

**NOTICE**

Notice is hereby given that the Forty First (41<sup>st</sup>) Annual General Meeting of the members of SURYA ROSHNI LIMITED will be held on Friday, the 5th September, 2014 at 11.00 A.M., at the Registered Office of the Company at Prakash Nagar, Sankhol, Bahadurgarh 124 507 (Haryana) to transact the following business:

**ORDINARY BUSINESS**

1. To consider and adopt the Audited Accounts of the Company and the Reports of Directors and Auditors thereon for the year ended 31st March, 2014.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Shri Raju Bista, (Director Identification No. (DIN) - 01299297 who retires by rotation and, being eligible, offers himself for re-appointment.
4. To re-appoint the Statutory Auditors and to fix their remuneration and pass the following as Ordinary Resolution:-

**“RESOLVED THAT** pursuant to the provisions of Section 139 of the Companies Act, 2013. the retiring auditors of the Company, M/s Sastry K Anandam & Company, Chartered Accountants, being eligible, offer themselves for re-appointment as Statutory Auditors of the Company be and are hereby appointed as Statutory Auditors of the Company and to hold such office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company on such remuneration as may be decided by the Board of Directors' of the Company in consultation with them.”

**SPECIAL BUSINESS**

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

**“RESOLVED THAT** the consent of the Company be and is hereby accorded in terms of Section 180(1)(a) of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 to mortgaging and/or charging by the Board of Directors of the Company of all the immovable and movable properties of the Company where so ever situated, present and future and the whole of the undertaking of the Company in favour of IDBI Bank Ltd. acting for itself and as agent of Banks / Financial Institutions to secure:

- a) Term Loan of Rs 3000 lac (Rupees Three thousand lac only) lent and advanced by Export – Import Bank of India (EXIM) to the Company.
- b) Term Loan of Rs 5000 lac (Rupees Five thousand lac only) lent and advanced by State Bank of Travancore (SBOT) to the Company.
- c) Term Loan of Rs. 2000 lac (Rupees Two thousand Lac only) lent and advanced by Punjab National Bank to the Company.

- d) The Working Capital Limits of Rs. 91862 lac, secured on Second Charge basis, lent and advanced/agreed to be lent and advanced by State Bank of India, Punjab National Bank, State Bank of Patiala IDBI Bank Ltd., State Bank of Travancore, ICICI Bank Limited and Standard Chartered Bank to the Company. The details are as under;

S. No.	Consortium Banks	(Rs. In Lac)
1	State Bank of India	41562
2	Punjab National Bank	17300
3	State Bank of Patiala	9700
4	IDBI Bank Ltd.	5500
5	State Bank of Travancore	7500
6	ICICI Bank Limited	6000
7	Standard Chartered Bank	4300
	<b>TOTAL</b>	<b>91862</b>

together with interest thereon at the respective agreed rates, interest tax, compound interest, additional interest, liquidated damages, commitment charges, premia on prepayment or on redemption, costs, charges, expenses and other monies payable by the Company to State Bank of India, Punjab National Bank, State Bank of Patiala, IDBI Bank Ltd., State Bank of Travancore, ICICI Bank Limited, Standard Chartered Bank, and Export – Import Bank of India under Loan Agreements entered into/to be entered into by the Company in respect of the aforesaid loans.

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

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

**“RESOLVED THAT** in supersession of the resolution passed under section 293(1)(d) of the Companies Act, 1956 by the members of the Company in their meeting held on 24<sup>th</sup> September, 2010, in relation to the exercise of borrowing power, consent of the Company be and is hereby accorded, under the provisions of section 180(1)(c) and Articles of the Company and all other applicable provisions, if any of the Companies Act, 2013 and subject to compliance with all applicable laws and regulations, to the



**NOTICE CONTD.**

Board of Directors of the Company (hereinafter referred to as “ the Board “ which term shall be deemed to include any Committee thereof) to borrow any sum or sums of money in any manner, from time to time, with or without security and upon such terms and conditions as they deem appropriate, notwithstanding that the aggregate of moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital of the Company and its free reserves, from time to time, that is to say, reserves not set apart for any specific purpose; Provided however that the total amount up to which monies may be borrowed by the Board (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) shall not exceed at any given point of time the sum of Rs. 2000 Crore (Rupees Two thousand Crore only).”

**“RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may deem necessary desirable or expedient to give effect to this resolution.”

7. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** in accordance with the provisions of Section 196,197,198,200, 203 and Schedule V and such other applicable provisions, if any, of the Companies Act, 2013, (the Act) including any statutory modification or any amendment or any substitution or re-enactment thereof for the time being in force, approval of the members of the Company be and is hereby accorded to the reappointment of, including remuneration, perquisites, benefits and amenities payable to Shri Raju Bista having Director Identification No. (DIN – 01299297) as the Managing Director of the Company for a period of five years commencing from 18th June, 2014 to 17th June, 2019, as set out in the Agreement executed between the Company and Shri Raju Bista, the main terms of which are set out in this notice, which agreement is hereby specifically approved with authority to the Board of Directors of the Company to alter and / or vary the terms and conditions of the said re-appointment within the limits, if any, prescribed in the Act and / or any schedules thereto.

**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year during the aforesaid period, the company will pay Shri Raju Bista remuneration, perquisites, benefits and amenities not exceeding the ceiling

laid down in section II of Part II of Schedule V of the Companies Act, 2013, as may be decided by the Board of Directors.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to enhance, enlarge, alter or vary the scope and quantum of remuneration, perquisites, benefits and amenities payable to Shri Raju Bista in the light of the further progress of the Company which revision should be in conformity with any amendments to the relevant provisions of the Act and /or the rules and regulations made there under and/or such guidelines as may be announced by the Central Government from time to time.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorised to do all such acts, deeds and things as may be considered necessary to give effect to the aforesaid resolution.”

8. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** Sh. Krishan Kumar Narula (DIN – 00098124) who was appointed as Director liable to retire by rotation on the Board of Surya Roshni Limited by the members in the Annual general Meeting w.e.f 27<sup>th</sup> September, 2013 and is continuing as independent director and meets the criteria of independence as provided under section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing agreement be and hereby proposed by the Board of Directors to appoint him as independent director not liable to retire by rotation for a period of five consecutive years w.e.f 5<sup>th</sup> September, 2014 to 4<sup>th</sup> September, 2019.”

**“RESOLVED FURTHER THAT** in accordance with the provisions of Section 149, 150, 152, 160 and Schedule IV and such other applicable provisions, if any, of the Companies Act, 2013, (the Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014 including any statutory modification or any amendment or any substitution or re-enactment thereof for the time being in force and Clause 49 of the Listing Agreement, approval of the members of the Company be and is hereby accorded to appoint Sh. Krishan Kumar Narula (DIN – 00098124) as an independent Director for a period of five years from 5<sup>th</sup> September, 2014 to 4<sup>th</sup> September, 2019.

**RESOLVED FURTHER THAT** Sh. Krishan Kumar Narula meets criteria of independence as required u/s 149(6) of the Companies Act, 2013 and further furnished to the Board a declaration of his independence for being appointed as an independent Director of the Company.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorised to do all such acts, deeds and things as may be considered

**NOTICE CONTD.**

necessary to give effect to the aforesaid resolution.”

9. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution :

**“RESOLVED THAT** Sh. Ravinder Kumar Narang (DIN – 02318041) who was appointed as Director liable to retire by rotation on the Board of Surya Roshni Limited by the members in the Annual general Meeting w.e.f 28<sup>th</sup> September, 2012 and is continuing as independent director and meets the criteria of independence as provided under section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing agreement be and hereby proposed by the Board of Directors to appoint him as independent director not liable to retire by rotation for a period of five consecutive years w.e.f 5<sup>th</sup> September, 2014 to 4<sup>th</sup> September, 2019.

**“RESOLVED THAT** in accordance with the provisions of Section 149, 150, 152, 160 and Schedule IV and such other applicable provisions, if any, of the Companies Act, 2013, (the Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014 including any statutory modification or any amendment or any substitution or re-enactment thereof for the time being in force and Clause 49 of the Listing Agreement, approval of the members of the Company be and is hereby accorded to appoint Sh. Ravinder Kumar Narang having Director Identification No. (DIN) – 02318041 as an independent Director for a period of five years from 5<sup>th</sup> September, 2014 to 4<sup>th</sup> September, 2019.

**RESOLVED FURTHER THAT** Sh. Ravinder Kumar Narang meets criteria of independence as required u/s 149(6) of the Companies Act, 2013 and further furnished to the Board a declaration of his independence for being appointed as an independent Director of the Company.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorised to do all such acts, deeds and things as may be considered necessary to give effect to the aforesaid resolution.”

10. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** Sh. Utpalkumar Anilkumar Mukhopadhyaya (DIN – 02766045) who was appointed as Director liable to retire by rotation on the Board of Surya Roshni Limited by the members in the Annual general Meeting w.e.f 27<sup>th</sup> September, 2013 and is continuing as independent director and meets the criteria of independence as provided under section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing agreement be and hereby proposed by the

Board of Directors to appoint him as independent director not liable to retire by rotation for a term of five consecutive years w. e.f 5<sup>th</sup> September, 2014 to 4<sup>th</sup> September, 2019, the date of first appointment of Sh. Utpalkumar Anilkumar Mukhopadhyaya in Surya Roshni Limited.”

**“RESOLVED FURTHER THAT** in accordance with the provisions of Section 149, 150, 152, 160 and Schedule IV and such other applicable provisions, if any, of the Companies Act, 2013, (the Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014 including any statutory modification or any amendment or any substitution or re-enactment thereof for the time being in force and Clause 49 of the Listing Agreement, approval of the members of the Company be and is hereby accorded to appoint Sh. Utpalkumar Anilkumar Mukhopadhyaya having Director Identification No. (DIN) – 02766045 as an independent Director for a period of five years from 5<sup>th</sup> September, 2014 to 4<sup>th</sup> September, 2019.

**RESOLVED FURTHER THAT** Sh. Utpalkumar Anilkumar Mukhopadhyaya meets criteria of independence as required u/s 149(6) of the Companies Act, 2013 and further furnished to the Board a declaration of his independence for being appointed as an independent Director of the Company.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorised to do all such acts, deeds and things as may be considered necessary to give effect to the aforesaid resolution.”

11. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** Sh. Tara Sankar Sudhir Bhattacharya (DIN – 00157305) who was appointed as Director liable to retire by rotation on the Board of Surya Roshni Limited by the members in the Annual general Meeting w.e.f 28<sup>th</sup> September, 2011 and is continuing as independent director and meets the criteria of independence as provided under section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing agreement be and hereby proposed by the Board of Directors to appoint him as independent director not liable to retire by rotation for a term of five consecutive years w. e.f 5<sup>th</sup> September, 2014 to 4<sup>th</sup> September, 2019, the date of first appointment of Sh. Tara Sankar Sudhir Bhattacharya in Surya Roshni Limited.”

**“RESOLVED THAT** in accordance with the provisions of Section 149, 150, 152, 160 and Schedule IV and such other applicable provisions, if any, of the Companies Act, 2013, (the Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014 including any statutory modification or any amendment or any





**NOTICE CONTD.**

substitution or re-enactment thereof for the time being in force and Clause 49 of the Listing Agreement, approval of the members of the Company be and is hereby accorded to appoint Sh. Tara Sankar Sudhir Bhattacharya having Director Identification No. (DIN) – 00157305 as an independent Director for a period of five years from 5<sup>th</sup> September, 2014 to 4<sup>th</sup> September, 2019.

**RESOLVED FURTHER THAT** Sh. Tara Sankar Sudhir Bhattacharya meets criteria of independence as required u/s 149(6) of the Companies Act, 2013 and further furnished to the Board a declaration of his independence for being appointed as an independent Director of the Company.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorised to do all such acts, deeds and things as may be considered necessary to give effect to the aforesaid resolution.”

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

**“RESOLVED THAT** in accordance with Chapter V which deals with the provisions of Section 73, 74, 75 and 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 or any such rules as the Central Government in consultation with Reserve Bank of India prescribe, and such other applicable provisions, if any, of the Companies Act, 2013, (the Act) including any statutory modification or any amendment or any substitution or re-enactment thereof for the time being in force, approval of the members of the Company be and is hereby accorded for acceptance of fresh as well as renewal of Deposits whether secured and / or unsecured from the General public and / or members of the company, for such period and within such limits as specified in the act / rules made thereunder.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to finalise all terms and conditions related to acceptance of fixed deposits and to do all such acts, deeds and matter as may be necessary or expedient for giving effect to the above resolution.”

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

**“RESOLVED THAT** pursuant to the provisions of section 186 and all other applicable provisions, if any, of the Companies Act, 2013 and that of the listing agreement with the stock exchange(s) including any statutory modification(s) or re-enactment(s) thereof and subject to such approvals, consents, sanctions and permissions

as may be necessary, and subject to such condition(s) and modification(s) as may be prescribed and imposed while granting such approval(s), permission(s) and sanction(s), consent of the Company be accorded to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any committee which the Board may constitute for this purpose) of the Company to continue to give any guarantee(s), and / or to provide any security (ies) in connection with loan(s) made by Surya Global Steel Tubes Limited as specified in the Explanatory Statement annexed hereto up to the limit of Rs.135 crores ( Rupees One Hundred thirty Five crores) as specified in the Postal Ballot Notice dated 10<sup>th</sup> April, 2009 and was approved by the shareholders through Postal Ballot in its general meeting held on 5<sup>th</sup> June, 2009.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorised to do all such acts, deeds and things as may be considered necessary to give effect to the aforesaid resolution.”

14. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 148 and such other applicable provisions, if any, of the Companies Act, 2013, (the Act) and the Companies (Audit and Auditors) Rules, 2014, including any statutory modification or any amendment or any substitution or re-enactment thereof for the time being in force, the Cost Auditor M/s R J Goel & Co. (a Cost Audit firm) appointed by the Board of directors of the Company to conduct the audit of the cost records of the company for the financial year ending 31<sup>st</sup> March, 2015 be paid the remuneration of Rs. 2,75,000 (Rupees Two lakh Seventy five thousand only)”

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

15. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** in accordance with the provisions of Section 149, 150, 152, 160 and Schedule IV and such other applicable provisions, if any, of the Companies Act, 2013, (the Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014 including any statutory modification or any amendment or any substitution or re-enactment thereof for the time being in force and clause 49 of the Listing Agreement, approval of the members of the



**NOTICE CONTD.**

Company be and is hereby accorded to appoint Sh. Sudhanshu Kumar Awasthi having Director Identification No. (DIN) – 02162923 as an Independent Director for a period of five years from 5th September, 2014 to 4th September, 2019.

**RESOLVED FURTHER THAT** Sh. Sudhanshu Kumar Awasthi meets criteria of independence as required u/s 149(6) of the Companies Act, 2013 and further furnished to the Board a declaration of his independence for being appointed as an independent Director of the Company.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorised to do all such acts, deeds and things as may be considered necessary to give effect to the aforesaid resolution.”

16. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** in accordance with the provisions of Section 149, 150, 152, 160 and Schedule IV and such other applicable provisions, if any, of the Companies Act, 2013, (the Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014 including any statutory modification or any amendment or any substitution or re-enactment thereof for the time being in force and clause 49 of the Listing Agreement, approval of the members of the Company be and is hereby accorded to appoint Sh. Surendra Singh Khurana having Director Identification No. (DIN) – 02126149 as an Independent Director for a period of five years from 5th September, 2014 to 4th September, 2019.

**RESOLVED FURTHER THAT** Sh. Surendra Singh Khurana meets criteria of independence as required u/s 149(6) of the Companies Act, 2013 and further furnished to the Board a declaration of his independence for being appointed as an independent Director of the Company.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorised to do all such acts, deeds and things as may be considered necessary to give effect to the aforesaid resolution.”

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

**“RESOLVED THAT** pursuant to Section 188 and other applicable provisions of the Companies Act, 2013 (Including any amendments thereto or reenactment thereof, for the time being in force) and applicable Rules framed thereunder and Clause 49 of the listing agreement with the stock exchange(s) including any statutory modification(s) or re-enactment(s) thereof and as per the provisions of Articles of Association, and

subject to compliances of all applicable laws and regulations, consent of the members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as “the Board” which shall be deemed to include any committee which the Board may constitute for this purpose) to continue contract / agreement executed between the Company and M/s Surya Global Steel Tubes Limited, main terms of which are set out in the explanatory statement in regard to purchase of goods or materials and to provide guarantee or security deposit for performance of said Contract, as per the terms and conditions of the agreement.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorised to do all such acts, deeds and things as may be considered necessary to give effect to the aforesaid resolution in the best interest of the Company.”

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

**“RESOLVED THAT** pursuant to the provisions of Section 88 & 94 and such other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 and that of the listing agreement with the stock exchange(s) and in compliance with Securities and Exchange Board of India (SEBI) circular including any statutory modification(s) or re-enactment(s) thereof and subject to compliances of all applicable laws and regulations, consent of the members of the Company be and is hereby accorded by means of Special Resolution to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any committee which the Board may constitute for this purpose) to keep Register of Members with Company Registrar Mas Services Limited, T- 34, 2nd floor, Okhla Industrial Area, Phase – II, New Delhi -110020.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorised to do all such acts, deeds and things as may be considered necessary to give effect to the aforesaid resolution.”

**By order of the Board**

**Registered Office:**

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

**B. B. SINGAL**

**Dated : 30th May, 2014**

**V.P & COMPANY SECRETARY**



**NOTICE CONTD.**

**NOTES**

**1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS ANNUAL GENERAL MEETING MAY APPOINT A PROXY TO ATTEND AND VOTE ON A POLL ON HIS BEHALF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

Proxies, in order to be effective, must be received at 2<sup>nd</sup> floor, Padma Tower-I, 5 Rajendra Place, New Delhi – 110 008 or at Registered Office, not less than forty-eight hours before the commencement of this Annual General Meeting i.e. before **11.00 a.m. on 3rd September, 2014.**

**2. In terms of the provisions of Section 108 of the Companies Act, 2013 (the Act) read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (the Rules), the Items of Business given in the AGM Notice dated 30<sup>th</sup> May, 2014 may be transacted through e-voting facility to the members as on 11<sup>th</sup> July, 2014 (being the Record Date fixed for the purpose to exercise their rights to vote at the 41<sup>st</sup> Annual General Meeting (AGM) by electronic means through e-voting platform provided by Central Depository Services (India) Limited. The process of e-voting shall be as follows :**

**(A) In case of members receiving e-mail:**

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "COMPANY NAME- SURYA ROSHNI LIMITED" from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID as given overleaf in the box.
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) 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 voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>- Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>- In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> <li>- Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for Surya Roshni Limited to vote.
- (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.





**NOTICE CONTD.**

- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed 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) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates. They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on. The list of accounts 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. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

**(B) In case of members receiving the physical copy:**

Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote

**General Instructions:**

- i) The voting period begins on Wednesday, 27th August, 2014 at 10.00 a.m and ends on Friday, 29th August, 2014 at 6.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 11th July, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- iii) The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the company as on the cut off date (record date) of 11th July, 2014.
- iv) Members can also download the notice of the meeting at [www.surya.co.in](http://www.surya.co.in) for exercising their e-voting rights.
- v) The Board of Directors has appointed SGS Associates (Company Secretaries Firm) 14, First floor, Rani Jhansi Road, New Delhi - 110015 as

Scrutinizer for conducting the e-voting and Postal Ballot process. The Pre-paid postage self addressed envelope attached to this notice bears the address to which duly completed Postal Ballot is to be sent.

- vi) At the end of the voting period Scrutinizer will download the entire voting data using its scrutinizer login.
- vii) Members desiring to exercise vote by Physical Postal Ballot are requested to carefully read the instructions printed on the Postal Ballot Form and return the Form duly completed and signed in the attached Pre-paid postage self addressed envelope so as to reach the Scrutinizer not later than the close of working hours i.e 6.00 p.m. on 29<sup>th</sup> August, 2014.
- viii) The Scrutinizer will submit his final report as soon as possible after the last date of receipt for e-voting but not later than closing of the business hours on **3<sup>rd</sup> September, 2014**.
- ix) The Chairman of the meeting shall announce the result of e-voting at the Annual General Meeting to be held at Registered office of the company Prakash Nagar, Sankhol, Bahadurgarh (Haryana) at 11.00 A.M. on Friday the **5<sup>th</sup> September, 2014**.

However, in terms of Clause 35B of the Listing Agreement, those members, who do not have access to e-voting facility, may send their assent or dissent in writing on the Postal Ballot Form attached with this AGM Notice in the enclosed self addressed postage pre-paid envelope so as to reach the Scrutinizer at Flat No. 911, Padma Tower-1, 5 Rajendra Place, New Delhi - 110008 on or before 29<sup>th</sup> August, 2014. Any Postal Ballot Form received after this date will be treated as if the reply from the members has not been received. The Scrutinizer's decision on the validity of a Postal Ballot will be final.

**Important Note :**

**As Surya Roshni Limited, being a listed Company and having more than 1000 shareholders, is compulsorily required to provide e-voting facility to members in terms of Section 108 of the Act read with Rule 20 of the Rules and Clause 35B of the Listing Agreement, voting by show of hands will not be available to the members at the 41<sup>st</sup> Annual General Meeting in view of the further provisions of Section 107 read with Section 114 of the Act.**

- 3. Explanatory statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of item no. 5 to 18 are annexed hereto.
- 4. The Register of Members and Share Transfer books of the Company will remain closed from **12.08.2014 to 14.08.2014 (both days inclusive)**.
- 5. Members are requested to forward their change of address notifications, Bank Account details

**NOTICE CONTD.**

including 9 digit MICR number appearing on the cheque pertaining to the respective bank account to facilitate distribution of dividend through Electronic Clearing Service (ECS) to the Company / Registrar and Transfer Agent – Mas Services Ltd., T-34, 2<sup>nd</sup> floor, Okhla Industrial Area, Phase II, New Delhi – 110 020, in respect of Shares held in physical form and to their respective Depository Participants if the shares are held in electronic form.

6. Relevant documents referred to in the Notice or in the accompanying Explanatory Statement are open for inspection to the Members at the registered office of the Company during business hours on all working days upto the date of Annual General Meeting.
7. Pursuant to Section 205A of the Companies Act, 1956 (Section 125 of the Companies Act, 2013), dividend, which remains unpaid or unclaimed for a period of seven years will be transferred to the Investor Education & Protection Fund of the Central Govt.

Members who have not encashed their dividend warrant so far for the financial year ended 31st March, 2007, or any subsequent financial year(s), the details of which are available at the following link.

[http://www.surya.co.in/pdf/Surya\\_Roshni\\_IEPF\\_Report\\_as\\_on\\_27\\_9\\_2013.pdf](http://www.surya.co.in/pdf/Surya_Roshni_IEPF_Report_as_on_27_9_2013.pdf)

are requested to address their claim to the Vice President & Company Secretary, Surya Roshni Ltd., 2nd floor, Padma Tower-I, 5 Rajendra Place, New Delhi - 110 008.

8. Pursuant to Clause 5A of the Listing Agreement with the Stock Exchanges, unclaimed equity shares of 151 shareholders comprising 10944 equity shares had been transferred by credited to a demat Suspense Account title “ Surya Roshni Limited – Unclaimed Suspense Account ” with National Securities Depository Limited .

5 shareholders consisting of total 681 shares have claimed their shares during the Financial Year 2013-14 and the unclaimed balance of remaining 146 share holders in “Surya Roshni Limited – Unclaimed Suspense Account ” maintained with National Securities Depository Limited as on 31<sup>st</sup> December, 2014 is 10263 shares.

Members who have not claimed their shares to whom notices have been served in regard to unclaimed equity shares are requested to address their claim with supporting documents to Registrar & Transfer Agent - Mas Services Limited (Unit Surya Roshni Limited) T- 34, 2<sup>nd</sup> floor, Okhla Industrial Area, Phase II, New Delhi – 110 020 or to the Company at 2nd floor, Padma Tower-I, 5 Rajendra Place, New Delhi - 110 008.

9. In compliance to Section 20 of the Companies Act, 2013 (Corresponding Section 53 of the

Companies Act, 1956) & Listing Agreement Clauses, Ministry of Corporate Affairs permits service of documents by electronic mode to members / shareholders. Members wish to avail this service register their e-mail address with the Company by sending a consent letter to VP & Company Secretary, Padma Tower – 1, 2<sup>nd</sup> floor, 5 Rajendra Place, New Delhi – 110008 / Registrar and Transfer Agent – Mas Services Limited, T-34, 2<sup>nd</sup> floor, Okhla Industrial Area, Phase – II, New Delhi - 110020.

#### **10. Information provided as per Clause 49 IV(G)(i) of the Listing Agreement.**

The following are the details of the directors seeking reappointment or recommended to be appointed as a Director:

Shri Raju Bista, aged about 28 years, Managing director of the Company having DIN - 01299297. He holds the directorship in Surya Global Steel Tubes Ltd., Surya Vijaynagar Steel & Power Limited, Surya Vijaynagar Cement Limited and Clitoria Vanijya Private Limited. He is a Graduate in Arts from Manipur. Through his managerial and planning skills Company achieved excellent growth both top line and bottom line. His commitment to insert Right Man on the Right Job bring fruitful results to the organization. His sincerity, dedication, visionary power and untiring efforts are the most valuable factors in the growth of the Company. Further he is not holding any shares of the Company.

Shri. K.K. Narula, aged about 75 years, has been the director of the Company ( Director Identification No. (DIN) - 00098124 ) since, March, 2000. He is the Chairman of the Company's Audit Committee and member of the Committee of Directors, Remuneration and Shareholders / Investors' Grievance Committees. He hold directorship and membership of Audit Committee of Surya Global Steel Tubes Ltd. Shri Narula is a M.Com. from the University of Delhi and also a Certified Associate of Indian Institute of Bankers (CAIIB). He has a vast experience of over 50 years in the field of Banking and Finance . He retired as Chief General Manager from SBI Chandigarh (LHO) and is currently working as Banking and Management Consultant. Further he is not holding any shares of the Company.

Shri Ravinder Kumar Narang, aged about 75 years, has been a director of the Company (Director Identification No. (DIN) - 02318041 ) since June, 2009. He is also a member in Remuneration Committee of the company. He holds directorship in Surya Global Steel Tubes Limited He has done B.E (Mech) from University of Roorkee in the year 1961 and stood 2<sup>nd</sup> in the University. At present he is a Distinguished Fellow of The Energy and Resources (TERI) working in the area of



**NOTICE CONTD.**

Sustainable Development Outreach, Corporate Social Responsibility & Environment. Post Retirement he was full time director in Reliance Petroleum Limited followed by Advisor after the merger of Reliance Petroleum with Reliance Industries Ltd. He acted as an advisor of established groups for feasibility study and project development in the area of Coal Bed Methane, Refinery, Liquefied Natural Gas (LNG) terminal, development of marketing network. He was also the Chairman of Indian Oil Corporation Limited, Indo-Mobil Limited, Indian Oil Tanking and many other established corporates during his service tenure. He has a vast experience of over 51 years in the field of Operations, Project Development, Marketing Network and other functional areas. Further he is not holding any shares of the Company.

Shri Utpalkumar Anilkumar Mukhopadhyaya, aged about 70 years, has been a director of the Company (Director Identification No. (DIN) - 02766045) since 2011 and holds directorship in Borosil Glassworks Limited, Fintrue Technologies Private Limited, WPL Limited and Sun Risk Management and Insurance Broking Services Private Limited. Sh. U K Mukhopadhyaya was an M.D & CEO of Tata Housing development Company from April'05 to March'08. He is an Ex- IAS Officer with more than 35 years of experience in the Maharashtra Government, the Central Government and World Bank. He has formulated public policies in the departments of Transport, energy, Environment Tourism and Home. Sh U K Mukhopadhyaya had done Ph.D.(Economics) from University of Mumbai and M.Sc. (Geology) from University of Calcutta. He also attended the Post Graduate course in Development Economics at the University of Swansea, United Kingdom. Further he is not holding any shares of the Company.

Shri T S Bhattacharya, aged about 66 years, has been a director of the Company (Director Identification No. (DIN) - 00157305) since 2011. He holds directorship in Jindal Stainless Limited, IDFC Securities Limited, Amartex Industries Limited, Speciality Restaurants Limited, IDFC AMC Trustee Company Limited, IND Swift Laboratories Limited, Nandan Denim Limited and ESS DEE Aluminium Limited. Sh. T S Bhattacharya retired as a Managing Director from State Bank of India carried with him a vast experience of 41 years. He also worked with Saha Institute of Nuclear Physics, an affiliate of Tata Institute of Fundamental Research. Sh T S Bhattacharya is a Master of Science in Nuclear Physics and holds Post Graduate Diploma in Management Science from Jamnalal Bajaj Institute of Management, Mumbai. Further he is also holding Associateship of Indian Institute of Bankers. Further he is not holding

any shares of the Company.

Shri Sudhanshu Kumar Awasthi (Director Identification No. (DIN) - 02162923) aged about 69 years, has been appointed as an additional director of the Company on 30<sup>th</sup> May, 2014. He holds directorship in PNC Infratech Limited and Canara Robeco Asset Management Company Limited. Sh. S K Awasthi carried with him a vast experience of 49 years. Besides occupied key positions during his career, he was the General Manager of Punjab National Bank and also a Managing Director in PNB Capital services Limited. As a Senior most General Manager of PNB Core Management team he headed functions such as Human Resources, Information Technology, Credit, Treasury, Internal Audit, Priority Sector, Management Advisory Services. During his experience with the bank, he was closely involved with initiatives like Restructuring, Technology up-gradation, Public offering, Management of Debt insurance besides managing the business and growth issues on regular basis. Sh S K Awasthi was also a member of working groups set up by Indian Banks' Association, Reserve Bank of India including working groups on Cheque Transaction and e-Cheques constituted by Reserve Bank of India. His keen interest in people took him to many schools and institutions as a guest lecturer on variety of issues related to academic and current affairs. Sh. S K Awasthi has done P.G Diploma in Bank Management from National Pune Institute of Bank Management (NIBM). He is certified Associate of Indian Institute of Bankers Mumbai and has also done Post Graduation in Business Administration from Lucknow. Further he is not holding any shares of the Company.

Shri Surendra Singh Khurana (Director Identification No. (DIN) - 02126149) aged about 64 years, has been appointed as an additional director of the Company on 30<sup>th</sup> May, 2014. He holds directorship in National Aluminium Company Limited (a Navratna PSU under the Ministry of Mines) and Food Corporation of India. Sh. S. S. Khurana carried with him a blend of 38 years of strong Administrative, Corporate, Managerial and Technical experience in Indian Railways. Sh. Khurana served key positions of Indian Railway such as Chairman, Railway Board and Ex-officio Principal Secretary to the Government of India, Member staff, Chairman of IRCON International Limited, Chairman of Dedicated Freight Corporation of India Ltd. (DFCCIL), General Manager of Eastern Railway and East Coast Railway and many more during his worked experience. Sh. Khurana has done Bachelor of Engineering (Mech.) from Roorkee, Advance leadership Programme from Stern Business School, New York, U.S.A, Management



**NOTICE CONTD.**

Development programme from IIM- Ahmedabad and many more academic qualifications. He is a Fellow member of the Institute of Engineers, Life member of Institute of Rail Transport, Life Member of AIMA, Senior Member of IEEE/USA, Life member of the Institute of Railway Electrical Engineers (IREE) and member of Indian National Academy of Engineers (INAE). Sh. Surendra Singh Khurana was also awarded with Life Time Achievement Awards from Institution of Engineers, Distinguished Alumnus Award 2009 from IIT Roorkee and Eminent Engineers Award from IET/UK. Further he is not holding any shares of the Company.

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

**ITEM NO. 5**

The Company has been sanctioned the Term Loan from Export-Import Bank of India, State Bank of Travancore, Punjab National Bank and working capital limits from consortium Banks i.e. State Bank of India, Punjab National Bank, State Bank of Patiala, IDBI Bank Ltd., State Bank of Travancore, ICICI Bank Limited and Standard Chartered Bank for its Steel and Lighting Divisions. The details are as under:

- Term Loan of Rs. 3000 lac (Rupees Three thousand lac only) lent and advanced by Export – Import Bank of India (EXIM) to the Company.
- Term Loan of Rs. 5000 lac (Rupees Five thousand lac only) lent and advanced by State Bank of Travancore (SBOT) to the Company.
- Term Loan of Rs. 2000 lac (Rupees Two thousand lac only) lent and advanced by Punjab National Bank to the Company.
- The Working Capital Limits of Rs. 91862 lac, secured on Second Charge basis, lent and advanced/agreed to be lent and advanced by State Bank of India, Punjab National Bank, State Bank of Patiala, IDBI Bank Ltd., State Bank of Travancore, ICICI Bank Limited and Standard Chartered Bank to the Company. The details are as under;

S. No.	Consortium Banks	(Rs. In Lac)
1	State Bank of India	41562
2	Punjab National Bank	17300
3	State Bank of Patiala	9700
4	IDBI Bank Ltd.	5500
5	State Bank of Travancore	7500
6	ICICI Bank Limited	6000
7	Standard Chartered Bank	4300
	<b>TOTAL</b>	<b>91862</b>

the financial assistance together with interest thereon at the respective agreed rates, interest tax,

compound interest, additional interest, liquidated damages, commitment charges, premia on prepayment or on redemption, costs, charges, expenses and other monies payable by the Company to State Bank of India, Punjab National Bank, State Bank of Patiala, IDBI Bank Ltd., State Bank of Travancore, ICICI Bank Limited, Standard Chartered Bank and Export – Import Bank of India under Loan Agreements entered into/to be entered into by the Company in respect of the aforesaid loans have to be secured by a joint mortgage of all the immovable and movable properties of the Company, present and future.

Section 180(1)(a) of the Companies Act, 2013 (Corresponding Section 293(1)(a) of Companies Act, 1956) provides inter alia that the Board of Directors of a Public Company shall not, without the consent of shareholders of such Public Company in General Meeting, sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company, or where the Company owns more than one undertaking, of the whole or substantially the whole of any such undertaking. Since the mortgage by the Company of its immovable and movable properties as aforesaid in favour of the Lenders may be regarded as disposal of the Company's properties/undertakings, it is necessary for the members to pass a special resolution under Section 180(1)(a) of the Companies Act, 2013 (Corresponding Section 293(1)(a) of Companies Act, 1956), before creation of the said mortgage/charge.

Copy of the Loan Agreement(s) executed between the Company and Lenders and copies of the relevant documents / correspondence between the said Lenders and the Company are open for inspection at the Registered Office of the Company during business hours on any working day prior to the date of meeting.

None of the Directors except Sh. Dev Dutt Das (in the capacity as an IDBI Nominee Director), Key Managerial Personnel or relatives of Directors or Key Managerial personnel have any interest financial or otherwise in the said resolution.

**ITEM NO. 6**

The members of the Company vide the Ordinary Resolution passed at the Thirty seventh Annual General Meeting of the Company held on 24<sup>th</sup> September, 2010 have accorded their consent to the Board for borrowing up to the extent of Rs. 2000 Crore (Rupees Two thousand Crore).

However, in the recent past Companies Act, 2013 has been enforced. Various new sections and provisions are applicable on the company in lieu of old sections under Companies Act, 1956. Section 180(1)(c) of the Companies Act, 2013 is one such section which is enforced on 12<sup>th</sup> September, 2013 which deals with the provisions of borrowing



**NOTICE CONTD.**

powers of the company (corresponding section 293(1)(d) of the Companies Act, 1956). Under the provisions of Companies Act, 2013, Company shall have to comply the provisions of section 180(1)(c) within one year of its enforceability i.e. on or before 12<sup>th</sup> September, 2014.

As per the provisions of Section 180(1)(c) of the Companies Act, 2013 (Corresponding section 293(1)(d) of the Companies Act, 1956), the Board of Directors cannot, except, with the consent of the company in general meeting, borrow monies, apart from temporary loans obtained from the company's bankers in the ordinary course of business, in excess of the aggregate of its paid-up Share Capital and Free Reserves.

Resolution passed on 24<sup>th</sup> September, 2010 by the members at the Thirty seventh Annual General Meeting under previous section 293(1)(d) of the Companies Act has enforceability till 11<sup>th</sup> September, 2014 and thus, with a view to meet the provisions of Section 180(1)(c) of the Companies Act, 2013, and to meet financial requirements, it is proposed to maintain the borrowing limit to Rs. 2000 Crore (Rupees Two thousand Crore only) as previously approved by members.

With a view to have flexibility, such funds as above would be used for expansion, acquisition, modernization, normal capital expenditure, general corporate purposes and working capital requirements and such other purpose permitted under respective regulations, during the course of the business of the Company.

The Board of Directors recommends the resolution set out in item No. 6 for the approval of the shareholders as **Special Resolution**

Copy of the resolution(s) as previously approved and relevant documents (if any) are open for inspection at the Registered Office of the Company during business hours on any working day prior to the date of the meeting.

None of the Directors, Key Managerial Personnel or relatives of Directors or Key Managerial personnel have any interest financial or otherwise in the said resolution.

**ITEM NO. 7**

The Shareholders of the Company at the Annual General Meeting held on 27-09-2013 had approved the appointment of Shri Raju Bista as Managing Director of the Company w.e.f 29<sup>th</sup> October, 2012 to 17<sup>th</sup> June, 2014.

The Shareholders are aware that since Shri Raju Bista assumed the office of Managing Director of the Company, the Company has made all-round progress. The Company rather owes its present stature and position to his guidance and foresight. His unshakable determination along with a vast experience has helped the Company scale new

heights year after the other. Under the management control and guidance Shri Raju Bista, Managing Director, the Company has consistently maintained growth in sales and profitability.

The Board of Directors of the Company, in their meeting held on 30<sup>th</sup> May, 2014 approved the re-appointment of Shri Raju Bista, as Managing Director for a period of five years w.e.f. 18<sup>th</sup> June, 2014 to 17<sup>th</sup> June, 2019 on the following remuneration and terms and conditions, as set out in the Agreement executed on 30<sup>th</sup> May, 2014 between the Company and Shri Raju Bista, subject to the approval of the Members, and other concerned authority, if necessary at the following terms :

**SALARY** : Basic Salary of Rs. 2,75,000 per month.

**PERQUISITES** : Perquisites will be allowed in addition to salary. For this purpose unless the context otherwise requires, perquisites are classified into three categories : Parts A, B & C.

**PART-A**

**HOUSING :**

- I. The expenditure by the Company on hiring unfurnished Accommodation for the Managing Director shall be subject to the following ceilings:  
50% of the Salary, over and above 10% payable by the Managing Director himself.
- II. In case the accommodation provided to the Managing Director is owned by the Company, the Company shall deduct 10% of the salary of the Managing Director.
- III. In case no accommodation is provided by the Company to the Managing Director, House Rent Allowance shall be paid by the Company to him subject to the ceiling laid down in Housing I, herein above.

**PART-B**

The following perquisites shall not be included in the computation of the ceiling on remuneration specified in paragraph I of Section IV of Part II of Schedule V of the Companies Act, 2013 :

1. Contribution to provident fund to the extent this is not taxable under the Income Tax Act.
2. Gratuity payable shall not exceed a half month's salary for each completed year of service.
3. Encashment of leave at the end of the tenure.

**PART-C**

The Company shall provide a car with driver and telephone facility at the residence of the Managing Director. Provision of car with driver for use of Company's business and telephone facility at the residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company on the Managing



**NOTICE CONTD.**

Director.

The aforesaid remuneration shall be subject to the limit of 5% of the net profits as laid down under sub-section (1) of section 197 of the Companies Act, 2013.

If the Company has no profits or the profits are inadequate in any financial year during the terms of his office as the Managing Director, Sh. Raju Bista will be entitled to receive the above remuneration and perquisites as minimum remuneration, provided that the total remuneration, of salary, perquisites and any other allowances shall not exceed the ceiling as provided in section II of the Part II of Schedule V of the Companies Act, 2013 or such other amount and perquisites as/is may be provided in the said schedule V as may be amended from time to time or any equivalent statutory re-enactment(s) thereof.

Copy of the Agreement dated 30<sup>th</sup> May, 2014 executed between the Company and Shri Raju Bista along with other relevant documents related to his appointment as Managing Director are open for inspection at the Registered office of the Company during business hours on any working day prior to the date of meeting.

None of the Directors except Sh. Raju Bista (whose interest is only to the extent of appointment as Managing Director), Key Managerial Personnel or relatives of Directors or Key Managerial personnel have any interest financial or otherwise in the said resolution.

**ITEM NO. 8**

Sh. Krishan Kumar Narula (DIN – 00098124) was appointed as Director liable to retire by rotation on the Board of Surya Roshni Limited by the members at the Annual General Meeting w.e.f 27<sup>th</sup> September, 2013 and is continuing as independent director. Sh. Narula has held the position as such for more than 5 (five) years.

In view of enforcement of Companies Act, 2013 in place of old Companies Act, 1956 various new provisions have been introduced in regard to the appointment of Independent Directors on the Company.

Pursuant to Section 149, 150, 152 160 and Schedule IV (Code for Independent Directors) of the Companies Act, 2013, and the Articles of Association of the Company and all other relevant provisions and that of listing agreement, Board of Directors of the Company proposed the name of Shri Krishan Kumar Narula for appointment as an Independent Director of the Company for a consecutive period of five years from 5<sup>th</sup> September, 2014 to 4<sup>th</sup> September, 2019 not liable to retire by rotation.

Section 149 of the Act inter alia stipulates the criteria of independence, should a company

propose to appoint an independent director on its Board. As per the said Section 149, an independent director can hold office for a term up to 5 (five) consecutive years on the board of a company and he shall not be included in the total number of directors for retirement of rotation.

Shri K K Narula aged about 75 years has a vast experience of over 50 years in the field of Banking and Finance. Shri Narula is an M.Com. from the University of Delhi and also a Certified Associate of Indian Institute of Bankers (CAIIB). He retired as Chief General Manager from SBI Chandigarh (LHO) and is currently working as Banking and Management Consultant.

On the basis of his long experience and positions held at various levels, the Board of Directors is of the opinion that he possesses appropriate balance of skills, experience and knowledge for being appointed as an independent director on the Board of the Company and enable the Board to discharge its function and duties effectively.

Further, Shri. K.K. Narula, ( Director Identification No. (DIN) - 00098124 ), has been the director of the Company since, March, 2000. He is also the Chairman of the Company's Audit Committee and member of the Committee of Directors, Remuneration and Shareholders / Investors' Grievance Committees. He hold directorship and membership of Audit Committee of Surya Global Steel Tubes Ltd. Further he is not holding any shares of the Company.

It may be noted that Shri Krishan Kumar Narula is not disqualified from being appointed as Director in terms of Section 164 and has given a declaration that he meets the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013 to act as an Independent Director of the Company.

Further in the opinion of the Board Sh. Krishan Kumar Narula proposed to be appointed fulfils the conditions specified in the Act and the rules made there under and that the proposed director is independent of the management.

The Board of Directors recommends the resolution set out in item No. 8 for the approval of the shareholders as an Ordinary Resolution.

Copy of the consent letter, Schedule IV Part IV of the Code for Independence Directors and other relevant documents are open for inspection at the Registered Office of the Company during business hours on any working day prior to the date of the meeting.

None of the Directors except Sh. Krishan Kumar Narula (whose interest is only to the extent of appointment as an Independent Director), Key Managerial Personnel or relatives of Directors or Key Managerial personnel have any interest financial or otherwise in the said resolution.

**NOTICE CONTD.****ITEM NO. 9**

Sh. Ravinder Kumar Narang (DIN – 02318041) was appointed as Director liable to retire by rotation on the Board of Surya Roshni Limited by the members in the Annual General Meeting w.e.f 28<sup>th</sup> September, 2012 and is continuing as independent director. Sh. Narang has held the position as such for more than 5 (five) years.

In view of enforcement of Companies Act, 2013 in place of old Companies Act, 1956 various new provisions have been introduced in regard to the appointment of Independent Directors on the Company.

Pursuant to Section 149, 150, 152 160 and Schedule IV (Code for Independent Directors) of the Companies Act, 2013, and the Articles of Association of the Company and all other relevant provisions and that of listing agreement, Board of Directors proposed the name of Shri Ravinder Kumar Narang for appointment as an Independent Director of the Company for a consecutive period of five years from 5<sup>th</sup> September, 2014 to 4<sup>th</sup> September, 2019 not liable to retire by rotation.

Section 149 of the Act inter alia stipulates the criteria of independence, should a company propose to appoint an independent director on its Board. As per the said Section 149, an independent director can hold office for a term up to 5 (five) consecutive years on the board of a company and he shall not be included in the total number of directors for retirement of rotation.

Shri Ravinder Kumar Narang, aged about 75 years, has a vast experience of over 51 years in the field of Operations, Project Development, Marketing Network and other functional areas. Shri Narang has done B.E (Mech) from University of Roorkee in the year 1961 and stood 2<sup>nd</sup> in the University. At present he is a Distinguished Fellow of The Energy and Resources (TERI) working in the area of Sustainable Development Outreach, Corporate Social Responsibility & Environment. Post Retirement he was full time director in Reliance Petroleum Limited followed by Advisor after the merger of Reliance Petroleum with Reliance Industries Ltd. He acted as an advisor of established groups for feasibility study and project development in the area of Coal Bed Methane, Refinery, Liquefied Natural Gas (LNG) terminal, development of marketing network. He was also the Chairman of Indian Oil Corporation Limited, Indo-Mobil Limited, Indian Oil Tanking and many other established corporates during his service tenure.

On the basis of his long experience and positions held at various levels, the Board of Directors is of the opinion that he possesses appropriate balance of skills, experience and knowledge for being appointed as an independent director on the Board of the Company and enable the Board to discharge its function and duties effectively.

Shri Ravinder Kumar Narang, (Director Identification No. (DIN) - 02318041) has been a director of the Company since June, 2009. He is also a member in Remuneration Committee of the company. He holds directorship in Surya Global Steel Tubes Limited. Further he is not holding any shares of the Company.

It may be noted that Shri Ravinder Kumar Narang is not disqualified from being appointed as Director in terms of Section 164 and has given a declaration that he meets the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013 to act as an Independent Director of the Company.

Further in the opinion of the Board Sh. Ravinder Kumar Narang proposed to be appointed fulfils the conditions specified in the Act and the rules made there under and that the proposed director is independent of the management.

The Board of Directors recommends the resolution set out in item No. 9 for the approval of the shareholders as an Ordinary Resolution.

Copy of the consent letter, Schedule IV Part IV of the Code for Independence Directors and other relevant documents are open for inspection at the Registered Office of the Company during business hours on any working day prior to the date of the meeting.

None of the Directors except Sh. Ravinder Kumar Narang (whose interest is only to the extent of appointment as an Independent Director), Key Managerial Personnel or relatives of Directors or Key Managerial personnel have any interest financial or otherwise in the said resolution.

**ITEM NO. 10**

Sh. Utpalkumar Anilkumar Mukhopadhyaya (DIN – 02766045) was appointed as Director liable to retire by rotation on the Board of Surya Roshni Limited by the members in the Annual General Meeting w.e.f 27<sup>th</sup> September, 2013 and is continuing as independent director

In view of enforcement of Companies Act, 2013 in place of old Companies Act, 1956 various new provisions have been introduced in regard to the appointment of Independent Directors on the Company.

Pursuant to Section 149, 150, 152 160 and Schedule IV (Code for Independent Directors) of the Companies Act, 2013, and the Articles of Association of the Company and all other relevant provisions and that of listing agreement, Board of Directors proposed the name of Shri Utpalkumar Anilkumar Mukhopadhyaya, for appointment as an Independent Director of the Company for a consecutive period of five years from 5<sup>th</sup> September, 2014 to 4<sup>th</sup> September, 2019 for its first term not liable to retire by rotation.

Section 149 of the Act inter alia stipulates the

**NOTICE CONTD.**

criteria of independence, should a company propose to appoint an independent director on its Board. As per the said Section 149, an independent director can hold office for a term up to 5 (five) consecutive years on the board of a company and he shall not be included in the total number of directors for retirement of rotation.

Shri Utpalkumar Anilkumar Mukhopadhyaya, aged about 70 years, is an Ex- IAS Officer with more than 35 years of experience in the Maharashtra Government, the Central Government and World Bank. He has formulated public policies in the departments of Transport, energy, Environment Tourism and Home. Sh U K Mukhopadhyaya had done Ph.D.(Economics) from University of Mumbai and M.Sc. (Geology) from University of Calcutta. He also attended the Post Graduate course in Development Economics at the University of Swansea, United Kingdom.

On the basis of his long experience and positions held at various levels, the Board of Directors is of the opinion that Sh. Utpalkumar Anilkumar Mukhopadhyaya possess appropriate balance of skills, experience and knowledge for being appointed as an independent director on the Board of the Company and enable the Board to discharge its function and duties effectively.

Shri Utpalkumar Anilkumar Mukhopadhyaya (Director Identification No. (DIN) - 02766045) been a director of the Company since 2011 and holds directorship in Borosil Glassworks Limited, Fintrue Technologies Private Limited, WPL Limited and Sun Risk Management and Insurance Broking Services Private Limited.

Sh. U K Mukhopadhyaya was an M.D & CEO of Tata Housing development Company from April'05 to March'08. Further he is not holding any shares of the Company.

It may be noted that Shri Utpalkumar Anilkumar Mukhopadhyaya is not disqualified from being appointed as Director in terms of Section 164 and has given a declaration that he meets the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013 to act as an Independent Director of the Company.

Further in the opinion of the Board Sh. Utpalkumar Anilkumar Mukhopadhyaya proposed to be appointed fulfils the conditions specified in the Act and the rules made there under and that the proposed director is independent of the management.

The Board of Directors recommends the resolution set out in item No. 10 for the approval of the shareholders as an Ordinary Resolution.

Copy of the consent letter, Schedule IV Part IV of the Code for Independence Directors and other relevant documents are open for inspection at the Registered Office of the Company during business hours on any working day prior to the date of the

meeting.

None of the Directors except Shri Utpalkumar Anilkumar Mukhopadhyaya (whose interest is only to the extent of appointment as an Independent Director), Key Managerial Personnel or relatives of Directors or Key Managerial personnel have any interest financial or otherwise in the said resolution.

**ITEM NO. 11**

Sh. Tara Sankar Sudhir Bhattacharya (DIN – 00157305) was appointed as Director liable to retire by rotation on the Board of Surya Roshni Limited by the members in the Annual General Meeting w.e.f 28<sup>th</sup> September, 2011 and is continuing as independent director

In view of enforcement of Companies Act, 2013 in place of old Companies Act, 1956 various new provisions have been introduced in regard to the appointment of Independent Directors on the Company.

Pursuant to Section 149, 150, 152 160 and Schedule IV (Code for Independent Director) of the Companies Act, 2013, and the Articles of Association of the Company and all other relevant provisions and that of listing agreement, Board of Directors proposed the name of Sh. Tara Sankar Sudhir Bhattacharya having Director Identification No. (DIN) – 00157305 for appointment as an Independent Director of the Company for a consecutive period of five years from 5<sup>th</sup> September, 2014 to 4<sup>th</sup> September, 2019 for its first term not liable to retire by rotation.

Section 149 of the Act inter alia stipulates the criteria of independence, should a company propose to appoint an independent director on its Board. As per the said Section 149, an independent director can hold office for a term up to 5 (five) consecutive years on the board of a company and he shall not be included in the total number of directors for retirement of rotation.

Shri T S Bhattacharya, aged about 66 years, retired as a Managing Director from State Bank of India carried with him a vast experience of 41 years. He also worked with Saha Institute of Nuclear Physics, an affiliate of Tata Institute of Fundamental Research. Sh T S Bhattacharya is a Master of Science in Nuclear Physics and holds Post Graduate Diploma in Management Science from Jamnalal Bajaj Institute of Management, Mumbai. Further he is also holding Associateship of Indian Institute of bankers.

On the basis of his long experience and positions held at various levels, the Board of Directors is of the opinion that he possesses appropriate balance of skills, experience and knowledge for being appointed as an independent director on the Board of the Company and enable the Board to discharge its function and duties effectively.

Sh. Tara Sankar Sudhir Bhattacharya (Director Identification No. (DIN) - 00157305) has been a



**NOTICE CONTD.**

director of the Company since 2011 He holds directorship in Jindal Stainless Limited, IDFC Securities Limited, Amartex Industries Limited, Speciality Restaurants Limited, IDFC AMC Trustee Company Limited, IND Swift Laboratories Limited, Nandan Denim Limited and ESS DEE Aluminium Limited. Further he is not holding any shares of the Company.

It may be noted that Sh. Tara Sankar Sudhir Bhattacharya is not disqualified from being appointed as Director in terms of Section 164 and has given a declaration that he meets the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013 to act as an Independent Director of the Company.

Further in the opinion of the Board Sh. Tara Sankar Sudhir Bhattacharya proposed to be appointed fulfils the conditions specified in the Act and the rules made there under and that the proposed director is independent of the management.

The Board of Directors recommends the resolution set out in item No. 11 for the approval of the shareholders as an Ordinary Resolution.

Copy of the consent letter, Schedule IV Part IV of the Code for Independence Directors and other relevant documents are open for inspection at the Registered Office of the Company during business hours on any working day prior to the date of the meeting.

None of the Directors except Sh. Tara Sankar Sudhir Bhattacharya (whose interest is only to the extent of appointment as an Independent Director), Key Managerial Personnel or relatives of Directors or Key Managerial personnel have any interest financial or otherwise in the said resolution.

**ITEM NO. 12**

In view of enforcement of Companies Act, 2013 in place of old Companies Act, 1956 various new provisions have been introduced in regard to the acceptance of Fixed Deposits by the Company.

Pursuant to the provisions of Section 73(1) of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014, company shall not accept or renew deposits either from the member or from the public under the repealed Section 58A of the Companies Act, 1956 read with Companies (Acceptance of Deposits) Rules, 1975 w.e.f 1<sup>st</sup> April, 2014.

Only eligible companies subject to the prior consent of members through Special Resolution passed at the General meeting can accept / renew deposits from public on or after 1<sup>st</sup> April, 2014.

Eligible Company as defined under the Act or rules made thereunder means a Public Company as referred to in section 76(1) of the Companies Act, 2013, having a net worth of not less than one

hundred crore rupees or turnover of not less than five hundred crores and which has obtained the prior consent of the company in the general meeting by means of a special resolution and also filed the said resolution with the Registrar of Companies before making any invitation to the Public for acceptance of deposits.

For becoming an eligible company as defined in Section 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014, Company requires prior consent of the members of the company in the general meeting by means of a special resolution and also have to file the said resolution with the Registrar of Companies before acceptance or renewal of fixed deposits whether secured or unsecured from the public subject to terms and conditions as specified in the rules.

The Board of Directors recommends the resolution set out in item No. 12 for the approval of the shareholders as **Special Resolution**.

Copy of the provisions and rules as specified in the Act or rules made there under and other relevant documents is open for inspection at the Registered Office of the Company during business hours on any working day prior to the date of the meeting.

None of the Directors, Key Managerial Personnel or relatives of Directors or Key Managerial personnel have any interest financial or otherwise in the said resolution.

**ITEM NO. 13**

The members of the Company through Postal Ballot by Special Resolution passed on 5<sup>th</sup> June, 2009 have accorded their assent, to the Board for providing financial support by way of loan(s) and/ or guarantee(s) and/ or security(ies) to its subsidiary (Surya Global Steel Tubes Limited) to the extent of Rs. 135 Crore. in respect of financial support provided by banks to Surya Global Steel Tubes Limited.

The Board of directors of the Company in their meeting held on 12<sup>th</sup> February, 2014, approved that Guarantee and Security to the extent of Rs. 135 Crore as provided by the company to Banks in regard to Surya Global Steel Tubes Limited remain continued till the repayment of said loans by Surya Global Steel Tubes Limited in spite of non-subsidiarisation of it from Surya Roshni Limited on that date.

However, in the recent past Companies Act, 2013 has been enforced. Various new sections and provisions are applicable on the company in lieu of old sections under Companies Act, 1956. Section 186 of the Companies Act, 2013 is one such section which is enforced on 1<sup>st</sup> April, 2014 which deals with the provisions of Loans and investment by company (corresponding section 372A of the Companies Act, 1956). Under the provisions of Companies Act, 2013 / revised clause 49 of the Listing Agreement, company shall have to comply

**NOTICE CONTD.**

the provisions of section 186 within one year of its enforceability i.e. on or before 31<sup>st</sup> March, 2015.

With a view to meet the provisions of Section 186 of the Companies Act, 2013 / Clause 49 of the Listing Agreement, and to meet the requirements, it is proposed that Company will continue to provide financial support by way of providing guarantee(s) or security(ies) to Banks to the extent of Rs. 135 Crore in regard to financial support provided by banks to Surya Global Steel Tubes Limited till the repayment of said loans by Surya Global Steel Tubes Limited.

The Board of Directors recommends the resolution set out in item No. 13 for the approval of the shareholders as a **Special Resolution**.

Members are hereby informed that as per clause 49 VII of Listing Agreement, no member of the company shall vote on such special resolution if such member is a related party.

Copy of the resolution(s) as previously approved & relevant documents (if any) are open for inspection at the Registered Office of the Company during business hours on any working day prior to the date of meeting.

The Nature of concern or interest financial or otherwise pursuant to the provisions of sub-section 1 of section 102 of the Companies Act, 2013.

**ITEM NO. 14**

The Board of Directors of the Company, on the recommendation of the Audit Committee in their meeting held on 30<sup>th</sup> May, 2014 approved the, appointment of M/s R J Goel & Company (a Cost auditor firm) as Cost Auditors to conduct the Audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March, 2015 at a remuneration of Rs. 2,75,000.

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

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out in Item No. 14 of the Notice for ratification of the remuneration payable to M/s R J Goel & Company (a Cost auditor firm) for the financial year ending March 31, 2015.

The Board of Directors recommends the resolution set out in item No. 14 for the approval of the shareholders as an Ordinary Resolution.

Copy of the resolution(s) and relevant documents (if any) are open for inspection at the Registered Office of the Company during business hours on any working day prior to the date of the meeting.

None of the Directors, Key Managerial Personnel or relatives of Directors or Key Managerial personnel have any interest financial or otherwise in the said resolution.

**ITEM NO. 15**

The Board of Directors of the company appointed pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company Sh. Sudhanshu Kumar Awasthi (holding DIN-02162923) as an Additional Director of the Company with effect from 30<sup>th</sup> May 2014. In terms of the provisions of Section 161(1) of the Act, Sh. Sudhanshu Kumar Awasthi holds office only up to the date of ensuing Annual General Meeting of the Company.

Pursuant to Section 149, 150, 152 160 and Schedule IV (Code for Independent Directors) of the Companies Act, 2013, and the Articles of Association of the Company and all other relevant provisions and that of listing agreement, Board of Directors of the Company proposed the name of Shri Sudhanshu Kumar Awasthi for appointment as an Independent Director of the Company for a period of five years from 5<sup>th</sup> September, 2014 to 4<sup>th</sup> September, 2019 for its first term not liable to retire by rotation.

Section 149 of the Act inter alia stipulates the criteria of independence, should a company propose to appoint an independent director on its Board. As per the said Section 149, an independent director can hold office for a term up to 5 (five)

Category of Person(s)	Name of Person(s)	Nature of concern or Interest
I) Directors of the company	(a) Jaiprakash Agarwal	No Financial Interest; the interest is only to the extent of shareholding held by him .
	(b) - Raju Bista - Ravinder Kumar Narang - Krishan Kumar Narula - Mukesh Tripathi	No financial Interest; The interest is only to the extent of directorship in the company.
	(c) Other Directors	No Interest, financial or otherwise
ii) Every other Key Managerial personnel	- R N Maloo (ED & Group C.F.O ) - B B Singal ( V.P & Company Secretary)	No Interest, financial or otherwise
iii) Relatives of the persons mentioned in (i) and (ii) above	Relatives of the directors and Key Managerial Personnel	No Interest, financial or otherwise

**NOTICE CONTD.**

consecutive years on the board of a company and he shall not be included in the total number of directors for retirement by rotation.

Shri S K Awasthi aged about 69 years has a vast experience of over 49 years in the field of Banking and Finance. Shri Awasthi has done P.G Diploma in Bank Management from National Institute of Bank Management (NIBM). He is certified Associate of Indian Institute of Bankers Mumbai and has also done Post Graduation in Business Administration from Lucknow. He retired as General Manager from PNB and is currently working as a Banking and Management Advisor.

On the basis of his long experience and positions held at various levels, the Board of Directors is of the opinion that he possesses appropriate balance of skills, experience and knowledge for being appointed as an independent director on the Board of the Company and enable the Board to discharge its function and duties effectively.

Further, Sudhanshu Kumar Awasthi (Director Identification No. (DIN) - 02162923), has been the director of PNC Infratech Limited and Canara Robeco Asset Management Company Limited. Other relevant details regarding Sh. Sudhanshu Kumar Awasthi are provided in the Notice. Further he is not holding any shares of the Company.

Shri Sudhanshu Kumar Awasthi is not disqualified from being appointed as Director in terms of Section 164 and has given a declaration that he meets the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013 to act as an Independent Director of the Company.

Further in the opinion of the Board Sh. Sudhanshu Kumar Awasthi proposed to be appointed fulfils the conditions specified in the Act and the rules made there under and that the proposed director is independent of the management.

The Board of Directors recommends the resolution set out in item No. 15 for the approval of the shareholders as an Ordinary Resolution.

Copy of the consent letter, Schedule IV Part IV of the Code for Independence Directors and other relevant documents are open for inspection at the Registered Office of the Company during business hours on any working day prior to the date of the meeting.

None of the Directors except Sh. Sudhanshu Kumar Awasthi (whose interest is only to the extent of appointment as an Independent Director), Key Managerial Personnel or relatives of Directors or Key Managerial personnel have any interest financial or otherwise in the said resolution.

**ITEM NO. 16**

The Board of Directors of the company appointed pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of

Association of the Company Sh. Surendra Singh Khurana (holding DIN-02126149) as an Additional Director of the Company with effect from 30<sup>th</sup> May 2014. In terms of the provisions of Section 161(1) of the Act, Sh. Surendra Singh Khurana holds office only up to the date of ensuing Annual General Meeting of the Company.

Pursuant to Section 149, 150, 152 160 and Schedule IV (Code for Independent Directors) of the Companies Act, 2013, and the Articles of Association of the Company and all other relevant provisions and that of listing agreement, Board of Directors of the Company proposed the name of Shri Surendra Singh Khurana for appointment as an Independent Director of the Company for a period of five years from 5<sup>th</sup> September, 2014 to 4<sup>th</sup> September, 2019 for its first term not liable to retire by rotation.

Section 149 of the Act inter alia stipulates the criteria of independence, should a company propose to appoint an independent director on its Board. As per the said Section 149, an independent director can hold office for a term up to 5 (five) consecutive years on the board of a company and he shall not be included in the total number of directors for retirement by rotation.

Shri S S Khurana aged about 64 years has a vast experience of over 38 years in the field of Administration, and Corporate Management. Sh. Khurana has done Bachelor of Engineering (Mech.) from Roorkee, Advance leadership Programme from Stern Business School, New York, U.S.A, Management Development programme from IIM-Ahmedabad and many more academic qualifications. He is a Fellow member of the Institute of Engineers, Life member of Institute of Rail Transport, Life Member of AIMA, Senior Member of IEEE/USA, Life member of the Institute of Railway Electrical Engineers (IREE) and member of Indian National Academy of Engineers (INAE). He is the Former Chairman, Railway Board and ex-officio Principal Secretary to Government of India.

On the basis of his long experience and positions held at various levels, the Board of Directors is of the opinion that he possesses appropriate balance of skills, experience and knowledge for being appointed as an independent director on the Board of the Company and enable the Board to discharge its function and duties effectively.

Further, Surendra Singh Khurana (Director Identification No. (DIN) - 02126149), holds directorship in National Aluminium Company Limited (a Navratna PSU under the Ministry of Mines) and Food Corporation of India. Other relevant details regarding Sh. Surendra Singh Khurana are provided in the Notice. Further he is not holding any shares of the Company.

Shri Surendra Singh Khurana is not disqualified





**NOTICE CONTD.**

from being appointed as Director in terms of Section 164 and has given a declaration that he meets the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013 to act as an Independent Director of the Company.

Further in the opinion of the Board Sh. Surendra Singh Khurana proposed to be appointed fulfils the conditions specified in the Act and the rules made there under and that the proposed director is independent of the management.

The Board of Directors recommends the resolution set out in item No. 16 for the approval of the shareholders as an Ordinary Resolution.

Copy of the consent letter, Schedule IV Part IV of the Code for Independence Directors and other relevant documents are open for inspection at the Registered Office of the Company during business hours on any working day prior to the date of the meeting.

None of the Directors except Sh. Surendra Singh Khurana (whose interest is only to the extent of appointment as an Independent Director), Key Managerial Personnel or relatives of Directors or Key Managerial personnel have any interest financial or otherwise in the said resolution.

**ITEM NO. 17**

Pursuant to the provisions of Section 188 and rules made thereunder (including any modification(s) or re-enactment thereof for the time being in force) of the Companies Act, 2013 and revised clause 49 of the Listing Agreement with the Stock exchanges, that is enforceable from 1st October, 2014 on all listed Companies and to meet the requirements, it is proposed that Company Agreement dated 1st September, 2013 with M/s Surya Global Steel Tubes Limited in regard to purchase of goods or materials and provide financial support by way of providing guarantee(s) or security deposits for performance of said contract will remain continue beyond 31st March, 2015.

**Surya Global Steel Tubes Ltd. (SGSTL)** was an unlisted Subsidiary company up to 12th February, 2014 & since then an associate company of Surya Roshni Limited (SRL). SGSTL is having facilities of H-Saw pipes production also along-with ERW Pipes. It is having various products range of various specifications of domestic as well as international. SGSTL is having best economic situations for the export due to port proximity. Plant of SGSTL is located in Anjar, Gujarat.

SRL may manufacture ERW Pipes or get them manufactured from other manufacturers also. SRL get routine export orders from the various customers from various countries. SGSTL is willing to execute these orders on behalf of SRL. The terms & conditions as set out in the Agreement (which is material for the company considering the

definition given in clause 49 of the Listing Agreement) between Surya Roshni Limited (SRL) and M/s Surya Global Steel Tubes Limited (SGSTL) are as follows:

1. The "SGSTL" to the agreement is the manufacturer of ERW pipes of various sizes and having its work at Village: Bhuvad, Tal: Anjar, (Gujarat) with all necessary man, machine, material and equipment.
2. The "SGSTL" to the agreement shall undertake to produce pipes of various sizes in its plant for the "SRL" as per the requirements and terms of Purchase Order given by "SRL".
3. The "SGSTL" shall procure all the raw material such as HR Coils, Zinc, Store & Spares etc whatever required to produce the pipes as per the requirement of Purchase Order received from "SRL".
4. Delivery: Material shall be delivered as per the delivery schedule given by the "SRL" to "SGSTL".
5. Pricing Pattern :
  - a. Prices shall be determined as per the prevailing market prices based upon export orders obtained by SRL.
  - b. Pricing shall be on F.O.B. MUNDRA/KANDLA basis.
  - c. Increase / Decrease on raw material prices after receiving the PO by SGSTL, shall be borne by SGSTL only.
  - d. Pricing shall be done order to order basis.
  - e. Letter of Credit by the end customers shall be opened in the favour of SRL.
  - f. Export Incentives for the export made by SRL shall be claimed by SRL only.
  - g. Excise & VAT Rebate shall be claimed by SGSTL only.
6. Currency Exchange Rate Determination: Purchase orders shall be issued by SRL on the basis of prevailing exchange rate at the time of obtaining export orders by SRL & any exchange fluctuation at the time of actual export shall be borne by SRL.
7. Payment Terms: "SRL" shall make payment within 5 working days from the date of Bill of Lading.
8. Security Deposit: As stated in point no. 3 responsibility of arranging the Raw Material to execute the orders lies upon "SGSTL". Hence to facilitate SGSTL, SRL will arrange a loan upto Rs. 25 Crores from the outside lenders by providing performance guarantee on behalf of SGSTL or "SRL" may provide initial interest free security deposit of Rs. 10 crores which



**NOTICE CONTD.**

can be extended up to Rs. 25 Crores for the performance of above said contract for supply of goods. The above said deposit / comfort shall be refunded/rescinded on the termination of said contract.

9. Both the Parties shall ensure the compliance of Central Excise Act, 1944 and all other legal requirements.
10. The ownership of materials after delivery at MUNDRA/ KANDLA shall be vested with the "SRL".
11. Third Party Inspection by the customers may be conducted in the premises of SGSTL. SRL shall give prior intimation of the inspection to SGSTL.
12. Quantity: SRL shall purchase approx. 40000 MT Pipes having value of Rs. 200 Cr. Approx. on annually basis. Quantity tolerance of 20% + / - shall be applicable.
13. Countries to be covered: Mainly UAE, Behrin, Qatar countries shall be covered under this contract. Other countries also may be covered with mutual understanding of both the parties.
14. Claims Settlement: Any quality related complaints shall be intimated to SGSTL by SRL in writing. Sole responsibility related to quality complaints related to manufacturing defects lies with SGSTL. SGSTL shall attend & settle the complaint accordingly.
15. Modernization / Capital Expenditure: Expenses on account of modernization / expansion for new market / product development shall be borne by SGSTL.

**COMMENCEMENT, DURATION AND TERMINATION:**

1. This agreement shall commenced from the date of its execution by both the parties hereto.
2. The duration of this Agreement shall be up to 31/03/2017 and can be extended for further period by mutual agreement in writing.
3. Either Party can terminate the agreement by giving three months in writing to the other party, subject to prior intimation to Audit Committee of both companies.
4. The term & conditions of this agreement shall be reviewed on yearly basis like pricing, markets, product, payment terms etc.

Members are hereby informed that as per clause 49 VII of Listing Agreement and as per Section 188 of the Companies Act, 2013, no member of the company shall vote on this resolution if such member is a related party.

The Board of Directors recommends the resolution set out in item No. 17 for the approval of the shareholders as a Special Resolution.

Copy of the agreement & relevant documents (if any) are open for inspection at the Registered Office of the Company during business hours on any working day prior to the date of meeting.

The Nature of concern or interest financial or otherwise pursuant to the provisions of sub-section 1 of section 102 of the Companies Act, 2013.

Category of Person(s)	Name of Person(s)	Nature of concern or Interest
i) Directors of the company	(a) Jaiprakash Agarwal	No Financial Interest; the interest is only to the extent of shareholding held by him .
	(b) - Raju Bista - Ravinder Kumar Narang - Krishan Kumar Narula - Mukesh Tripathi	No financial Interest; The interest is only to the extent of directorship in the company.
	(c) Other Directors	No Interest, financial or otherwise
ii) Every other Key Managerial personnel	- R N Maloo (ED & Group C.F.O ) - B B Singal ( V.P & Company Secretary)	No Interest, financial or otherwise
iii) Relatives of the persons mentioned in (i) and (ii) above	Relatives of the directors and Key Managerial Personnel	No Interest, financial or otherwise

**ITEM NO. 18**

Pursuant to the provisions of Section 94 of the Companies Act, 2013 (the Act) read with the Companies (Management and Administration) Rules, 2014, Company has to keep its register of Members maintained under Section 88 at the registered office of the Company.

However as per the first proviso to section 94(1) of the Act, register of members may also be kept at any other place in India in which more than one-tenth of the total number of members entered in the register of members reside, if approved by a special resolution passed at a general meeting of the Company and the Registrar has been given a copy of the proposed special resolution in advance.

As the entire share process was handled by Company appointed SEBI approved Registrar Mas Services Limited from last 10 years or more and

**NOTICE CONTD.**

more than 98% of the Company equity capital was in demat form, and furthermore, more than one-tenth of the total number of members entered in the register of members of the company reside in Delhi, it is prudent to keep Register of Members with Company Registrar Mas Services Limited.

In view of the said proviso and SEBI Circulars issued in this regard, Company keep its Register of Members as required under section 88 of the Act with its Registrar Mas Services Limited (SEBI Approved Registrar), at T-34, 2nd floor, Okhla Industrial Area, Phase- II, New Delhi – 110020 (India).

The Board of Directors recommends the resolution set out in item No.18 for the approval of the shareholders as Special Resolution.

Copy of the provisions and rules as specified in the Act or rules made there under and other relevant documents is open for inspection at the Registered Office of the Company during business hours on any working day prior to the date of the meeting.

None of the Directors, Key Managerial Personnel or relatives of Directors or Key Managerial personnel have any interest financial or otherwise in the said resolution.

**By order of the Board**

**Registered Office:**

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

**B. B. SINGAL**

**Dated : 30th May, 2014**

**V.P & COMPANY SECRETARY**





# SURYA ROSHNI LIMITED

Registered Office : Prakash Nagar, Sankhol, Bahadurgarh 124507 (Haryana)

Corporate Identity Number (CIN) L31501HR1973PLC007543

E.mail : [investorgrievances@sroshni.com](mailto:investorgrievances@sroshni.com); Website : [www.surya.co.in](http://www.surya.co.in)

Telephone No. : 01276-241540, Fax No. : 01276-241886

## POSTAL BALLOT FORM (in lieu of E-Voting)

(To be returned to the Scrutinizer appointed by the Company)

Sl. No.

1. Name of the Member(s)
2. Registered Address
3. Folio No./DP ID No. & Client ID No.
4. Number of Equity Shares held
5. I / We hereby exercise my/our vote in respect of the following resolutions to be passed at the 41st (forty first) Annual General Meeting of the Company, to be held on Friday, 5th September, 2014 at Prakash Nagar, Sankhol, Bahadurgarh 124507 (Haryana) in respect of the businesses as stated in the Notice dated 30th May, 2014 by conveying my / our assent or dissent to the said resolution(s) by placing the tick (✓) mark at the box against the respective matters :

Sl. No.	Description of the business as set out in the Notice dated 30th May, 2014	No. of Shares	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
	<b>ORDINARY BUSINESS</b>			
1	Adoption of Audited Accounts of the Company and the Report of Directors' and Auditors thereon for the year ended 31st March, 2014.			
2	Declaration of Equity Dividend.			
3	Re-Appointment of Sh. Raju Bista (holding DIN 01299297) who retires by rotation.			
4	Re-Appointment of Statutory Auditor M/s Sastry K Anandam & Co. for the F.Y 2014-15.			
	<b>SPECIAL BUSINESS</b>			
5	Consent for Mortgage of Properties for Loans and Working Capital limit u/s 180(1)(a) of Companies Act, 2013.			
6	Renewal of Consent u/s 180(1)(c) to borrow money upto Rs. 2000 Crore in compliance to Companies Act, 2013.			
7	Re-Appointment of Managing Director for a period of 5 years from 18-06-2014 to 17-06-2019.			
8	Appointment of Sh. Krishan Kumar Narula (holding DIN 00098124) as an Independent Director for a period of 5 years.			
9	Appointment of Sh. Ravinder Kumar Narang (holding DIN 02318041) as an Independent Director for a period of 5 years.			
10	Appointment of Sh. Utpalkumar Anilkumar Mukhopadhyaya (holding DIN 02766045) as an Independent Director for a period of 5 years.			
11	Appointment of Sh. Tara Sankar Sudhir Bhattacharya (holding DIN 00157305) as an Independent Director for a period of 5 years.			
12	Approval for Acceptance of Fixed Deposits in Compliance of Chapter V of the Companies Act, 2013.			
13	Approval for continuing / providing Guarantee and Security to Surya Global Steel Tubes Ltd to the extent of Rs. 135 Crore in compliance to Companies Act, 2013 / Listing Agreement.			
14	Approve Remuneration of Cost Auditors M/s R J Goel & Co. for the F.Y 2014-15 in compliance to Companies Act, 2013.			
15	Appointment of Sh. Sudhanshu Kumar Awasthi (holding DIN 02162923) as an Independent Director for a period of 5 years.			
16	Appointment of Sh. Surendra Singh Khurana (holding DIN 02126149) as an Independent Director for a period of 5 years.			
17	Approval to continue of existing Contract / Agreement between the Company and M/s Surya Global Steel Tubes Limited in compliance to Companies Act, 2013 / Listing Agreement.			
18	Approval for keeping Register of Members with the Registrar Mas Services Limited.			

Place :

Date :

# E. Mail Address

(Signature of the Shareholder/Beneficial Owner)

# To be provided by the Member(s) holding equity shares in physical form.

## ELECTRONIC VOTING PARTICULARS

EVSN (E-Voting Sequence Number)	USER ID	PAN

Note : Please read the instructions given overleaf and in the Notice dated 30th May, 2014 carefully before exercise your vote

## INSTRUCTIONS

- i) A member desiring to exercise vote by Ballot may complete this Ballot Form and send it to the Scrutinizer in the attached self-addressed pre-paid postage Business Reply Envelope . Postage charges will be borne and paid by the Company. However, envelopes containing Ballot Form(s), if deposited in person or sent by courier or registered / speed post at the expense of the Member will also be accepted.
- ii) This Form should be completed and signed by the Member (as per the specimen signature registered with the Company/ Registrar / Depository Participants). In case of Joint holding, this Form should be completed and signed by the first named Member and in his / her absence by the next named Member.
- iii) In case of shares held by companies, trusts, societies etc. the duly completed Ballot Form should be accompanied by a certified true copy of Board Resolution / Authority letter duly attested by authorized signatory(ies).
- iv) Duly completed Ballot Form should reach the Scrutinizer on or before the close of working hours on Friday, August, 29, 2014. All Ballot Forms received after this date will be strictly treated as if reply from such Members has not been received.
- v) The Company will not be responsible if the envelope containing the Ballot Form is lost in transit.
- vi) There will be only one Ballot Form for every folio irrespective of the number of joint holder(s). Ballot cannot be exercised as a proxy.
- vii) Members are requested not to send any other paper along with the Ballot Form in the enclosed self-addressed pre-paid postage Business Reply Envelope, as all such envelopes will be sent to the Scrutinizer and any extraneous paper found in such envelope would be destroyed by the Scrutinizer and the Company would not be liable to acknowledge or act on the same.
- viii) A Member need not use all the votes or cast all the votes in the same way. The voting rights of the Members shall be in proportion to their shares in the total paid-up equity share capital of the Company as on Friday, July 11, 2014
- ix) Incomplete, unsigned or incorrect Ballot Forms will be rejected. The Scrutinizer's decision on the validity of a Ballot will be final and binding on the concerned Member and the Company.
- x) The Company is providing this facility as an alternate to e-voting facility provided for all its Members to cast their votes electronically instead of using the Ballot Form. The detailed procedure for e-voting has been enumerated in the Notes to the Notice dated 30th May, 2014 convening the 41st Annual General Meeting of the Members of the Company.
- xi) In the event Members casts his / her votes through both the processes i.e E-Voting and Ballot Form, the votes in the electronic system would be considered and the Ballot Form would be ignored.



## **SURYA ROSHNI LIMITED**

Regd. Office : Prakash Nagar, Sankhol, Bahadurgarh – 124507 (Haryana)  
Corporate Identity Number (CIN) – L31501HR1973PLC007543  
Email : [investorgrievances@sroshni.com](mailto:investorgrievances@sroshni.com) Website : [www.surya.co.in](http://www.surya.co.in)  
Phone : 01276-241540, Fax : 01276-241886

### **ATTENDANCE SLIP**

Member's Name.....  
(In Block Letters).....  
.....

I hereby record my presence at the Forty First Annual General Meeting of Surya Roshni Limited being held at Prakash Nagar, Sankhol, Bahadurgarh - 124507 (Haryana) on Friday the 5th September 2014.

Folio/Client ID & DP ID No.....  
No. of Shares held .....  
Name of Proxy .....  
(If attending for Member)

Signature of the Member/Proxy

.....

1. Members/Proxies are requested to bring the DULY SIGNED Attendance Slip to the Meeting and hand it over at the entrance.
2. For the convenience of Members, persons other than Members/Proxies WILL NOT BE ADMITTED.







## SURYA ROSHNI LIMITED

Regd. Office : Prakash Nagar, Sankhol, Bahadurgarh – 124507 (Haryana)  
Corporate Identity Number (CIN) – L31501HR1973PLC007543  
Email : [investorgrievances@sroshni.com](mailto:investorgrievances@sroshni.com) Website : [www.surya.co.in](http://www.surya.co.in)  
Phone : 01276-241540, Fax : 01276-241886

### PROXY FORM

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

Name of the Member(s) : .....  
Registered Address : .....  
E-mail ID : .....  
Folio No. / DPID & Client ID : .....

I / We being the Member(s) of \_\_\_\_\_ equity shares of Rs. 10/- each of Surya Roshni Limited hereby appoint :

1. Name : .....  
Address : .....  
E-mail ID : ..... Signature .....  
or failing him / her
2. Name : .....  
Address : .....  
E-mail ID : ..... Signature .....  
or failing him / her
3. Name : .....  
Address : .....  
E-mail ID : ..... Signature .....

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the forty first Annual General Meeting of the Company, to be held on Friday, 5<sup>th</sup> September, 2014 at Prakash Nagar, Sankhol, Bahadurgarh – 124507 (Haryana) and at any adjournment(s) thereof in respect of the resolutions, as indicated below :

Resolution Nos.	Description
<b>ORDINARY BUSINESS</b>	
1	Adoption of Audited Accounts of the Company and the Report of Directors' and Auditors thereon for the year ended 31st March, 2014.
2	Declaration of Equity Dividend.
3	Re-Appointment of Sh. Raju Bista (holding DIN – 01299297) who retires by rotation.
4	Re-Appointment of Statutory Auditor(s) M/s Sastry KAnandam & Co. for the F.Y 2014-15.
<b>SPECIAL BUSINESS</b>	
5	Consent for Mortgage of Properties for Loans and Working Capital limit u/s 180(1)(a) of Companies Act, 2013.
6	Renewal of Consent u/s 180(1)(c) to borrow money upto Rs. 2000 Crore in compliance to the Companies Act, 2013.
7	Re-Appointment of Managing Director for a period of 5 years from 18-06-2014 to 17-06-2019.
8	Appointment of Sh. Krishan Kumar Narula (holding DIN – 00098124) as an Independent Director for a period of 5 years.
9	Appointment of Sh. Ravinder Kumar Narang (holding DIN – 02318041) as an Independent Director for a period of 5 years.
10	Appointment of Sh. Utpalkumar Anilkumar Mukhopadhyaya (holding DIN – 02766045) as an Independent Director for a period of 5 years.
11	Appointment of Sh. Tara Sankar Sudhir Bhattacharya (holding DIN – 00157305) as an Independent Director for a period of 5 years.
12	Approval for Acceptance of Fixed Deposits in Compliance of Chapter – V of the Companies Act, 2013.
13	Approval for continuing / providing Guarantee and Security to Surya Global Steel Tubes Ltd to the extent of Rs. 135 Crore in compliance to Companies Act, 2013 / Listing Agreement.
14	Approve Remuneration of Cost Auditors M/s R J Goel & Co. for the F.Y 2014-15 in compliance to Companies Act, 2013.
15	Appointment of Sh. Sudhanshu Kumar Awasthi (holding DIN – 02162923) as an Independent Director for a period of 5 years.
16	Appointment of Sh. Surendra Singh Khurana (holding DIN – 02126149) as an Independent Director for a period of 5 years.
17	Approval to continue of existing Contract / Agreement between the Company and M/s Surya Global Steel Tubes Limited in compliance to Companies Act, 2013 / Listing Agreement.
18	Approval for keeping Register of Members with the Registrar Mas Services Limited.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2014

Signature of the Member(s) : \_\_\_\_\_

Signature of Proxy holder(s): \_\_\_\_\_

Affix Re.1/-  
Revenue  
Stamp

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





## ANNUAL REPORT 2013-14

### SURYA ROSHNI LIMITED

Regd. Office : Prakash Nagar, Sankhol, Bahadurgarh – 124507 (Haryana)  
 Corporate Identity Number (CIN) – L31501HR1973PLC007543  
 Website : [www.surya.co.in](http://www.surya.co.in)  
 Phone : 01276-241540, Fax : 01276-241886

#### BOARD OF DIRECTORS

##### Director Identification No.

J.P Agarwal	Chairman	00041119
Raju Bista	Managing Director	01299297
Ravinder Kumar Narang		02318041
Sudhanshu Kumar Awasthi		02162923
Utpal Kumar Mukhopadhyay		02766045
Tara Sankar Bhattacharya		00157305
Surendra Singh Khurana		02126149
Dev Dutt Das	IDBI Nominee	06620284
K. K. Narula		00098124
Mukesh Tripathi		01951272
Utkarsh Dwivedi	Dy. Managing Director	05142124

#### EXECUTIVE DIRECTOR & GROUP CFO

R. N. Maloo

#### V.P & COMPANY SECRETARY

B. B. Singal

#### STATUTORY AUDITORS

Sastry K. Anandam & Company  
 Chartered Accountants

#### COST AUDITORS

R. J. Goel & Co.

#### BANKERS

- |                          |                             |
|--------------------------|-----------------------------|
| 1. State Bank of India   | 4. IDBI Bank Ltd.           |
| 2. Punjab National Bank  | 5. State Bank of Travancore |
| 3. State Bank of Patiala | 6. Canara Bank              |

#### REGISTERED OFFICE AND WORKS-STEEL DIVISION

Delhi Rohtak Road  
 Bahadurgarh -124507 (Haryana)  
 email : [surya@suryasteelpipe.com](mailto:surya@suryasteelpipe.com)

#### WORKS - STEEL DIVISION (MALANPUR)

Plot No. P-1 to P-20, Ghirongi Industrial Area,  
 Malanpur, District Bhind (Madhya Pradesh)

#### WORKS - LIGHTING DIVISION

7k.m. Stone, Kashipur - Moradabad Road  
 District Udham Singh Nagar,  
 Kashipur - 244 713 (Uttarakhand)  
 email : [srlkashipur@suryaksp.com](mailto:srlkashipur@suryaksp.com)

J - 7, 8 & 9 Malanpur Industrial Area  
 Malanpur, District Bhind (Madhya Pradesh)  
 email : [srlmlpr@sancharnet.in](mailto:srlmlpr@sancharnet.in)

#### HEAD OFFICE

Padma Tower - 1, 5 Rajendra Place  
 New Delhi - 110 008  
 email : [surya@sroshni.com](mailto:surya@sroshni.com)

CONTENTS	PAGE NO.
Management Discussion & Analysis	2
Directors' Report	6
Report on Corporate Governance	14
Auditors' Report	21
Balance Sheet	24
Profit & Loss Account	25
Notes on Financial Statements	26
Cash Flow Statement	43



## **MANAGEMENT DISCUSSION AND ANALYSIS**

A journey of thousand miles, begins from a single motivation. To sustain a long journey, one needs to stay energized, motivated and absolutely focused. At Surya Roshni, we commenced our journey in 1973 as steel tube unit making. Since then, we embarked on this journey and today Surya Roshni is an Indian multinational with diverse businesses with units in different states and indeed takes pride for being the largest Indian Lighting Company & largest G.I & Hollow Section Pipes manufacturer. Surya products are so unique and special that it is popular in "EVERY CITY EVERY HOME".

Surya, not only climbed the value chain to offer world class products to our customers but also expanded its horizon by entering into the realm of fans by launch of fans under its brand name 'SURYA FANS'. Each business was built with dedication and focus and going by the numbers, we sure have been successful in delivering what we set out for.

The company's core business comprises of lighting and steel tube products. The world in which we do business is changing at a significant speed. Surya, adapts its technology, product development, manufacturing capabilities and marketing with the change needs and thus became the first lighting company in India to introduce energy-efficient lighting solutions. The next generation LED technology is the latest addition to 'SURYA' cosmic range of lighting series. SURYA competitively positioned today over its rivals and has become prominent brand in the consumer market due to the following factors –

- Largest ERW Pipe and Cold Rolled Strips Mills at Bahadurgarh, Haryana
- Largest G.I & Hollow Section Pipes Manufacturer.
- High Mast and ERW pipe Manufacturing unit at Malanpur, MP.
- Introduce Square & Section pipes in steel and thus increases its product Basket and achieved higher market share.
- Asia largest ribbon glass plant from Demaglass UK at Gwalior, MP
- Surya is the only lighting company with 100 per cent backward integration. It manufactures all its components.
- Today, Surya is the second largest seller of GLS and FTL in India.
- Surya Lamps saves upto 85% electricity & have more life.
- State-of-the-art lighting laboratory in Noida that is one of the best lighting laboratories in Asia -Surya Technology & Innovation Centre (STIC). STIC has been recognized as an R & D centre by DSIR, Ministry of Science and Technology. Listed as one of the best testing laboratories in India by BEE (Bureau of Energy Efficiency) LED lighting system.

- Surya, has an international presence in more than 54 countries
- Surya, offered a vast range of product line - up including Tube Lights, GLS, CFL Lamps, wide range of LED's, HPSV / Metal Halide Lamps, Street Lighting, High Bay Lighting, flooding lighting, landscape lighting and High Mast etc and thereby participate in the growing infrastructure sector.
- To complement its foray in luminaire segment, Surya Roshni has set up with state-of-the-art manufacturing facility for High Mast Lighting Systems and Octagonal Poles.
- Surya launch colourful range of ceiling, table, pedestral & wall mounting fans along with wide range domestic exhaust fans.

Quality has always been the driving force in every process from the raw material stage to the finished product at Surya. Our commitment to deliver world-class solutions to our clients in the shortest time lag enabled us to establish presence across two corners of India and globally, leading to improved customer relationship.

By being cost effective without compromising on quality, the company has become a leader in Steel pipes industry and the second largest lighting company in India. The company's processes are certified under ISO 9001:2008 Quality Management Systems Standard, ISO 14001:2004 Environmental Management Systems Standards and OHSAS 18001:2007 Occupational Health and Safety Management System Standard. Surya has also obtained 5 star rating for fluorescent tube lamps from Bureau of Energy Efficiency, India. Surya GLS also conforms to prestigious European safety standards - "CE" & TUV Bauart.

At Surya, we utilized the tough times to strengthen our operations and thereby setting a grander stage for a promising future. Surya is poised to capitalize on the immense opportunities unfolding in the global market giving it an edge over its peers.

## **INDUSTRY STRUCTURE, DEVELOPMENT & OUTLOOK**

### **Outlook for steel pipes**

India has become the global pipe manufacturing hub primarily due to the benefits of its lower cost, high quality and geographical advantages. The global accreditations and certifications that the Indian companies possess have made them preferred suppliers for many leading infrastructure and oil & gas companies in the world and particularly those in Middle East, North America and Europe. The global economy returned to sustained growth, secondly with the new stable government formed in India, the enormous growth opportunity is seen even the project held up due to various reasons are going to start shortly and the new infra structural development will take place in due course. Therefore the domestic pipe industry is expected to accelerate into high growth





trajectory. Our demand forecasting is derived from several upcoming pipeline projects expected in India and other countries along with the normal demand for replacement of existing pipe lines. The expanding infrastructure, oil & gas and construction sectors have been the main growth drivers for steel industry that includes steel pipes.

Surya, understands in-depth the needs of its customers which guide it in adapting its technology to suit their new requirements and thus is the largest GI Pipe Manufacturer in India producing ½" – 104" Dia- Pipe for agriculture, household and Oil & Gas Sector. It produces API Pipes for India and for Exports & it also produces section pipe of MS Steel which is majorly used in infrastructure & construction sector. The section pipe started replacing beams, angles & channel also. Therefore the growth rate of section pipes will be very high in coming period. So as Surya will also be benefited with the high growth of the product in the market.

Currently, the pipe division produces nearly 8 lakh MT per annum in both galvanized and black varieties, in sizes ranging from ½" mm to 104" mm dia and in various specifications. The large diameter pipes of 100mm and above are made in grades like API 5L grades A & B as well as 5LX42, X46, X52, X56, X60, X65 and X70 (American Petroleum Institute).

The transportation and distribution of gas widely used for domestic and commercial purposes have undergone a sea change with the gas and oil being conveyed through steel pipe lines over long distances. The surging demand based on several ongoing natural gas pipeline projects in India will surely boost the demand for steel pipes.

City gas distribution network is the another promising area of growth under the oil & gas sector. The Government is planning to develop 100 cities of the country with all such amenities & infrastructure including city gas distribution will also give a big boost of demand of API pipes.

The increased emphasis and thrust given by the Government on infrastructure and housing sectors and in particular improving water management and urban amenities, steel pipes have emerged as the most reliable, cost efficient and durable option which will again benefit the pipe industry. Mention must be made of the several initiatives taken by the Indian government to make available basic water supply and sanitation over large parts of the country. Along with the focus on oil and gas sector, these initiatives serve as a big boost to the pipe industry as a whole.

### **Outlook for lighting industry**

Lighting is always a prime necessity in the modern world. It is an important component in the industrial growth of a country and vital at the domestic front for a good living. With the increase in residential houses, the demand for lighting and consequently the lighting industries are growing at tremendous pace. With a general

improvement in the power condition both in urban and rural areas and anticipated increase in spending on infrastructure development both in public and private sectors in the coming years, the demand of regular lighting products is expected to increase by leaps and bounds.

Surya Roshni brings brightness to many homes every evening in over 54 countries across the globe. Surya Roshni is one among the large producers in the field of light source and its components in India and has played the role of a technology leader by establishing new benchmarks for the industry. As a leader in the area of lighting equipments, Surya Roshni has been providing innovative and safe lighting equipments to its customers and became the first lighting company in India to introduce energy-efficient lighting solutions.

Surya, brings one revolution in the fan market by launch of fans under its brand name "SURYA". Company launched colourful range of Ceiling, Table, Pedestal, Wall mounted fans along with the wide range of domestic exhaust fans. Best material and technology is used to serve as the world's best fan in India and abroad.

Surya Roshni create landmark in Lighting Industry by adding in its product portfolio LED Bulb for 5W & 7W replacing 40w & 60w incandescent lamp. LED Bulb of Surya Roshni Limited has long life (up to 25,000 hours), wide range of operating voltage (110v – 300v), free of mercury and substantial energy savings. LED Luminaire series consist of a wider basket of luminaires catering to different applications for indoor or outdoor illumination.

Surya, wide range of world class energy efficient lamps, T5 lamps, Fluorescent lamps, high pressure sodium and mercury lamps, metal halides lamps to name a few are manufactured at state-of-the-art units with top of the line machinery and equipments (from FALMA-Montena S.A., Switzerland, DEMA engineering UK, GE-Hungary) to benchmarked processes and practices. Surya Roshni has instituted a culture of continuous quality upgradation and a strong system to ensure that the quality meets international benchmark.

Surya Roshni has an exhaustive range of luminaires and accessories to meet the requirement of every segment of professional lighting that includes domestic, industrial, designer, commercial, street lights besides LEDs. Products are designed and developed after extensive in house research ensuring thereby high standards of quality. To complement its foray in luminaire segment, Surya Roshni has set up with state-of-the-art manufacturing facility for High Mast Lighting Systems and Octagonal Poles.

Apart for light source manufacturing, Surya Roshni has also been a leading manufacturer of various lamps' components since last two decades and well known as quality lamp component supplier from India.

Surya Technology & Innovation Centre (STIC) at NOIDA is Jewel in the crown of Surya stable. It is one of the best



lighting laboratories in Asia. It has house the Mirror Gonio-photometer from LMT-Germany and is used for developing new generation energy saving luminaries. In addition to this, Surya will provide Photometric Optical Testing facility for all kinds of luminaries.

## Strengths, Weakness, Opportunities and Threats

### Strengths

With a nationally and internationally accepted "SURYA" Brand and pre eminent position in the Indian steel pipes and lighting industry, SURYA is poised to capitalize on the immense opportunities unfolding in the global market giving it an edge over its peers.

It has accredited quality certifications from leading agencies and has years of successful completion of contracts on schedule. Our commitment to deliver world-class solutions to our clients in the shortest time lag enabled us to establish presence across two corners of India, leading to improved customer relationship.

The Company's management has nearly four decades of experience in the steel pipe industry and nearly three decades of experience in Lighting Industry. The Company has expanded the business both in size and range through various initiatives. These include increasing vertical integration, broadening nationwide marketing network, expanding the high-quality product range and complete backward integration in lighting industry

### Weakness

In the light source segment margins are very low due to acute competition from established market players and many units from unorganized sector. Uncertainties of external market forces may also impact the business scenarios.

### Opportunities

Globally, Pipes are the most economical way to transport Oil & Gas. The increasing demand of energy, especially in a developing country like India, would accelerate the demand and thereby growth momentum in the steel pipe industry. Major Oil marketing companies are planning to lay pipelines across the length and breadth of the country that would generate a huge demand of pipes. The Country's domestic Gas availability is expected to increase manifold in coming years and this would require huge infrastructure for domestic pipe lines.

Government planning to develop 100 modern cities in the country will boost demand for small dia API pipe in the Country city gas distribution simultaneously the infrastructural & water/sewerage amenities will increase the demand manifold.

The scope and opportunities in the world market is large. With the well established renowned SURYA brand, the wide range of both traditional and innovative products and an experienced export marketing, the company is confident of capturing new markets and enlarging the existing export market. This will provide larger visibility,

higher volumes and increased margins in the near future.

Now with the formation of new stable Government which is strongly committed to reforms agenda and taking effective economic action aimed at spurring consumption, building infrastructure and stimulating economic growth. Rural India is expected to thrive with good agricultural crop aided by appropriate government policy. Infra sectors provide a huge opportunity in both rural and urban India. The Construction sectors and housing sectors are booming thereby providing lighting and pipe industries a good opportunity to grow.

### Threats

**Competition:** Competition from spurious manufacturers, unorganized sector without quality constraints and multinational companies is always a challenge. Surya believes in confronting such challenges and transforming them into opportunities. We expect to meet these threats with better products, informed customer relationships, focused demand generation efforts and a strong business outlook.

**Cost of Raw material:** Metal being a major raw material in steel tubes and pipe segment, any escalation in its cost may affect our contribution margins. However the company has adopted various measures to minimize the adverse effect of volatile prices of raw materials.

## FINANCIAL & OPERATIONAL PERFORMANCE

The Company was able to maintain itself as a leader in the Steel Tubes industry and as a strong contender in the Lighting industry. Given below are the financials of the company for the current as well as the previous year :

(Rs. in Crores)

Particulars	F.Y. 2013-2014	F.Y. 2012-2013
Revenue from Operations	3030.97	2959.03
Profit before Finance Cost, Depreciation & Taxation	237.24	238.26
Finance Cost	114.47	109.67
Depreciation & Amortisation Expense	55.64	56.51
Profit before tax (PBT)	67.13	72.08
Tax Expense	13.77	2.83
Profit after taxation (PAT)	53.36	69.25
Interim Equity Dividend paid including Tax	Nil	15.28
Proposed Dividend	5.13	5.13
Transferred to General Reserve	6.00	8.00

During the year the revenue from operations of the Company increased to Rs. 3030.97 crores from Rs.2959.03 crores last year, registering a marginal increase of 2.43%. However, Profit After Tax stood at Rs. 53.36 crores as compared to Rs. 69.25 crores last year during this period.

### Risk & Concerns

Steel is the raw materials and a major cost component for the tube & pipe segment and its prices have a direct

bearing on the profitability. In recent times steel prices have been quite volatile and posing fresh challenges to the business world wide. The quality parameters of pipes used in the oil & gas sectors are becoming more stringent each day. Moreover, any failure of pipes after the supply to customers in the oil & gas sectors attracts heavy penalties. Company is taking utmost care to source the best quality of raw materials to ensure very high quality end products. Orders from oil & gas sector depend however upon demand and success in bidding process.

In the light source segment, technological obsolescence is an inherent business risk in a fast changing world. Speed of change and adaptability to the changing market is crucial for survival in business. Government energy policy and development of new innovative energy efficient products may render some of our existing production facilities obsolescent. Adaptability of new world class technology and being cost effective is always the core strength of Surya to overcome the obsolescence.

### **Risk Management Policy**

Company undertakes Derivative/ Treasury Transactions with Banks as permitted by the Reserve Bank of India within the framework of the approved Risk Management Policy of the Company with a view to mitigate the underlying risk exposure or to hedge the risk pertaining to the loans/facilities obtained from various banks or Exports or Imports carried out/to be carried out or any other forex / rupee exposures in connection with the business of the Company.

### **Internal Control Systems**

SURYA has a proper and adequate system of internal control commensurate with the size and nature of business. The internal control system is an integral component of the the company's corporate governance. The company has in place a strong and independent Internal Audit Department responsible for assessing and improving the effectiveness of internal control and governance. Internal Audit focuses on operational as well as systems audit.

Extensive programme of risk and transaction based internal audits cover all divisions, plants, branches and the different areas of operations. The Audit committee of the Board is updated every quarter on major internal audit observations, compliances with accounting standards, risk management and control systems. The Audit committee assesses the adequacy and effectiveness of inputs given by the internal audit and suggests improvement for strengthening the control systems. Company has an extensive budgetary control system, which is regularly examined by the management. Surya has well defined Management Information System with clear Organizational Structures and authorization levels for business transactions.

### **Material Developments in Human Resources/ Industrial Relations**

Surya is committed to create an open and transparent

organization that is focused on people and their capability, and fostering an environment that enables them to deliver superior performance. Attracting quality human resources and focusing on their development, motivation and retention has always been a priority area for Surya.

The Management wishes to place on record, the excellent cooperation and contribution made by the employees, collectively called "SURYA PARIVAR", at all levels of the organization to the continued growth of the company. The Company's industrial relations continued to be harmonious during the year under review. The Number of personnel directly employed by the company was 3370 as on 31st March, 2014.

### **Corporate Social Responsibility**

The CSR movement in Surya is based on the core belief of voluntary compliance of social and ecological responsibilities. Corporate social responsibility is basically a continuous process whereby the company voluntarily contributes to a better society and a cleaner environment. Corporate social responsibility is represented by the contributions undertaken by company to society through its business activities and its social investment.

At the business level this is reflected through energy efficient products made to conserve the scarce energy resources level.

The Social responsibilities towards the society are discharged through Surya Foundation. In pursuance of this objective, the foundation is working on the following areas:

- Youth Development
- Development of Preventive and Cost Effective Health Systems of Naturopathy and Yoga
- Think Tanks for vital areas of National Development
- Ideal Village Projects with emphasis on Literacy and Personality Development of Youth

### **Cautionary Statement**

This report contains forward-looking statements about the business, financial performance, skills and prospects of the Company. Statements about the plans, intentions, expectations, beliefs, estimates, predictions or similar expressions for future are forward-looking statements.

Forward-looking statements should be viewed in the context of many risk issues and events that could cause the actual performance to be different from that contemplated in the Directors' Report and Management Discussions and Analysis Report, including but not limited to, the impact of changes in oil, steel prices world wide, technological obsolescence and domestic, economic and political conditions. We can not assure that outcome of this forward looking statements will be realized. The Company disclaims any duty to update the information given in the aforesaid reports.



**DIRECTORS' REPORT**

Dear Members,

Your Directors present the Forty first Annual Report of Financial Accounts for the year ended 31<sup>st</sup> March, 2014.

**1. FINANCIAL PERFORMANCE**

(Rs. in Crores)

Particulars	F.Y. 2013-2014	F.Y. 2012-2013
Revenue from Operations	3030.97	2959.03
Profit before Finance Cost, Depreciation & Taxation	237.24	238.26
Finance Cost	114.47	109.67
Depreciation & Amortisation Expense	55.64	56.51
Profit before tax (PBT)	67.13	72.08
Tax Expense	13.77	2.83
Profit after taxation (PAT)	53.36	69.25
Interim Equity Dividend paid including Tax	Nil	15.28
Proposed Dividend	5.13	5.13
Transferred to General Reserve	6.00	8.00

In the fiscal year under review, the revenue from operations of your Company increased to Rs.3030.97 crores from Rs.2959.03 crores last year, registering a marginal increase of 2.43%. The Profit After Tax stood at Rs. 53.36 crores as compared to Rs. 69.25 crores last year during this period.

**STEEL DIVISION**

Steel Industry witnessed the tough time during the year under review. However, the revenue from operations of the division stood at Rs. 1953.79 crores as compared to Rs 2052.67 crores in the last financial year. The export turnover of the division is Rs. 340.32 crores in comparison to Rs.345.62 crores in the last financial year.

The pipe division produces nearly 8,00,000 MT of various pipes per annum in both galvanized and black varieties, in sizes ranging from 15mm NB to 400mm NB and in various specifications. **Trust** is what we build through our Steel Pipes.

The Company has continued a series of Dealer, Retailer, Plumber & Architect / Builder / Consultants Conferences along with Press conferences & Brand awareness campaigns, which has increased the demand potential substantially.

Due to the rise of demand in infrastructure project and based on the policies of new stable government at the center the demand for steel pipes will enhance substantially during the year(s).

**LIGHTING DIVISION**

During the year under review, Lighting Division has grown at a rate much higher than that of national average of the Industry. As on date, we are the second largest

Lighting Company of the country commanding a market share in excess of 25%.

The performance of the division during the year shows robust growth. Revenue from operation of the division increased to Rs. 1077.19 crores as compared to Rs. 906.36 crores last year, an increase of 18.85 % over the previous year. The higher sales have partly been accounted by new products and geographical expansion.

We became the first lighting company in India to introduce energy-efficient lighting solutions. The recently launched LED add a great amount of colour & class as well as complimenting the existing range of our products which include CFL, Tube Light, GLS, Luminaries and Accessories, High Mast Lighting Systems, Lighting Poles etc.

LED Bulb has long life (up to 50,000 hours), wide range of operating voltage (110v – 300v), free of mercury and substantial energy savings. LED Luminaire series consist of a wider basket of luminaries catering to different applications for indoor or outdoor illumination.

**2. DIVIDEND**

The road to sustained growth is steep and challenging at each step. 40 years ago we embarked on this journey and today Surya has emerged as a leader in Steel pipes industry and as the second largest lighting company in India with international presence in more than 54 countries. The Company has expanded the business both in size and range. Recently, company has launched "Fans" under its brand name "SURYA".

Plans are afoot for launching a variety of electrical appliances in the near future to cater to diverse range of lighting and electrical products. Further in view of the massive growth expected in infrastructure sector post establishment of a stable government, lighting and steel division of the company will require additional working capital and capex in time to come to maintain its supremacy over their competitors.

In view of above, the Board of Directors have deliberated and mutually decided that it shall be prudent for the company to preserve more internal accruals for the growth of the company. The Board is confident that this will result in wealth maximization for its shareholders. Therefore the Board of Directors has decided to recommend a dividend of Re. **1.00** per equity share of Rs. 10/- each on the Rs. 43,83,12,500 Equity Share Capital, for the year ended 31<sup>st</sup> March, 2014 for payment to the shareholders subject to the approval of the members at the ensuing Annual General Meeting.

Together with Corporate Tax on dividend, The total outflow on account of equity dividend will be Rs. 5.13 crores.

The dividend on Equity Shares, if approved at the Annual General Meeting, will be payable to those shareholders whose names appear on the company's register of



members on **14th August, 2014**. In respect of shares held in dematerialised form, the dividend shall be payable on the basis of beneficial ownership as at the end of **11th August, 2014**, as per the details furnished by National Securities Depository Ltd./ Central Depository Services (India) Ltd. for the purpose, as on that date.

### **3. SUBSIDIARY**

Company had a non-listed Indian Subsidiary Company named as Surya Global Steel Tubes Limited till 12<sup>th</sup> February, 2014 and an amount of Rs. 50,00,00,000 is remain invested in the said company as on 31<sup>st</sup> March, 2014.

Company has no Subsidiary Company as on 31<sup>st</sup> March, 2014.

### **4. FUTURE PROSPECTS**

#### **STEEL DIVISION**

India has become the global pipe manufacturing hub primarily due to the benefits of its low costs, higher quality and geographical advantages. The global accreditations and certifications that the Indian companies possess have made them preferred suppliers for many leading oil and gas companies in the world and particularly those in Middle East, North America and Europe. The expanding infrastructure, oil & gas and construction sectors have been the main growth drivers for steel industry that includes steel pipes.

Apart from the global opportunity, the pipe industry has emerged with the scenario of huge demand due to the start up of held up infrastructure project & policies of new stable government at the center. All-round demand in agriculture, housing, urban as well as rural development, infrastructural requirement, oil & gas line pipe and city gas distribution is envisaged which will give a big boost to the pipe industry in the forth coming period.

Surya, the largest GI Pipe Manufacturer in India understands in-dept the needs of its customers which guide it in adapting its technology to suit their new requirements and thus producing ½" – 104" Dia- Pipe for agriculture, household and Oil & Gas Sector. It produces API Pipes for India and for Exports & currently introduced Section Pipes in Steel Range to increase the product Basket to achieve higher market share.

Further, our commitment to deliver world class products to our clients / customers in the shortest time leg enabled us to establish presence across all corners of India and globally.

#### **LIGHTING DIVISION**

Electric light, once considered as night time substitute for day light, becomes 24x365 hours companion in all of human activities. Lighting is always a prime necessity in the modern world. With the increase in residential houses, the demand for lighting and consequently the lighting

industries are growing at tremendous pace. With growing demand for lighting products, the Lighting industry make valuable contribution in the growth and progress of our economy.

Surya Roshni brings brightness to many homes every evening in over 54 countries across the globe as it has an exhaustive range of luminaries and accessories to meet the requirements of every segment of the society.

Surya, understands in-dept the needs of its customers which guide it in adapting its technology to suit their new requirements and thus offered a vast range of product line - up including Tube Lights, GLS, CFL Lamps, wide range of LED's, HPSV / Metal Halide Lamps, Street Lighting and High Mast etc and thereby participate in the growing infrastructure sector.

The next generation LED technology is the latest addition to 'Surya' cosmic range of lighting series. This energy efficient luminary is available in many mounting options to offer a flexible LED lighting solution which took the LED market by storm.

India, being home to the largest working population is witnessing a surge in office lighting and home lighting solutions. Through whole hearted efforts and better commitment at all levels and having large distributor strength across pan - India, we at Surya will be provide a more healthy growth and profitability in the years to come.

#### **LUMINAIRE BUSINESS GROUP**

Financial year 2013-14 was a fairly good year for Surya LBG and the growth was in line with the industry growth. Surya LBG has made significant progress in acquiring new customers which has helped in the overall performance.

LED business is the order of the day and Surya LBG has added a host of LED products in it's product portfolio. LBG is well equipped to meet the challenges of LED technology and the ever increasing customer expectations. The complete range of products including LED products helps us in providing the much desired total lighting solution. The most advanced Surya R&D center ensures that highly efficient and top quality products are delivered.

Our country wide dealer network is our strength and this helps us to be present in every nook and corner of India and provide after sales supports to the clients.

Current Financial Year 2014 -15 is a promising year for LBG with major focus on LED business, EPC business and major government and industrial segment. LBG is well poised to register a healthy growth both in top line as well as bottom line.

#### **RESEARCH AND DEVELOPMENT CENTRE**

Surya being a leader of lighting industry in India has conclusively embarked upon to bring the revolution in the



world of lighting by setting up the state of the art of lighting laboratory & research centre-Surya Technology & Research Centre (STIC),

Surya Technology & Innovation Centre (STIC) at Noida is Jewel in the crown of Surya stable. STIC is equipped with the most advanced photometric laboratory which houses High Speed automatic Mirror Gonio-photometer from LMT Germany- undoubtedly the best equipment available for light measurement & optical evaluation for conventional Lighting System with specific focus on LED.

In last one year we had been instrumental at STIC Noida for creating LED product portfolio for both indoor and outdoor application.

Since any LED system is solid state lighting (SSL) which necessarily incorporate major contribution from lighting electronics design in conjunction with thermal, optics and mechanical/Luminaire design. For this we had created self-sustaining and self-reliant capabilities both in terms of adequate human resource and equipments at STIC Noida, for LED products Design and Development.

STIC has been recognized as an R & D centre by DSIR (Department of Scientific & Industrial research, Ministry of Science & Technology) and also it has been listed as one of the best testing laboratories in India by BEE (Bureau of Energy Efficiency), for the measurement complying BIS Standard/ International Standard of LED lighting system. Further, we are in the process of taking NABL accreditation. Last but not least STIC is a Green Building with LEED Platinum certification and Process of accreditation is going on.

With all this, Surya is proliferating with the design & development of the most energy efficient environment friendly lighting products as well as providing design guidance 'how to use it scientifically & aesthetically' through its innovation in lighting design a new dimension to lighting practice, leading to evolve "Green India"

## FAN DIVISION

Surya Roshni creates one more landmark by LAUNCH OF FANS IN INDIAN MARKET. Seeing the great scope and bright future in the field of electrical fans segment, Surya Roshni, Revolutionize the Fan Market by LAUNCH OF FANS IN INDIAN MARKET UNDER ITS BRAND NAME 'SURYA' ON 20<sup>th</sup> JANUARY, 2014.

The Launch turns out to be a great success as within 3 months of its launch company has done a business of 1,00,000 fans and by the end of May this year figure will cross to 2 lacs fans or about. This has been possible due to Brand pull enjoyed by Surya, which has a strong and a large network of retailers spread across the country and with more than 2,00,000 retailers sell Surya products in pan India.

With wide range of Ceiling, Table, Pedestal, Wall mounted and Exhaust fans that are not only energy efficient but also environment friendly and with a strong network of

distributors that reaches right into the heart of the country, company expect to achieve 100 crore business by March, 2015 and targeting a revenue of Rs. 400 crore in a span of four years from now.

## 5. FIXED DEPOSITS :

The Public response towards the Company's fixed deposit scheme continued to be encouraging during the year under review. At the close of the year, 200 deposit holders, whose deposits, aggregating to Rs.82.84 lacs, had become due for payment, did not claim their deposits. Since then, deposits aggregating to Rs. 28.32 lacs have been claimed. The principal amount and interest were duly paid for all other deposits, which matured during the year.

## 6. PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information in accordance with the provisions of Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo is given in the statement annexed (Annexure 'A') hereto forming part of the report.

## 7. PARTICULARS OF EMPLOYEES AND DISCLOSURE OF INFORMATION

The Information required under Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 as amended and information as per Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, are given as Annexure 'B' to the Directors' Report.

## 8. DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors of the Company confirm:

- that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures;
- that the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the Directors had prepared the annual accounts on a "going concern" basis.





## 9. DIRECTORS

As per Article 101 of the Articles of Association of the Company, Shri Raju Bista, retire by rotation and, being eligible, offer himself for reappointment.

### Change in Nominee Directorship

During the year, under review Sh. Dev Dutt Das has been substituted as a Nominee Director of IDBI Bank Ltd w. e. f 29<sup>th</sup> June, 2013 in place of Sh. Alope Sengupta on the Board of the company. Your Directors welcome Sh. Dev Dutt Das and at the same time placed on record the high sense of appreciation for the wise counsel and valuable services rendered by Sh. Alope Sengupta during his tenure on the Board.

### Appointment of Independent Directors

During the year under review, below mentioned persons are appointed as Independent Directors liable to retire by rotation under the Provisions of Companies Act, 1956 and are continuing as an Independent Director.

In view of enforcement of Companies Act, 2013 various new provisions have been introduced in regard to the appointment of Independent Directors of the Company.

Shri Krishan Kumar Narula (DIN – 00098124) and Shri Ravinder Kumar Narang (DIN – 02318041) are directors of the Company since March, 2000 and June 2009 respectively. Further Shri Utpalkumar Anilkumar Mukhopadhyaya (DIN – 02766045) and Shri Tara Sankar Sudhir Bhattacharya (DIN – 00157305) are directors of the Company since February, 2011.

Pursuant to the provisions of Section 149, 150, 152, 160 and Schedule IV and such other applicable provisions, if any, of the Companies Act, 2013, (the Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014, Board of Directors is of the opinion that below mentioned persons possess appropriate balance of skills, experience and knowledge for being appointed as an independent director on the Board of the Company and enable the Board to discharge its function and duties effectively and thus proposed the name of

1. **Shri Krishan Kumar Narula** (DIN – 00098124),
2. **Shri Ravinder Kumar Narang**, (DIN – 02318041),
3. **Shri Utpalkumar Anilkumar Mukhopadhyaya** (DIN – 02766045) and
4. **Shri Tara Sankar Sudhir Bhattacharya** (DIN – 00157305)

for appointment as an Independent Director of the Company for a consecutive period of five years from 5<sup>th</sup> September, 2014 to 4<sup>th</sup> September, 2019.

The Company has received declaration from all the above said Independent Directors of the company confirming that they meet with the criteria of independence as provided under sub section 6 of Section 149 of the

Companies Act, 2013 and under clause 49 of the listing Agreement with the stock exchanges.

Appointment of Shri Krishan Kumar Narula, Shri Ravinder Kumar Narang, Shri Utpalkumar Anilkumar Mukhopadhyaya and Shri Tara Sankar Sudhir Bhattacharya as Independent directors will strengthen the Board. All possess a rich experience in the field of Finance, Taxation, Auditing, Company Laws and Commercial matters. Their deep rooted knowledge and experience are vital for the growth and success of the Company.

## 10. AUDITORS

The Statutory Auditors, M/s Sastry K. Anandam & Company, Chartered Accountants (Firm Registration no-00179N) hold office till the conclusion of the ensuing Annual General Meeting and are recommended for re-appointment for a period of one years i.e from the conclusion of the ensuing Annual General Meeting to the conclusion of the next Annual General Meeting. The Certificate from the auditors have been received to the effect that their re-appointment, if made, would be in accordance with the conditions as specified under section 139(1) of the Companies Act, 2013. The observations of the Auditors have been suitably dealt with in the notes on accounts

## 11. COMPLIANCE CERTIFICATE

As per Clause 49 of the Listing Agreement with the Stock Exchanges, the compliance certificate from Chairman, Managing Director and Executive Director & Group CFO is given as Annexure 'C' to the Directors' Report.

## 12. CORPORATE GOVERNANCE

Your company has complied with the requirements of clause 49 of the Listing Agreement regarding Corporate Governance. A Report on the Corporate Governance practices, the Auditors' certificate on compliance of mandatory requirements thereof and Management Discussions and Analysis are forming part of Annual Report.

## 13. ACKNOWLEDGEMENTS & APPRECIATION

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

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

for and on behalf of  
the Board of Directors

Place : New Delhi  
Dated : 30th May, 2014

J P AGARWAL  
Chairman  
DIN.-00041119



**ANNEXURE 'A' TO DIRECTORS' REPORT**

Information as per Section 217(1)(e) read with Companies(Disclosure of particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31<sup>st</sup> March, 2014.

**I. CONSERVATION OF ENERGY****a) Energy conservation measures taken :  
At Steel Division, Bahadurgarh :**

- Use of Power in place of DG Set reduces cost and saves energy simultaneously.
- Utilization of the machinery up to the optimum level increase efficiency and saves energy.
- Saving of energy is achieved upto 5 unit / tone and 10 unit / tonn in Pipe Plant and CR Plant respectively though effective use of energy.

**At Malanpur Unit of Lighting Division :**

- Saving of energy achieved by conversion of compressed Air to LP Air on CFL- China Chain
- Saving in energy achieved by vacuumization of two INOX Tanks and saves the vapour losses of liquid oxygen.
- Convert 3" Compressed Air line to 6" Air Pipe Line to reduce compressed Air Pressure as per requirements of chains and thus save energy,
- Installation of drive on bulb cooling blower to control frequency at the Ribbon m/c to avoid damper control and thus save energy.
- Installed drive in the plate cooling blower to control frequency through temperature Control to avoid damper control.
- Installed solenoid valve in main compressed air line to stop compressed air consumption during idle time and thus saves energy.
- Energy is saved in Roots blower Air by separation of LP Air line for Baker and thus reduce LP Air Pressure for whole lamp plant.

**At Kashipur Unit of Lighting Division :**

- Power saving is achieved in Lamp Plant cooling tower spray system by spraying water with GLS & TL instead of 5 H.P water spray pump.
- Power saving in T5 plant achieved by giving L.P air supply from compressed house instead from T-5 baker m/c blower
- Energy saving is achieved in CFL soft water supply system by replacement of two 5 H.P soft water supply & spray pumps from one 7.5H.P pump.
- Saving achieved in WD plant by giving L.P/H.P air supply from lamp plant instead of giving it from WD plant root blower of 5 H.P
- Stoppage of 2000 CFM Refrigerated Air Dyer in compressor house by installing separator and carbon filte in H.P air line and thus saves energy.
- Installation of one efficient pump for Lamp Plant D.M Water supply instead of two pumps for D.M water supply and thus saves energy.

**b) Additional investment and proposals being implemented for reduction of consumption of energy :****At Steel Division, Bahadurgarh :**

Efforts are going on for usage of Gas based Generators for reduction of consumption of energy.

**c) Impact of the measures at a) above for reduction of energy consumption and consequent impact on the cost of production of goods :**

Due to open access more power was used instead of Gas based Generator . The above measures resulted in substantial saving in the consumption of energy and consequent saving in the cost of production of goods.



- d) Total energy consumption and energy consumption per unit of production as per Form-A of the Annexure to the Rules in respect of Industries in the Schedule thereto :

	Steel Products		Lighting Products		PVC	
	2013-2014	2012-2013	2013-2014	2012-2013	2013-2014	2012-2013
A) Power & Fuel Consumption						
1. Electricity						
a) Purchased						
Units (in thousands)	31662.01	27081.02	39862.19	34416.01	1443.00	1692.96
Total Amount (Rs. in lacs)	1823.97	1705.62	2205.83	1900.05	68.85	76.93
Rate / Unit (Rs.)	5.76	6.30	5.53	5.52	4.77	4.54
b) Own Generation						
Through Diesel Generator						
Units (in thousands)	Not Used	9.02	1298.44	1514.66	107.07	132.58
Unit per Ltr. Of HSD	Not Used	3.02	3.26	3.50	5.25	3.25
Cost / Unit (Rs.)	Not Used	15.22	16.84	11.15	10.21	11.64
c) Own Generation by						
Natural Gas Generator Set						
Units (in thousands)	1076.04	7121.31	160.24	165.20	Not Used	Not Used
Unit per SCM3	3.82	4.54	3.59	3.59	Not Used	Not Used
Cost / Unit (Rs.)	9.25	5.78	9.87	7.67	Not Used	Not Used
2. Furnace Oil/LDO						
Qty. (K.Ltrs.)	Not Used	Not Used	Not used	35.25	Not Used	Not Used
Total amount (Rs. in lacs)	Not Used	Not Used	Not used	7.55	Not Used	Not Used
Avg. Rate (Rs.)	Not Used	Not Used	Not used	21.42	Not Used	Not Used
3. RLNG (Natural Gas)						
Qty. SCM3 (in thousands)	5333.12	5684.26	12458.40	12033.08	Not Used	Not Used
Total amount (Rs. in lacs)	1879.45	1488.52	4410.72	3313.21	Not Used	Not Used
Rate / SCM (Rs.)	35.24	26.19	35.40	27.53	Not Used	Not Used
4. L.P.G.						
Qty. (Tonnes)	Not used	Not used	4407.54	3181.97	Not Used	Not Used
Total amount (Rs. in lacs)	Not used	Not used	1735.19	993.36	Not Used	Not Used
Rate / KG (Rs.)	Not used	Not used	39.37	31.22	Not Used	Not Used
5. Diesel / LDO						
Qty. (K.Ltrs.)	18.25	16.63	63.04	103.16	Not Used	Not Used
Total amount (Rs. in lacs)	10.34	8.24	34.88	39.25	Not Used	Not Used
Rate / Ltr. (Rs.)	56.66	49.51	55.33	38.05	Not Used	Not Used
6. Propane						
Qty. (Tonnes)	Not used	Not used	Not used	3.53	Not Used	Not Used
Total amount (Rs. in lacs)	Not used	Not used	Not used	1.36	Not Used	Not Used
Rate / KG (Rs.)	Not used	Not used	Not used	38.64	Not Used	Not Used
B) Consumption per unit production						
Product Unit	Steel Tubes/ Pipes/ C.R.Strips		Glass Item (Per M.T.)		PVC Item (Per M.T.)	
(Per M.T.)						
Electricity Units	121.94	132.37	118.24	136.89	511.94	518.67
Furnace Oil/HSD/LDO/RFO Ltrs.	Not used	Not used	Not used	Not used	Not used	Not used
Propane / LPG Kg.	Not used	Not used	435.80	473.69	Not used	Not used
HSD/LDO in GI - Ltrs	-	-	-	-	Not used	Not used
HSD/LDO in CR Mill - Ltrs	-	-	-	-	Not used	Not used
Natural Gas Consumption (In GI Mill) SCM3	27.45	32.52	Not used	Not used	Not used	Not used
Natural Gas Consumption (In CR Mill) SCM3	31.09	31.83	Not used	Not used	Not used	Not used

**II. TECHNOLOGY ABSORPTION**

Efforts made in technology absorption as per Form-B of the Annexure to the Rules :

**1. Research and Development (R&D)****a) Specific areas in which R&D carried out by the company :**

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

**b) Benefits derived as a result of above R&D :** Not Applicable**c) Future Plan of action :**

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

**d) Expenditure on R&D :** Capital as well as Revenue expenditure made on R&D. Capital Expenditure during the year is **Rs. 4.90 Lakhs** and Revenue Expenditure is **Rs. 170.16 Lakhs****2. Technology absorption, adaptation & innovation:****a) Efforts, in brief, made towards technology absorption, adaptation & innovation :**

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

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

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

**c) In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year) :** Nil**III. FOREIGN EXCHANGE EARNINGS AND OUTGO****a) Activities relating to exports, initiatives taken to increase export, development of new markets for products and services and export plans :**

Major initiatives were taken to boost the exports of the company. Some of them included :

- Emphasis has been given on Foreign Traveling of Export Executives and Directors for development of new markets.
- The Company has participated in the conferences and exhibitions organized in various foreign countries.

**b) Total foreign exchange used and earned (Rs. in lacs)**

Used : 16860.19      Earned : 35553.44

for and on behalf of  
the Board of Directors

Place : New Delhi  
Date : May 30, 2014

JP AGARWAL  
CHAIRMAN  
DIN - 00041119

**ANNEXURE 'B' TO THE DIRECTORS' REPORT**

Statement of particulars of employees pursuant to the provisions of Section 217(2A) of the Companies Act, 1956, and part of the Directors' Report

Sl. No.	Name	Age Yrs.	Designation/ Nature of duties	Remuner- ation (Rs.)	Qualifi- cation	Experience Yrs.	Date of Commence- ment of employment	Last employment and position held
<b>Employed throughout the financial year</b>								
1.	Sh. Tarun Baldua	53	Chief Executive Office	63,82,425	C.A.	28	05.01.2013	Maral Overseas Ltd. (President-Overall Head Unit)

**NOTES:**

- 1) Remuneration includes salary, commission, medical exp., house rent paid / house rent allowance, other allowances and taxable value of perquisites.
- 2) No employees of the Company came within the purview of the provisions of Section 217 (2A)(a)(iii) of the Companies Act, 1956 during the year

**for and on behalf of  
the Board of Directors**

Place: New Delhi  
Dated: 30<sup>th</sup> May, 2014

**J P AGARWAL  
CHAIRMAN  
DIN - 00041119**

**ANNEXURE 'C' TO THE DIRECTORS' REPORT****Certification by Chairman, Managing Director and Executive Director & Group Chief Financial Officer (CFO) of the Company**

We hereby certify that for the financial year ending 31<sup>st</sup> March, 2014 on the basis of the review of the financial statements and the cash flow statement and to the best of our knowledge and belief that :

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year 2013-2014 which are fraudulent, illegal or violative of the Company's Code of Conduct.
4. We accept the responsibility for establishing and maintaining internal controls. We have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee those deficiencies, of which we are aware, in the design or operation of the internal control systems and that we have taken the required steps to certify these deficiencies.
5. We further certify that :
  - a. There have been no significant changes in internal control during this year.
  - b. There have been no significant changes in accounting policies during this year.
  - c. There have been no instances of significant fraud of which we have become aware and the involvement therein, of management or an employee having a significant role in the Company's internal control system.

Place : New Delhi  
Dated : 30<sup>th</sup> May, 2014

**J P Agarwal  
Chairman  
DIN – 00041119**

**RajuBista  
Managing Director  
DIN – 01299297**

**R N Maloo  
ED & Group CFO**





## REPORT ON CORPORATE GOVERNANCE

### 1. Corporate Governance Philosophy

The company is committed to good Corporate Governance. The Company fully realizes the rights of its shareholders to information on the performance of the Company and considers itself a trustee of its shareholders. The Company provides detailed information on various issues concerning the Company's business and financial performance, to its shareholders. The basic philosophy of Corporate Governance in the Company is to achieve the business excellence and dedicate itself for increasing long term shareholder value, keeping in view the needs and interests of its stakeholders. The Company is committed to transparency in all its dealings and places emphasis on business ethics. This chapter constitutes your Company's compliance with Clause 49 of the Listing Agreement.

### 2. Board of Directors

#### i. Composition / Category of Directors / Attendance at Meetings / Directorships and Committee Memberships in other companies as on 31<sup>st</sup> March, 2014

The names, along with categories of the Directors on the Board, their attendance at Board meetings during the year and at the last AGM as also the number of directorships and committee memberships held by them in other companies are given below :

Name of the Director	Directors Identification No. & Category of Directors	No. of Board Meetings attended during 2013-14	Last AGM attendance as on 27.09.2013	No. of Directorships held in other companies		No. of committee positions held in other companies	
				Chairman	Director	Chairman	Member
Sh. Jaiprakash Agarwal (Chairman)	00041119 Promoter Executive Non-Independent	4	NO	1	6	-	-
Sh. Raju Bista (Managing Director)	01299297 Executive Non-Independent	4	YES	-	5	-	-
Sh. Krishan Kumar Narula	00098124 Non-Executive Independent	4	YES	-	1	1	-
Sh. Ravinder Kumar Narang	02318041 Non-Executive Independent	4	NO	-	1	-	-
Sh. Bharat Bhushan Chadha*	00298713 Non-Executive Independent	NIL	NO	-	5	1	2
Sh. Alope Sengupta~ or an observer on behalf of him (IDBI Nominee)	00064934 Non-Executive Independent	1	NO	-	2	-	-
Sh. Utpal K Mukhopadhyay	02766045 Non-Executive Independent	4	NO	-	4	-	-
Sh. Tara Sankar Bhattacharya	00157305 Non-Executive Independent	3	NO	-	8	-	1
Sh. Utkarsh Dwivedi	05142124 Executive Non-Independent	3	NO	-	NIL	-	-
Sh. Dev Dutt Das~~ or an observer on behalf of him (IDBI Nominee)	06620284 Non-Executive Independent	2	NO	-	NIL	-	-
Sh. Mukesh Tripathi**	01951272 Non-Executive Non-Independent	3	NO	-	4	-	-

\* Resigned from the Board of the Company on 28<sup>th</sup> May, 2013.

\*\* Appointed on the Board of the Company w. e. f 28<sup>th</sup> May, 2013

~ Withdraw Nomination of the Nominee Director by IDBI Bank Ltd. from the Board of the Company w. e. f 29<sup>th</sup> June, 2013.

~~ Appointed as Nominee Director by Substitution of the Nominee by IDBI Bank Ltd. on the Board of the Company w. e. f 29<sup>th</sup> June, 2013

The Chairman is an Executive Director and the number of Independent Non-Executive Directors on the Board is not less than 50% of the Board strength at any point of time. All Independent Non-Executive Directors comply with the legal requirements for being "independent". The Independent Directors do not have any pecuniary relationships or transactions either with the Company or its subsidiary or with the promoters/management that may affect their judgment in any manner.

None of the Directors of our Company were members in more than 10 committees or acted as Chairman of more than five committees across all companies in which they were Directors.



## ii. No. of Board Meetings held in the financial year 2013-2014 and dates on which held

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

During the last financial year, our Board met four times, on 28<sup>th</sup> May, 2013; 2<sup>nd</sup> August, 2013; 6<sup>th</sup> November, 2013 and 12<sup>th</sup> February, 2014.

### Surya Code of Conduct

The Board Members and Senior Management personnel have affirmed their compliance with the code of conduct. The Code of Conduct has already been posted on the website of the Company. The Chairman and Managing Director has certified that the Board Members and senior management personnel have complied with the code of conduct and the same is placed before the Board. The declaration to this effect signed by the Chairman and Managing Director is attached to this report.

## 3. Audit Committee

### a) Terms of Reference

The Audit Committee is responsible for overseeing of the company's financial reporting process, reviewing the quarterly/half-yearly/ annual financial statements, reviewing with the management on the financial statements and adequacy of internal audit function, recommending the appointment / re-appointment of statutory auditors and fixation of audit fees, reviewing the significant internal audit findings / related party transactions, reviewing the Management Discussion and Analysis of financial condition and result of operation. The Committee acts as a link between the management, external and internal auditors and the Board of Directors of the Company. The Committee discussed with the external auditors their audit methodology, audit planning and significant observations / suggestions made by them. The Committee also discussed major issues related to risk management and compliances.

In addition, the Committee has discharged such other role/function as envisaged under clause 49 of the Listing Agreement of the Stock Exchanges and the provisions of Section section 292A of the Companies Act, 1956.

### b) No. of Audit Committee Meetings and dates on which held / Composition / Category / Attendance at Meetings.

The Audit Committee comprises three Directors. During the year under review, four committee meetings were held on 28<sup>th</sup> May, 2013 ; 2<sup>nd</sup> August, 2013 ; 6<sup>th</sup> November, 2013 and 10<sup>th</sup> February, 2014. The names along with categories of the members and the attendance of members at the meeting was as follows :

Names of the Members	Director Intensification No.	Category	No. of Meeting Attended
Sh. K. K. Narula	00098124	Chairman Independent-Director	4
Sh.B. B. Chadha*	00298713	Member Independent-Director	NIL
Sh. TaraSankar Bhattacharya	00157305	Member Independent-Director	4
Sh. Mukesh Tripathi**	01951272	Member Non Independent-Director	2

\* Resigned on 28th May, 2013

\*\* Inducted on 28th May, 2013 by re-constitution of Committee.

All the members except Sh. Mukesh Tripathi have extensive financial and accounting knowledge and background. The terms of reference of the Audit Committee are in line with Clause 49 II (C) and (D) of the Listing Agreement with the stock exchanges and Section 292A of the Companies Act, 1956. The quorum for the Committee is two independent members. The Audit Committee meetings were attended by the heads of Finance and Internal Audit and the Auditors (including Cost Auditors) as invitees. The members held discussions with the Auditors during the meetings and the Committee reviewed the periodic unaudited and audited results of the company before being considered and approved by the Board of Directors. Sh. B.B. Singal, VP & Company Secretary, acts as the secretary to the Committee.



#### 4. Directors Remuneration

a. Pecuniary Relationships:

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

b. Remuneration Policy:

The following aspects are considered while determining the remuneration package of the senior management of the Company:

- Industry Standards
- Remuneration package of executives in the industry with similar skill sets

c. The details of remuneration / sitting fees paid to the Executive Directors / Non Executive Directors during the financial year 2013-2014 is as under:

Name	Director Identification No. (DIN)	Salary (Rs.)	Perquisites & Allowances(Rs.)	Commission (Rs.)	Stock Options	Sitting Fees (Rs.)
Sh. J.P.Agarwal (Chairman) \$	00041119	1,200	600	600	Nil	N .A.
Sh. Raju Bista ( Managing Director)	01299297	30,00,000	12,00,000	Nil	Nil	N. A.
Sh. Utkarsh Dwivedi	05142124	12,00,000	4,80,000	Nil	Nil	N. A.
Sh. K.K. Narula	00098124	Nil	Nil	Nil	Nil	3,40,000/-
Sh. Ravinder Kumar Narang	02318041	Nil	Nil	Nil	Nil	1,20,000/-
Smt. B.B. Chadha*	00298713	Nil	Nil	Nil	Nil	Nil
Sh. U K Mukhopadhyay	02766045	Nil	Nil	Nil	Nil	80,000/-
Sh. TaraSankar Bhattacharya	00157305	Nil	Nil	Nil	Nil	1,40,000/-
Sh. Mukesh Tripathi**	01951272	Nil	Nil	Nil	Nil	Nil
IDBI Bank ( Nominee Director)		Nil	Nil	Nil	Nil	60,000/-

\$ Voluntarily decided to draw Basic Salary of Rs. 100/- p.m w.e.f 1<sup>st</sup> March, 2011

\* Resigned from the Board of the Company on 28<sup>th</sup> May, 2013

\*\* Appointed on the Board of the Company w.e.f 28<sup>th</sup> May , 2013

<b>Period of Contract (Sh. J.P.Agarwal)</b>	:	5 years from 1 <sup>st</sup> January, 2012 (i.e. upto 31 <sup>st</sup> December 2016)
<b>Period of Contract (Sh. Raju Bista)</b>	:	5 years from 18 <sup>th</sup> June, 2009 (i.e. upto 17 <sup>th</sup> June 2014)
<b>Period of Contract (Sh. Utkarsh Dwivedi)</b>	:	5 years from 5 <sup>th</sup> February, 2013 (i.e. upto 4 <sup>h</sup> February 2018)

The Company has not issued Stock options (ESOPs) to any of its Directors.

Number of Shares held by Non Executive Directors: NIL

#### 5. Remuneration Committee

During the year 2013-2014, No meeting was held. The members of the Remuneration Committee with their names, their categories was as follows :



Names of the Members	Director Intensification No.	Status
Sh. K. K. Narula	00098124	Chairman Independent-Director
Sh.B. B. Chadha*	00298713	Member Independent-Director
Sh. Ravinder Kumar Narang	02318041	Member Independent-Director
Sh. Mukesh Tripathi**	01951272	Member Non Independent-Director

\* Resigned on 28<sup>th</sup> May, 2013

\*\* Inducted on 28<sup>th</sup> May, 2013 by re-constitution of Committee.

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

## 6. Shareholders/ Investors' Grievance Committee

The Committee has the mandate to review and redress shareholder grievances. The Committee met 4 times during the year on 20.04.2013, 15.07.2013, 12.10.2013 and 16.01.2014, and the attendance of Members at the Meeting was as follows:

Names of the Members	Director Intensification No.	Status	No. of Meetings Attended
Sh. K. K. Narula	00098124	Chairman	4
Sh. R. K. Narang	02318041	Member	2
Sh. Raju Bista	01299297	Member	4

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

Compliance Officer	:	Sh. B.B.Singal ( VP & Company Secretary)
Number of shareholders' complaints received upto 31 <sup>st</sup> March, 2014	:	13
Number of complaints not solved to the satisfaction of the shareholders	:	Nil
Number of pending complaints	:	Nil

## 7. General Body Meetings

The last three Annual General Meetings were held on the following dates :

28.09.2011 ; 28.09.2012 ; 27.09.2013

at the Registered Office of the company at Prakash Nagar, Sankhol, Bahadurgarh –124 507 at 11:00 a.m

No Special Resolution was passed at the Annual General Meetings held on 28<sup>th</sup> September, 2011 and 28<sup>th</sup> September, 2012. Two Special Resolutions were passed in the Annual General Meeting held on 27<sup>th</sup> September, 2013 the details of which are as follows :

1. Consent for mortgage the Properties for loans & working capital limits u/s 180 of the Companies Act, 2013 (Corresponding Section 293(1)(a) of Companies Act, 1956)
2. Consent for mortgage the Properties of the Company u/s 180 of the Companies Act, 2013 (Corresponding Section 293(1)(a) of Companies Act, 1956) to secure external commercial borrowings (ECB's) of US \$ 20 million.

No Resolution was passed through Postal Ballot during the year under review.

## 8. Disclosures

- i) The senior management has made disclosures to the board relating to all material financial and commercial transactions. There are no materially significant related party transactions that may have potential conflict with the interest of the company at large.
- ii) The Company has complied with all applicable requirements prescribed by the regulatory and statutory authorities including Stock Exchanges and SEBI during the preceding three financial years on all matters related to capital market and no penalties / strictures in this respect have been imposed on the Company.
- iii) The Company has complied with all mandatory requirements and has constituted Remuneration Committee of the Board. As the personnel of the company have direct access to the management, company has not established a mechanism of Whistle Blower Policy.



**9. Means of Communication**

- i. Quarterly results sent to each shareholders residence : No
- ii. Newspapers in which quarterly results normally published : Business Standard, Economic Times (Delhi & Mumbai)
- iii. Website where results or official news are displayed : www.surya.co.in
- iv. Whether it also displays presentations made to institutional investors or to the analysts : Yes (if any)
- v. Whether Management Discussion & Analysis Report is part of the Annual Report or not : Yes

**10. General Shareholder Information**

- i. **AGM : Date and Time** - 05.09.2014 at 11:00 a.m.
- Venue** - Prakash Nagar, Sankhol, Bahadurgarh, Haryana – 124 507.
- ii. **Financial Year** - 1<sup>st</sup> April to 31<sup>st</sup> March
- iii. **Book closure Date** - 12.08.2014 – 14.08.2014 (both days inclusive)
- iv. **Dividend payment date** - 12<sup>th</sup> September, 2014
- v. **Listing on Stock Exchanges** - The securities of the company were listed on the following Stock Exchanges during the financial year 2013-14:

**The Stock Exchange, Mumbai**  
Rotunda Building, Dalal Street,  
Fort, Mumbai – 400 001.

**The National Stock Exchange of India Ltd.**  
Exchange Plaza, Bandra- Kurla  
Complex, Bandra, Mumbai – 400 051.

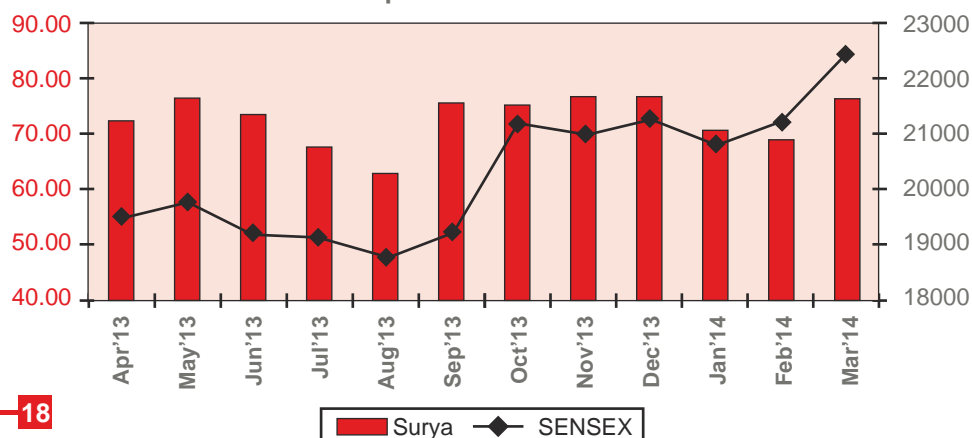
The company has paid the Annual Listing Fees to the Stock Exchanges for the Financial Year 2013-14 and 2014-15

**vi. Stock Code**

	National Stock Exchange	Bombay Stock Exchange	ISIN
Equity Shares- Symbol / Code	SURYAROSNI	500336 (Dematerialised) 336 (Physical)	INE335A01012

**vii. Market Price Data :**

MONTH	NSE		BSE	
	HIGH (Rs.)	LOW (Rs.)	HIGH (Rs.)	LOW (Rs.)
April, 2013	80.80	67.00	81.00	67.25
May, 2013	82.00	72.60	83.00	72.75
June, 2013	78.20	64.75	79.95	64.10
July, 2013	88.00	65.50	83.90	65.50
August, 2013	70.30	58.45	69.90	59.35
September, 2013	78.00	60.50	78.00	60.25
October, 2013	81.00	73.50	78.00	74.00
November, 2013	83.50	73.10	83.30	73.55
December, 2013	83.80	74.05	80.00	74.05
January, 2014	81.00	68.00	81.50	68.00
February, 2014	75.00	65.05	74.70	65.95
March, 2014	76.85	66.25	76.90	66.15

**viii. Performance in comparison to BSE SENSEX**



**ix. Registrar** : MAS Services Limited  
(Common for both Physical and Electronic share registry) T-34, 2nd Floor, Okhla Industrial Area, Phase – II, New Delhi – 110 020  
Tel. : (011) 2638 7281/ 82/ 83  
Fax : (011) 2638 7384  
E-Mail : info@masserv.com

**x. Share Transfer System**

The Company's share transfers are handled by MAS Services Ltd., Registrar and Transfer Agents(RTA). The shares received in physical mode by the Company/RTA are transferred expeditiously provided the documents are complete and shares under transfer are not under dispute. Confirmation in respect of the request for dematerialisation of shares is sent to the respective depositories – National Securities Depository Limited / Central Depository Services (India) Limited within 15 days. None of the transfer was pending for more than a fortnight as on 31st March, 2014.

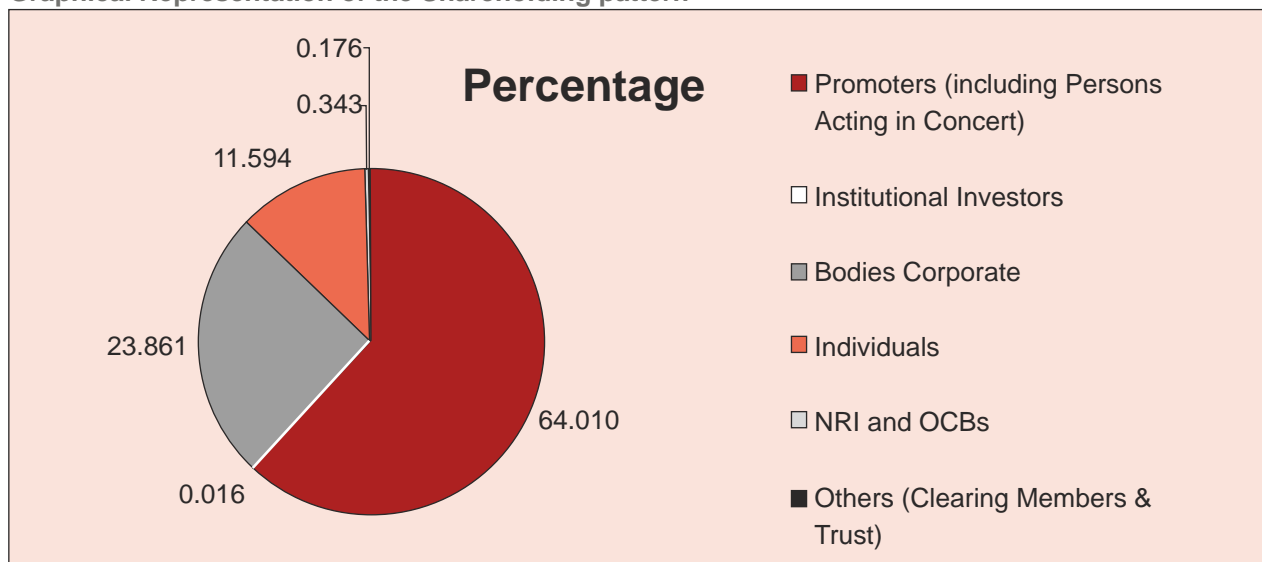
**xi. Distribution of Shareholding**

Share Holding of Nominal Value of Rs.	Shareholders		Shares	
	Number	% of Total	Number	% of Total
1 - 5000	15749	87.655	2173248	4.958
5001 - 10000	1329	7.397	1008401	2.301
10001 - 20000	503	2.800	735956	1.679
20001 - 30000	149	0.829	379976	0.867
30001 - 40000	63	0.351	227982	0.520
40001 - 50000	44	0.245	207559	0.474
50001 - 100000	69	0.384	499830	1.140
100001 & Above	61	0.339	38598298	88.061
<b>Total</b>	<b>17967</b>	<b>100.000</b>	<b>43831250</b>	<b>100.000</b>

**Shareholding Pattern**

CATEGORY	No. of Shares held	% age of Paid-up Capital
Promoters (including Persons Acting in Concert)	28056182	64.010
Institutional Investors	6961	0.016
Bodies Corporate	10458676	23.861
Individuals	5082062	11.594
NRI and OCBs	150194	0.343
Others (Clearing Members)	76875	0.175
(Trust)	300	0.001
<b>TOTAL</b>	<b>43831250</b>	<b>100.00</b>

**Graphical Representation of the Shareholding pattern**





- xii. **Dematerialisation of Shares & Liquidity** : The company has obtained electronic connectivity with the National Securities Depository Ltd. (NSDL) and the Central Depository Services (India) Ltd. (CDSL) for demat facility (ISIN: INE335A01012). As on 31<sup>st</sup> March, 2014, 4,29,68,682 equity shares, being 98.03% of the company's total paid-up equity shares had been dematerialized. The shares of the company are regularly traded at the NSE and BSE.
- xiii. **Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date & likely impact on equity** : Nil
- xiv. **Plant Locations**
- |                          |   |  |
|--------------------------|---|--|
| <b>Steel Division</b>    | : | Prakash Nagar, Sankhol,<br>Bahadurgarh, Haryana – 124 507.<br>Plot No.P-1 to P-20,<br>Ghirongi Industrial Area<br>Malanpur Dist. Bhind (M.P)     |
| <b>Lighting Division</b> | : | 7 km Stone, Kashipur-Moradabad Road,<br>Kashipur – 244 713 (Uttarakhand)<br>J-7,8 & 9, Malanpur Industrial Area,<br>Malanpur, Distt.Bhind (M.P). |
- xv. **Address for correspondence** : **The VP & Company Secretary**  
Surya Roshni Limited  
Padma Tower –I, 5 Rajendra Place,  
New Delhi – 110 008.  
**Tel.** - (011) 47108000  
**Fax** - (011) 25789560  
**E-Mail** - [bbsingal@ho.surya.in](mailto:bbsingal@ho.surya.in)  
[investorgrievances@sroshni.com](mailto:investorgrievances@sroshni.com)

**DECLARATION**

We hereby confirm that all the Board Members and senior management personnel of the company have affirmed their compliance of the 'Code of Conduct for Members of the Board and Senior Management' for the year ended 31<sup>st</sup> March 2014 in terms of Clause 49(I)(D)(ii) of the Listing Agreement with the Stock Exchanges.

Place : New Delhi  
Date : 30<sup>th</sup> May, 2014

**Jai Prakash Agarwal**  
Chairman  
DIRECTOR IDENTIFICATION  
NO. - 00041119

**Raju Bista**  
Managing Director  
DIRECTOR IDENTIFICATION  
NO. - 01299297

**AUDITOR'S CERTIFICATE**

**Auditor's certificate on compliance with the conditions of Corporate Governance under Clause 49 of the Listing Agreement**

To the members of  
Surya Roshni Limited

We have examined the compliance of conditions of corporate governance by Surya Roshni Limited ("the company") for the year ended 31<sup>st</sup> March, 2014, as stipulated in Clause 49 of the Listing Agreement of the company with the stock exchanges.

The compliance of the conditions of corporate governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the company, for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of corporate governance as stipulated in the abovementioned Listing Agreement.

We state that no investor grievances are pending for a period exceeding one month against the company as per the records maintained on behalf of the company by SEBI approved Registrar & Transfer Agent by the company.

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

**For Sastry K. Anandam & Co.**  
Chartered Accountants  
Firm Registration No. 00179N

**C.A. ( Ananda Sastry K.)**  
Partner, FCA  
Membership No. 9980

Place : New Delhi  
Dated : 30th May, 2014

**INDEPENDENT AUDITORS' REPORT TO MEMBERS OF  
SURYA ROSHNI LTD. FOR THE YEAR ENDED 31-03-  
2014****Report on the Financial Statements**

We have audited the accompanying financial statements of **SURYA ROSHNI LIMITED**, which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statement**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) In the case of Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") as amended issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
  - c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
  - e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

**For SASTRY K. ANANDAM & CO.  
Chartered Accountants  
(Firm's Registration No. 000179N)**

**CA. ANANDA SASTRY K.)  
Partner F.C.A.  
Place: New Delhi Membership No. 009980  
Dated: 30<sup>th</sup> May, 2014**





**ANNEXURE TO THE INDEPENDENT AUDITORS'  
REPORT TO THE MEMBERS OF SURYA ROSHNI LTD.  
FOR THE YEAR ENDED 31-03-2014**

Referred to in of our Independent Audit Report of even date

1. In respect of its fixed assets:

- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) The Company has a programme of physical verification on a rotational basis, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its business accordingly, certain fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification.
- c) There was no substantial disposal of fixed assets during the year.

2 In respect of its inventories :

- a) The Management has conducted physical verification of inventory at reasonable intervals during the year.
- b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.

3. In respect of loans, secured or unsecured, granted or taken by the Company to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956:

- a) The Company has not granted any loans, secured or unsecured to Companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
- b) Since the Company has not granted any loans, the Clause (b), (c), (d) relating to the rate of interest, receipt of Principal amount, overdue amount does not apply.
- c) The Company has not taken any loans, secured or unsecured from Companies, firms or other parties covered in the register maintained under

Section 301 of the Companies Act, 1956. Accordingly paragraph 4(iii)(e) to 4(iii)g of the order are not applicable.

4. In our opinion and according to the information and explanations given to us, there are adequate internal controls commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls system of the Company.
5. In respect of transactions covered under Section 301 of the Companies Act, 1956:
  - a) According to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Act that need to be entered into the register maintained under section 301 have been so entered.
  - b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements exceeding the value of Rupees Five lakhs have been entered into during the financial year at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public. Since the Company has not defaulted in repayments of deposits, compliance of Section 58AA. No order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India.
7. In our opinion, the internal audit system of the Company is commensurate with its size and nature of its business.
8. We have broadly reviewed the books of accounts relating to materials, labour and other items of cost maintained by the Company Pursuant to the Rules made by the Central Government for the maintenance of Cost Records under Section 209(1) (d) of the Companies Act, 1956 and we are of the opinion, that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.

9. In respect of statutory dues :

- i. The company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees state insurance, Income Tax, Sales/VAT Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it.
- ii. According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales/VAT Tax, Custom Duty, Excise Duty and Cess were in arrears as at 31st March, 2014 for a period of more than six months from the date they became payable.
- iii. The disputed statutory dues aggregating to Rs. 2,29,30,777/- that have not been deposited on account of matters pending before appropriate authorities are as under:

Sr. No.	Name of the Statute	Nature of Dues	Forum where dispute is pending	Amount in (Rs.)
1.	Central Excise Act, 1944	Excise Duty	CESTAT	1,33,93,777
2.	UPSEB	UPSEB Acts	High Court	41,27,000
3.	Sales Tax/VAT Acts	Taxes	Upto Commissioner Level	30,42,000
			High Court	23,68,000
			<b>Total</b>	<b>2,29,30,777</b>

10. The Company has no accumulated losses and has not incurred any cash losses during the financial year covered by our audit or in the immediately preceding financial year.
11. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.
12. In our opinion and according to the information and explanations given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other investments.
13. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/ society. Therefore, clause 4(xiii) of the Companies (Auditor's Report) Order 2003 is not applicable to the Company.

14. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the Provisions of Clause 4 (xiv) of the Companies (Auditors' Report) Order, 2003 are not applicable to the Company.
15. The Company has given guarantees to the extent of Rs.135 crores to the Bank(s) on account of Term Loans taken by the Subsidiary Company in pursuant to resolution under section 372A of the Companies Act, 1956. The said Subsidiary Company w.e.f 12<sup>th</sup> February 2014 has become "Associate"
16. In our opinion, the term loans have been applied for the purposes for which they were raised.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short term basis have been used for long term investments. No long term funds have been used to finance short term assets except permanent working capital.
18. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained u/s 301 of the Company Act, 1956.
19. The Company has no debentures as at 31<sup>st</sup> March, 2014.
20. The Company has not raised any money by way of public issue during the year.
21. In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year, that causes the financial statements to be materially misstated.

**For SASTRY K. ANANDAM & CO.**  
**Chartered Accountants**  
**(Firm's Registration No. 000179N)**

**Place: New Delhi**  
**Dated: 30<sup>th</sup> May, 2014**

**CA.ANANDA SASTRY K.)**  
**Partner F.C.A**  
**Membership No. 009980**



**BALANCE SHEET AS AT 31ST MARCH, 2014**

Particulars	Note No.	As at 31st March,2014 (Rs.)	As at 31st March,2013 (Rs.)
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's Funds</b>			
Share Capital	1	43,83,12,500	43,83,12,500
Reserves and Surplus	2	7,30,07,44,640	6,88,43,39,011
		<b>7,73,90,57,140</b>	<b>7,32,26,51,511</b>
<b>Non-Current Liabilities</b>			
Long Term Borrowings	3	4,00,97,50,499	3,68,31,09,602
Deferred Tax Liabilities (Net)	17	48,34,91,478	42,43,56,781
Other Long Term Liabilities	4	5,80,19,659	5,26,70,981
Long Term Provisions	5	17,10,73,620	17,50,84,966
		<b>4,72,23,35,256</b>	<b>4,33,52,22,330</b>
<b>Current Liabilities</b>			
Short Term Borrowings	6	5,50,14,64,290	4,01,11,00,256
Trade Payables	7	1,15,83,62,546	74,51,75,776
Other Current Liabilities	8	1,16,14,78,883	1,33,03,93,308
Short-term Provisions	9	42,45,64,928	40,84,63,533
		<b>8,24,58,70,647</b>	<b>6,49,51,32,873</b>
<b>Total</b>		<b>20,70,72,63,043</b>	<b>18,15,30,06,714</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
<b>Fixed Assets</b>	10		
Tangible assets		9,11,86,05,623	8,53,22,94,665
Capital work-in-progress		53,70,88,285	25,99,00,121
<b>Non-Current Investments</b>	11	50,00,00,000	50,06,00,000
		<b>10,15,56,93,908</b>	<b>9,29,27,94,786</b>
<b>Current Assets</b>			
Inventories	12	4,33,12,81,545	3,80,31,27,348
Trade receivables	13	4,96,57,96,580	4,10,34,03,731
Cash and cash equivalents	14	24,68,56,744	18,65,67,145
Short-term loans and advances	15	94,02,89,813	70,27,82,362
Other current assets	16	6,73,44,453	6,43,31,342
		<b>10,55,15,69,135</b>	<b>8,86,02,11,928</b>
<b>Total</b>		<b>20,70,72,63,043</b>	<b>18,15,30,06,714</b>
<b>Significant Accounting Policies and Notes on Financial Statements</b>	27 to 32		

As per our attached report of even date

**For SASTRY K. ANANDAM & CO.**

Chartered Accountants

**Firm No.00179N**

**J P Agarwal**  
Chairman  
DIN 00041119

**R N Maloo**  
Executive Director &  
Group Chief Financial Officer

**Dev Dutt Das**  
DIN 06620284

**Mukesh Tripathi**  
DIN 01951272

**Directors**

**CA. ANANDA SASTRY K.**  
**Partner FCA**  
**Membership no. 9980**

Place : New Delhi

Dated : 30th May, 2014

**Raju Bista**  
Managing Director  
DIN 01299297

**B B Singal**  
V.P. & Company Secretary

**K K Narula**  
DIN 00098124

**Utkarsh Dwivedi**  
Dy. Managing Director  
DIN 05142124

**Ravinder K Narang**  
DIN 02318041



**PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014**

Particulars	Note No.	For the Year ended 31st March,2014 (Rs.)	For the Year ended 31st March,2013 (Rs.)
<b>INCOME</b>			
Sale of Products;		33,19,35,90,021	32,67,01,93,376
Less: Internal Consumption		69,19,72,355	92,21,30,626
		32,50,16,17,666	31,74,80,62,750
Less: Excise Duty		2,19,18,68,943	2,15,77,87,840
Revenue from Operations	18	30,30,97,48,723	29,59,02,74,910
Other income	19	3,58,30,796	1,62,71,241
<b>Total Revenue</b>		<b>30,34,55,79,519</b>	<b>29,60,65,46,151</b>
<b>Expenses :</b>			
Cost of materials consumed		22,53,88,58,317	21,66,41,85,235
Less: Internal Consumption		69,19,72,355	92,21,30,626
Cost of materials consumed	20	21,84,68,85,962	20,74,20,54,609
Purchase of Stock-in-Trade	21	1,43,79,23,311	1,45,29,82,407
Change in inventories of finished goods,work-in-progress and Stock-in-Trade	22	(62,44,87,948)	31,00,54,809
Employee benefit expense	23	1,51,05,66,041	1,34,68,56,596
Finance Cost	24	1,14,46,96,919	1,09,67,20,999
Depreciation and amortization expenses	10	55,63,72,101	56,51,15,805
Other Expenses	25	3,80,23,41,411	3,37,19,87,288
<b>Total Expenses</b>		<b>29,67,42,97,797</b>	<b>28,88,57,72,513</b>
Profit before tax		<b>67,12,81,722</b>	<b>72,07,73,638</b>
Tax expense :			
Current tax		14,07,04,005	15,35,59,861
Deferred tax		5,91,34,698	(9,89,77,235)
MAT Credit Adjustment		(6,21,61,769)	(2,62,60,095)
<b>Profit for the year</b>		<b>53,36,04,788</b>	<b>69,24,51,107</b>
Earning per equity share of face value of Rs. 10/- each			
Basic & Diluted in Rs.	26	12.17	15.80
<b>Significant Accounting Policies and Notes on Financial Statements</b>	27 to 32		

As per our attached report of even date

**For SASTRY K. ANANDAM & CO.**

Chartered Accountants

Firm No.00179N

**J P Agarwal**  
Chairman  
DIN 00041119

**R N Maloo**  
Executive Director &  
Group Chief Financial Officer

**Dev Dutt Das**  
DIN 06620284

**Mukesh Tripathi**  
DIN 01951272

**Directors**

**CA. ANANDA SASTRY K.**  
**Partner FCA**  
**Membership no. 9980**  
Place : New Delhi  
Dated : 30th May, 2014

**Raju Bista**  
Managing Director  
DIN 01299297

**B B Singal**  
V.P. & Company Secretary

**K K Narula**  
DIN 00098124

**Utkarsh Dwivedi**  
Dy. Managing Director  
DIN 05142124

**Ravinder K Narang**  
DIN 02318041





## Notes on Financial Statements For the year ended 31st March, 2014

Note 1 Disclosure pursuant to Note no. 6(A)(a,b &amp; c) of Part I of Schedule VI to the Companies Act, 1956

(Amount in Rs.)

Share Capital	As at 31 March 2014		As at 31 March 2013	
	Number	Amount	Number	Amount
<b>Authorised</b>				
Equity Shares of par value of Rs. 10/- each	4,98,00,000	49,80,00,000	4,98,00,000	49,80,00,000
Preference Shares of par value of Rs. 100/- each	6,20,000	6,20,00,000	6,20,000	6,20,00,000
<b>Total</b>		56,00,00,000		56,00,00,000
<b>Issued</b>				
Equity Shares of par value of Rs. 10/- each	4,38,31,250	43,83,12,500	4,38,31,250	43,83,12,500
Preference Shares of par value of Rs. 100/- each	-	-	-	-
<b>Total</b>		43,83,12,500		43,83,12,500
<b>Subscribed &amp; fully paid up</b>				
Equity Shares of par value of Rs. 10/- each	4,38,31,250	43,83,12,500	4,38,31,250	43,83,12,500
Preference Shares of par value of Rs. 100/- each	-	-	-	-
<b>Total</b>		43,83,12,500		43,83,12,500
<b>Subscribed but not fully Paid up</b>				
Equity Shares of par value of Rs. 10/- each	-	-	-	-
Preference Shares of par value of Rs. 100/- each	-	-	-	-
<b>Total</b>		-		-

Disclosure pursuant to Note no. 6(A)(d) of Part I of Schedule VI to the Companies Act, 1956

Particulars	As at 31 March 2014		As at 31 March 2013	
	Equity Shares	Preference Shares	Equity Shares	Preference Shares
Shares outstanding at the beginning of the year	4,38,31,250	-	4,38,31,250	-
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	4,38,31,250	-	4,38,31,250	-

Disclosure pursuant to Note no. 6(A)(g) of Part I of Schedule VI to the Companies Act, 1956

Equity Shares in the Company held by each shareholder holding more than 5 percent shares

Name of Shareholder	As at 31 March 2014		As at 31 March 2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Diwakar Marketing Private Limited	56,37,500	12.86	43,00,000	9.81
Cubitex Marketing Private Ltd.	47,61,000	10.86	43,00,000	9.81
Shreyansh Mercantile Private Ltd.	31,78,000	7.25	28,30,000	6.46
Lustre Merchants Private Limited	16,22,394	3.70	35,69,894	8.14

Note No.	General Instructions	Disclosure
6A(e)	the rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital;	Not Applicable
6A(h)	shares reserved for issue under options and contracts/commitments for the sale of shares/ disinvestment, including the terms and amounts;	Nil
6A(j)	Terms of any securities convertible into equity/preference shares issued along with the earliest date of conversion in descending order starting from the farthest such date.	N. A.
6A(l)	Forfeited shares (amount originally paid up)	Nil



# Notes on Financial Statements For the year ended 31st March, 2014 (Contd.)

## Note no. 2

Disclosure pursuant to Note no. 6(B) of Part I of Schedule VI to the Companies Act, 1956

Particulars	Figures as at the end of the current reporting period			Figures as at the end of the previous reporting period		
	Balance as on 1-4-2013	Additions	Deductions	Balance as on 1-4-2012	Additions	Deductions
Reserves & Surplus	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
<b>Capital Reserve</b>						
- Capital Subsidy	50,00,000	-	-	50,00,000	-	-
- Revaluation of Fixed Assets	1,85,99,51,429	-	6,59,18,788	1,86,04,52,655	-	5,01,226
Capital Redemption Reserve	3,00,00,000	-	-	3,00,00,000	-	-
Forfeiture Reserve	17,62,51,250	-	-	2,43,20,000	15,19,31,250	-
Securities Premium Reserve	1,40,95,19,175	-	-	1,40,95,19,175	-	-
General Reserve	48,00,98,030	6,00,00,000	-	40,00,98,030	8,00,00,000	-
<b>Surplus</b>	2,51,51,73,716	53,36,04,788	6,00,00,000	2,06,53,60,498	69,24,51,107	8,00,00,000
Profit after Tax for the Year	69,24,51,107			51,98,13,218		
Less: Transfer to General Reserve	(8,00,00,000)			(7,00,00,000)		
Less: Interim Dividends paid including dividend distribution tax	(15,28,25,324)					
Less: Proposed Dividend including dividend distribution tax	(5,12,80,371)		5,12,80,371			15,28,25,324
Balance	2,92,35,19,127			2,51,51,73,716		5,12,80,371
<b>Total</b>	6,88,43,39,011	59,36,04,788	17,71,99,159	6,24,45,63,576	92,43,82,357	28,46,06,921

During the Year 2010-11, the Land has been revalued as follows :

Particulars	Rs.
Opening Balance	22,91,49,151
Revaluation amount	2,08,08,87,024
Increase in Book value & trf to Revaluation Reserve	1,85,17,37,873



## Notes on Financial Statements For the year ended 31st March, 2014 (Contd.)

### Note 3 Disclosure pursuant to Note no. 6C of Part I of Schedule VI to the Companies Act, 1956

<u>Long Term Borrowings</u>	As at 31 March 2014 (Rs.)	As at 31 March 2013 (Rs.)
<b>Secured</b>		
Term loans from Banks & Financial Institutions	2,63,86,36,499	2,33,43,19,568
	2,63,86,36,499	<b>2,33,43,19,568</b>
<b>Unsecured</b>		
Term loans	73,98,00,000	64,98,22,034
<b>Deposits</b>		
Public Deposits	63,13,14,000	65,14,68,000
Inter-Corporate Deposits	-	4,75,00,000
<b>Total</b>	<b>1,37,11,14,000</b>	<b>1,34,87,90,034</b>
	<b>4,00,97,50,499</b>	<b>3,68,31,09,602</b>

Term Loans from banks & financial institutions are secured by deposit of title deeds relating to immovable assets of the company and further secured by hypothecation of all Company's movable assets and personal guarantee of Chairman of the Company.

### Note no. 4

Disclosure pursuant to Note no. 6D of Part I of Schedule VI to the Companies Act, 1956

<u>Other Long-term Liabilities</u>	As at 31 March 2014 (Rs.)	As at 31 March 2013 (Rs.)
Trade Deposits	5,80,19,659	5,26,70,981
<b>Total</b>	<b>5,80,19,659</b>	<b>5,26,70,981</b>

### Note no. 5

Disclosure pursuant to Note no. 6E of Part I of Schedule VI to the Companies Act, 1956

<u>Long-term provisions</u>	As at 31 March 2014 (Rs.)	As at 31 March 2013 (Rs.)
<b>Provision for employee benefits</b>		
Gratuity (unfunded)	14,27,05,534	14,88,90,677
Leave Encashment (unfunded)	2,83,68,086	2,61,94,289
<b>Total</b>	<b>17,10,73,620</b>	<b>17,50,84,966</b>

### Note no. 6

Disclosure pursuant to Note no. 6F of Part I of Schedule VI to the Companies Act, 1956

<u>Short Term Borrowings</u>	As at 31 March 2014 (Rs.)	As at 31 March 2013 (Rs.)
<b>Secured</b>		
Working Capital Loans from Banks	5,05,14,64,290	4,01,11,00,256
	<b>5,05,14,64,290</b>	<b>4,01,11,00,256</b>
<b>Short Term Loans from Banks</b>		
	45,00,00,000	-
<b>Total</b>	<b>5,50,14,64,290</b>	<b>4,01,11,00,256</b>

Working Capital Loans from Banks are secured against hypothecation of present and future stock of raw material, stock in process, finished goods, spare and stores, book debts etc., guaranteed by Chairman of the company and further secured by way of second charge on the company's Fixed Assets.

The Short-term loan from banks are secured by subservient charges on fixed assets and guaranteed by the chairman of the company.



## Notes on Financial Statements For the year ended 31st March, 2014 (Contd.)

## Note no. 7

Trade Payables	As at 31 March 2014	As at 31 March 2013
	Rs.	Rs.
Micro, Small and Medium Enterprises	7,61,55,074	5,25,83,955
Others	1,08,22,07,472	69,25,91,821
<b>Total</b>	<b>1,15,83,62,546</b>	<b>74,51,75,776</b>

7.1 The details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the Company as under:

Particulars	As at 31 March 2014	As at 31 March 2013
	Rs.	Rs.
(i) The Principal amount and the interest due thereon remaining unpaid to any supplier. Principal Amount : Interest :	7,61,55,074 Nil	5,25,83,955 Nil
(ii) The amount of interest paid by the Company along with the amounts of the payment made to the supplier beyond the appointed day for the year ending.	Nil	Nil
(iii) The amount of interest due and payable for the period of delay in making payment ( beyond the appointed day during the year)	Nil	Nil
(iv) The amount of interest accrued and remaining unpaid for the year ending.	Nil	Nil
(v) The amount of further interest remaining due and payable for the earlier years.	Nil	Nil

The Information has been given in respect of such suppliers to the extent they could be identified as "Micro and Small" enterprises on the basis of information available with the Company.

## Note no. 8

Disclosure pursuant to Note no. 6G of Part I of Schedule VI to the Companies Act, 1956

Other Current Liabilities	As at 31 March 2014	As at 31 March 2013
	Rs.	Rs.
Current maturities of long-term debt	86,77,00,000	87,84,00,000
Interest accrued but not due on borrowings	6,50,46,122	6,48,75,334
Unpaid dividends	45,13,552	47,35,903
Duties and Taxes Payable	8,16,93,745	8,61,15,201
Other liabilities	14,25,25,464	29,62,66,870
<b>Total</b>	<b>1,16,14,78,883</b>	<b>1,33,03,93,308</b>

## Note no. 9

Disclosure pursuant to Note no. 6H of Part I of Schedule VI to the Companies Act, 1956

Short Term Provisions	As at 31 March 2014	As at 31 March 2013
	Rs.	Rs.
(a) Provision for employee benefits Salary & Reimbursements Gratuity (Unfunded) Leave Encashment (Unfunded)	21,58,22,367 1,22,97,792 44,60,393	20,11,63,717 - 24,59,584
(b) Others Provision for Income Tax for Current Year Provision for Proposed equity dividend and Dividend Distribution Tax	14,07,04,005 5,12,80,371	15,35,59,861 5,12,80,371
<b>Total</b>	<b>42,45,64,928</b>	<b>40,84,63,533</b>





## Notes on Financial Statements For the year ended 31st March, 2014 (Contd.)

Note no. 10  
Disclosure pursuant to Note no. I (i), (ii), (iii); Note no. J (i), (ii); Note no. J and Note no. L of Part I of Schedule VI to the Companies Act, 1956

	Fixed Assets			Gross Block			Accumulated Depreciation				Net Block	
	Balance as at 1st April 2013	Amount	Additions	Disposals	Revaluations/ (Impairments)	Balance as at 31st March 2014	Balance as at 1st April 2013	Depreciation charge for the year	Adjustment due to revaluations	On disposals	Balance as at 31 March 2014	Balance as at 1st April 2013
	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount
Tangible Assets												
Land	1,97,30,78,055	4,42,054		10,74,96,458	-	1,86,60,23,651	-	-	-	-	-	1,97,30,78,055
Assets under lease	13,24,64,058	-	-	-	-	13,24,64,058	-	-	-	-	-	13,24,64,058
Buildings	1,45,86,30,004	4,15,47,795		1,42,91,535	-	1,48,58,86,264	37,47,70,153	4,16,32,463	5,01,226	11,79,047	41,57,24,796	1,08,38,59,851
Plant and Equipment	9,69,48,19,329	1,23,42,34,540		11,40,72,744	-	10,81,49,81,125	4,50,98,48,204	48,85,38,525	-	8,42,47,418	4,91,41,39,311	5,18,49,71,125
Furniture and Fixtures	6,82,65,739	47,89,257		1,328	-	7,30,53,668	3,11,59,107	31,94,893	-	265	3,43,53,735	3,71,06,632
Vehicles	11,38,54,405	77,43,348		72,55,631	-	11,43,42,122	6,07,40,028	80,78,170	-	29,08,750	6,59,09,448	5,31,14,377
Office equipment	7,54,91,628	21,21,568		3,83,900	-	7,72,29,296	5,09,23,207	48,96,473	-	78,293	5,57,41,387	2,45,68,421
Air Conditioner & Coolers	1,00,87,904	8,43,108		-	-	1,09,31,012	46,83,364	4,20,873	-	(7,020)	51,11,257	54,04,540
Temporary Construction	1,50,55,565	9,50,281		-	-	1,50,55,565	1,50,55,565	-	-	-	1,50,55,565	-
Electric Equipments	74,16,689	-		35,555	-	83,31,415	46,75,083	2,68,919	-	7,020	49,36,982	27,41,606
Miscellaneous Assets	34,69,955	-		-	-	34,69,955	22,81,768	1,47,475	-	-	24,29,243	11,88,187
Computer	9,05,24,421	56,54,384		-	-	9,61,78,805	5,67,26,608	91,94,310	-	(18,670)	6,59,39,589	3,37,97,813
Total	13,64,31,57,752	1,29,83,26,335		24,35,37,151	-	14,69,79,46,936	5,11,08,63,087	55,63,72,101	5,01,226	8,83,95,103	5,57,93,41,313	8,53,22,94,665
Previous Year	12,80,02,82,226	91,33,88,106		7,05,12,580	-	13,64,31,57,752	4,59,27,01,316	56,51,15,806	5,01,226	4,69,54,034	5,11,08,63,087	8,20,75,80,909
Capital Work In Progress	25,99,00,121	92,14,72,256		64,42,84,092	-	53,70,88,285	-	-	-	-	-	25,99,00,121
Total	25,99,00,121	92,14,72,256		64,42,84,092	-	53,70,88,285	-	-	-	-	-	25,99,00,121
Previous Year	37,87,52,314	33,52,88,083		45,41,40,276	-	25,99,00,121	-	-	-	-	-	37,87,52,314

Disclosure pursuant to Note no. I (iv) and J (iii) of Part I of Schedule VI to the Companies Act, 1956

Particulars	Year 2010-11
Asset details:	Land
Balance as at 1 April	22,91,49,151
Revaluation	1,85,17,37,873
Balance as at 31 March	2,08,08,87,024



# Notes on Financial Statements For the year ended 31st March, 2014 (Contd.)

Note no. 11

Disclosure pursuant to Note no. K (i) of Part I of Schedule VI to the Companies Act, 1956  
Non-Current Investments

	Particulars	As at 31 March 2014	As at 31 March 2014
		Rs.	Rs.
A	Trade Investments		
	Total (A)	-	-
B	Other Investments (Refer B below)		
	Investment in Equity Instruments	50,00,00,000	50,06,00,000
	Total (B)	50,00,00,000	50,06,00,000
	Grand Total (A + B)	50,00,00,000	50,06,00,000
	Less : Provision for diminution in the value of investments	-	-
	Total	50,00,00,000	50,06,00,000

Particulars	2014	2013
	Amount	Amount
Aggregate amount of quoted Investments (Market value of Rs. NIL/Previous Year : Rs.NIL)	NIL	NIL
Aggregate amount of unquoted Investments	50,00,00,000	50,06,00,000

Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Equity Holding (%)		Amount (Rs)		Whether stated at Cost Yes / No	If Answer to Column (12) is 'No' - Basis of Valuation
			As at 31.03.2014	As at 31.03.2013			As at 31.03.2014	As at 31.03.2013	As at 31.03.2014	As at 31.03.2013		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
<b>Investment in Equity Instruments</b>												
1	Surya Global Infrastructure Limited of Rs. 10/- each	Others	-	50,000	Unquoted	Fully Paid	-	41.67	-	5,00,000	Yes	N.A.
2	Surya Vijay Nagar Steel & Power Limited of Rs. 10/- each	Others	-	5,000	Unquoted	Fully Paid	-	10.00	-	50,000	Yes	N.A.
3	Surya Vijay Nagar Cement Limited of Rs. 10/- each	Others	-	5,000	Unquoted	Fully Paid	-	10.00	-	50,000	Yes	N.A.
4	Surya Global Steel Tubes Limited of Rs. 10/- each	Associate	5,00,00,000	5,00,00,000	Unquoted	Fully Paid	49.99	53.73	50,00,00,000	50,00,00,000	Yes	N.A.
	<b>Total</b>		<b>5,00,00,000</b>	<b>5,00,60,000</b>					<b>50,00,00,000</b>	<b>50,06,00,000</b>		



## Notes on Financial Statements For the year ended 31st March, 2014 (Contd.)

## BALANCE SHEET AS AT 31ST MARCH, 2014

Note no. 12

Disclosure pursuant to Note no. O (i), (ii) and (iii) of Part I of Schedule VI to the Companies Act, 1956

Particulars	Figures as at the end of the current reporting period			Figures as at the end of the previous reporting period		
	Inventories	Mode of Valuation	Rs.	Mode of Valuation	Rs.	Rs.
<b>Raw Materials;</b> <i>Goods-in-transit</i>		At Cost on FIFO Basis	1,32,06,61,592	At Cost on FIFO Basis	1,43,52,54,067	1,43,52,54,067
			-		-	
<b>Work-in-Progress;</b> <i>Goods-in-transit</i>		At Cost or net realisable value, which ever is lower	27,08,05,912	At Cost or net realisable value, which ever is lower	18,21,07,392	18,21,07,392
			-		-	
<b>Finished goods;</b> <i>Goods-in-transit</i>		At Cost or net realisable value, which ever is lower	2,45,76,73,306	At Cost or net realisable value, which ever is lower	1,93,24,75,921	1,93,24,75,921
			-		-	
<b>Stores and spares;</b> <i>Goods-in-transit</i>		At Cost on FIFO Basis	23,74,15,034	At Cost on FIFO Basis	21,91,56,311	21,91,56,311
			-		-	
<b>Scrap and salvage</b> <i>Goods-in-transit</i>		At Realisable Value	4,47,25,701	At Realisable Value	3,41,33,657	3,41,33,657
			-		-	
<b>Total</b>			4,33,12,81,545			3,80,31,27,348

## Note no.13

Disclosure pursuant to Note no.P (i), (ii), (iii) and (iv) of Part I of Schedule VI to the Companies Act, 1956

Trade Receivables	As at 31.03.2014		As at 31.03.2013	
	Rs.		Rs.	
Unsecured, considered good	4,96,57,96,580		4,10,34,03,731	
Less: Bad and doubtful debts	-		-	
	4,96,57,96,580		4,10,34,03,731	
<b>Total</b>	<b>4,96,57,96,580</b>		<b>4,10,34,03,731</b>	

Aggregate amount of Trade Receivables outstanding for a period exceeding six months from the date they are due for payment

22,87,13,180

1,38,27,898



## Notes on Financial Statements For the year ended 31st March, 2014 (Contd.)

### Note no.14

Disclosure pursuant to Note no.Q (i), (ii), (iii), (iv) and (v) of Part I of Schedule VI to the Companies Act, 1956

Cash and cash equivalents	As at 31 March 2014 (Rs.)	As at 31 March 2013 (Rs.)
Balance with banks	2,68,70,022	1,64,92,304
Cheques, drafts on hand	11,82,10,400	14,81,60,409
Cash on hand	51,95,511	69,14,432
Fixed Deposit With Banks	9,65,80,811	1,50,00,000
<b>Total</b>	<b>24,68,56,744</b>	<b>18,65,67,145</b>

Cash and cash equivalents stated above includes :

Particulars	As at 31 March 2014 (Rs.)	As at 31 March 2013 (Rs.)
Earmarked balances with banks for unpaid dividend	45,13,552	47,35,903

### Note no.15

Disclosure pursuant to Note no.R (i), (ii), (iii) and (iv) of Part I of Schedule VI to the Companies Act, 1956

Short-term loans and advances	As at 31 March 2014 (Rs.)	As at 31 March 2013 (Rs.)
<b>Loans and advances to others</b>		
<b>Prepaid Taxes &amp; Advances recoverable in cash or kind or for value to be received</b>		
Unsecured, considered good	94,02,89,813	70,27,82,362
Less: Bad and doubtful debts	-	-
	<b>94,02,89,813</b>	<b>70,27,82,362</b>
<b>Total</b>	<b>94,02,89,813</b>	<b>70,27,82,362</b>

### Note no. 16

Disclosure pursuant to Note no.S of Part I of Schedule VI to the Companies Act, 1956

Other current assets	As at 31 March 2014 (Rs.)	As at 31 March 2013 (Rs.)
Security Deposits	5,94,09,552	5,45,20,130
Earnest Money Deposits	79,34,900	98,11,212
<b>Total</b>	<b>6,73,44,453</b>	<b>6,43,31,342</b>

### Note no. 17

#### Deferred Tax Liability (Net)

Particulars	As at 31 March 2014 (Rs.)	As at 31 March 2013 (Rs.)
<b>(a) Deferred Tax Liability</b>		
Related to Fixed Assets	54,98,27,176	48,71,96,578
<b>Total</b>	<b>54,98,27,176</b>	<b>48,71,96,578</b>
<b>(b) Deferred Tax Assets</b>		
Gratuity	5,42,27,878	5,21,50,927
Leave Encashment	1,21,07,820	1,06,88,871
<b>Total</b>	<b>6,63,35,698</b>	<b>6,28,39,798</b>
<b>Deferred Tax Liability (Net)</b>	<b>48,34,91,478</b>	<b>42,43,56,781</b>





## Notes on Financial Statements For the year ended 31st March, 2014 (Contd.)

## Note no. 18

Particulars	For the Year ended 31st March,2014 (Rs.)	For the Year ended 31st March,2013 (Rs.)
<b>REVENUE FROM OPERATIONS</b>		
Sale of Products includes incentives ;	33,19,35,90,021	32,67,01,93,376
Less: Internal Consumption	69,19,72,355	92,21,30,626
	<b>32,50,16,17,666</b>	<b>31,74,80,62,750</b>
Less: Excise duty	2,19,18,68,943	2,15,77,87,840
<b>Total</b>	<b>30,30,97,48,723</b>	<b>29,59,02,74,910</b>
<b>PARTICULARS OF SALE OF PRODUCTS</b>		
<b>LIGHTING</b>	<b>11,25,77,07,995</b>	9,53,55,75,920
<b>STEEL</b>	<b>21,24,39,09,671</b>	22,21,24,86,830
<b>Total</b>	<b>32,50,16,17,666</b>	<b>31,74,80,62,750</b>

## Note no. 19

Particulars	For the Year ended 31st March,2014 (Rs.)	For the Year ended 31st March,2013 (Rs.)
<b>OTHER INCOME</b>		
Interest :		
From Current Investments	1,11,76,166	69,96,593
(TDS Rs.9,08,377/- Prev. Year Rs. 6,78,894/-)		
Profit on sale of Fixed Assets & Investment	2,29,12,894	83,27,511
Other non-operating income	17,41,736	9,47,137
<b>Total</b>	<b>3,58,30,796</b>	<b>1,62,71,241</b>

## Note no. 20

Particulars	For the Year ended 31st March,2014 (Rs.)	For the Year ended 31st March,2013 (Rs.)
<b>RAW MATERIAL CONSUMED</b>		
Raw Material (Imported)	1,28,61,26,228	1,58,89,56,298
Raw Material (Indigenous)	20,83,85,81,774	19,73,87,47,090
Packing Material Consumed	41,41,50,315	33,64,81,847
	<b>22,53,88,58,317</b>	<b>21,66,41,21,85,235</b>
Less: Internal Consumption	69,19,72,355	92,21,30,626
<b>Total</b>	<b>21,84,68,85,962</b>	<b>20,74,20,54,609</b>
<b>PARTICULARS OF MATERIALS CONSUMED</b>		
<b>LIGHTING</b>	<b>5,41,43,92,779</b>	4,43,35,28,059
<b>STEEL</b>	<b>17,12,44,65,538</b>	17,23,06,57,176
<b>Total</b>	<b>22,53,88,58,317</b>	<b>21,66,41,85,235</b>



## Notes on Financial Statements For the year ended 31st March, 2014 (Contd.)

### Note no. 21

Particulars	For the Year ended 31st March,2014 (Rs.)	For the Year ended 31st March,2013 (Rs.)
<b>PURCHASES OF STOCK-IN-TRADE</b>		
Purchase	1,43,79,23,311	1,45,29,82,407
<b>Total</b>	<b>1,43,79,23,311</b>	<b>1,45,29,82,407</b>

### Note no. 22

Particulars	For the Year ended 31st March,2014 (Rs.)	For the Year ended 31st March,2013 (Rs.)
<b>INCREASE/ (DECREASE) IN FINISHED GOODS AND WORK IN PROGRESS</b>		
<b>Opening Stock</b>		
Finished Goods	1,94,58,02,427	2,22,61,90,919
Work-in-Progress	20,29,14,543	23,25,80,861
	<b>2,14,87,16,970</b>	<b>2,45,87,71,780</b>
<b>Closing Stock</b>		
Finished Goods	2,48,21,66,171	1,96,66,09,578
Work-in-Progress	29,10,38,747	18,21,07,393
	<b>2,77,32,04,918</b>	<b>2,14,87,16,971</b>
<b>Change</b>	<b>(62,44,87,948)</b>	<b>31,00,54,809</b>

### Note no. 23

Particulars	For the Year ended 31st March,2014 (Rs.)	For the Year ended 31st March,2013 (Rs.)
<b>EMPLOYEE BENEFIT EXPENSES</b>		
Salaries,Wages and Bonus	1,38,83,77,414	1,23,32,07,715
Contribution to provident and other funds	8,28,57,625	7,92,60,901
Workmen and Staff Welfare Expenses	3,93,31,002	3,43,87,980
<b>Total</b>	<b>1,51,05,66,041</b>	<b>1,34,68,56,596</b>

### Note no. 24

Particulars	For the Year ended 31st March,2014 (Rs.)	For the Year ended 31st March,2013 (Rs.)
<b>FINANCE COST</b>		
Interest expenses	97,02,26,238	94,80,44,940
Other borrowing costs	7,86,11,271	6,27,28,838
Applicable net gain/loss on foreign currency transactions and translations	9,58,59,410	8,59,47,221
<b>Total</b>	<b>1,14,46,96,919</b>	<b>1,09,67,20,999</b>



# Notes on Financial Statements For the year ended 31st March, 2014 (Contd.)

## Note no. 25 OTHER EXPENSES

Particulars	For the Year ended 31st March,2014 Rs.	For the Year ended 31st March,2013 Rs.
<b>Manufacturing Expenses</b>		
Consumption of stores and spare parts	20,54,06,426	17,66,42,435
Power and fuel	65,76,14,739	57,78,14,171
Water Charges	58,36,053	44,96,582
Repairs to buildings	81,15,457	88,17,129
Repairs to machinery	1,69,63,777	1,88,26,620
Repairs to other items	36,33,762	41,30,997
Other Manufacturing expenses	33,97,33,901	29,10,02,826
	<b>1,23,73,04,115</b>	<b>1,08,17,30,760</b>
<b>Selling and Other Expenses</b>		
Discount, Rebate and Allowances	53,64,11,405	36,78,42,247
Warranty Cost	45,22,04,429	49,58,46,700
Commission on Sales	11,13,10,934	11,24,75,675
Advertisement	4,09,61,910	4,95,74,109
Others	26,61,04,422	11,12,81,231
Outward Freight Charges	77,68,64,407	79,88,08,422
	<b>2,18,38,57,507</b>	<b>1,93,58,28,384</b>
<b>Administrative Expenses</b>		
Rent	5,85,03,147	4,55,54,788
Rates and taxes	38,78,131	26,26,838
Insurance	65,99,627	70,58,477
Postage, Telegraph and Telephone	1,98,44,972	1,90,35,607
Printing & Stationery	1,24,72,522	1,23,81,000
Travelling and Conveyance	9,46,85,939	8,86,96,570
Staff Recruitment and Training Expenses	56,21,844	81,43,949
Loss on sale/ write off of Fixed Assets (net)	90,69,993	49,54,284
Miscellaneous expenses	16,91,54,727	16,46,87,857
	<b>37,98,30,902</b>	<b>35,31,39,370</b>
<b>Payment to Auditors</b>		
Statutory Audit Fees	6,30,000	5,93,000
Cost Audit Fees	2,75,000	2,50,000
Income-Tax Audit Fees	1,70,000	1,67,000
Certification Fees	1,17,650	1,82,950
Reimbursement of expenses	1,56,237	95,824
	<b>13,48,887</b>	<b>12,88,774</b>
<b>Total</b>	<b>3,80,23,41,411</b>	<b>3,37,19,87,288</b>

## Note no. 26

Disclosure pursuant to Note no.U of Part I of Schedule VI to the Companies Act, 1956

Particulars	For the year ended 31.03.2014	For the year ended 31.03.2013
<b>DIVIDEND</b>		
<b>Equity Shares</b>		
Proposed Dividend amount per share Rs.	1,00	1,00
No. of Shares	4,38,31,250	4,38,31,250
Proposed Dividend amount to be distributed Rs.	<b>4,38,31,250</b>	<b>4,38,31,250</b>

Particulars	For the year ended 31.03.2014	For the year ended 31.03.2013
<b>EARNING PER SHARE (EPS)</b>		
Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (Rs.)	<b>53,36,04,788</b>	69,24,51,107
Number of Equity Shares	<b>4,38,31,250</b>	4,38,31,250
Weighted Average Number of Equity Shares used as denominator for calculating EPS	<b>4,38,31,250</b>	4,38,31,250
Basic and Diluted Earning per share (Rs.)	<b>12,17</b>	15,80
Face Value per equity share (Rs.)	<b>10,00</b>	10,00

## Notes on Financial Statements For the year ended 31st March, 2014 (Contd.)

### NOTE NO. 27

#### A. SIGNIFICANT ACCOUNTING POLICIES

##### 1. Basis of preparation of Financial Statements

- (a) The financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles (GAAP) in India and the provisions of the Companies Act, 1956, as adopted consistently by the Company.
- (b) The Company recognises income and expenditure on accrual basis except those of significant uncertainties.

##### 2. Fixed Assets

Fixed Assets are stated at cost net of CENVAT and includes amounts added on revaluation, less accumulated depreciation. All costs, including interest on borrowings attributable to acquisition of Fixed Assets upto the date of commissioning of the assets and net charges on foreign exchange contracts and adjustments arising from exchange rate variations relating to borrowings attributable to the fixed assets are capitalised.

##### 3. Depreciation

- (i) Depreciation on fixed assets is provided on straight line method at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956.
- (ii) Depreciation on additions is being provided on pro rata basis from the date of such additions.
- (iii) Depreciation on assets sold, discarded, disabled or demolished during the year is being provided up to the date in which such assets are sold, discarded, disabled or demolished.
- (iv) Depreciation on additions / deductions on account of increase / decrease due to revaluation of foreign currency loan are provided at respective rates.

##### 4. Foreign Currency Transactions

- (i) The Monetary items denominated in foreign currency are translated at the exchange rate prevailing on the last day of the accounting year where the Company has entered into forward exchange contracts, the difference between the forward rate and the exchange rate at the date of the transaction is recognised in the statement of profit & loss over the life of the contract. However the difference relating to borrowings attributable to the fixed assets are capitalised
- (ii) Exchange differences arising due to repayment or restatement of monetary items denominated in foreign currency are recognised in Profit & Loss Account. However the exchange difference relating to borrowings attributable to the fixed assets are capitalized.

##### 5. Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

##### 6. Employee Benefits

- i. Contribution to the provident fund with the government

at pre-determined rates is a defined contribution scheme and is charged to the Profit and Loss account. There are no other obligations other than contribution to PF Schemes.

- ii. Liabilities in respect of defined benefit plan of Gratuity is determined as per actuarial valuations made by an independent actuary as at the balance sheet date. The actuarial gains or losses are recognised immediately in the profit and loss account. The contributions made by the Company through approved gratuity trust time to time are invested with Life Insurance Corporation of India and SBI Life Insurance Company Limited.
- iii. Provisions for other long term employee benefits-leave, a defined benefit scheme, is made on the basis of actuarial valuation at the end of each financial year and are charged to the profit and loss account. All actuarial gains or losses are recognised immediately in the profit and loss account.

##### 7. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities as at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

##### 8. Inventories

- (i) Raw material, Stores & Spares are valued at cost on FIFO basis.
- (ii) Finished Goods are valued at cost or net realisable value whichever is lower. Cost includes direct cost and appropriate portion of production overheads.
- (iii) Semi-finished goods are valued at cost or net realisable value whichever is lower.
- (iv) Scrap and Salvage is valued at realisable value.
- (v) Excise duty is included in value of finished goods.

##### 9. Revenue Recognition

Sale of goods are recognised where significant risk and reward in goods is passed to customers. In case of export, sale are recognised on the basis of shipping bills date and initially recorded at the relevant exchange rates prevailing on the date of transaction.

##### 10. Taxation

The current charge for income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act including probable adjustments.

The deferred tax for timing differences between the book and tax profits for the year is accounted for using the tax rates and laws that have been enacted or substantively enacted as of the balance sheet date. Deferred tax assets arising from timing differences are recognised to the extent there is reasonable certainty that the assets can be realised in future. Deferred tax assets are reviewed at each balance sheet date for its realisability.





# Notes on Financial Statements For the year ended 31st March, 2014 (Contd.)

## Note no. 28

### Contingent Liabilities and commitments (to the extent not provided for)

Disclosure pursuant to Note no.T of Part I of Schedule VI to the Companies Act, 1956

Particulars	As at 31.03.2014	As at 31.03.2013
	Rs.	Rs.
<b>Contingent Liabilities</b>		
Claims against the company not acknowledged as debt;	2,29,30,777	2,29,30,777
Guarantees;	87,74,13,692	38,30,21,910
Corporate Guarantee in favour of Banks for providing term loans to Surya Global Steel Tubes Limited: Sanctioned term loans amount - Rs. 135 Crores; Outstanding term loans amount- Rs. 56 Crores	1,35,00,00,000	1,35,00,00,000
Bonds executed by the Company to Custom Department against export obligation under EPCG Scheme	27,44,70,372	33,25,45,469
Other money for which the company is contingently liable	-	-
<b>Total</b>	<b>2,52,48,14,841</b>	<b>2,08,84,98,156</b>
<b>Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for;	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

## Note No. 29

### CIF VALUE OF IMPORTS

	As at March 31	
	2014	2013
	Rs.	Rs.
Raw materials and purchases for trading	1,59,65,19,696	1,87,23,10,518
Components and Spare parts;	1,95,04,098	83,26,752
Capital goods	3,66,17,513	8,03,25,746

Value of consumption of imported and indige- neous raw material, stores, and spares and its percentage to total consumption	As at March 31			
	2014		2013	
	Rs.	%age	Rs.	%age
<b>Raw Materials</b>				
Imported	1,28,61,26,228	5.81	1,58,89,56,298	7.45
Indigenous	20,83,85,81,774	94.19	19,73,87,47,090	92.55
<b>Total</b>	<b>22,12,47,08,002</b>	<b>100.00</b>	<b>21,32,77,03,388</b>	<b>100.00</b>
<b>Stores and Spares</b>				
Imported	2,21,97,200	10.81	1,50,49,496	8.52
Indigenous	18,32,09,226	89.19	16,15,92,939	91.48
<b>Total</b>	<b>20,54,06,426</b>	<b>100.00</b>	<b>17,66,42,435</b>	<b>100.00</b>

Earning in foreign exchange	As at March 31	
	2014	2013
	Rs.	Rs.
Export of goods calculated on F.O.B. basis	3,55,53,43,562	3,70,34,24,031

Expenditure in Foreign Currency	As at March 31	
	2014	2013
	Rs.	Rs.
Professional and consultation fee	3,16,837	11,55,456
Other matters	3,30,61,237	1,40,04,205

### Dividend Amount paid to Non Residents

Particulars	During the Year	
	March 31	
	2014	2013
Number of non resident Shareholders	167	204
Number of equity shares held by them on which dividends were due	169042	171348
Year ended to which the dividend related	2012-13	2012-13
Amount paid	Rs.1,69,042.00	Rs.4,90,557.00

Note : The Company has paid above said dividend amount only in Indian Currency .



## Notes on Financial Statements For the year ended 31st March, 2014 (Contd.)

### NOTE NO. 30

30.1 Consequent upon opting for Central Excise exemption w.e.f. 02-01-2006 based on Notification No. 50/2003 dated 10-06-2003, cenvat credit of Rs.1,34,61,135/- was claimed on account of input credits by Kashipur Factory and the same shall be recognised in the year in which the matter will be finally settled by the appropriate authorities.

#### 30.2 Related party disclosures

Related party disclosures as required under Accounting Standard on "Related Party Disclosures" issued by the Institute of Chartered Accountants of India are given hereunder :

#### A. Relationship :

Company had a non-listed Indian Subsidiary Company named as Surya Global Steel Tubes Limited which was de-Subsidiarised by the Board of Directors of the Company on 12th February, 2014. Company has no Subsidiary Company as on 31st March, 2014.

#### I) Associate / Other Companies

- |   |  |
|---|--|
| 1. Surya Global Steel Tubes Limited       | 4. Surya Global Infrastructure Limited     |
| 2. Surya Global Steel & Gen Power Limited | 5. Surya Vijay Nagar Steel & Power Limited |
| 3. Surya Global Cement Limited            | 6. Surya Vijay Nagar Cement Limited        |

#### ii) Key Management Personnel & their Relatives :

- |                    |   |                   |
|--------------------|---|-------------------|
| - Sh. J.P. Agarwal | : | Chairman          |
| - Sh. Raju Bista   | : | Managing Director |

#### iii) Relatives of the Key Management Personnel

Relation	Sh. J.P. Agarwal	Sh. Raju Bista
Spouse	Smt. Urmil Agarwal	Smt. Anita Bista
Son(s)	Sh. Vinay Surya	-
Daughter(s)	Smt. Padmini & Smt. Bharti	Ms. Akriti Bista & Ms. Hrishika Bista
Brother(s)	Sh. V P Agarwal	Sh. Rajesh Bista
Sister(s)	Smt. Sudha Gupta	Ms. Roshni Bista & Sima Bista
Mother	Late Ganga Devi Agarwal	Smt. Parbati Bista
Father	Sh. B D Agarwal	Sh. Vishnu Bista

#### B. Transactions carried out with the related parties in the ordinary course of business :

##### i) Associate / Other Companies :

##### 1. Surya Global Steel Tubes Ltd.

##### Investment in Equity Shares :

Particulars	Amount ( Rs.)	
	This year	Previous year
Total Investment at the beginning of the year	50,00,00,000	50,00,00,000
Investment made during the year	Nil	Nil
Total investment at the year end	50,00,00,000	50,00,00,000

#### Transactions

Particulars	Amount ( Rs.)	
	This year	Previous year
Sale of Material / Goods / Stores during the year	83,99,93,891	42,25,04,229
Purchase of RM / Goods / Store Items	149,72,71,706	33,44,87,567
Job work charges	11,65,988	7,03,195
Fixed Assets sold to SGSTL	34,07,650	1,31,09,411
Security given to SGSTL	10,00,00,000	NIL



## Notes on Financial Statements For the year ended 31st March, 2014 (Contd.)

### 2. Surya Global Steel & Gen Power Ltd.

#### Investment:

Particulars	Amount ( Rs.)	
	This year	Previous year
Total Investment at the beginning of the year	NIL	5,00,000
Investment sold during the year	NIL	5,00,000
Total investment at the year end	NIL	NIL

### 3. Surya Global Cement Ltd.

#### Investment:

Particulars	Amount ( Rs.)	
	This year	Previous year
Total Investment at the beginning of the year	NIL	7,00,000
Investment sold during the year	NIL	7,00,000
Total investment at the year end	NIL	NIL

### 4. Surya Global Infrastructure Ltd.

#### Investment:

Particulars	Amount ( Rs.)	
	This year	Previous year
Total Investment at the beginning of the year	5,00,000	5,00,000
Investment sold during the year	5,00,000	NIL
Total investment at the year end	NIL	5,00,000

### 5. Surya VijayNagar Steel & Power Ltd.

#### Investment:

Particulars	Amount ( Rs.)	
	This year	Previous year
Total Investment at the beginning of the year	50,000	50,000
Investment sold during the year	50,000	NIL
Total investment at the year end	NIL	50,000

### 6. Surya VijayNagar Cement Ltd.

#### Investment:

Particulars	Amount ( Rs.)	
	This year	Previous year
Total Investment at the beginning of the year	50,000	50,000
Investment sold during the year	50,000	NIL
Total investment at the year end	NIL	50,000

#### iii) Key Management Personnel & their Relatives :

Remuneration for the year 2013-2014 :

- Sh. J.P.Agarwal (Chairman) Rs. 2,400
- Sh. Raju Bista (Managing Director) Rs. 42,00,000



## Notes on Financial Statements For the year ended 31st March, 2014 (Contd.)

30.3. Disclosure of loans and investment as per Clause 32 of the Listing Agreement with the Stock Exchanges :

### Investment :

#### Equity share

Other Companies	As on 31 <sup>st</sup> March 2014	Amount ( Rs.)
		Maximum investment during the year ended 31 <sup>st</sup> March 2014
Surya Global Steel Tubes Ltd.	50,00,00,000	50,00,00,000
Surya Global Infrastructure Ltd.	Nil	5,00,000
Surya VijayNagar Steel & Power Ltd.	Nil	50,000
Surya Vijay Nagar Cement Limited	Nil	50,000

30.4 Disclosure of Foreign Exchange Transactions in terms of AS - 11

Particulars	This Year	Amount ( Rs.)
		Previous Year
i) Exchange rate fluctuation differences included in the net profit/ (loss) for the period.	(9,58,59,410)	(3,76,88,901)
ii) Exchange rate fluctuation differences in respect of forward exchange contracts to be recognised in next year profit & loss Account.	(45,12,277)	1,96,56,618

#### Note No. 31

#### Employee Benefits

Actuarial valuation of Gratuity and Leave encashment have been done with the following assumptions :

Particulars	As at 31st March, 2014		As at 31st March, 2013	
	Gratuity (funded)	Leave Encashment (Unfunded)	Gratuity (funded)	Leave Encashment (Unfunded)
Discount rate	8.5%	8.5%	8.0%	8.0%
Future Salary Increase	3.00%	3.00%	3.50%	3.50%
Rate of return on plan assets	9.00%	N.A.	9.25%	N.A.
Average Working life in Years	18.49	18.38	19.08	19.03
Withdrawal rates for various age groups	1% to 3%	1% to 3%	1% to 3%	1% to 3%

Change in the present value of obligation	As at 31st March, 2014		As at 31st March, 2013	
	Gratuity (funded)	Leave Encashment (Unfunded)	Gratuity (funded)	Leave Encashment (Unfunded)
Present value of obligation as at the beginning of the period	15,57,49,536	2,86,54,173	13,82,48,097	2,01,71,501
Interest Cost	1,24,59,963	22,92,334	1,10,59,848	16,13,720
Past Service Cost	-	-	-	-
Current Service Cost	1,26,52,523	54,46,520	1,22,80,066	48,37,202
Benefits paid	(2,61,75,169)	(54,84,494)	(2,91,04,576)	(1,14,79,579)
Actuarial (gain)/loss on obligations	52,51,861	19,19,946	2,32,66,101	1,35,11,329
Present value of obligation as at the end of period	15,99,38,714	3,28,28,479	15,57,49,536	2,86,54,173

Change in the fair value of plan assets	Amount ( Rs.)	
	As at 31st March, 2014	As at 31st March, 2013
Change in the fair value of plan assets	Gratuity (funded)	Gratuity (funded)
	Gratuity (funded)	Gratuity (funded)
Fair value of Plan Assets at the beginning of the period	68,56,686	2,76,00,837
Expected Return on plan assets	6,17,102	25,53,077
Contributions	-	-
Benefits paid	(22,68,263)	(2,15,10,220)
Actuarial (gain)/loss on plan assets	(2,70,137)	(17,87,008)
Fair value of Plan Assets at the end of the period	49,35,388	68,56,686
Reconciliation of present value of obligation and the fair value of assets	Gratuity (funded)	Gratuity (funded)
	Gratuity (funded)	Gratuity (funded)
Present value of obligation as at end of the period	15,99,38,714	15,57,49,536
Fair value of Plan Assets at the end of the period	49,35,388	68,56,686
Present value of unfunded obligation as at end of the period	15,50,03,326	14,88,92,850
Unfunded Net Liability recognised in Balance Sheet	15,50,03,326	14,88,92,850

Expenses recognised in the Profit & Loss Account	As at 31st March, 2014		As at 31st March, 2013	
	Gratuity (funded)	Leave Encashment (Unfunded)	Gratuity (funded)	Leave Encashment (Unfunded)
Current Service Cost	1,26,52,523	54,46,520	1,22,80,066	48,37,202
Interest Cost	1,24,59,963	22,92,334	1,10,59,848	16,13,720
Return on plan assets	(6,17,102)	-	(25,53,077)	-
Net actuarial (gain)/ loss recognized in the period	55,21,998	19,19,946	2,50,53,109	1,35,11,329
Total Expenses recognised in the Profit & Loss Account	3,00,17,382	96,58,800	4,58,39,946	1,99,62,251





# Notes on Financial Statements For the year ended 31st March, 2014 (Contd.)

## Note No. 32

### Segment Information for the year ended 31st March, 2014 and 31st March, 2013

The company has identified the following two **Primary Business Segments** :

1. **Steel** - Engaged in the production of Steel Tubes & Pipes and Cold Rolled Strips
2. **Lighting** - Engaged mainly in the manufacture of different varieties of Lamps & allied items

**Secondary Segment** reporting has been performed on the basis of Geographical Locations.

### Primary Business Segments

Amount (Rs.)

Particulars	Lighting	Steel	Total
<b>REVENUE</b>			
External Sales	10,77,18,52,756	19,53,78,95,967	30,30,97,48,723
	9,06,35,78,828	20,52,66,96,082	29,59,02,74,910
Inter-segment Sales	-	-	-
	-	-	-
Total	10,77,18,52,756	19,53,78,95,967	30,30,97,48,723
	9,06,35,78,828	20,52,66,96,082	29,59,02,74,910

### RESULT

Segment Result	1,08,08,34,444	69,93,13,401	1,78,01,47,845
(Profit+)/Loss(-) before tax & finance cost	99,00,77,330	81,11,46,066	1,80,12,23,396
Unallocable Corporate Expenditure			-
			-
Operating Profit			1,78,01,47,845
			1,80,12,23,396
Finance Cost			1,14,46,96,919
			1,09,67,20,999
Other Income	50,53,347	3,07,77,449	3,58,30,796
	34,18,476	1,28,52,765	1,62,71,241
Income Tax			13,76,76,934
			2,83,22,531
Profit from ordinary activities			53,36,04,788
			69,24,51,107
Net Profit after Tax			53,36,04,788
			69,24,51,107
Other Information			

### Segment Assets

Fixed Assets	2,68,18,91,192	6,97,38,02,716	9,65,56,93,908
	2,82,15,74,410	5,97,06,20,374	8,79,21,94,786
Non-Current Investments	-	50,00,00,000	50,00,00,000
	-	50,06,00,000	50,06,00,000
Other Non-Current Assets	-	-	-
	-	-	-
Current Assets	4,80,88,43,551	5,74,27,25,584	10,55,15,69,135
	3,71,45,12,931	5,14,56,98,997	8,86,02,11,928
Total Segment Assets	7,49,07,34,743	13,21,65,28,300	20,70,72,63,043
	6,53,60,87,341	11,61,69,19,371	18,15,30,06,714
Unallocated Corporate Assets			-
			-
Total Assets			20,70,72,63,043
			18,15,30,06,714

### Segment Liabilities

Liabilities except borrowings	1,38,50,32,983	1,58,84,66,652	2,97,34,99,636
	1,33,51,09,978	1,37,66,78,586	2,71,17,88,564
Total Segment Liabilities	1,38,50,32,983	1,58,84,66,652	2,97,34,99,636
	1,33,51,09,978	1,37,66,78,586	2,71,17,88,564
Unallocated Corporate Liabilities ( Deferred Tax)			48,34,91,478
			42,43,56,781
Total Liabilities			3,45,69,91,114
			3,13,61,45,346
Capital Employed (Segment Assets- Segment Liabilities)	6,10,57,01,759	11,62,80,61,647	17,73,37,63,407
	5,20,09,77,363	10,24,02,40,785	15,44,12,18,148
Borrowings	3,29,04,86,293	6,22,07,28,496	9,51,12,14,789
	2,76,15,80,207	4,93,26,29,651	7,69,42,09,858
Capital expenditure			1,57,55,14,499
			1,01,68,63,866
Depreciation and amortisation	32,22,99,150	23,40,72,951	55,63,72,101
	31,83,80,189	24,67,35,616	56,51,15,805
Non-cash expenses other than Depreciation	-	-	-
	-	-	-
<b>Geographic Segment</b>			
India			28,94,62,74,104
			28,04,46,38,719
Outside India			3,55,53,43,562
			3,70,34,24,031



## CASH FLOW STATEMENT AS AT 31st MARCH, 2014

	As At 31.03.2014		As At 31.03.2013	
	Rs.	Rs.	Rs.	Rs.
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
<b>Net Profit Before Tax</b>		<b>67,12,81,722</b>		<b>72,07,73,638</b>
<b>Adjustment for :</b>				
Depreciation	55,63,72,101		56,51,15,805	
Interest Income	(1,11,76,166)		(69,96,593)	
Finance Costs	1,14,46,96,919		1,09,67,20,999	
Loss/(Profit) on Sale of Fixed Assets	(1,38,42,901)		49,54,284	
Other Non-Operating Income	(17,41,736)	1,67,43,08,217	(9,47,137)	1,65,88,47,358
<b>Operating Profit before working capital changes</b>		<b>2,34,55,89,939</b>		<b>2,37,96,20,996</b>
<b>Adjustment for :</b>				
Trade & Other Receivables	(1,04,07,51,641)		(95,11,85,274)	
Inventories	(52,81,54,197)		(2,81,95,670)	
Trade Payables	25,63,62,394	(1,31,25,43,444)	50,23,68,285	(47,70,12,659)
<b>Cash Generated from Operations</b>		<b>1,03,30,46,495</b>		<b>1,90,26,08,337</b>
Income Tax Paid	(14,07,04,005)	(14,07,04,005)	(15,35,59,861)	(15,35,59,861)
<b>NET CASH FROM OPERATING ACTIVITIES</b>		<b>89,23,42,490</b>		<b>1,74,90,48,476</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Sale/(Purchase) of Investments	6,00,000		12,00,000	
Interest Received	1,11,76,166		69,96,593	
Purchases of Fixed Assets	(1,29,83,26,335)		(91,33,88,106)	
Capital Work in Progress	(27,71,88,164)		11,88,52,193	
Sale/Adjustments of Fixed Assets	10,35,67,387		1,86,04,262	
Other Non-Operating Income	17,41,736		9,47,137	
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		<b>(1,45,84,29,210)</b>		<b>(76,67,87,921)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Increase/(Decrease) Long Term Borrowings	33,19,89,575		13,55,05,276	
Increase/(Decrease) Short Term Borrowings	1,49,03,64,034		11,04,61,449	
Finance Cost	(1,14,46,96,919)		(1,09,67,20,999)	
Dividend Paid	(5,12,80,371)		(15,28,25,324)	
<b>NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES</b>		<b>62,63,76,319</b>		<b>(1,00,35,79,598)</b>
<b>Net Increase/(decrease) in cash &amp; cash equivalents</b>		<b>6,02,89,599</b>		<b>(2,13,19,043)</b>
<b>Opening Cash &amp; Cash equivalents</b>		<b>18,65,67,145</b>		<b>20,78,86,188</b>
<b>Closing Cash &amp; Cash equivalents</b>		<b>24,68,56,744</b>		<b>18,65,67,145</b>

B B Singal  
VP & Company Secretary

J P Agarwal  
Chairman  
DIN 00041119

Dev Dutt Das  
DIN 06620284

R.N.Maloo  
Executive Director & Group CFO

Raju Bista  
Managing Director  
DIN 01299297

Mukesh Tripathi  
DIN 01951272

K K Narula  
DIN 00098124

Place : New Delhi  
Dated : May 30, 2014

Utkarsh Dwivedi  
Dy. Managing Director  
DIN 05142124

Ravinder K Narang  
DIN 02318041

**Directors**

## AUDITORS' REPORT

We have examined the above Cash Flow Statement of Surya Roshni Limited for the year ended 31st March, 2014. The Statement has been prepared by the Company in accordance with the requirements of listing agreement Clause 32 with Stock Exchanges and is based on and in agreement with the books and records of the Company and also the Profit and Loss Account and Balance Sheet of the Company covered by our report of even date to the members of the Company.

For **SASTRY K. ANANDAM & CO.**  
**CHARTERED ACCOUNTANTS**  
Firm No. 000179N

Place : New Delhi  
Dated : May 30, 2014

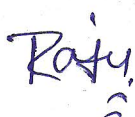
**CA. ANANDA SASTRY K.**  
Partner, F.C.A.  
Membership no. 9980

[illegible]

**FORM A**  
(Pursuant to Clause 31(a) of the Listing Agreement)

1	Name of the Company	Surya Roshni Limited Regd. Office : Prakash Nagar Sankhol, Bahadurgarh -124507 (Haryana)
2	Annual Financial Statement For the year ended	March 31, 2014
3	Type of Audit observations	Un-qualified Audit Report
4	Frequency of observations	Not Applicable

for Surya Roshni Limited      for Surya Roshni Limited      for Surya Roshni Limited



**Raju Bista**  
**Managing Director**  
**(DIN – 01299297)**

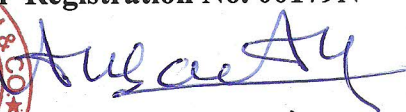
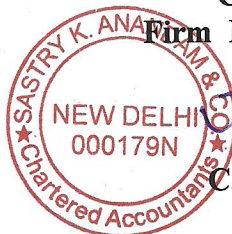


**R N Maloo**  
**Executive Director &**  
**Group Chief Financial Officer**



**K K Narula**  
**Audit Committee Chairman**  
**(DIN – 00098124)**

**For Sastry K. Anandam & Co.**  
**Chartered Accountants**  
**Firm Registration No. 00179N**



**C.A. ( Ananda Sastry K.)**  
**Partner, FCA**  
**Membership No. 9980**

**Place : New Delhi**  
**Date : 30<sup>th</sup> May, 2014**