Company held by each shareholder holding more than 5 percent shares:**

Name of the Shareholder	As at 31 March 2024		As at 31 March 2023	
	No. of Shares	% of shareholding	No. of Shares	% of shareholding

Suraj Prakash Gupta	65,79,754	51.22%	60,28,030	49.03%
Ayodhya Finlease Ltd	24,45,677	19.04%	24,55,172	19.97%
	<b>90,25,431</b>	<b>70.26%</b>	<b>84,83,202</b>	<b>69.00%</b>

c) Promoter's Shareholding as at 31 March 2024 and percentage change in shareholding during the year as compared to previous year is as follows:

Name of the Promoters	31 March 2024		31 March 2023		% Change
	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares	
Suraj Prakash Gupta	65,79,754	51.22%	60,28,030	49.03%	2.19%
Shuchi Bahl	185,000	1.44%	185,000	1.50%	-0.06%
Anita Gupta	10	0.00%	10	0.00%	0.00%
Rajesh Gupta	10	0.00%	10	0.00%	0.00%
M/s Global Spirits Private Limited	84,378	0.66%	84,378	0.69%	-0.03%
<b>Total</b>	<b>68,49,152</b>	<b>53.32%</b>	<b>62,97,428</b>	<b>51.22%</b>	<b>2.10%</b>

**d) Terms / rights attached to Equity shares:**

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed, if any, by the Board of Directors is subject to the approval of shareholders except in case of interim dividend. In event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company, after distribution of all preferential amount in proportion of their shareholding.

e) The Company has not issued any shares for consideration other than cash or as bonus shares, nor any shares had been brought back during the year.

f) The Company has not declared any dividends in the current year or preceding year.

**Note 18 Other Equity**

(INR in lakhs)

Particulars	As at	As at
	31 March 2024	31 March 2023
Share Premium	2,979.31	2,234.48
Capital Reserve	231.69	231.69
Equity Component of other financial instruments (share warrants)	-	199.99
Retained Earnings	432.71	(15.37)
Other Comprehensive Income	2.34	0.29
<b>Total</b>	<b>3,646.05</b>	<b>2,651.08</b>

**Note 19 Borrowings-Non current**

(INR in lakhs)

Particulars	As at	As at
	31 March	31 March

	2024	2023
<b>Secured</b>		
Finance Lease Obligations on Hire Purchase of Vehicles*	39.01	50.97
Less: Current Maturities of Finance Lease Obligations on Hire Purchase of Vehicles	(12.94)	(11.96)
<b>Total</b>	<b>26.07</b>	<b>39.01</b>

\*Secured against hypothecation of respective vehicles.

**Note 20**

**Lease Liability Non Current**

(INR in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Lease Liability	54.82	68.38
<b>Total</b>	<b>54.82</b>	<b>68.38</b>

**Note 21 Provisions**

(INR in lakhs)

Particulars	As at	As at
	31st March 2024	31st March 2023
Provision for Gratuity	10.67	9.15
Less : Current value of Gratuity	(0.01)	(0.06)
<b>Total</b>	<b>10.66</b>	<b>9.09</b>

**Note: 22**

**Deferred Tax Asset/ Liability**

Particulars	As at 31st March 2024	As at 31st March 2023
<b>Deferred Tax Asset</b>		
Right of use asset	2.57	-
Employee Benefit Obligation	2.69	2.55
Employee Benefit Obligation - OCI	-	0.06
Other timing difference	-	-
<b>Total (A)</b>	<b>5.26</b>	<b>2.61</b>
<b>Deferred Tax Liability</b>		
WDV of Fixed Assets	53.75	48.00
Employee benefit Obligation - OCI	0.69	-
<b>Total (B)</b>	<b>54.44</b>	<b>48.00</b>
<b>Net Deferred Tax Asset/(Liability) C= (A)-(B)</b>	<b>(49.18)</b>	<b>(45.39)</b>
<b>Less: Deferred tax already recognised (D)</b>	<b>(45.39)</b>	<b>(28.58)</b>
<b>Charge/(Credit) to statement of profit and loss account (D-C)</b>	<b>3.79</b>	<b>16.81</b>

Refer note 42 for movement in deferred tax liability and deferred tax assets

**Note 23 Borrowings-Current**

(INR in lakhs)

Particulars	As at	As at
	31 March 2024	31 March 2023
Unsecured Loans		

- From Bodies Corporate	450.52	450.52
- From NBFC	525.00	525.00
- From Related Party*	-	18.00
- From Others	-	10.00
Current Maturities of Finance Lease Obligations on Hire Purchase of Vehicles	12.94	11.96
<b>Total</b>	<b>988.46</b>	<b>1,015.48</b>

Refer note 48 for related party disclosures.

#### Note 24 Lease Liability Current

(INR in lakhs)

Particulars	As at	As at
	31 March 2024	31 March 2023
Lease liability	13.56	11.13
<b>Total</b>	<b>13.56</b>	<b>11.13</b>

#### Note 25 Trade Payables

(INR in lakhs)

Particulars	As at	As at
	31 March 2024	31 March 2023
Outstanding dues of micro enterprises and small enterprises	17.65	-
Outstanding dues of creditors other than micro enterprises and small enterprises	363.96	2,120.49
<b>Total</b>	<b>381.61</b>	<b>2,120.49</b>

#### Note 25.1 Trade Payables ageing schedule

##### (A) Trade payable ageing schedule as at 31st March 2024

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	17.65	-	-	-	17.65
(ii) Others	354.87	1.05	8.04	-	363.96
(iii) Disputes Dues- MSME	-	-	-	-	-
(iv) Disputes Dues- Others	-	-	-	-	-
<b>Total</b>	<b>372.52</b>	<b>1.05</b>	<b>8.04</b>	<b>-</b>	<b>381.61</b>

##### (B) Trade payable ageing schedule as at 31st March 2023

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	2,111.32	8.83	0.30	0.04	2,120.49
(iii) Disputes Dues- MSME	-	-	-	-	-
(iv) Disputes Dues- Others	-	-	-	-	-

<b>Total</b>	<b>2,111.32</b>	<b>8.83</b>	<b>0.30</b>	<b>0.04</b>	<b>2,120.49</b>
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**Note 25.2 Information as required to be furnished as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)\***

Particulars	As at	As at
	31 March 2024	31 March 2023
a) Amount remaining unpaid to supplier covered under MSMED Act at the end of the year		
-Principal	17.65	-
-Interest	-	-
<b>-Total</b>	<b>17.65</b>	<b>-</b>
b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
d) The amount of interest accrued and remaining unpaid at the end of the year.	-	-
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act.	-	-
f) The total dues of Micro and Small Enterprises which were outstanding for more than stipulated period.	-	-

*\*This information has been determined to the extent such parties have been identified on the basis of information available with the company.*

**Note 26 Other Financial Liability**

*(INR in lakhs)*

Particulars	As at	As at
	31 March 2024	31 March 2023
Interest payable	33.73	4.02
<b>Total</b>	<b>33.73</b>	<b>4.02</b>

**Note 27 Other Current Liabilities**

*(INR in lakhs)*

Particulars	As at	As at
	31 March 2024	31 March 2023
Accrued Salary & Benefits	23.75	27.45
Expenses Payable	12.40	9.18
Statutory dues payable	21.16	8.05
Capital Creditors	113.14	386.58

Other Payable	5.64	0.40
<b>Total</b>	<b>176.09</b>	<b>431.66</b>

**Note 28 Provisions***(INR in lakhs)*

Particulars	As at	As at
	31 March 2024	31 March 2023
Provision for Employees Benefits		
i) Gratuity	0.01	0.06
<b>Total</b>	<b>0.01</b>	<b>0.06</b>

**Note 28.1 Movement of provisions**

Particulars	As at	As at
	31 March 2024	31 March 2023
Opening	9.15	7.97
Addition	1.52	1.18
Deletion	-	-
<b>Closing</b>	<b>10.67</b>	<b>9.15</b>
Current	0.01	0.06
Non-current	10.66	9.09

**Note 29 Current Tax Liabilities***(INR in lakhs)*

Particulars	As at	As at
	31 March 2024	31 March 2023
Provision for Current Year Tax (Net of TDS and advance Tax)	22.38	157.34
<b>Total</b>	<b>22.38</b>	<b>157.34</b>

Refer note 43 for reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes.

**Note30 : Revenue from operations***(INR in lakhs)*

Particulars	For year ended 31st March 2024	For year ended 31st March 2023
<b><u>Disaggregated revenue information</u></b>		
Sale of Products		
Country Liquor	409.06	-
(A)	<b>409.06</b>	-
<b>Sale of Traded Goods</b>		

Edible Oils		3,080.80	5,852.59
Unbranded Rice		644.51	-
	(B)	<b>3,725.31</b>	<b>5852.59</b>
<b>Services Rendered</b>			
Liquor Bottling Services		971.91	885.30
	(C)	<b>971.91</b>	<b>885.30</b>
<b>Total</b>	<b>(A+B+C)</b>	<b>5,106.28</b>	<b>6,737.89</b>

**Note 30.1 Timing of revenue recognition**

Particulars	For the year ended on	For the year ended on
	31 March 2024	31 March 2023
Products transferred at a point in time	4,134.37	5,852.59
Services rendered at a point in time	971.91	885.30
<b>TOTAL</b>	<b>5,106.28</b>	<b>6,737.89</b>

**Note 30.2 Reconciliation of amount of revenue recognised with contract price**

Particulars	For the year ended on	For the year ended on
	31 March 2024	31 March 2023
Revenue as per contracted price	5106.28	6737.89
Adjustments	-	-
<b>Revenue from Contract with customers</b>	<b>5106.28</b>	<b>6737.89</b>

**Note 30.3** Performance obligations for sale of products is satisfied upon delivery of the goods and that for sale of services is satisfied upon rendering of respective services.

**Note 30.4** Refer note 52 for segment information.

**Note 31 Other income***(INR in lakhs)*

Particulars	For the year ended on	For the year ended on
	31 MARCH 2024	31 MARCH 2023
Unpaid liabilities written back	9.90	13.01
Interest on Loan - Others	7.40	45.32
Interest on Loan – Related Party	40.73	22.48
Interest income on FDR	39.56	
Other Income	14.32	3.75
<b>Total</b>	<b>111.91</b>	<b>84.56</b>

**Note 32 Cost of material Consumed**

Particulars	For the year ended on	For the year ended on
	31 MARCH 2024	31 MARCH 2023
<b>Consumption of Spirit</b>		
Opening Stock	-	-
Add : Purchase of Spirit	256.86	-
Less: Closing stock (including in – Transit)	(1.88)	-
<b>(A)</b>	<b>254.98</b>	<b>-</b>
<b>Consumption of Packing Material &amp; Consumables</b>		
Opening Stock	77.71	16.60
Add: Purchase of Packing Material & Consumables	437.95	520.52
Less: Closing Stock (including in- transit)	(50.57)	(77.71)
<b>(B)</b>	<b>465.09</b>	<b>459.41</b>
<b>(A+B)</b>	<b>720.07</b>	<b>459.41</b>

**Note 33 Purchase of Stock in Trade***(INR in lakhs)*

Particulars	For the year ended on	For the year ended on
	31 MARCH 2024	31 MARCH 2023
Purchase of Unbranded Rice	598.30	-
Purchase of Edible Oils	2,781.05	5,117.37
<b>Total</b>	<b>3,379.35</b>	<b>5,117.37</b>

**Note 34 Changes in Inventory of Finished Goods***(INR in lakhs)*

Particulars	For the year ended on	For the year ended on
	31 MARCH 2024	31 MARCH 2023
Opening Inventory of Finished Goods	-	-
Less: Closing Inventory of Finished Goods	(5.98)	-
<b>Total</b>	<b>(5.98)</b>	<b>-</b>

**Note 35 Employee benefit expense***(INR in lakhs)*

Particulars	For the year ended on	For the year ended on
	31 MARCH 2024	31 MARCH 2023



Salaries, Wages and Incentives	259.64	170.84
Contribution to Provident & Other Funds	4.40	0.19
Provision for Long term employees benefits	4.26	3.78
Staff Welfare Expenses	3.14	3.19
<b>Total</b>	<b>271.44</b>	<b>178.00</b>

**Note 35.1 Compensation Paid To Key Managerial Personnel included in above: (INR in lakhs)**

Particulars	For the year ended on	For the year ended on
	31 MARCH 2024	31 MARCH 2023
Salaries, Wages and Incentives	142.84	111.71
<b>Total</b>	<b>142.84</b>	<b>111.71</b>

Refer note 48 for related party disclosure.

Refer note 47 for detail on employee benefits.

**Note 36 Finance Cost**

(INR in lakhs)

Particulars	For the year ended on	For the year ended on
	31 MARCH 2024	31 MARCH 2023
Interest expenses:		
- Interest on Vehicle Loan	3.60	3.86
- Interest on unsecured loan	90.25	55.02
- Financial liabilities measured at amortized cost	8.95	10.15
	<b>102.80</b>	<b>69.03</b>
Bank Charges	0.23	0.60
<b>Total</b>	<b>103.03</b>	<b>69.63</b>

**Note 37 Depreciation and Amortisation Expenses:**

(INR in lakhs)

Particulars	For the year ended on	For the year ended on
	31 MARCH 2024	31 MARCH 2023
Depreciation on Property, Plant and Equipment	104.15	110.80
Depreciation on Right of use Assets	26.70	15.18
<b>Total</b>	<b>130.85</b>	<b>125.98</b>

Refer note 3 on Property, Plant and Equipment and note 5 on Right of Use Assets (ROU Assets)

**Note 38 Other Expenses**

(INR in lakhs)

Particulars	For the year	For the year
-------------	--------------	--------------

	ended on	ended on
	31 MARCH 2024	31 MARCH 2023
Auditors Remuneration ( Refer Note 38.1)	2.50	2.00
Power & Fuel	29.11	23.66
Repairs & Maintenance		
-Building	0.85	0.68
- Plant and Machinery	9.98	7.35
-Others	5.73	4.18
Business Promotion	9.83	-
Commission	3.80	-
Labour Charges	21.27	11.81
Fee & Taxes	74.34	27.46
Legal & Professional Expenses	37.19	31.65
Festival Expenses	2.61	4.72
Freight Expenses	28.14	-
Rent	43.80	29.39
Advertisement	0.68	0.63
Website Expenses	0.34	0.95
Printing & Stationery	2.42	4.36
Telephone, Postage & Internet Expenses	1.45	0.74
Insurance Expenses	2.94	3.77
Interest and Penalty on Government dues	0.28	-
Tours & Travelling & Conveyance	39.64	12.33
Security Services Agency charges	5.65	5.62
Corporate Social Responsibility Expenditure (Refer Note 38.2)	8.86	-
Miscellaneous Expenses	16.50	8.38
<b>Total</b>	<b>347.90</b>	<b>179.68</b>

**Note 38.1 Payment to the auditors as:***(INR in lakhs)*

Particulars	For the year ended on	For the year ended on
	31 MARCH 2024	31 MARCH 2023
<b>- Statutory Auditor</b>		
a) Statutory Audit Fees	2.25	2.00
b) For Taxation Matters	0.25	-
c) Certification Fees	-	-
<b>Total</b>	<b>2.50</b>	<b>2.00</b>

**Note 38.2 Corporate Social Responsibility (CSR) Expenses during the year on:**

Particulars	For the year ended on	For the year ended on
-------------	--------------------------	--------------------------

	31 March 2024	31 March 2023
(i)Gross amount required to be spent by the Company during the year as per provisions of Section 135 of the Companies Act,2013 i.e. 2% of average net profits for last three Financial years, calculated as per section 198 of the Companies Act,2013.	8.86	-
(ii)Gross amount spent by the Company during the year		-
1. Construction/ Acquisition of assets	-	-
2.On purpose other than (i)above	8.86	-
Total	8.86	-
(iii)Shortfall/ (Excess) for the year (i-ii)	-	-
(iv)Total of previous years shortfall	-	-
(v)Previous years shortfall spent during the year	-	-
(vi)Reason for shortfall	NA	NA
(vii)Nature of CSR Activities: Development of Rural Area	-	-
(viii)CSR activities with related parties	NA	NA
(ix)Movement of CSR provision:		
<b>Particulars</b>	<b>For the year ended on</b>	<b>For the year ended on</b>
	<b>31 March 2024</b>	<b>31 March 2023</b>
Opening Provision	-	-
Created during the year	8.86	-
Utilised during the year	8.86	-
<b>Closing Provision</b>	-	-

**Note 39 Earnings Per Equity Share (EPS):****(A) Earnings Per Share**

Particulars	For the year ended on	For the year ended on
	31 MARCH 2024	31 MARCH 2023
Profit after Tax	443.85	740.84
Basic Earnings Per Share	3.54	6.40
Diluted Earnings Per Share	3.46	5.90
Par Value Per Equity Share	10.00	10.00

**(B) Weighted Average Number of Equity Shares Used as Denominator:**

Particulars	For the year ended on	For the year ended on
	31 MARCH	31 MARCH

	2024	2023
Number of Equity shares at the beginning of the year	1,22,94,172	95,42,000
Add: Weighted average number of equity shares issued during the year	2,54,758	20,82,366
<b>Weighted average number of Equity shares for Basic EPS</b>	<b>1,25,48,930</b>	<b>1,16,24,366</b>
Add: Adjustment for Share Warrants	2,96,966	9,73,632
<b>Weighted average number of equity shares for Diluted EPS</b>	<b>1,28,45,896</b>	<b>1,25,97,998</b>

**Note 40 Contingent Liabilities and commitments:***(INR in lakhs)*

Particulars	For the year ended on	For the year ended on
	31 MARCH 2024	31 MARCH 2023
<b>Contingent Liabilities:</b>		
a) Claims against the company not acknowledged as Debts.	6.32	-
(i) GST demands under appeal/ Pending appeal		
<b>Commitments:</b>		
a) Estimated amount of contracts remaining to be executed on capital account and not provided for.	21.97	-

**Note 41 Disclosures as required under Ind-AS 116 "Leases":***(INR in lakhs)***(A) Maturity analysis of lease liabilities (contractual undiscounted cash flows) on unconditional basis:**

Particulars	For the year ended on	For the year ended on
	31 MARCH 2024	31 MARCH 2023
Upto one year	21.04	20.08
After one year but not more than five years	65.17	86.21
More than five years	-	-

*\*The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.*

**(B) Amounts recognised in Statement of profit and loss:**

Particulars	For the year ended on	For the year ended on
	31 MARCH 2024	31 MARCH 2023
Depreciation on ROU assets	26.70	26.72
Interest on lease liabilities	8.95	10.15
Lease payments not recognised as liability in 'Other Expenses':		

----Expenses relating to short-term leases	43.80	29.39
----Expenses relating to leases of low-value assets	-	-

**(C) Amounts recognised in Statement of cash flows:**

Particulars	For the year ended on	For the year ended on
	31 MARCH 2024	31 MARCH 2023
Total cash outflow for leases	20.08	19.17

**(D) Future lease Commitments**

Particulars	For the year ended on	For the year ended on
	31 MARCH 2024	31 MARCH 2023
The total future cash outflow for leases that had not yet commenced	-	-

**Note 42 Movement in Deferred Tax Assets / (Liability)***(INR in lakhs)***(A) Movement in Deferred Tax Assets**

Particulars	Right of use assets	Brought forward business losses and depreciation	Employee Benefit Obligation	Total Deferred Tax Assets
<b>As at 31 March 2022</b>	-	-	2.00	2.00
----Profit & Loss	-	-	0.55	0.55
----Other Comprehensive income	-	-	0.06	0.06
<b>As at 31 March 2023</b>	-	-	<b>2.61</b>	<b>2.61</b>
----Profit & Loss	<b>2.57</b>	-	0.14	2.71
----Other Comprehensive income	-	-	(0.06)	(0.06)
<b>As at 31 March 2024</b>	<b>2.57</b>	-	<b>2.69</b>	<b>5.26</b>

**(B) Movement in Deferred Tax Liability**

Particulars	Depreciation / amortization on PPE	Other timing differences	Total Deferred Tax Liability
<b>As at 31 March 2022</b>	30.59	-	30.59
----Profit & Loss	17.41	-	17.41
----Other Comprehensive income	-	-	-
<b>As at 31 March 2023</b>	<b>48.00</b>	-	<b>48.00</b>
----Profit & Loss	5.75	-	5.75

----Other Comprehensive income	-	0.69	0.69
<b>As at 31 March 2024</b>	<b>53.75</b>	<b>0.69</b>	<b>54.44</b>

**Note 43 A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized below:**

*(INR in lakhs)*

Particulars	As at	As at
	31 MARCH 2024	31 MARCH 2023
<b>Accounting Profit (Profit / (loss) before tax)</b>	210.93	692.38
Enacted tax rates in India	25.17%	27.82%
Computed expected tax expense	53.09	192.62
Tax Effect of non-deductible expenses	38.51	40.03
Tax reversals due to expenses allowed for Indian tax purpose	(41.59)	(50.13)
Interest on income tax	1.12	6.43
<b>Total Current Income tax expense</b>	<b>51.13</b>	<b>188.95</b>

*The applicable Indian corporate statutory tax rate for the year ended 31 March 2024 is 25.168% and 31 March 2023 is 27.82%.*

**Note 44 Investment in Associate**

*(INR in lakhs)*

**(A) Company's investment in Associate:**

Particulars	Country of Incorporation	Portion of ownership interest as at		Method used to account incorporation for the investment
		31 MARCH 2024	31 MARCH 2023	
M/s Shri Gang Industries & Allied Products Limited	India	20.08%	20.08%	Cost

**(B) Disclosure required under Section 186(4) of the Companies Act, 2013 for year ended 31 March, 2024**

Particulars	Loan Given	Loan Given received back	Gross Outstanding Balance	Purpose of Loan Given
M/s Shri Gang Industries & Allied Products Limited	645.00	-	645.00	Business Expansion

## (C) Disclosure required under Section 186(4) of the Companies Act, 2013 for year ended 31 March, 2023

Particulars	Investment made	Loan Given received back	Gross Outstanding Balance	Purpose of Loan Given
M/s Shri Gang Industries & Allied Products Limited	360.00	-	-	NA

Note 45 Additional Information in pursuant to Schedule III of the Companies Act, 2013  
(INR in lakhs)

S. No.	Name of Entity	Ownership Interest	Net Assets, i.e., Total Assets minus Total Liabilities		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 net assets	Amount	As % of consolidated profit or loss	Amount
1	Parent	-	58.41 %	4,373.53	34.93%	155.08	100%	2.05	35.24%	157.13
2	Subsidiary									
A 1.	Indian Carya Chemicals & Fertilizers Private Limited	50.73 %	-0.06%	(4.37)	-0.98%	(4.36)	-	-	-0.98%	(4.36)
A 2.	Non-controlling interest in subsidiary	49.27%	34.15 %	2,556.98	-0.95%	(4.23)	-	-	-0.95%	(4.23)

	y									
<b>B</b>	<b>Foreign</b>	-	-	-	-	-	-	-	-	-
<b>3</b>	<b>Associat</b>									
<b>A</b>	<b>Shri</b>	20.08	7.50%	561.48	67.00%	297.36	-	-	66.69%	297.36
	<b>Gang</b>	%								
	<b>Industrie</b>									
	<b>s &amp;</b>									
	<b>Allied</b>									
	<b>Products</b>									
	<b>Limited</b>									
	<b>Total</b>		<b>100%</b>	<b>7,487</b>	<b>100%</b>	<b>443.85</b>	<b>100%</b>	<b>2.05</b>	<b>100%</b>	<b>445.90</b>
				<b>.62</b>						

#### Note 46 Additional Notes

(A) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(B) The Company do not have any transactions with companies struck off under section 248 of the Companies Act, 2013.

(C) The Company do not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

(D) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(E) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in other person or entities ("ultimate beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries. The Company has not received any funds from any persons or entities, including foreign entities ("Funding Parties"), with the understanding that the Company shall lend or invest in other persons or entities identified by or on behalf of the Funding Party or provide any guarantee, security or the like from to or on behalf of the Ultimate Beneficiaries.

(F) The Company has not entered into any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).



(G) The company does not have any borrowings from banks and financial institutions on the basis of security of current assets.

(H) The company has not been declared as wilful defaulter by any bank or financial institution or any other lender.

(I) The Company did not have any foreign exchange contracts including derivative contracts for which there were any material foreseeable losses.

(J) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

(K) Rule 11 (g) of Companies (Audit and Auditors) Rule, 2014 ("rule") stipulates that where the Company has used accounting software for maintaining its books of account, whether it has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all transactions recorded in the software. The Company has used an accounting software for maintaining its books of accounts which has a feature of recording audit trail (edit log) facility and it operated throughout the year. However, management is not able to extract necessary control reports to determine whether the requirements of above rule has been met.

**Note 47- Disclosures under Ind AS 19 "Employee Benefits":**

*(INR in lakhs)*

The company has a defined benefit gratuity plan as long term benefits to employees. Provision is made on the basis of actuarial valuation.

Particulars	For the year ended on	For the year ended on
	31 MARCH 2024	31 MARCH 2023
<b>1) Change in benefit obligation</b>		
a) Present value of obligation as at the beginning of the period	9.15	7.97
b) Interest cost	0.68	0.58
c) Past service cost	-	-
d) Current service cost	3.58	3.20
e) Benefits paid	-	-
f) Actuarial (gain)/loss on obligation	(2.74)	(2.60)
<b>g) Present value of obligation as at the end of period</b>	<b>10.67</b>	<b>9.15</b>
<b>2) Actuarial gain / loss recognized</b>		
a) Actuarial gain / (loss) on arising from change in Demographic Assumption	-	-
b) Actuarial gain / (loss) on arising from change in Financial Assumption	0.04	(0.04)
c) Actuarial gain / (loss) on arising from Experience Adjustment	(2.78)	(2.56)

<b>3) Expense recognized in the statement of profit and loss</b>		
a) Current service cost	3.58	3.20
b) Past service cost	-	-
c) Interest cost	0.68	0.58
d) Expected return on plan assets	-	-
e) Expenses recognized in the statement of profit & losses	4.26	3.78
<b>4) Expense recognized in the Other Comprehensive income (OCI)</b>		
a) Net cumulative unrecognized actuarial gain/(loss) opening	-	-
b) Actuarial gain/(loss) for the year on PBO	2.74	2.60
c) Actuarial gain /(loss) for the year on Asset	-	-
d) Unrecognized actuarial gain/ (loss) for the year	2.74	2.60
<b>5) Sensitivity Analysis of the defined benefit obligation.</b>		
<b>a) Impact of the change in discount rate</b>		
Present Value of Obligation at the end of the period	10.67	9.15
Impact due to increase of 0.50%	(0.20)	(0.15)
Impact due to decrease of 0.50 %	0.22	0.17
<b>b) Impact of the Change in salary increase</b>		
Present value of obligation at the end of the period	10.67	9.15
Impact due to increase of 0.50%	0.22	0.17
Impact due to decrease of 0.50%	(0.21)	(0.15)
<b>6) Actuarial Assumptions:</b>		
Particulars	IALM (2012-14)	IALM (2012-14)
Mortality table	7.25%	7.39%
Discount rate	N.A	N.A
Expected rate of return on plan assets	5.00%	5.00%
Rate of escalation in salary per annum	5.00%	5.00%
Employee turnover up to 30 years	3.00%	3.00%
Above 30years but up to 44 years	2.00%	2.00%
Above 44 years		

**Note 48 The Related Party disclosures as per IND AS 24 "Related Party Disclosures"**

The information given below is only in respect of the transactions entered into by the company or any outstanding, during the year with the related parties.

**(A) Names of the Related parties and description of relationship (INR in lakhs)**

S.NO.	Relationship	Name
1.	Directors & Key Managerial Personnel (KMP)	Suraj Prakash Gupta, Managing Director Ashu Malik, Whole Time Director Syed Azizur Rahman, Non-executive Director Nazir Baig, Independent Director Pooja Solanki, Independent Director Sanjay Kumar Jain, Nominee Director Sanjai Kapoor, CFO (w.e.f June 22,2022) Chhavi Agrawal, Company Secretary (Upto October 18,2022) Snehlata Sharma, Company Secretary (w.e.f October 19,2022) Sanjai Kapoor, CFO (Upto November 03, 2023) Somir Bhaduri, CFO ( w.e.f February 02, 2024)
2.	Directors and Key Managerial Personnel (KMP) of subsidiary Company	Arun Kumar Sharma, Director Syed Azizur Rahman, Whole Time Director (w.e.f. January 23,2023) Rajesh Kumar Thakur, Independent Director (w.e.f. March 27,2023) Pooja Solanki , Independent Director (w.e.f.. January 23,2023) Jogendra Kumar Arora, Chief Financial Officer (w.e.f. January 23,2023) Neha Aggarwal , Company Secretary (w.e.f. August 30,2022)
		Sanjay Kumar Jain, Director (w.e.f. January 23,2023) Ashish Madan, Director (upto January 23,2023) Krishna Agarwal, Additional Director (w.e.f March 12,2024) Keshav Agarwal ,Additional Director (w.e.f March 12,2024)
3	Associate Company	Shri Gang Industries & Allied Products Ltd (w.e.f July 09, 2022)
4	Relative of promoter	Ritesh Gupta, Chief Operating Officer (w.e.f May 30, 2023)

The estimates of future salary increase considered in actuarial valuation take into account the inflation,

seniority, promotion and other relevant factors such as demand in the employment market and supply.

**(B) Transactions during the year with the Related Parties**

Particulars	For the year ended on	For the year ended on
	31 MARCH 2024	31 MARCH 2023
<b>Managerial Remuneration Expense</b>		
<b>Directors and Key Managerial Personnel</b>		
Salary to Managing Director, Suraj Prakash Gupta	72.00	72.00
Salary to Whole Time Director, Ashu Malik	10.80	10.50
Salary to CFO, Sanjai Kapoor (upto 03.11.2023)	17.75	23.25
Salary to CFO, Somir Bhaduri (w.e.f. 02.02.2024)	2.70	-
Salary to Company Secretary, Chhavi Agrawal	-	3.50
Salary to Company Secretary, Snehlata Sharma	6.23	2.46
	<b>109.48</b>	<b>111.71</b>
<b>Key Managerial Personnel of Subsidiary</b>		
Salary to Whole Time Director , Syed Azizur Rahman	18.00	3.44
Salary to CFO, Jogendra Kumar Arora	11.00	1.15
Salary to Company Secretary, Neha Aggarwal	4.36	2.31
	<b>33.36</b>	<b>6.90</b>
<b>Managerial Remuneration Payable</b>		
<b>Directors &amp; Key Managerial Personnel</b>		
Salary to Managing Director, Suraj Prakash Gupta	7.60	9.95
Salary to Whole Time Director, Ashu Malik	0.80	0.84
Salary to CFO, Sanjai Kapoor (upto 03.11.2023)	-	2.00
Salary to CFO, Somir Bhaduri (w.e.f. 02.02.2024)	1.03	-
Salary to Company Secretary, Snehlata Sharma	0.58	0.43
	<b>10.01</b>	<b>13.22</b>
<b>Key Managerial Personnel Subsidiary</b>		
Salary to Whole time Director, Syed Azizur Rahman	1.34	3.44
Salary to CFO, Jogendra Kumar Arora	0.91	1.15
Salary to Company Secretary, Neha Aggarwal	0.39	0.33
	<b>2.64</b>	<b>4.92</b>
<b>Remuneration Expenses – Others</b>		
<b>Relative of Promoter</b>		
Ritesh Gupta, Chief Operating Officer	24.15	-
	<b>24.15</b>	<b>-</b>
<b>Remuneration Payable</b>		
<b>Relative of Promoter</b>	1.84	-

Ritesh Gupta, Chief Operating Officer	<b>1.84</b>	-
<b>Purchase of Raw Material</b>		
Shri Gang Industries & Allied Products Ltd, Associate	16.32	-
	<b>16.32</b>	-
<b>Interest Income</b>		
Shri Gang Industries & Allied Products Ltd, Associate	36.69	-
	<b>36.69</b>	-
<b>Unsecured Loan received- Suraj Prakash Gupta, MD</b>		
Opening Balance	<b>18.00</b>	2.60
Loan received	-	24.00
Loan repaid	<b>18.00</b>	8.60
Closing Balance	-	<b>18.00</b>
<b>Unsecured Loan given- Shri Gang Industries Ltd. and Allied Products Limited, Associate Company</b>		
Opening Balance	-	-
Loan given	<b>645.00</b>	-
Loan repaid	-	-
Closing Balance	<b>645.00</b>	-
<b>Interest Receivable</b>		
Shri Gang Industries Ltd. and Allied Products Limited	18.00	-
	<b>18.00</b>	-
<b>Investment in Equity Shares</b>		
Shri Gang Industries & Allied Products Ltd	-	360.00
	-	<b>360.00</b>
<b>Reimbursement of Expenses from:</b>		
<b>Shri Gang Industries &amp; Allied Products Ltd:</b>		
Expenses incurred	4.23	4.23
Amount received against expenses incurred	4.23	4.02
Closing Amount Recoverable	-	0.22

**Note 49 Fair Value Measurements***(INR in lakhs)*

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. Fair value measurement is based on presumption that transaction to sell asset or transfer liability takes place either:

- i. In the principal market for asset or liability, or
- ii. In absence of a principal market, in most advantageous market for asset or liability.

Fair Value of an asset or liability is measured using 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 asset in its highest and best use or by selling it to another market participant that would use asset in its highest and best use.

The Company uses valuation techniques that are appropriate in circumstances and for which sufficient data are available to measure fair value, maximising use of relevant observable inputs and minimizing use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized 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 (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2- Valuation techniques for which lowest level input that is significant to fair value measurement is directly or indirectly observable.

Level 3- Valuation techniques for which lowest level input that is significant to fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to fair value measurement as a whole) at end of each reporting period. For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

**(A) Carrying amounts of Financial Assets and Financial Liabilities in each category are as follows:**  
(INR in lakhs)

Particulars	As at		As at	
	31 March 2024		31 March 2023	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial Assets</b>				
<b>At amortised cost</b>				
Trade receivable	662.07	662.07	2,421.54	2,421.54
Cash and Cash Equivalents	284.02	284.02	1744.78	1744.78
Other Bank Balances	20.00	20.00	-	-
Loans	645.00	60.00	60.00	136.00
Other Financial Assets	97.99	97.99	86.41	86.41
<b>Total</b>	<b>1709.08</b>	<b>1709.08</b>	<b>4312.73</b>	<b>4312.73</b>

<b>Financial Liability</b>				
<b>At amortised cost</b>				
Borrowings including short term	1,014.53	1,014.53	1,054.49	1,054.49
Trade payables	381.61	381.61	2,120.49	2,120.49
Other financial liabilities	33.73	33.73	4.02	4.02
<b>Total</b>	<b>1,429.87</b>	<b>1,429.87</b>	<b>3,179.00</b>	<b>3,179.00</b>

- a) Carrying amount of Trade Receivables, Trade Payables, other financial assets, other financial liabilities and Cash and Cash Equivalent are considered to be the same as their Fair Value due to their short term nature.
- b) Carrying amount of Financial Assets and Liabilities carried of Amortized Cost is considered a reasonable approximation of fair value.

### (B) Fair Value Hierarchy

The following table provides the fair value measurement hierarchy for financial assets and liabilities:

(INR in lakhs)

Particulars	31 March 2024			31 March 2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial Assets</b>						
Trade receivable			662.07			2,421.54
Cash and Cash Equivalents			284.02			1744.78
Other Bank Balances			20.00			-
Loans	-	-	645.00	-	-	60.00
Other Financial Assets	-	-	97.99	-	-	86.41
<b>Total</b>	-	-	<b>1,709.08</b>	-	-	<b>4,312.73</b>

(INR in lakhs)

Particulars	31 March 2024			31 March 2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial Liability</b>						
Borrowings including short term	-	-	1,014.53	-	-	1,054.49
Trade payables	-	-	381.61	-	-	2,120.49
Other financial liabilities	-	-	33.73	-	-	4.02
<b>Total</b>	-	-	<b>1,429.87</b>	-	-	<b>3,179.00</b>

### Note 50 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

(INR in lakhs)

The Company's Corporate Treasury function provides services to the business, co-ordinates access to domestic market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The company does not have foreign trade transactions nor any foreign currency transactions. The Board of Directors manages the financial risk of the company through internal risk reports and analyse exposure by magnitude of risk.

The Company's overall risk management procedures to minimise potential adverse effects of financial market on the Company are as follows:

**(D) Market Risk**

Market risk is attributable to all the market risk sensitive financial instruments including investments and deposits, foreign currency receivables or payables. It includes three types of risks :a) Interest rate risk b) Currency risk and c) price and commodity risk.

D) Interest Rate Risk: The Company's borrowing are at fixed rates. Therefore, interest rate risk does not have any major impact on the company.

E) Currency Risk: Since, Company does not have any foreign currency dealings, this risk is not applicable to the Company.

F) Price and commodity risk: The Company majorly purchase Spirits and Grain in its manufacturing . Since , prices are generally regulated, there are no major movements in the prices . Therefore, the adversity of this risk is low.

**(E) Credit Risk**

Credit Risk is the risk that counterparty will not meet its obligations under a financial instrument leading to a financial loss. The Company's exposure to credit risk primarily consists of trade receivables and other financial assets . The Company deals with only few customers since liquor operations are government regulated . Therefore, default risk on the part of debtors is significantly low.

**(F) Liquidity Risk**

The Company's principle source of liquidity are Cash and cash equivalents and cash generated from operations . The Company manages its liquidity risk in a manner so as to meet its normal financial obligations without any significant delay. The Company has developed appropriate internal control systems and contingency plans for managing liquidity risk.

**Note 51 CAPITAL MANAGEMENT**

*(INR in lakhs)*

**(B) Risk Management**

Capital management is driven by Company's policy to maintain a sound capital base to support the continued development of its business. The Management and Board of Directors seeks to maintain a prudent balance between different components of Company's capital. Management monitors capital structure and net financial debt at individual currency level. Net financial debt is defined as current and non-current financial liabilities including lease liabilities less cash and cash equivalents and short term investments.

The capital structure is governed by policies approved by the Board of Directors and monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, lease liabilities, less cash and cash equivalents.

Particulars	As at	
	31 March 2024	31 March 2023
Borrowings including current maturities and short term borrowings	1,014.53	1054.49
Trade Payables	381.61	2120.49
Other Payables including Lease Liabilities	102.11	83.53



Less: Cash & Cash Equivalents		( 304.02)	(1744.78)
<b>Net Debt</b>	<b>(A)</b>	<b>1,194.23</b>	<b>1513.73</b>
Equity		1,284.59	1,229.42
Other equity		3,646.05	2,651.08
<b>Total Equity Capital</b>	<b>(B)</b>	<b>4,930.64</b>	<b>3,880.50</b>
<b>Capital and Net Debt</b>	<b>(C=A+B)</b>	<b>6124.87</b>	<b>5394.23</b>
<b>Gearing Ratio (%)</b>	<b>(A/C*100)</b>	<b>19.50%</b>	<b>28.06%</b>

**(B) Dividends**

The Company has not declared any dividends in the current and previous year.

**Note 52 Segment Reporting Disclosure as per Indian Accounting Standard (Ind AS) 108 “Operating Segments”**

*(INR in lakhs)*

The company has two business segments- Trading Operations and Liquor Operations.

Particulars	Trading operations		Liquor operations		Unallocated		Total	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023
<b>1. Segment Revenue</b>	3,725.31	5,852.59	1380.97	885.30	-	-	5,106.28	<b>6,737.89</b>
Less: Inter-segment Revenue	-	-	-	-	-	-	-	-
<b>Total</b>	<b>3,725.31</b>	<b>5,852.59</b>	<b>1380.97</b>	<b>885.30</b>	<b>-</b>	<b>-</b>	<b>5,106.28</b>	<b>6,737.89</b>
<b>2. Segment Results</b>	332.82	710.78	147.43	145.36	-	-	480.25	856.14
<b>Less:</b>								
a) Finance Cost	-	-	-	-	(103.03)	(69.63)	(103.03)	(69.63)
b) Other unallocable expenses	-	-	-	-	(166.29)	(94.13)	(166.29)	(94.13)
c) Share of profit/(loss) of associate							297.36	264.11
<b>Total</b>	<b>332.82</b>	<b>710.78</b>	<b>147.43</b>	<b>145.36</b>	<b>(269.32)</b>	<b>(163.76)</b>	<b>508.29</b>	<b>956.49</b>

<b>3. Segment Assets</b>	<b>618.68</b>	<b>2343.45</b>	<b>7394.44</b>	<b>7353.10</b>	<b>1230.97</b>	<b>647.21</b>	<b>9244.09</b>	<b>10343.76</b>
<b>4. Segment Liabilities</b>	<b>304.89</b>	<b>2,076.52</b>	<b>939.69</b>	<b>1268.43</b>	<b>511.89</b>	<b>557.10</b>	<b>1756.47</b>	<b>3,902.05</b>

**Information about Geographical Segment:**

Secondary Segment Information	India		Outside India		Total	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Revenue	5,106.28	6,737.89	-	-	5,106.28	6,737.89
Non-Current Assets	7262.66	5843.12	-	-	7262.66	5843.12

**Information about major customers :**

Major customers having revenue exceeding 10% of total revenues	For the year ended on 31 March 2024		For the year ended on 31 March 2023	
	Rs. In Lakhs	%	Rs. In Lakhs	%
Rajasthan State Ganganagar Sugar Mills Ltd.	1380.96	27.04 %	885.30	13.14 %
Legacy Commodities Pvt. Ltd.	-	-	3,102.83	46.05 %
Regent Entrprises Limited	-	-	869.75	12.91 %
Euroasia Holding Private Limited	-	-	1,320.00	19.59 %
Pace Ventures Pvt. Ltd.	1480.00	28.98 %	-	-
Comtrack Tradelink LLP	925.00	18.11 %	-	-
Navya International	521.00	10.20 %	-	-

**Note 53** Previous year's figure have been regrouped/ reclassified, wherever considered necessary.

**For PAWAN SHUBHAM & CO.  
Chartered Accountants  
Firm's Registration No: 011573C**

**Sd/-  
(CA Krishna Kumar)  
PARTNER  
Membership No. 523411**

**Place: New Delhi  
Date: 28.05.2024**

**For and On behalf of the Board of Directors of  
SURAJ INDUSTRIES LTD**

**Sd/-  
Suraj Prakash Gupta  
(Managing Director)  
DIN-00243846**

**Sd/-  
Somir Bhaduri  
Chief Financial Officer  
PAN No.AAXPB1836A**

**Sd/-  
Syed Azizur Rahman  
(Non-Executive Director)  
DIN- 00242790**

**Sd/-  
Snehlata Sharma  
Company Secretary  
M.No: 62066**