

30th Annual Report

2021-2022

SURAJ INDUSTRIES LTD

CIN: L26943HP1992PLC016791

CORPORATE INFORMATION

Managing Director	Mr. Suraj Prakash Gupta
Whole Time Director	Mr. Ashu Malik
Non-Executive Independent Women Director	Mrs. Pooja Solanki
Non-Executive Non-Independent Director	Mr. Syed Azizur Rahman
Non-Executive Independent Director	Mr. Nazir Baig
Non-Executive Nominee Director	Mr. Sanjay Kumar Jain
Chief Financial Officer	Mr. Sanjai Kapoor
Company Secretary & Compliance Officer	Ms. Chhavi Agrawal
Banker	Punjab National Bank
Statutory Auditor	M/s Satendra Rawat & Company, Chartered Accountants
Secretarial Auditor	M/s Monika Kohli & Associates Company Secretaries
Registered Office	Plot No. 2, Phase III Sansarpur Terrace, Distt. Kangra, Himachal Pradesh, 173212 Contact No-01970-256414
Corporate Office	F-32/3, Second Floor, Okhla Industrial Area, Phase – II, New Delhi-110020 Contact No-011-42524455
Share Transfer Agent	Beetal Financial & Computer Services Pvt. Ltd. Beetal House, 3 rd Floor, 99, Madangir, New Delhi-110062 Contact No-011-29961281/83

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NOTICE OF THE 30TH ANNUAL GENERAL MEETING

Notice is hereby given that the Thirtieth Annual General Meeting (AGM) of the members of **M/s Suraj Industries Ltd** will be held on Tuesday, September 27, 2022 at 04:00 P.M. IST through Video Conferencing (“VC”)/ Other Audio Visual Means (“OAVM”). The venue of the meeting shall be deemed to be the Registered Office of the Company i.e., Plot No.2, Phase-III, Sansarpur Terrace, Distt. Kangra, Himachal Pradesh-173212 to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2022 together with the reports of Board of Directors and Auditors’ thereon.
2. To appoint a Director in place of Mr. Suraj Prakash Gupta (DIN: 00243846), who retires by rotation, and being eligible, offers himself for re-appointment.
3. To appoint M/s. Pawan Shubham & Co., Chartered Accountants, as the Statutory Auditors of the Company to hold office for a period of 5 (Five) consecutive financial years, from the conclusion of the 30th Annual General Meeting of the Company until the conclusion of the 35th Annual General Meeting of the Company:

“**RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force), **M/s. Pawan Shubham & Co., Chartered Accountants**, having **FRN.: 011573C**, be and are hereby appointed as Statutory Auditors of the Company in place of **M/s Satendra Rawat & Co., Chartered Accountants** (FRN: 008298C), retiring Statutory Auditor, to hold the office from the conclusion of the 30th Annual General Meeting of the Company till the conclusion of 35th Annual General Meeting to be held in the year 2027 at such remuneration plus applicable taxes and reimbursement of out-of-pocket expenses in connection with the Audit as may be mutually agreed between the Board of Directors of the Company and the Auditor.”

SPECIAL BUSINESS

4. To consider and approve the re-appointment of Mr. Nazir Baig (DIN: 07468989) as an Independent Director of the Company for a second term of five consecutive years and in this connection, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Regulation 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Mr. Nazir Baig (DIN 07468989), who holds office of Independent Director up to September 26, 2022 from whom company has received declaration that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member, signifying his intention to propose his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a second term of five consecutive years commencing from 27th September, 2022 to 26th September, 2027.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion deem fit, necessary, desirable or expedient for giving effect to this Resolution.”

5. To consider and approve the re-appointment of Mr. Ashu Malik (DIN: 07998930), as Whole Time Director of the Company and pass the following resolution as **Special Resolution**:

“**RESOLVED THAT** pursuant to Sections 196, 197, 198, 203 read with Schedule V, the Companies (Appointment and Qualifications of Directors) Rules, 2014, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and all other applicable provisions, if any, of the Companies Act, 2013, applicable clauses of the Articles of Association of the Company, applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, if any, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and on recommendation of the Nomination & Remuneration Committee and approval of Board of Directors, the consent of the members be and is hereby accorded for re-appointment of Mr. Ashu Malik (DIN: 07998930), as Whole Time Director of the Company designated as Key Managerial Personnel for a period of 1 (One) year with effect from June 27, 2022 at a remuneration not exceeding Rs. 80,000 /- (Rupees Eighty Thousand Only) per month and not exceeding Rs. 90,000 /- (Rupees Ninety Thousand Only) per month w.e.f July 1, 2022.

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

RESOLVED FURTHER THAT in the event of loss, absence or inadequacy of profits the remuneration payable to the Whole Time Director shall not exceed the maximum limits prescribed under Section II Part II of Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT the terms of re-appointment and remuneration may be altered, varied and modified from time to time by the Board of Directors of the Company, as it may at its discretion deem fit so as not to exceed the limits as specified under the provisions of the Act.”

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

6. To consider and approve to increase in authorised share capital and alteration in the capital clause of memorandum of association and pass the following Resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 61 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the “Act”) and the Rules made thereunder {including any statutory modification(s) thereto or re-enactment thereof, for the time being in force} and subject to Articles of Association of the Company, the authorized share capital of the Company, be and is hereby increased from Rs. 15,00,00,000/- (Rupees Fifteen Crore Only) divided into 1,50,00,000 (One Crore Fifty Lakh) equity shares of Rs.10/- (Rupees Ten Only) each to Rs. 20,00,00,000/- (Rupees Twenty Crore Only) divided into 2,00,00,000 (Two Crore) equity shares of Rs. 10/- (Rupees Ten Only) each, by creation of additional 50,00,000 (Fifty Lakh) equity shares of Rs.10/- (Rupees Ten Only) each.”

“**RESOLVED FURTHER THAT** pursuant to the provisions of Section 13 and other applicable provisions, if any, of the Act, the existing Clause V of Memorandum of Association of the Company, be and is hereby replaced by the following:

Clause: V. The authorized share capital of the Company is Rs. 20,00,00,000/- (Rupees Twenty Crore Only) divided into 2,00,00,000 (Two Crore) equity shares of Rs.10/- (Rupees Ten Only) each.

RESOLVED FURTHER THAT any Director(s) and / or Company Secretary of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things as may be necessary or desirable for giving effect to this resolution.”

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

**Place : New Delhi
Dated : 02.09.2022**

**Sd/-
Chhavi Agrawal
Company Secretary**

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

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

NOTES

- a. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has, vide its general circular no. 14/2020 dated April 08, 2020; General Circular No. 17/2020 dated April 13, 2020; General Circular No. 20/2020 dated May 05, 2020; General Circular No. 02/2021 dated January 13, 2021; General Circular No. 19/2021 dated December 08, 2021; General Circular No. 21/2021 dated December 14, 2021 and General Circular No. 02/2022 dated May 05, 2022 respectively ("MCA Circulars") read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/11, Dated January 15, 2021 Circular dated May 12, 2020, January 15, 2021 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 issued by the Securities and Exchange Board of India ("SEBI Circular"), permitted the holding of the Annual General Meeting ("AGM") through Video Conferencing/Other Audio Visual Means ("VC/OAVM"), without the physical presence of the Members at a common venue. Accordingly, the AGM of the Company is being held through VC/OAVM. Instructions for attending the meeting through VC/OAVM and remote e-voting are attached.
- b. Pursuant to the provisions of the Companies Act, 2013, a Member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the aforesaid Circulars of MCA through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the Annual General Meeting and hence the Proxy Form and Attendance Slip are not annexed to the Notice. Likewise, the Route Map is also not annexed with this Notice.
- c. The attendance of the Members attending the AGM through VC/OAVM will be counted for reckoning the quorum under Section 103 of the Companies Act, 2013. Members can attend and participate in the Annual General Meeting through VC/OAVM only.
- d. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/ JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the company by email through its registered email address at secretarial@surajindustries.org.
- e. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to items of Special Business is attached and forms part of this notice.
- f. (SEBI) vide Circular (SEBI/HO/MIRSD/DOP1/CIR/P/2018/73) dated April 20, 2018 has mandated the submission of Permanent Account Number (PAN) and Bank details by every participant in securities market. Members holding shares in electronic form are mandatorily required to submit their PAN and Bank details to their depository participants with whom they are maintaining their D-mat accounts. Members holding shares in physical form can submit their PAN and Bank details to the Company/ RTA. Shareholders who have not updated their details are requested to send their PAN and Bank details in terms of the above said SEBI Circulars.
- g. The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment/retire by rotation at this AGM are annexed to the notice.

- h. Electronic copy of all documents referred to the accompanying Notice of the 30th Annual General Meeting will be available for inspection by members in electronic mode at the Company's website i.e. www.surajindustries.org.
- i. Pursuant to Section 72 of the Companies Act, 2013, member(s) of the Company may nominate a person in whom the shares held by him/them shall vest in the event of his/ their unfortunate death. Member(s) holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's RTA. In respect of shares held in dematerialized form, the nomination form may be filed with the respective Depository Participant.
- j. Members holding shares in electronic form are requested to intimate all changes pertaining to their bank particulars, nominations, power of attorney, change of address, change of name, email address, contact numbers, etc., to their Depository Participants (DP). Changes intimated to the DP will then be automatically reflected in the Company's record, which will help the Company and Beetal Financial and Computer Services Private Limited (Registrar and Transfer Agent) of the Company, to provide efficient and better services. Members holding shares in physical form are also requested to intimate such changes to the Company or Beetal Financial and Computer Services Private Limited.
- k. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company's Registrars, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
- l. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
- m. Members holding shares in physical form are mandatorily required to dematerialize their holding in order to eliminate all risks associated with physical share certificate. Members can contact the Company or its RTA i.e. Beetal Financial and Computer Services Private Limited for further assistance.
- n. The Company has a registered E-mail address secretarial@surajindustries.org for members to mail their queries or lodge complaints, if any. The Company endeavors to reply to queries at the earliest. The Company's website www.surajindustries.org has a dedicated section on Investors.
- o. Members desirous of getting any information about the accounts, operations or if the members have any query in relation to the matters to be considered in the AGM through VC/OAVM are requested to serve the company a list of query along with their names, folio no., mobile number and email id to the Company at secretarial@surajindustries.org on or before 20.09.2022 to enable the Company to keep the information ready at the Meeting.
- p. Members of the Company holding shares either in physical form or in electronic form as on the cut-off date of 20th September, 2022 may cast their vote by remote e-Voting. The remote e-Voting period commences on, Saturday 24th September, 2022 at 10.00 a.m. (IST) and ends on Monday, 26th September, 2022 at 5.00 p.m. (IST). The remote e-Voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. The voting rights of the Members (for voting through remote e-Voting before/ during the AGM) shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut-off date of 20th September, 2022.
- q. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form w.e.f. April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated

with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form.

- r. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by CDSL (Central Depository Services Limited).
- s. CS. Vijay Jain, Practicing Company Secretary (ACS No. 50242, C.P. No.: 18230), has been appointed as “Scrutinizer” to scrutinize the e-Voting process in a fair and transparent manner and he has communicated his willingness to be appointed and his/her authorized representative will be available at the AGM for the same purpose.
- t. The Scrutinizer shall, immediately after the conclusion of e-voting at the AGM, thereafter unblock the votes cast through remote e-voting and make, within two working days of conclusion of the AGM, a consolidated Scrutinizer Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same.
- u. The Results declared along with details of the number of votes cast for and against the Resolution, invalid votes for at least three days on the Notice Board of the company at its Registered Office and its Corporate Office. Also, the Results declared along with the Scrutinizer’s Report shall be placed on the website of the Company at www.surajindustries.org and on the website of CDSL at www.evotingindia.com, immediately after the declaration of Result by the Chairman or any person authorized by him in writing. The Results shall also be forwarded to the Stock Exchanges where the shares of Company are listed.
- v. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed at the 30th AGM scheduled to be held on 27th September, 2022.
- w. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- x. The Company has been allotted ISIN (INE170U01011) by CDSL and NSDL (for dematerialization of the company’s shares). We hereby request all the members to get their shares dematerialized.

INSTRUCTIONS FOR REMOTE E-VOTING AND ATTENDING THE AGM

INSTRUCTIONS FOR REMOTE E-VOTING BEFORE THE ANNUAL GENERAL MEETING (“AGM”), PARTICIPATING IN AGM THROUGH VIDEO CONFERENCING OR OTHER AUDIO VISUAL MEANS AND E-VOTING DURING THE AGM

PART-A: GENERAL INSTRUCTIONS

1. The e-voting period will begin Saturday 24th September, 2022 at 10.00 a.m. (IST) and ends on Monday, 26th September, 2022 at 5.00 p.m. (IST). During this period Shareholders of the Company (hereinafter referred to as “You” or “Your”), holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 20-09-2022 may cast your vote

electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once you have voted electronically, you would not be entitled to change the same.

2. Your voting rights shall be in proportion to your shares in the paid up equity share capital of the Company as on the cut-off date mentioned above.
3. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
4. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
5. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
6. Members facing any technical issue during login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free nos.: 1800 1020 990 / 1800 22 44 30. Members facing any technical issue during login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43.

PART B: VOTING THROUGH ELECTRONIC MEANS (REMOTE e-VOTING)

- Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders /retail shareholders is at a negligible level.
- Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.
- In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.
- In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.
- Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:
- **LOGIN METHOD FOR E-VOTING FOR INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT MODE**

I. PROCEDURE TO LOGIN THROUGH WEBSITE OF NATIONAL SECURITIES DEPOSITORY LIMITED (“NSDL”)

A. Users already registered for IDeAS e-Services facility of NSDL may follow the following procedure:

1. Type in the browser/Click on the following e-Services link: <https://eservices.nsdl.com>.
2. Under Section 'IDeAS', click on the button “Beneficial Owner”.
3. A new page will open. Enter your User ID and Password for accessing IDeAS.
4. On successful authentication, you will enter your IDeAS service page. On the left-side panel, under “Value Added Services” click on “Access to e-Voting”
5. Under E-voting, click on “Active E-voting Cycles” option.
6. You will see Company Name: “Suraj Industries Ltd” on the next screen. Click on the e-Voting link available against Suraj Industries Ltd or select e-Voting service provider “Central Depository Services Ltd” (CDSL) and you will be re-directed to the e-Voting page of CDSL to cast your vote without any further authentication.

B. Users not registered for IDeAS e-Services facility of NSDL may follow the following procedure:

1. To register, type in the browser/Click on the following e-Services link: <https://eservices.nsdl.com>
2. Select option “Register Online for IDeAS” available on the left-hand side of the page or click on <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>.
3. Proceed to complete registration using your DP ID, Client ID, Mobile Number etc.
4. After successful registration, please follow steps given under Sr. No. 4 to 6 of Section IA above to cast your vote.

Users may also directly access the e-Voting module of NSDL as per the following procedure:

- (a) Type in the browser Click on the following link: <https://www.evoting.nsdl.com/>
- (b) Click on the button “Login” available under “Shareholder/Member” section.
- (c) On the login page, enter User ID (that is, 16-character demat account number held with NSDL, starting with IN), Login Type, that is, through typing Password (in case you are registered on NSDL's e-voting platform)/ through generation of OTP (in case your mobile/e-mail address is registered in your demat account) and Verification Code as shown on the screen.
- (d) On successful authentication, you will enter the e-voting module of NSDL. Click on “Active E-voting Cycles / VC or OAVMs” option under E-voting. You will see Company Name: “Suraj Industries Ltd” on the next screen. Click on the e-Voting link available against Suraj Industries Ltd or select e-Voting service provider “Central Depository Services (India) Ltd” (CDSL) and you will be re-directed to the e-Voting page of CDSL to cast your vote without any further authentication.

II. PROCEDURE TO LOGIN THROUGH WEBSITE OF CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED (“CDSL”)

A. Users already registered for Easi/ Easiest facility of CDSL may follow the following procedure:

1. Type in the browser/Click on any of the following links: <https://web.cdslindia.com/myeasi/home/login> or visit www.cdslindia.com and click on Login icon, and select New System Myeasi (BO/CM/DP/Issuer/DDP) (best operational in Internet Explorer 10 or above and Mozilla Firefox).
2. Enter your User ID and Password for accessing Easi/Easiest
3. You will see Company Name: “Suraj Industries Ltd” on the next screen. Click on the e-Voting link available against Suraj Industries Ltd or select e-Voting service provider “Central Depository

Services (India) Ltd” (CDSL) and you will be re-directed to the e-Voting page of CDSL to cast your vote without any further authentication.

B. Users not registered for Easi/Easiest facility of CDSL may follow the following procedure:

1. To register, type in the browser/Click on the following link: <https://web.cdslindia.com/myeasi/Registration/EasiRegistration>.
2. Proceed to complete registration using your DP ID-Client ID (BO ID), etc.
3. After successful registration, please follow steps given under Sr. No. 3 of Section IIA above to cast your vote.

Users may directly access the e-Voting module of CDSL as per the following procedure:

1. Type in the browser/Click on the following links: www.cdslindia.com and click on “e-voting”
2. Provide Demat Account Number and PAN
3. System will authenticate user by sending OTP on registered Mobile & E-mail as recorded in the Demat Account.
4. On successful authentication, you will enter the e-voting module of CDSL. Click on the e-Voting link available against Suraj Industries Ltd or select e-Voting service provider “Central Depository Services (India) Ltd” (CDSL) and you will be re-directed to the e-Voting page of CDSL to cast your vote without any further authentication.

III. Procedure to login through your demat accounts/Website of Depository Participant

Individual shareholders holding shares of the Company in Demat mode can access e-Voting facility provided by the Company using login credentials of their demat accounts (online accounts) through their demat accounts / websites of Depository Participants registered with NSDL/CDSL. An option for “e-Voting” will be available once they have successfully logged-in through their respective logins. Click on the option “e-Voting” and they will be redirected to e-Voting modules of NSDL/CDSL (as may be applicable). Click on the e-Voting link available against Suraj Industries Ltd or select e-Voting service provider “Central Depository Services (India) Ltd” (CDSL) and you will be re-directed to the e-Voting page of CDSL to cast your vote without any further authentication.

If you have not updated your PAN with the Company/Depository Participant, please use the first two letters of your name and the 8 digits of the sequence number in the PAN field. Sequence Number is given in the email sent to you. 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. For example, if your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.

Important note: Members who are unable to retrieve User ID / Password are advised to use “Forgot User ID”/ “Forgot Password” options available on the websites of Depositories/Depository Participants.

• **E-VOTING LOGIN METHOD FOR SHAREHOLDERS OTHER THAN INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT MODE AND SHAREHOLDERS HOLDING SECURITIES IN PHYSICAL MODE.**

- (1) The shareholders should log on to the e-voting website www.evotingindia.com
- (2) Click on “Shareholders” tab.
- (3) Now enter your User ID;

- a. For CDSL: 16 digits beneficiary ID
- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(4) Next enter the Image Verification as displayed and Click on Login.

(5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(6) If you are a **first time user** of CDSL e-voting services follow the steps given below:

For Physical shareholders and other than individual shareholders holding shares in Demat.

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

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

(8) Members holding shares in physical form will then reach directly to 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.

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

(10) **Click on the EVSN of Suraj Industries Ltd which is 220829086.**

(11) 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.

(12) Click on the “**RESOLUTIONS FILE LINK**” if you wish to view the entire Resolution details.

(13) 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.

- (14) Once you “**CONFIRM**” your vote on the resolution, you will not be allowed to modify your vote.
- (15) You can also take the print of the voting cast by clicking on “Click here to print” option on the voting page.
- (16) If Demat account holders have forgotten the changed login password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (17) Shareholders can also cast their vote using CDSL’s mobile app “m-Voting”. The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

(18) Additional Facility for Non-Individuals Shareholders and Custodians-Remote Voting

- Non-Individuals Shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account (s) for which they wish to vote on.
- The list of accounts linked in the login should be emailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; secretarial@surajindustries.org, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders - please provide Demat account details (CDSL-16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to Company/RTA email id.

PART C: ATTENDING THE AGM THROUGH VIDEO CONFERENCING/OTHER AUDIO VISUAL MEANS (“VC/OAVM”)

1. The procedure for attending meeting is same as the instructions mentioned above for e-voting.

2. Members will be able to attend the AGM through VC/OAVM or view the live webcast of AGM provided by CSDL by using their remote e-voting login credentials and selecting the EVSN (220829086) for Company's AGM.
2. Facility of joining the AGM through VC / OAVM shall open 30 minutes before the time scheduled for the AGM and will be available for Members on first come first served basis.
3. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at secretarial@surajindustries.org by 17:00 hours on 15-09-2022. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM. During the AGM, the Chairman may also, at his discretion, make available a chat window for a limited period, to enable you to express views/ask questions.

PART D: REMOTE e-VOTING ON THE DAY OF AGM

The procedure for remote e-voting on the day of the AGM is same as contained above in these instructions except that:

1. Only those shareholders, who have electronically registered their presence at the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting during the period mentioned in Part A of these instructions (and are otherwise not barred from doing so), shall be eligible to vote through remote e-voting system available during the AGM.
2. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
3. Shareholders who have already voted through remote e-Voting during the period mentioned in Part A of these instructions, will be eligible to attend the AGM through VC/OAVM. However, they will not be eligible to vote again at the AGM.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 4

Mr. Nazir Baig was appointed as Independent Director pursuant to Section 149 of the Companies Act, 2013 (“the Act”) read with Companies (Appointment and Qualification of Directors) Rules, 2014, by the members of the Company effective from September 27, 2017 for a term of Five consecutive years. Accordingly, his term as Independent Director will expire on September 26, 2022.

The Board of Directors in their meeting held on September 02, 2022, on the recommendation of the Nomination and Remuneration Committee has approved the re-appointment of Mr. Nazir Baig as Independent Director for a second term of 5 (five) years effective from September 27, 2022 till September 26, 2027 not liable to retire by rotation, based on his skills, experience, knowledge acumen and expertise. His re-appointment is subject to the approval of the shareholders at this Annual General Meeting by way of Special Resolution.

The Company has received a notice in writing pursuant to Section 160 of the Companies Act, 2013 from a Member proposing the candidature of Mr. Nazir Baig for his appointment to the office of Independent Director.

Mr. Baig has given a declaration to the Board that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16 of the SEBI Listing Regulations. In the opinion of the Board, Mr. Nazir Baig fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder and SEBI (LODR) Regulations for his re-appointment as Independent Director of the Company and is independent of the management.

The Company has also received from Mr. Nazir Baig:

- (i) the consent in writing to act as Director and
- (ii) intimation that his is not disqualified under section 164(2) of the Companies Act, 2013.
- (iii) a declaration to the effect that they are not debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India.

A brief profile of Mr. Baig, including nature of his expertise, is provided as an additional information required to be furnished pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on general meetings, forming part of the Notice calling AGM as **Annexure-A**.

In line with the aforesaid provisions of the Companies Act, 2013 and in view of long, rich experience, continued valuable guidance to the management and strong Board performance of Mr. Baig, the Shareholders are requested to approve the re-appointment of Mr. Baig as an Independent Director for a second term of five consecutive years with effect from September 27, 2022.

The Board recommends the Resolution for approval of the Members as a Special Resolution as set out in the item no. 4 of the notice.

Except Mr. Nazir Baig, being the appointee, no other Director or Key Managerial Personnel of the Company or their respective relatives is/ are concerned or interested, financially or otherwise, in the said Resolution.

Necessary documents in this regard are available for inspection by the Members in electronic mode under Investor Relations link of Company’s Website secretarial@surajindustries.org.

ITEM NO. 5

The Board of Directors at their meeting held on May 18, 2022, re-appointed Mr. Ashu Malik as the Whole Time Director of the Company for a term of One (1) year effective from June 27, 2022 with remuneration of Rs. 80,000/- per month, based on the recommendation of the Nomination and Remuneration Committee of the Board and subject to the approval of the Shareholders of the Company. Taking into consideration his rich experience and in view of the increased responsibility, on the recommendation of Nomination and Remuneration Committee, the Board decided to increase the monthly remuneration of Mr. Ashu Mail from Rs. 80,000/- per month to Rs. 90,000/- per month w.e.f. July 01, 2022 subject to requisite shareholders' approval.

Mr. Ashu Malik aged about 43 years is B. SC from Alcohol Tech by qualification and having 19 years of experience in Liquor Business.

In compliance with the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 read with Schedule V to the Act, the terms of re-appointment and remuneration as set out in Item No. 5 and 6 are now being placed before the members for their approval by way of Special Resolution.

Statement containing the relevant details required under Section II, Part II of Schedule V of the Companies Act, 2013 are as stated hereunder:

I. GENERAL INFORMATION

(1)	Nature of Industry	Suraj Industries Ltd.		
(2)	Date or expected date of commencement of commercial production	Company is already engaged in trading of edible oils, empty glass bottles and other products. Company has started bottling operations of the Indian Made Foreign Liquor and Country Liquor from July 2021.		
(3)	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable (As the Company is already in operation)		
(4)	Foreign investments or collaborators, if any	Nil		
(5)	Financial performance of the Company for the last 3 years is given below:			
	Particulars	Financial Year Ended		
		31st March 2020	31st March 2021	31st March 2022
		(Amount in Rs. Lakh)		
	Revenue	129.69	699.11	4126.41
	Other Income	2.24	5.22	2.09
	Total Income	131.93	704.33	4128.50
	Total Expenditure	178.33	698.01	3716.04
	Profit/ (Loss) before Tax	(46.39)	6.32	412.46
	Profit/Loss after tax and adjustments	(46.39)	37.11	304.76

II. INFORMATION ABOUT THE APPOINTEE**MR. ASHU MALIK AS WHOLE TIME DIRECTOR**

(1)	Background Details	He is B. SC from Alcohol Tech by qualification
(2)	Past Remuneration	NIL
(3)	Recognition or Awards	--
(4)	Job Profile and his suitability	He has 19 years of experience in Liquor Business which is suitable for this job profile.
(5)	Remuneration Proposed	Rs. 90,000/- per month
(6)	Comparative remuneration profile w.r.t industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t to the country of his origin)	The comparative remuneration ranges from Rs 75000Lacs per month to Rs 125000 Lacs per month based on the information available in public domain.
(7)	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any	NIL

III. OTHER INFORMATION

(1)	Reason for loss or inadequate profits	The company has diversified into bottling operations of Indian Made Foreign Liquor and Country Liquor during the FY 2021-2022 and eared
(2)	Steps taken or proposed to be taken for improvement	The company has diversified into bottling operations of Indian Made Foreign Liquor and Country Liquor. Mr. Ashu Malik who has more than 19 years' experience in the Liquor business has been appointed as a Whole Time Director to manage the liquor operations.
(3)	Expected increase in productivity and profits in measurable terms	At present, it is difficult to estimate the same.

Accordingly, Item No. 5 are recommended for your approval as Special Resolution.

Except Mr. Ashu Malik being an appointee, none of the Directors, key managerial persons or their relatives in any way are concerned or interested, financial or otherwise, in the resolution set out in item no. 5.

Necessary documents in this regard are available for inspection by the members in electronic mode under Investor Relations link of Company's Website secretarial@surajindustries.org.

ITEM NO. 6

Presently, the Authorized share Capital of the Company is Rs. 15,00,00,000/- (Rupees Fifteen Crore only) divided into 1,50,00,000 (One Crore Fifty Lakh) Equity Shares of Rs. 10/- each. The Board of directors, therefore, consider it desirable to increase the Authorized Share Capital of the Company to Rs. 20,00,00,000/- (Rupees Twenty Crore only) divided into 2,00,00,000 (Two Crore) Equity Shares of Rs. 10/- each by creation of additional 50,00,000 (Fifty Lakh) equity shares of Rs. 10/- (Rupees Ten Only) each, to accommodate the fresh capital base of the Company.

Consequent upon increase in authorized share capital as proposed, the existing Clause V of Memorandum of Association of the Company will also have to be replaced. The draft amended Memorandum of Association will be available for inspection by Members at the website of the Company secretarial@surajindustries.org.

The provisions of the Companies Act require the Company to seek approval of the members for increase in authorized share capital and for consequent alteration of the Capital Clause of the Memorandum of Association; accordingly, the Board recommends the resolution set forth in Item No. 6 for the approval of the members of the Company by way of an Ordinary Resolution.

None of the Directors or Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of this Notice.

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

**Place : New Delhi
Dated : 02.09.2022**

**Sd/-
Chhavi Agrawal
Company Secretary**

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

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

DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING OF THE COMPANY (PURSUANT TO REGULATION 36 OF THE LISTING REGULATIONS AND SECRETARIAL STANDARDS-2 ON GENERAL MEETINGS)

FOR ITEM NO- 2, 4 & 5

S. No.	Particulars			
	Name of Director	Mr. Suraj Prakash Gupta	Mr. Nazir Baig	Mr. Ashu Malik*
1.	DIN No.	00243846	07468989	07998930
2.	Date of Birth	10.04.1959	12/05/1967	16/01/1978
3.	Nationality	Indian	Indian	Indian
4.	Age	63 Years	55 Years	43 Years
5.	Date of First Appointment on the Board	06/02/2020	27/09/2017	27/06/2021
6.	Experience in specific functional area	He is having business experience of more than 32 years in edible oils and alcoholic beverages industry	He has more than 30 Years of experience in commercial matters having worked in various companies engaged in Manufacturing and trading of FMCG products & Commodities.	He is having 19 years of experience in Liquor Business.
7.	No. of equity shares held in the Company (as on 31st March, 2022)	49,31,030	100	NIL
8.	Qualifications	Bachelor in Arts	Graduate in Commerce	B. Sc. from Alcohol Tech
9.	List of other Directorships (as on 31.03.2022)	<ul style="list-style-type: none"> • Express Infra Financial Consultancy Private Limited • Gold Coin Marketing Private Limited • Goldcroft Global Commodities (OPC) Private Limited • Anita Greenfuels Private Limited 	<ul style="list-style-type: none"> • Bhankerpur Distilleries Limited 	NIL

		• SASG Bio Energy Private Limited		
10.	Membership/Chairman of Committees of the other Companies (As on 31.03.2022)	No	No	No
11.	Relationships, between Directors inter se	No	No	No
12.	Number of Board Meeting attended during the year	5	6	5
13.	Terms & Conditions of Appointment / Re-appointment	Terms & Conditions of appointment or re-appointment are as per the Nomination and Remuneration Policy of the Company	Terms & Conditions of appointment or re-appointment are as per the Nomination and Remuneration Policy of the Company	Terms & Conditions of appointment or re-appointment are as per the Nomination and Remuneration Policy of the Company
14.	Details of Remuneration Sought to be paid	Rs. 600000/- per month. Board of Directors decides remuneration on the recommendation of Nomination and Remuneration Committee, which is as per the Nomination and Remuneration Policy of the Company.	No remuneration is sought to be paid.	Rs. 90000/- per month. Board of Directors decides remuneration on the recommendation of Nomination and Remuneration Committee which is as per the Nomination and Remuneration Policy of the Company.

***Mr. Ashu Malik was appointed as Whole Time Director of the Company w.e.f. 27.06.2021. During the current FY 2021-2022, 5 (five) Board meetings were held after his appointment.**

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

Place : New Delhi

Dated : 02.09.2022

**Sd/-
Chhavi Agrawal
Company Secretary**

Registered Office:

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

Corporate office:

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

DIRECTORS' REPORT

To,
The Members,
Suraj Industries Ltd

Your Directors hereby present the 30th Annual Report along with the Audited Statement of Accounts for the Financial Year ended March 31 2022.

FINANCIAL PERFORMANCE OF THE COMPANY

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

(Amount in Lakhs)

	<u>2021-2022</u>	<u>2020-2021</u>
Total Income	4,128.50	704.33
Total Expenses	3,716.04	698.02
Profit/(Loss) before Extra-ordinary Items and Exceptional Items	412.46	6.31
Profit/(Loss) before tax	412.46	6.31
Tax Expenses		
Current Tax	45.81	--
Income tax-Earlier years	0.27	--
Deferred Tax	59.39	(30.80)
Profit/(Loss) for the period	306.99	37.11
Other Comprehensive Income:		
Re-measurement of defined benefits plans	(2.23)	(0.14)
Total Comprehensive Income for the period	304.76	36.97

PERFORMANCE OF BUSINESS

During the financial year 2021-2022, the Company has made a profit of Rs. 304.76 Lakhs (Rupees Three Hundred Four Lakh Seventy Six Thousand Only) as compared to profit of Rs. 36.97 Lakhs (Rupees Thirty-Seven Lakh Ninety Seven Thousand Only) in the previous financial year.

STATE OF COMPANY'S AFFAIRS AND OUTLOOK

The company was hitherto into the business of trading of edible oils and other products.

During the year under review the company ventured into Liquor business through acquisition of a running Bottling Plant at Ajmer, Rajasthan in June 2021. The company is now Manufacturing Rajasthan Made Liquor for Rajasthan State Ganganagar Sugar Mills Limited (RSGSM). RSGSM is a Govt. of Rajasthan undertaking having exclusive wholesale rights for Country Liquor and RML in the State of Rajasthan.

Going forward, the liquor business would be the major focus area for the company. As a step towards growth and enhancing its business prospects, the company has acquired a controlling stake in Carya Chemicals & Fertilizers Pvt Ltd, which has a LOI for setting up a Distillery and Bottling Plant for manufacture of Indian Made Foreign Liquor and Country Liquor in Rajasthan.

The company has also acquired 20% stake in Shri Gang Industries & Allied Products Ltd which has set up a Bottling Plant for the manufacture of Indian Made Foreign Liquor at Sandila, Dist. Hardoi (UP) and is setting up a grain based Distillery for manufacture of ENA, which is at an advanced stage for commissioning.

The Company is expected to grow at a fast pace in the coming years.

DIVIDEND

Your Directors do not recommend any dividend for the year under review.

AMOUNT TRANSFERRED TO RESERVES

No amount was transferred to reserves during the year under review.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of Directors comprise of eminent and experienced professionals in the Industry. The current composition of the Board of Directors (as on the date of Board's Report) are as follows:

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

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

Changes in the composition of the Board of Directors

The following changes occurred during FY 2021-2022 till the date of this Report:

During the year under review, the Board of Directors, pursuant to the applicable provisions of the Companies Act, 2013 read with the rules made thereunder (including any statutory modification (s) or re-enactment thereof for the time being in force), SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 and on the recommendation of Nomination and Remuneration Committee, accorded its approval to the following:

- i. Appointment of Mr. Sanjay Kumar Jain (DIN: 01014176) as an Additional Non-Executive Independent Director to hold office up to the date of ensuing AGM for a period of 5 (five) consecutive years, effective from March 29,2022 on the Board subject to the approval of members of the Company. Further, the board approved the change in category of Mr. Sanjay Kumar Jain from Non-Executive Independent Director to Non-Executive Nominee Director of the company with effect from 18.05.2022.
- ii. Appointment of Mr. Ashu Malik (DIN: 07998930) as an Additional Director of the Company w.e.f. 27.06.2021 to hold office up to the date of ensuing AGM, further he was appointed as Whole Time Director of the Company on the same date for a period of One (1) year effective from 27.06.2021, subject to approval of Members of the Company. Later shareholders in their meeting held on

September 28, 2021 had approved his appointment as Whole Time Director for a period of one year effective from 27.06.2021.

Furthermore, Board approved the re-appointment of Mr. Ashu Malik as Whole Time Director for a period of One (1) year effective from 27.06.2022 subject to the approval of members in the ensuing AGM.

- iii. Resignation of Mr. Alok Ranjan as Independent Director of the company w.e.f. 03.03.2022.

Pursuant to the provisions of Section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, executive directors and non-executive directors except the Independent Directors are subject to retire by rotation. Based on the terms of appointment and the Articles of Association of your Company, Mr. Suraj Prakash Gupta (DIN: 00243846) who is the longest serving member in the current term and is liable to retire by rotation and he being eligible offers himself for reappointment.

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

Key Managerial Personnel

In accordance with Section 203 of the Companies Act, 2013, the Company has following Key Managerial Personnel as on date of the Boards' Report:

Sr. No.	Name of KMP	Designation
1.	Mr. Suraj Prakash Gupta	Managing Director
2.	Mr. Ashu Malik	Whole Time Director
3.	Mr. Sanjai Kapoor	Chief Financial Officer
4.	Ms. Chhavi Agrawal	Company Secretary

- i. Mr. Sujeet Gupta resigned as Chief Financial Officer w.e.f. 08.01.2022.
- ii. Mr. Sanjai Kapoor appointed as Chief Financial Officer on 22.06.2022.
- iii. Ms. Bhanumathy Ramachandran resigned as Company Secretary w.e.f. 08.01.2022.
- iv. Ms. Chhavi Agrawal appointed as Company Secretary w.e.f. 09.01.2022.

DIRECTORS RESPONSIBILITY STATEMENT

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

- i) In the preparation of the Annual Accounts for the financial year ended March 31, 2022, the applicable Accounting standards have been followed and that there are no material departures.
- ii) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2022 and of the profit of the Company for the Financial year ended March 31, 2022.
- iii) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) That accounts for the year ended March 31, 2022 have been prepared following the going concern basis.

- v) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- vi) The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CORPORATE SOCIAL RESPONSIBILITY

The Company was not required to constitute corporate social responsibility committee pursuant to section 135 of the Companies Act, 2013.

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

The Board is of the opinion that all the independent directors appointed are having good integrity and possess the requisite expertise and experience (including the proficiency). Independent Directors have confirmed that they are not aware of any circumstances or situation, which exist or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the independent directors, the Board has confirmed that they meet the criteria of independence and that they are independent of the management.

MATERIAL CHANGES AND COMMITMENTS

The company has made Preferential allotment of 16,55,172 equity shares of Rs. 10/- each at a premium of Rs 135/-per share aggregating to Rs. 24 Crores to a company belonging to non-promoter category and has also made preferential allotment of 5,51,724 convertible warrants of Rs. 10/- each at an issue price of Rs. 145/- per warrant to person belonging to Promoter category.

AUDIT COMMITTEE

In compliance with the provisions of Section 177 of the Companies Act, 2013, as on 31 March 2022, the Audit Committee of the Company comprises of following 3 (Three) Members and two third of the members of the Audit Committee are Independent Directors:

S. No.	Name of Member	Category	Designation	Held	Attended
1.	Mr. Syed Azizur Rahman	Non-Executive Non-Independent Director	Member	6	6
2.	Mr. Nazir Baig	Non-Executive Independent Director	Member	6	6
3.	Mr. Alok Ranjan*	Non-Executive Independent Director	Member	5	5
3.	Ms. Pooja Solanki **	Non-Executive Independent Director	Member	1	1

* Mr. Alok Ranjan ceased to be a director w.e.f. 03.03.2022.

** Ms. Pooja Solanki became a member of audit committee on 29.03.2022 after which only 1(one) audit committee meeting was held during the year under review.

Further, as per section 177(8) of the Companies Act, 2013 there was not any case during the period under review that any recommendation is made by the Audit Committee and the Board has not accepted it.

STATUTORY AUDITORS & THEIR REPORT

Pursuant to the provisions of Section 139 of Companies Act, 2013 and rules framed thereunder, the Company in its 25th Annual General Meeting held on September 27th 2017 had appointed M/s Satendra Rawat & Company, Chartered Accountants (**Firm Registration Number: 008298C**) as Statutory Auditors of the company, for a term of five consecutive years i.e. till the conclusion of Annual General Meeting of the Company to be held in the year 2022.

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

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

M/s. Pawan Shubham & Co, Chartered Accountants, being eligible have consented and offered themselves for appointment as statutory auditors of the Company.

The Audit Committee and Board of Directors at their meeting held on September 02, 2022 have recommended the appointment of M/s. Pawan Shubham & Co., Chartered Accountants to the shareholders as Statutory Auditors of the Company for a period 5 years from the conclusion of the ensuing 30th Annual General Meeting till the conclusion of 35th Annual General meeting of the Company at such remuneration as may be fixed by the Board of Directors of the Company. Your Company has received necessary consent letter and certificate as required in terms of the provisions of the Companies Act, 2013 & rules made thereunder from M/s Pawan Shubham & Co, Chartered Accountants.

Appropriate resolution seeking their appointment is being placed for your approval in the ensuing Annual General Meeting.

SECRETARIAL AUDITOR & THEIR REPORT

Pursuant to provisions of section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the company had appointed Ms. Monika Kohli, Company Secretary in Practice to undertake the Secretarial Audit of the Company for financial year 2021-2022.

The Secretarial Audit Report in prescribed form MR-3 for Financial Year 2021-2022 forms part of the Directors' Report as "**Annexure A**".

Further, Secretarial Auditor had pointed out one observation, to which the reply of the Board of Directors is hereunder:

Secretarial Auditors Remark – 1

It is observed that the promoter's holding of equity shares in the company is not completely in dematerialised form as required under Regulation 31 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.

Board's Reply

The promoter's Shareholding upto the extent of 99.99 % has already been dematerialized; only 10 shares are in physical mode. The Company has made request to the concerned promoter shareholder to dematerialize his shares at the earliest

INTERNAL AUDITOR

Pursuant to the provisions of Section 138 of the Companies Act, 2013 read with relevant applicable rules your company was required to appoint an Internal Auditor. Further, the Board of Directors at its meeting held on September 03, 2021 has appointed M/s Mohan Gupta & Co., Chartered Accountants as Internal Auditor of the Company.

ANNUAL RETURN

In accordance with the provisions of section 134(3)(a) & 92(3) of Companies Act, 2013 read with rules made thereunder, the Annual Return will be available on the website of the Company, once filed with the Ministry of Corporate Affairs after the 30th Annual General Meeting of the Company and can be accessed through the link (www.surajindustries.org).

SHARE CAPITAL

During the year, the Authorised Share capital stood at Rs. 15,00,00,000/- (Rupees Fifteen Crore Only) divided into 1,50,00,000 (One Crore Fifty Lakh) equity shares of Rs. 10/- (Rupees Ten Only) each.

Further, the Paid up Share Capital of the Company has been increased from Rs. 8,65,00,000/- (Rupees Eight Crore Sixty Five Lakh Only) divided into 86,50,000 (Eighty Six Lakh Fifty Thousand) Equity shares of Rs. 10/- (Rupees Ten) each to Rs. 9,54,20,000/- (Rupees Nine Crore Fifty Four Lakh Twenty Thousand Only) divided in 95,42,000 (Ninety Five Lakh Forty Two Thousand) Equity shares of Rs. 10/- (Rupees Ten) each.

Further, during the financial year 2021-2022, the Company has allotted 892,000 Equity Shares of face value of Rs.10/- aggregating to Rs. 89,20,000/- (Rupees Eighty-Nine Lacs Twenty Thousand Only) each pursuant to conversion of 8,92,0000 Fully Convertible Warrants ('Warrants') which were issued on 26.03.2021 at an issue price of Rs. 10/- each by way of preferential allotment to the person belonging to 'Promoter and Promoter group'.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has in all material respects an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022.

DETAILS OF SUBSIDIARIES/JOINT VENTURE AND ASSOCIATES COMPANY

The Company has no subsidiary/ Joint Venture and Associate Company during the year.

However, M/s Carya Chemicals & Fertilizers Private Limited has become the subsidiary pursuant to the provisions of Section 2(87)(ii) of the Companies Act, 2013 w.e.f. June 15, 2022.

Further, M/s Shri Gang Industries and Allied Products Limited has become an Associate Company pursuant to the provisions of Section 2(6) of the Companies Act, 2013 w.e.f. July 09, 2022.

NUMBER OF BOARD MEETING AND ATTENDANCE BY EACH DIRECTOR

During the financial year 2021-2022, Six (6) Board Meetings were held on 21.05.2021, 12.08.2021, 03.09.2021, 23.10.2021, 08.01.2022 and 29.03.2022. The intervening gap between any two meetings did not exceed the time prescribed under Companies Act, 2013 and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as amended. The details of composition of Board and presence of each director in the meeting is mentioned hereunder.

S. No	Name of Director	Designation	No. of Board Meetings Held	No. of Board Meetings Attended
1.	Mr. Suraj Prakash Gupta	Managing Director	6	5
2.	Mr. Alok Ranjan*	Non-Executive-Independent Director	5	5
3.	Mr. Syed Azizur Rahman	Non-Executive Non-Independent Director	6	6
4.	Mr. Ashu Malik**	Whole Time Director	5	5
5.	Ms. Pooja Solanki	Non-Executive - Independent Director	6	5
6.	Mr. Nazir Baig	Non-Executive - Independent Director	6	6

*Mr. Alok Ranjan relinquished the office of Independent Director w.e.f. 03.03.2022. During this period i.e. April 01, 2021 to March 03, 2022, Five (5) meetings of Board of Directors were held.

**Mr. Ashu Malik was appointed w.e.f. June 27, 2021. After his appointment as Director Five (5) meetings of Board of Directors were held.

CORPORATE GOVERNANCE DISCLOSURE

As per the provisions of Regulation 15(2) of SEBI (LODR) Regulations, 2015, the listed entity having paid up equity share capital not exceeding rupees ten crore and net worth not exceeding rupees twenty five crore, as on the last day of the previous financial year shall not be required to comply with the Corporate Governance provisions as specified in regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V.

Hence, the Company is not required to report on Corporate Governance in accordance with regulation 34(3) and schedule V(C) to the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for the Financial Year ending March 31, 2022 and therefore the disclosure is not given in the Annual Report.

However, pursuant to increase in Paid up share capital of the Company, the Corporate Governance provisions as specified in regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V have become applicable to the Company in Financial Year 2022-2023 and the company is in compliance of aforesaid regulations.

CODE OF CONDUCT

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

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

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated Employees of the Company. The Code requires pre-clearance for dealing in the Company's Shares and prohibits the purchase or sale of Company Shares by

the Directors and the designated Employees while in possession of Unpublished Price Sensitive Information in relation to the Company and during the period when the trading window is closed. The Board is responsible for implementation of the Code.

The Board Members have affirmed compliance with the Code of Conduct for the year ended March 31, 2022. The code of conduct is available on our website www.surajindustries.org.

PREVENTION OF SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE

The Company is committed to provide a protective environment at workplace for all its women employees. To ensure that every woman employee is treated with dignity and respect and as mandated under “The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013” the Company has in place a formal policy for prevention of sexual harassment at work place and the Company has also constituted the Internal Complaint Committee in compliance with the requirement of the Act.

During the year under review, the company has not received any complaint of sexual harassment.

DECLARATION BY INDEPENDENT DIRECTOR(S)

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

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

MEETING OF INDEPENDENT DIRECTORS

In terms of requirements under Schedule IV of the Companies Act, 2013, a separate meeting of the Independent Directors was held on March 29, 2022.

The Independent Directors at the meeting reviewed the following: -

- Performance of non-independent Directors and the Board as a whole.
- Assess the quality, quantity and timeliness of flow of information between the management of the listed entity and the board of directors that is necessary for the board of directors to effectively and reasonably perform their duties.
- Performance of the Chairperson of the Company.

COMMITTEE

Pursuant to the requirement under Companies Act, 2013 and, the Board of Directors has constituted the following Committees:

1. Audit Committee;
2. Nomination & Remuneration Committee;
3. Stakeholders Relationship Committee; and
4. Independent Directors Committee.

The Composition of the Committee(s) as on March 31, 2022 are mentioned hereunder:

1) Audit Committee

S. No	Name of Director	Category	Designation
1.	Ms. Pooja Solanki	Non-Executive Independent Director	Member
2.	Mr. Syed Azizur Rahman	Non-Executive Non-Independent Director	Member
3.	Mr. Nazir Baig	Non-Executive Independent Director	Member

2) Nomination & Remuneration Committee

S. No	Name of Director	Category	Designation
1.	Ms. Pooja Solanki	Non-Executive Independent Director	Member
2.	Mr. Syed Azizur Rahman	Non-Executive Non-Independent Director	Member
3.	Mr. Nazir Baig	Non-Executive Independent Director	Member

3) Stakeholders Relationship Committee

S. No	Name of Director	Category	Designation
1.	Ms. Pooja Solanki	Non-Executive Independent Director	Member
2.	Mr. Syed Azizur Rahman	Non-Executive Non-Independent Director	Member
3.	Mr. Nazir Baig	Non-Executive Independent Director	Member

4) Independent Directors Committee

S. No	Name of Director	Category	Designation
1.	Mr. Nazir Baig	Non-Executive Independent Director	Member
2.	Ms. Pooja Solanki	Non-Executive Independent Director	Member

5) Preferential Allotment Committee

S. No	Name of Director	Category	Designation
1.	Mr. Nazir Baig	Non-Executive Independent Director	Member
2.	Mr. Suraj Prakash Gupta	Executive Director	Member
3.	Mr. Syed Azizur Rahman	Non-Executive Non-Independent Director	Member

NOMINATION & REMUNERATION POLICY

The Company has framed a Nomination and Remuneration Policy pursuant to the provisions of Section 178 of the Companies Act 2013.

There is no change in the policy since the last financial year. The Policy is available on our website <http://www.surajindustries.org>.

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

During the year under review, the Company has neither made any investment(s) nor given any guarantee(s) which is covered under the provisions of Section 186 of the Companies Act, 2013. However, Company has granted loans in compliance of the act. Details of the same are given under the notes to the Financial Statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year, the Company had not entered into any contract, arrangement and transaction with related parties which could be considered material in accordance with the Company's Policy on materiality of and dealing with related party transactions (the "Policy") and accordingly the disclosure of Related Party Transactions in Form AOC-2 is not applicable on the Company.

DEPOSITS

The Company has neither accepted nor renewed any deposits during the Financial Year 2021-2022 in terms of Chapter V of the Companies Act, 2013. Further, the Company is not having any unpaid or unclaimed deposits at the end of the Financial Year.

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

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

RISK MANAGEMENT

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

PERFORMANCE EVALUATION

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

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

The Directors expressed their satisfaction with the evaluation process.

THE CHANGE IN THE NATURE OF BUSINESS, IF ANY

There was no change in the nature of business during the financial year 2021-2022. However, the Company has acquired a bottling unit situated at the premises situated at the premises of Rajasthan State Ganganagar Sugar Mills Ltd (RSGSM) at Purani Chungi, Ramganj, Taragarh Road, Teh. Ajmer, Rajasthan for bottling and packaging of alcoholic beverages.

SIGNIFICANT AND MATERIAL ORDERS

There are no significant and material orders passed by the regulators or courts or tribunals affecting the going concern status and Company's operations in future.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The Board has Vigil Mechanism/Whistle Blower Policy, a mechanism for employees to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct. The mechanism also provides for adequate safeguards against victimization of employees who avail the mechanism and provide for direct access to the Chairman of the Audit Committee in exceptional cases. The Policy is also available on our website <http://www.surajindustries.org>.

During the year under review no personnel has been denied access to the audit committee. There is no change in the policy during the financial year 2021-2022.

LISTING OF SHARES

The Company's shares are listed on the below mentioned Stock Exchange: -

BSE Limited (BSE)

Phiroze Jeejeebhoy Towers,
25th Floor, Dalal Street,
Mumbai – 400 001

DEPOSITORY SYSTEMS

Your Company has established connectivity with both depositories–National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). In view of the numerous advantages offered by the depository system, members holding Shares in physical mode are requested to avail of the dematerialization facility with either of the depositories.

Your Company has appointed M/s. BEETAL Financial & Services Private Limited, a Category-I SEBI registered R&T Agent as its Registrar and Share Transfer Agent across physical and electronic alternative.

PARTICULARS OF MANAGERIAL REMUNERATION AND EMPLOYEES**1. Disclosure in terms of Rule 5 (1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014: -**

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

Sr. No.	Name of Director	Category of Director	Ratio to Median

			Remuneration
1.	Mr. Suraj Prakash Gupta	Executive Director	7.70:1
2.	Mr. Ashu Malik*	Executive Director	3.12:1
3.	Mr. Alok Ranjan**	Non-Executive Director	Nil
4.	Mr. Nazir Baig	Non-Executive Director	Nil
5.	Mr. Syed Azizur Rahman	Non-Executive Director	Nil
6.	Ms. Pooja Solanki	Non-Executive Director	Nil
7.	Mr. Sanjay Kumar Jain***	Non-Executive Director	Nil

* Mr. Ashu Malik was appointed on 27.06.2021 as Whole Time Director.

** Mr. Alok Ranjan ceased to be director w.e.f. 03.03.2022.

*** Mr. Sanjay Kumar Jain appointed on 29.03.2022 as Non-Executive Independent Director.

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

Sr. No.	Name	Category	% increase/ decrease in the remuneration in the financial year
1.	Mr. Suraj Prakash Gupta	Executive Director	285.71%
2.	Mr. Ashu Malik#	Executive Director	NA
3.	Ms. Chhavi Agrawal*	Company Secretary	NA
4.	Ms. Bhanumathy Ramachandran**	Company Secretary	No change
5.	Mr. Sujeet Gupta***	Chief Financial Officer	No Change

* Ms. Chhavi Agrawal appointed as Company Secretary as on 09.01.2022.

** Ms. Bhanumathy Ramachandran resigned from the post of Company Secretary as on 08.01.2022.

*** Mr. Sujeet Gupta resigned from the post of Chief Financial Officer as on 08.01.2022.

#Mr. Sujeet Gupta relinquished the office of CFO w.e.f. 08.01.2022.

- iii. The percentage increase in remuneration in the median remuneration of employee in the financial year: -14.55%
- iv. The Company had 22 (Twenty-Two) permanent employees.
- v. Average Percentile Increase already made in the Salaries of Employees other than the Managerial Personnel in the last Financial Year and its Comparison with the Percentile Increase in the Managerial Remuneration: -67.55%
Percentage increase in the managerial remuneration for the year: 100.65%

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

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

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

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

MANAGEMENT DISCUSSION & ANALYSIS REPORT

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

INDUSTRIAL RELATIONS

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

DISCLOSURES UNDER SECRETARIAL STANDARDS

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

DISCLOSURE ABOUT MAINTENANCE OF COST RECORDS

As there was no manufacturing activity during the period under review, therefore, Company was not required to maintain cost records as per Section 148 of Companies Act 2013.

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

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

DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

During the financial year under review, disclosure w.r.t. details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.

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

There were no instances of deviation(s) or variation(s) in the utilization of proceeds of the Preferential Issue of Equity Shares and Warrants as mentioned in the objects of Offer in the Offer Document.

ACKNOWLEDGEMENTS

It is our strong belief that caring for our business constituents has ensured our success in the past and will do so in future. The Board acknowledges with gratitude the co-operation and assistance provided to your company by the government as well as Non-Government agencies. The Board wishes to place on record its appreciation to the contribution made by employees of the company during the year under review. Your Directors gives their sincere gratitude to the customers, clients, vendors and other business associates for their continued support to the Company.

Your Directors also place on record their deep sense of appreciation for the devoted services rendered by all the employees of the company and for the continued co-operation & support received from shareholders of the Company.

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

**Place: New Delhi
Date: 02.09.2022**

**Sd/-
Suraj Prakash Gupta
Managing Director
DIN: 00243846
Address: W-15/40, W-15,
Western Avenue, Sainik Farms,
Pushpa Bhawan, Delhi-110062**

**Sd/-
Syed Azizur Rahman
Director
DIN: 00242790
Address: Flat B-104 (FF), Ananda
Apartments, Sector-48, Noida,
Uttar Pradesh- 201301**

Form No. MR-3

SECRETARIAL AUDIT REPORT**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022****[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

TO,

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

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022 (Audit Period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter along with Annexure 1 attached to this report:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings (ECB); **(No FDI and ECB was taken and no ODI was given by the company during the Audit Period)**
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), as amended from time to time
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2021 (**Not applicable to the Company during the Audit Period**);
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (**Not applicable to the Company during the Audit Period**);
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (**Not applicable as the Company is not registered as Registrar to an issue and Share Transfer Agent during the Audit Period**);
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (herein after “Delisting Regulations”); (**Not applicable to the Company during the Audit Period**)
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (**Not applicable to the Company during the Audit Period**); and
- i) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 (**Not applicable to the Company during the review period**);

The Company is engaged in the trading of Edible Oils, Empty Glass bottles and other products.

During the year, the company has started manufacturing Rajasthan Made Liquor at the Company's Bottling Unit situated at c/o Rajasthan State Ganganagar Sugar Mills Ltd, at Purani Chungi, Ramganj, Taragarh Road, Teh. -Ajmer, Distt-Ajmer, Rajasthan-305001.

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

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

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

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

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

1. *It is observed that the promoter's holding of equity shares in the company is not completely in dematerialised form as required under Regulation 31 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.*

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

1. The Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive, women and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
2. Adequate notice of at least seven days was given to all directors to schedule the Board Meetings along with agenda and detailed notes on agenda and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting in compliance of the Act.
3. Majority decision is carried through and recorded in the minutes of the Meetings. Further, as informed, any director in respect of resolutions passed in the board and committee meetings gave no dissent.

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

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

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

1. The Company has started manufacturing Rajasthan Made Liquor at the Company's Bottling Unit situated at c/o Rajasthan State Ganganagar Sugar Mills Ltd, at Purani Chungi, Ramganj, Taragarh Road, Teh. -Ajmer, Distt-Ajmer, Rajasthan-305001.
2. The Board of Directors in their meeting held on 21 May, 2021 approved the resolution for purchase of bottling unit from Premier Alcobev Private Limited situated at RGSGSM premises at Ajmer along with all licences and current assets.
3. The Board of Directors in their meeting held on March 29, 2022 had approved the preferential issue of following pursuant to Section 42 and 62(1)(c) of the Companies act:
 - A. 16,55,172 Equity shares of Rs. 10/- each to M/s Ayodhya Finlease Limited at an issue price of Rs. 145/- each.
 - B. 5,51,724 Fully Convertible Warrants of Rs.10/- each to Mr. Suraj Prakash Gupta (Promoter) at an issue price Rs. 145/- each.
4. The Preferential Allotment Committee of the Board of Directors in its meeting held on 17 December, 2021 had approved the conversion of 8,92,000 warrants out of 19,89,000 warrants

issued on March 26, 2021 on preferential basis into fully paid up Equity shares of the Company at Rs. 10/- each on the basis of in-principle approval received from BSE Limited under regulation 28(1) of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 vide its letter DCS/PREF/PB/PRE/1098/2020-21 dated March 18, 2021.

**FOR MONIKA KOHLI & ASSOCIATES
COMPANY SECRETARIES**

Date: 02.09.2022

Place: New Delhi

UDIN: F005480D000895985

Sd/-

(MONIKA KOHLI)

FCS, LL.B., IP, B. Com (H)

Prop.

CP No.4936

FCS No. 5480

Peer Review No. 1348/2021

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

Sub: Our Secretarial Audit for the Financial Year ended March 31, 2022 of even date is to be read along with this letter.

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

**FOR MONIKA KOHLI & ASSOCIATES
COMPANY SECRETARIES**

**Date: 02.09.2022
Place: New Delhi
UDIN: F005480D000895985**

**Sd/-
(MONIKA KOHLI)
FCS, LL.B., IP, B. Com (H)
Prop.
CP No.4936
FCS No. 5480
Peer Review No. 1348/2021**

MANAGEMENT DISCUSSION AND ANALYSIS REPORT**INDUSTRY STRUCTURE AND DEVELOPMENTS**

India is one of the fastest growing liquor markets in the world. Alcoholic beverages are considered a sunrise industry owing to its high-growth potential and increasing social acceptance.

Growth in urban population coupled with the increasing disposable income is projected to propel the market growth of alcohol. Moreover, the advent of variety in the flavor of alcohol coupled with the expanding product portfolio by the manufacturers has further projected to boost the growth of alcohol market.

During the year under review the company scaled up its business operations by venturing into bottling and packaging of alcoholic beverages i.e Rajasthan Made Liquor and Country Liquor. These operations are expected to give steady returns over a long run.

OPPORTUNITIES AND THREATS

There is huge opportunity in the sale of potable liquor. The demand for potable liquor is showing a steady increase year on year.

The business of potable liquor is subject to policies of the State Governments as it is a State subject. There is always a threat of change in Government policies in terms of “Prohibition in consumption of Liquor” as imposed in States of Gujarat and Bihar.

FINANCIAL PERFORMANCE

During the financial year 2021-2022, the Company has made a profit of Rs. 304.76 Lakhs (Rupees Three Hundred and Four Lakh Seventy Six Thousand Only) as compared to profit of Rs. 36.97 Lakhs (Rupees Thirty Seven Lakh Ninety Seven Thousand Only) in the previous financial year.

OUTLOOK

The company has now ventured into bottling and packaging of alcoholic beverages i.e Rajasthan Made Liquor and Country Liquor. These operations are expected to give steady returns over a long run.

Going forward, the liquor business would be the major focus area for the company. As a step towards this the company has acquired a controlling stake in M/s Carya Chemicals & Fertilizers Pvt Ltd, which has got a LOI for setting up a Distillery and Bottling Plant for manufacture of Indian Made Foreign Liquor and Country Liquor in Rajasthan. Apart from this the company has also acquired 20% stake in M/s Shri Gang Industries & Allied Products Ltd which has set up a Bottling Plant for the manufacture of Indian Made Foreign Liquor at Sandila, Dist. Hardoi (UP) and is setting up a grain based Distillery for manufacture of ENA, which is at an advanced stage for commissioning.

RISKS AND CONCERNS

The company does not foresee any major risks in its trading operations. The business of potable liquor is subject to policies of the State Governments as it is a State subject. There is always a threat of change in Government policies in terms of “Prohibition in consumption of Liquor” as imposed in States of Gujarat and Bihar.

CASH FLOW ANALYSIS

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

FINANCE COST

The financial charges for the year ended March 31, 2022 was Rs. 2.42 Lakhs. This is mainly on account of interest payable on the unsecured and vehicle loan taken by the company.

OTHER EQUITY (RESERVES AND SURPLUS)

As on March 31, 2022, the Reserves and Surplus in the Balance Sheet were negative at Rs 499.47 Lakh as compared to the negative balance of Rs. 781.94 Lakhs during the previous Financial Year 2020-2021.

EARNING PER SHARE

Earnings per share of the company is 3.43 as against the EPS of 0.51 in the previous year.

INTERNAL CONTROLS AND THEIR ADEQUACY

The Company has adequate internal controls commensurate with its size and nature of business. These internal controls ensure optimum use and protection of available resources.

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

Place: New Delhi

Date: 02.09.2022

**Sd/-
Suraj Prakash Gupta
Managing Director
DIN: 00243846
Address: W-15/40, W-15,
Western Avenue, Sainik Farms,
Pushpa Bhawan, Delhi-110062**

**Sd/-
Syed Azizur Rahman
Director
DIN: 00242790
Address: Flat B-104 (FF), Ananda
Apartments, Sector-48, Noida,
Uttar Pradesh- 201301**

INDEPENDENT AUDITOR'S REPORT

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

I. Report on the Audit of the Financial Statements**1. Opinion**

- A. We have audited the accompanying Standalone Financial Statements of **SURAJ INDUSTRIES LTD** ("the Company"), which comprise the Balance Sheet as at **March 31, 2022**, the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Financial Statements").
- B. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with the Companies (accounting standards) Rules, 2006, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the profit, changes in equity and its cash flows for the year ended on that date.

2. Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

3. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. There are no specific matters to be communicated in our report.

4. Information Other than the Financial Statements and Auditor's Report Thereon

- A. The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Financial Statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- B. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

5. Management's Responsibility for the Financial Statements

- A. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of standalone financial statements by the Board of Directors of the Company, as aforesaid.
- B. In preparing the Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

6. Auditor's Responsibilities for the Audit of the Standalone Financial Statements

- A. Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.
- B. As part of an audit in accordance with SAs, we exercise professional judgment and maintain

professional skepticism throughout the audit. We also:

- i) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - ii) Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls
 - iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management
 - iv) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern
 - v) Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation
- C. Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.
 - D. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
 - E. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
 - F. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication

II. Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - A. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - B. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - C. The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - D. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014
 - E. On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - F. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
 - G. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - H. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements, if any.
 - ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There is no amount required to be transferred to the Investor Education and Protection Fund by the Company.
3. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 26 to the standalone Ind AS financial statements, no funds have been advanced or loaned or

invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

4. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 26 to the standalone Ind AS financial statements, no funds have been received by the company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

5. Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under clause (4) and (5) above contain any material misstatement.

For Satendra Rawat & Company
Chartered Accountants
Firm Registration No.: 008298C

Sd/-
(CA. Satendra Rawat)
Partner
Membership No.: 074126

Place: New Delhi
Date: 18.05.2022

UDIN: 22074126AKFIDJ6752

Annexure “A” referred to in the Auditor’s Report of even date to the Members of SURAJ INDUSTRIES LTD on the financial statements for the year ended March 31, 2022.

In terms of the Companies (Auditor’s Report) Order, 2020 (“the Order”) issued by the Central Government of India in terms of sub-section 11 of section 143 of the Act, we report, on the matters specified in the paragraph 3 and 4 of the Order, as may be applicable, as hereunder:

1.
 - a) During the year the company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified annually. In accordance with this programme, fixed assets were verified during the year and no discrepancies were noticed on such verification. In our opinion, the frequency of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
 - c) The Company does not own any immovable properties. Accordingly, the provisions of clause 3(i)(c) of the Order are not applicable
 - d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) assets during the year ended March 31, 2022.
 - e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
2.
 - a) As explained to us, inventories have been physically verified at reasonable intervals by the management and in our opinion, the frequency of verification is reasonable. According to the information and explanations given to us, no material discrepancies were noticed on such physical verification.
 - b) The Company has not availed any working capital limits from banks and/or financial institutions during the year on the basis of security of current assets of the Company. Therefore, paragraph 3(ii) (b) of the Order are not applicable to the Company
3.
 - a) During the year company has provided loans to other body corporates to the extent of Rs 778.50 Lakh and the balance amount outstanding as at 31.03.2022 with respect to such loans was Rs 778.50 Lakh. Apart from this the company has not stood guarantee or given security to any other entity.
 - b) The terms and conditions of the loans granted by the company are not prejudicial to the company’s interest
 - c) The schedule of repayment of principal has been stipulated for the loans granted and no amount was due for repayment during the year.
 - d) There was no amount overdue in respect of the loans granted by the company.
 - e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

- f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
4. The Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of the loans and advances granted by it. The Company had not given any loan or advances to Directors, hence provisions of Section 185 of the Companies Act, 2013 are not applicable.
5. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
6. Pursuant to the rules made by the Central Government for the maintenance of cost records under section 148 (1) of the Companies Act, 2013, in our opinion and to best of our knowledge, the prescribed cost records, prima facie, have been made and maintained.
7. a) According to the information and explanations given to us and on the basis of our examination of the records of the company, undisputed statutory dues including provident fund, employees state insurance, income-tax, sales-tax, service-tax, duty of customs, duty of excise, value added tax, cess, goods and service tax and other material statutory dues, as applicable, have been regularly deposited with the appropriate authorities, to the extent applicable to it.
- b) According to the records of the company and information and explanations given to us, there are no dues of Sales Tax, Income Tax, Custom Duty, Service Tax, Wealth Tax, Excise Duty and Cess on account of any dispute.
8. The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
9. a) According to the records of the Company examined by us and the information given to us, we are of the opinion that the company has not defaulted in repayment of dues to banks. However, there are no dues payable to financial institutions or debenture holders.
- b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- c) Term loans were applied for the purpose for which the loans were obtained.
- d) On an overall examination of the financial statements of the Company, funds raised on short term basis have been used for long-term purposes by the Company i.e. for acquiring the Bottling Unit for Liquor.
- e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

10. a According to the information and explanations given to us, the Company has not raised any money by way of initial public offer, further public offer (including debt instruments) or term loans during the year. Accordingly, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- b According to the information and explanations given to us and on the basis of our examination of records of the company, the Company has made preferential allotment of shares by way of conversion of fully convertible warrants issued in the earlier year and has complied with the provisions of Section 42 of the Companies Act, 2013 and the amount raised has been used for the purpose for which the funds were raised. Apart from this company has not made any private placement of shares nor any private placement or preferential allotment of fully or partly convertible debentures during the year.
11. a According to the information and explanations given to us, no material fraud by the Company and on the company by its officers or employees has been noticed or reported during the course of our audit.
- b During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
12. According to the information and explanations given to us the Company is not a Nidhi Company. Accordingly, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company
13. Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
14. a The Company has an internal audit system commensurate with the size and nature of its business.
- b The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
15. The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
16. a The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- b The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- c The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

- d There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- 17 The Company has not incurred cash losses in the current year as well as in the immediately preceding financial year.
- 18 There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- 19 On the basis of the financial ratios disclosed in note 26 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- 20 The provisions of Section 135 of the Companies Act, 2013 are not applicable on the company. Accordingly, the requirement to report on clause 3(xx) of the Order is not applicable to the Company.
- 21 The company is not required to prepare consolidated financial statements. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Company.

For Satendra Rawat & Company
Chartered Accountants
Firm Registration No.: 008298C

Sd/-
(CA. Satendra Rawat)
Partner
Membership No.: 074126

Place: New Delhi
Date: 18.05.2022
UDIN: 22074126AKFIDJ6752

Annexure “A” to the Independent Auditors’ Report of the even date on the Financial Statements of SURAJ INDUSTRIES LTD

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

We have audited the internal financial controls over financial reporting of Shri Gang Industries & Allied Products Limited (“the company”) as of March 31, 2022 in conjunction with our audit of Standalone IndAS Financial Statements of the company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors’ judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A Company’s’ internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that

transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Satendra Rawat & Company
Chartered Accountants
Firm Registration No.: 008298C

Sd/-
(CA. Satendra Rawat)
Partner
Membership No.: 074126

Place: New Delhi
Date: 18.05.2022

UDIN: 22074126AKFIDJ6752

SURAJ INDUSTRIES LTD
Balance sheet as at 31st March 2022

(Rs. in Lakhs)

	<i>Particulars</i>	<i>Note No.</i>	<i>31st March 2022</i>	<i>31st March 2021</i>
	ASSETS			
1	Non-current assets			
a	Property, plant and equipment	2	1,212.14	0.31
b	Financial assets		-	-
c	Other non-current assets	3	27.69	397.74
d	Deferred Tax Asset	29	-	30.80
2	Current assets			
a	Inventories	4	16.60	-
b	Financial assets			
i	Trade Receivables	5	231.72	311.64
ii	Cash and cash equivalents	6	285.77	17.74
iii	Loans & Advances	7	875.77	2.50
c	Other current assets	8	30.63	10.84
	TOTAL ASSETS		2,680.32	771.57
	EQUITY AND LIABILITIES			
	Equity			
a	Equity Share capital	9	954.20	865.00
b	Other equity	10	(499.47)	(781.92)
	Liabilities			
1	Non-current liabilities			
a	Financial liabilities			
i	Borrowings	11	30.03	-
ii	Other financial liabilities		-	-
b	Employee Benefit obligation	12	7.93	1.49
c	Deferred Tax Liability	29	28.59	-
2	Current liabilities			
a	Financial liabilities			
i	Borrowings	13	1922.65	353.24
ii	Trade and other payables	14	150.55	316.13
b	Other current liabilities	15	85.84	17.63
	TOTAL EQUITY & LIABILITIES		2,680.32	771.57

The accompanying notes form an integral part of these financial statements

As per our report of even date attached

For Satendra Rawat & Co

Chartered Accountants

Firm Registration No: FRN-008298C

For and on the Behalf of Board of Directors

Sd/-

(CA. Satendra Rawat)

Partner

Membership No.: 074126

Sd/-

Suraj Prakash Gupta

(Managing Director)

DIN- 00243846

Sd/-

Syed Azizur Rahman

(Director)

DIN-00242790

Sd/-

**Place: Delhi
Date: 18.05.2022**

**Chhavi Agrawal
Company Secretary**

UDIN: 22074126AKFIDJ6752

SURAJ INDUSTRIES LIMITED
Statement of Profit and Loss for the year ended on 31st March 2022

(Rs in Lakh)

<i>Particulars</i>	<i>Note No.</i>	For the year ended on 31st March, 2022	For the year ended on 31st March 2021
Continuing Operations			
Revenue from operations	16	4,126.41	699.11
Other income	17	2.09	5.22
Total revenue		4128.50	704.33
Expenses			
Purchase of Stock in Trade	18	2785.75	644.24
Consumption of Packing Material & consumables	19	584.65	0.00
Employee benefit expense	20	107.32	23.85
Finance cost	21	2.42	1.17
Depreciation and amortization expense	2	59.72	0.00
Other expense	22	176.18	28.76
Total expenses		3716.04	698.02
Profit/ (loss) before exceptional items		412.46	6.31
Exceptional items		-	-
Profit/ (loss) before tax		412.46	6.31
Tax expense			
a) Current income tax		45.81	0.00
b) Income tax- earlier years		0.27	0.00
b) Deferred income tax	29	59.39	-30.80
Total Tax Expense		105.47	-30.80
Profit/ (loss) for the period		306.99	37.11
Other comprehensive income			
- Items that will not be reclassified to profit or loss		-	-
Remeasurement of defined benefit plans		-2.23	-0.14
- Income tax relating to items that will not be reclassified to profit or loss		-	-
Revaluation of Financial Instruments		-	-
- Items that will be reclassified to profit or loss		-	-
- Income tax relating to items that will be reclassified to profit or loss		-	-
Other Comprehensive income (net of Tax)		-2.23	-0.14
Total comprehensive income for the period		304.76	36.97
Earnings per equity share (Basic & Diluted)		3.43	0.51

The accompanying notes form an integral part of these financial statements

As per our report of even date attached

For Satendra Rawat & Co
Chartered Accountants
Firm Registration No: FRN-008298C

For and on the Behalf of Board of Directors

Sd/-
(CA. Satendra Rawat)
Partner
Membership No.: 074126

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

Sd/-
Syed Azizur Rahman
(Director)
DIN-00242790

Place: Delhi
Date: 18.05.2022

Sd/-
Chhavi Agrawal
Company Secretary

UDIN: 22074126AKFIDJ6752

SURAJ INDUSTRIES LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

(Rs in Lakh)

Particulars	For the year ended on 31st March 2022	For the year ended on 31st March 2021
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax & Extraordinary items	412.46	6.31
Add: Non cash and Non-operating items		
Provision for Employee Benefits	6.44	1.19
Depreciation	59.72	0.00
Less: OCI -Remeasurement of defined benefit plans	-2.23	-0.14
Operating Profit before Working Capital changes	476.40	7.35
Adjustments for:		
Loans & Advances & Other Current Assets	-893.06	3.40
Inventories	-16.60	0.00
Trade Receivables	79.92	-236.52
Trade Payable	-165.58	217.68
Other Current Liabilities	68.20	8.39
Cash Generated from operations before extraordinary item and tax	-450.73	0.30
Less: Taxes Paid	46.08	0.00
Net Cash from Operating Activities.....(A)	-496.80	0.30
B) CASH FLOW FROM INVESTING ACTIVITIES		
Capital Advances	370.00	-370.00
Increase in Fixed Assets	-1271.55	0.00
Earnest Money Deposit	0.05	-27.74
Net Cash used in Investing Activities.....(B)	-901.50	-397.74
C) CASH FLOW FROM FINANCING ACTIVITIES		
Movement in Short Term/Long Term Borrowings	1599.44	228.76
Shares Issued during the year	89.20	136.40
Share Warrant Application Money Recd	-22.30	49.73
Net Cash received in financing Activities.....(C)	1666.34	414.89
D) NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)	268.04	17.45
Cash & Cash Equivalents as at beginning of year	17.73	0.28
Cash & Cash Equivalents as at end of year	285.77	17.73

The accompanying notes form an integral part of these financial statements

(I) Figures in brackets represent deductions and outflows

(II) The previous year's figures have been restated, wherever considered necessary.

For Satendra Rawat & Co
Chartered Accountants
Firm Registration No: FRN-008298C

For and on the Behalf of Board of Directors

Sd/-
(CA. Satendra Rawat)
Partner
Membership No.: 074126

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

Sd/-
Syed Azizur Rahman
(Director)
DIN-00242790

Place: Delhi
Date: 18.05.2022

Sd/-
Chhavi Agrawal
Company Secretary

UDIN: 22074126AKFIDJ6752

SURAJ INDUSTRIES LIMITED**Statement of changes in equity for the period ended on 31st March 2022****A. Equity share capital** (INR in Lakh)Balance at 1 April 2021 **865.00**

Add: Equity shares issued during the year 89.20

Balance at 31 March 2022 954.20**B. Other Equity**

(INR in Lakh)

	Note No.	Reserve and Surplus		Equity Component of other financial instruments (share warrants)	Other Comprehensive Income (Actuarial Gain/Losses)	Total
		Capital Reserve	Retained Earnings			
Balance at 1st April 2021		231.69	(1063.19)	49.72	(0.14)	(781.92)
Profit for the year		-	306.99	-	-	306.99
Actuarial Gain/Losses		-	-	-	(2.23)	(2.23)
Share warrants converted into equity		-	-	(22.30)	-	(22.30)
Balances as at 31st March 2022		231.69	(756.20)	27.42	(2.37)	(499.46)

As per our report of even date attached

For Satendra Rawat & Co
Chartered Accountants
Firm Registration No: FRN-008298C

For and on the Behalf of Board of Directors

Sd/-
(CA. Satendra Rawat)
Partner
Membership No.: 074126

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

Sd/-
Syed Azizur Rahman
(Director)
DIN-00242790

Place: Delhi
Date: 18.05.2022

Sd/-
Chhavi Agrawal
Company Secretary

SURAJ INDUSTRIES LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st
MARCH 2022

1. SIGNIFICANT ACCOUNTING POLICIES

i) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The company has adopted Indian Accounting Standards (Ind AS) with effect from 1st April 2017, with transition date of 1st April 2016, pursuant to notification issued by Ministry of Corporate Affairs dated 16th February 2015, notifying the Companies (Indian Accounting Standards) Rules, 2015. Accordingly, the financial statements comply with Ind AS prescribed under section 133 of the Companies Act, 2013 (the "Act"), read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, relevant provisions of the Act and other accounting principles generally accepted in India.

The financial statements are prepared on the historical cost convention, except for certain financial instruments which are measured at fair value.

The financial statements were authorised for issue by the Board of Directors of the company on 18.05.2022.

FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between the market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

ii) CURRENT VERSUS NON CURRENT CLASSIFICATION

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- a) it is expected to be realised in, or intended for sale or consumption in, the company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is expected to be realised within twelve months after the reporting period; or
- d) it is cash or cash equivalent unless it restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current assets.

Liabilities

A Liability is classified as current when it satisfies any of the following criteria:

- a) it is expected to be settled in the Company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is due to be settled within twelve months after the reporting period; or
- d) the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Terms of liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current liabilities.

Deferred tax liabilities and assets are classified as noncurrent liabilities and assets.

iii) USE OF ESTIMATES

The preparation of financial statements in conformity with Ind AS requires management to make estimates and assumptions that affect the reported amounts of Revenue, Expenses, Assets and Liabilities and disclosure of contingent liabilities at the end of the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

iv) RECOGNITION OF INCOME AND EXPENDITURE

- i) Revenues/Incomes and Costs/Expenditure are generally accounted on accrual, as they are earned or incurred in accordance with the generally accepted Accounting principles and Accounting Standards as applicable in India.
- ii) In case of sales & purchase, accrual is deemed to have taken place on actual delivery of goods.
- iii) In case of interest, income is recognized in relation to period to which it pertains.
- iv) In case of uncertainties as to the risks & rewards, the conservative accounting policy is adopted by way of making suitable provisions for expenses and deferring the recognition of revenues.

v) EXCISE DUTY

Excise Duty has been accounted on the basis of both payments made in respect of goods cleared and also provision made for goods lying in factory premises. Cenvat credit is accounted on accrual basis on purchase of materials.

vi) EMPLOYEES BENEFITS:

- i) Retirement benefits in the form of Provident fund and Family Pension fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.
- ii) Gratuity is a defined benefit obligation. Gratuity liability is accrued and provided for on the basis of an actuarial valuation on the projected unit credit method made at the end of the financial year.
- iii) Long term compensated balances in the form of leave encashment are provided for based on actuarial valuation at the end of the financial year. The actuarial valuation is done as per projected unit credit method.
- iv) Actuarial gains/losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.

vii) PROPERTY, PLANT AND EQUIPMENT

Recognition and measurement

The cost of an item of property, plant and equipment is recognized as an asset if, and only if:

1. It is probable that future economic benefits associated with the item will flow to the entity; and
2. The cost of the item can be measured reliably.

Property, Plant and Equipments ('PPE') are stated at cost of acquisition or construction including any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management less accumulated depreciation and cumulative impairment losses & net of recoverable taxes (net of Cenvat and VAT credit wherever applicable).

Subsequent Costs

Subsequent expenditure related to an item of PPE is added to its carrying amount or recognized as a separate asset, if appropriate and carrying amount of replacement parts is derecognized at its carrying value.

Spare parts or stores meeting the definition of PPE, either procured along with equipment or subsequently, are capitalized in the asset's carrying amount or recognized as separate asset, if appropriate. However, cost of day to day servicing are recognized in profit or loss as incurred. Cost of day to day service primarily includes costs of labour, consumables and cost of small spare parts.

An item of PPE is derecognized upon disposal or when no future economic benefits are expected to arise from continued use of the asset. Any gain or loss arising on the disposal or retirement of Property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the assets and is recognized in profit or loss.

Transition to Ind AS

For transition to Ind AS, the company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at 1st April, 2015 measured as per previous GAAP and use that carrying value as the deemed cost of Property, Plant & Equipment.

Depreciation / amortization

- i) Depreciation on items of PPE is provided on straight line method in accordance with the useful life as specified in Schedule II to the Companies Act, 2013.
- ii) Depreciation on additions to assets or on sale/discard of assets is calculated pro-rata from the date of such addition or up to the date of such sale/ discardment.
- iii) No amounts are written off against Leasehold Land by way of amortization.
- iv) Assets residual values and useful lives are reviewed and adjusted, at the end of each reporting period.
- v) Assets residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

Intangible Assets

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably. Intangible assets are recorded at the consideration paid for acquisition and are amortized over their estimated useful lives on a straight-line basis, commencing from the date the asset is available to the

company for its use. The estimated useful life of the intangible assets and the amortization period are reviewed at the end of each financial year and the amortization method is revised to reflect the changed pattern.

Intangible assets acquired separately are measured on initial recognition at cost. Subsequently intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit or loss when the asset is de-recognized.

For transition to Ind AS, company has elected to continue with the carrying value of all of its Intangible Assets recognized as at 1st April, 2015 measured as per previous GAAP and use that carrying value as the deemed cost of Intangible Assets.

Capital Work in Progress

The cost incurred on assets, which are not yet ready to use and capital inventory are disclosed under capital work-in-progress.

Expenditure incurred during the period of construction including all direct expenses (including finance cost) attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management is carried forward. On completion, the costs are allocable to the respective fixed assets. All costs attributable to respective assets are capitalized to the assets. Other expenses are capitalized to Plant and Machinery in proportion of the value of the assets.

viii) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Asset

Initial Recognition and measurement

A financial asset is recognised in the balance sheet when the Company becomes party to the contractual provisions of the instrument. At initial recognition, the Company measures a financial asset (which are not measured at fair value through profit or loss) at its fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial asset.

Subsequent measurement

For purpose of subsequent measurement, financial assets are classified into:

1. Financial assets measured at amortised cost;
2. Financial assets measured at fair value through profit or loss (FVTPL); and
3. Financial assets measured at fair value through other comprehensive income (FVTOCI).

The Company classifies its financial assets in the above mentioned categories based on:

- A. The Company's business model for managing the financial assets, and
- B. The contractual cash flows characteristics of the financial asset.

A financial asset is measured at amortised cost if both of the following conditions are met:

- a) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and

b) The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

- A. The financial asset is held within a business model whose objective is achieved by both collecting the contractual cash flows and selling financial assets and
- B. The asset's contractual cash flows represents SPPI.

A financial asset is measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income. In addition, the Company may elect to designate a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

ix) VALUATION OF INVENTORIES

Particulars / Item Type	Method of Valuation
1. Raw Material, Packing Material & Consumables (including in transit)	At Cost including direct procurement Overhead / Taxes.
2. Finished Goods (including in transit)	At cost or net realisable value, whichever is lower
3. Stock in process	At cost
4. By Products	At net realisable value
5. Loose Tools	At cost and charged off when discarded
6. Shares / Securities (Quoted)	At lower of cost or net realizable value

In the above, cost is arrived at by FIFO cost method. In case of Finished Goods and Stock in Process, it also includes manufacturing & related establishment overheads, depreciation etc.

All the spares, which are primarily meant to be used for capitalization (except consumables and maintenance stores), are considered as part of the plant & machinery and shown accordingly.

x) INVESTMENTS

Long-term investments are stated at cost price. Any diminution of permanent nature in the value of the long-term investments is suitably provided for by charging off to revenue. Current (Short-term and stock in trade) investments are stated at lower of cost or net realisable value.

In case of unquoted shares, the diminution in value of shares is arrived on the basis of breakup value as per latest available audited balance sheet of the respective company.

xi) FOREIGN CURRENCY TRANSACTIONS

Functional and presentation currency

The management has determined the currency of the primary economic environment in which the company operates i.e., functional currency, to be Indian Rupee (INR). The financial statements are presented in Indian Rupee, which is company's functional and presentation currency.

Transactions and balances

Foreign Currency transactions during the year are recorded at rates of exchange prevailing on the date of transaction in the functional currency. Foreign currency monetary assets and Liabilities are translated at using the year-end exchange rate. Exchange gains and losses are duly recognised in the Statement of profit and loss.

All monetary assets and liabilities in foreign currency are restated at the end of the accounting period.

In case of forward contracts, the difference between the forward rate and the exchange rate on the date of the transaction is recognised as income or expense over the life of the contract.

xii) TAXATION

i) Provision for current Income Tax is made on the basis of estimated taxable income after taking into consideration, estimates of benefits admissible under the provisions of Income Tax, 1961. The company provides for deferred tax liability (after netting off deferred tax assets), based on the tax effect of temporary difference resulting from the recognition of items in the financial statements.

ii) Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits, any unused tax losses and deductible temporary differences. Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, the carry forward of unused tax credits and unused tax losses can be utilized, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss. Deferred tax assets (after, netting of deferred tax liabilities), are generally not recognized unless there exist strong circumstances for its adjustment/realization in near future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

iii) Provision for Wealth Tax is made on the basis of estimated taxable wealth after taking into consideration, estimates of benefits admissible under the provisions of Wealth Tax Act, 1957.

iv) Minimum Alternate Tax(MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT Credit Entitlement. The company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that company will pay normal Income Tax during the specified period.

xiii) IMPAIRMENT OF ASSETS

Consideration is given by the management of the company at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of assets. If any indication exists, impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the net selling price and value in use. Reversal of impairment losses recognised in prior years is recorded when there is indication that the impairment losses for the assets are no longer exist.

xiv) FINANCE LEASE

Assets taken on lease are capitalized at fair value or net present value of the minimum lease payments, whichever is lower.

Depreciation on assets taken on lease is charged at the rate applicable to similar type of Property, Plant and Equipment as per accounting policy of the company for depreciation as above. If the leased assets are returnable to lessor on the expiry of the period, depreciation is charged over its useful life or lease period whichever is shorter.

Lease payments are apportioned between the finance charge and the reduction of the outstanding liability in respect of assets taken on lease. Sub-lease payments received/ recoverable are recognized as other income.

xv) OPERATING LEASES

Where the Company is the Lessee:

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

Where the Company is the Lessor:

Assets subject to operating leases are included in Property, Plant and Equipment's. Lease income is recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs including depreciation are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

xvi) EARNINGS PER SHARE:

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for the events of bonus issue and share split.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

xvii) PROVISIONS

A Provision is recognized when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

xviii) CONTINGENT LIABILITIES

A disclosure is made for a contingent liability when there is a:

- a) possible obligation, the existence of which will be confirmed by the occurrence/non-occurrence of one or more uncertain future events, not fully within the control of the Company;
- b) present obligation, where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation;
- c) present obligation, where a reliable estimate cannot be made.

xix) SEGMENT REPORTING

In the current financial year, the Company acquired a bottling unit situated at the premises of Rajasthan State Ganganagar Sugar Mills Ltd (RSGSM) at PuraniChungi, Ramganj, Taragarh Road, Teh. -Ajmer, Distt-Ajmer, Rajasthan-305001 for bottling and packaging of alcoholic beverages. The company has two business segments- a) Liquor Operations (b) Trading Operations. The Segment reporting is being accordingly made.

xx) CASH AND CASH EQUIVALENTS

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less. Non-cash transactions are excluded from the Cash Flow statement.

SURAJ INDUSTRIES LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st
MARCH 2022

Note: 2

Property, Plant and Equipment - As at 31 March 2022

(in Lakhs)

Particulars	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	Balance as at 31.03.2021	Additions	Disposals/adjustment	Balance as at 31.03.2022	Balance as at 31.03.2021	Charge for the year	Disposals/adjustment	Balance as at 31.03.2022	Balance as at 31.03.2022	Balance as at 31.03.2021
Other Equipments & Appliances	3.34	50.12	-	53.46	3.17	5.97	-	9.14	44.32	0.17
Furniture & Fixtures	2.82	0.80	-	3.62	2.68	0.45	-	3.13	0.49	0.14
Plant & Machinery	-	1004.20	-	1004.20	--	47.70	-	47.70	956.50	-
Vehicle	-	48.50	-	48.50	-	1.61	-	1.61	46.89	-
Factory Building	-	167.93	-	167.93	-	3.99	-	3.99	163.94	-
TOTAL	6.16	1271.55	-	1277.71	5.85	59.72	-	65.57	1212.14	0.31

Note: 3

Other Non-Current Assets

Particulars	As at 31st March, 2022	As at 31st March, 2021
Capital Advances for Liquor Bottling Unit	-	370.00
Security/Earnest Money Deposits	27.69	27.74
Total	27.69	397.74

Note: 4

Inventories

Particulars	As at 31st March, 2022	As at 31st March 2021
Packing Material	15.61	-
Consumables	0.99	-
Total	16.60	-

Note: 5

Trade Receivables

Particulars	As at 31st March 2022	As at 31st March 2021
(Unsecured & considered good, unless otherwise stated)		
Gross Trade Receivables	231.72	311.64
Less: Provision for bad and doubtful debts	-	-
Total	231.72	311.64

Trade Receivables from Related Parties- Nil (PY- Nil)

Trade Receivables ageing schedule

Particulars	Outstanding for the following periods from due date of payment					
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables considered good						
As at 31.03.2022	116.23	72.80	42.68	-	-	231.72
As at 31.03.2021	258.20	53.44	-	-	-	311.64
(ii) Undisputed Trade receivables considered doubtful						
As at 31.03.2022	-	-	-	-	-	-
As at 31.03.2021	-	-	-	-	-	-
(iii) Disputed Trade receivables considered good						
As at 31.03.2022	-	-	-	-	-	-
As at 31.03.2021	-	-	-	-	-	-
(iv) Disputed Trade receivables considered doubtful						
As at 31.03.2022	-	-	-	-	-	-
As at 31.03.2021	-	-	-	-	-	-

Note: 6

Cash & cash equivalents

Particulars	As at 31st March 2022	As at 31st March 2021
Balance with banks in Current Accounts	284.67	16.63
Cash in Hand	1.11	1.11
Total	285.77	17.74

Note: 7

Loans & Advances (Unsecured Considered Good)

Particulars	As at 31st March 2022	As at 31st March 2021
Loans to Body Corporate	778.50	-
Trade advances	97.27	2.50
Total	875.77	2.50

Advances to Related Parties- Nil (PY- Nil)

Note: 8

Other Current Assets

Particulars	As at 31st March 2022	As at 31st March 2021
TDS/TCS Receivable	-	0.42
GST Input	11.31	6.31
Prepaid Expenses	13.98	-
MAT Credit	5.10	4.11
Interest Receivables	0.24	-
Total	30.63	10.84

Advances to Related Parties- Nil (PY- Nil)

Note 9
Equity share capital

(Figures in Lakh)

Equity share capital	As at 31 March 2022		As at 31 March 2021	
	No. of Shares	Amount	No. of Shares	Amount
(a) Authorised (Equity shares of Rs.10 each)	150.00	1500.00	150.00	1500.00
(b) Issued, Subscribed and paid up	86.50	865.00	92.86	928.60
<u>Balance at the beginning of the year</u>				
Equity shares of Rs 10 each, fully paid up	86.50	865.00	72.86	728.60
Equity shares of Rs 10 each, partly paid up	0	0	0	0
	86.50	865.00	72.86	728.60
<u>Changes in equity share capital during the year</u>				
Shares issued during the year	8.92	89.20	13.64	136.40
Balance at the end of the year	95.42	954.20	86.50	865.00

The Reconciliation of Number of Shares outstanding at the beginning and at the end of the year				
	As at 31 March 2022		As at 31 March 2021	
	No. of Shares	Amount	No. of Shares	Amount
(a) Equity				
Opening Balance	86.50	865.00	72.86	728.60
Add: Shares allotted during the year*	8.92	89.20	13.64	136.40
Closing Balance	95.42	954.20	86.50	865.00

Terms of Rights, preferences and restriction attached to shares

Note:

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share and has a right to receive dividend as recommended by the board of director's subject to the necessary approval from the shareholders.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the paid up amount per equity shares held by the shareholders.

Details of the Shares held by the promoters as on 31 March 2022

Name of the Promoter	No. of Shares	% of total Shares	% change during the year
Suraj Prakash Gupta	4931030	51.68	4.99% increase due to allotment of 892000 Equity Shares pursuant to conversion of Warrants
Shuchi Bahl	185000	1.94	-
Anita Gupta	10	0.00	-
Rajesh Gupta	10	0.00	-
M/s Global Spirits Private Limited	84378	0.88	-
Total	5200428	54.50	

Details of the Shares held by the promoters as on 31 March 2021

Name of the Promoter	No. of Shares	% of total Shares	% change during the year
Suraj Prakash Gupta	4039030	46.69	9.97 % increased due to allotment

			of 1364000 fresh Equity Shares
Shuchi Bahl	185000	2.14	-
Anita Gupta	10	0.00	-
Rajesh Gupta	10	0.00	-
M/s Global Spirits Private Limited	84378	0.98	-
Total	4308428	49.81	

Details of shareholders holding more than 5% shares of the Company

	As at 31 March 2022		As at 31 March 2021	
	No. of Shares	% of shareholding	No. of Shares	% of shareholding
Equity shares of Rs.10 each fully paid				
Suraj Prakash Gupta	4,931,030	51.68%	4,039,030	46.69%
Ayodhya Finlease Ltd	800,000	8.38%	-	-
Delhi Liquors Ltd	-	-	562,500	6.50%
Seema Kukreja	-	-	374,800	4.33%

Note 10

Other Equity

Particulars	As at 31 March 2022	As at 31 March 2021
Capital Reserve		
Opening Balance	231.69	231.69
Add: Forfeiture of partly paid shares	-	-
Closing Balance	231.69	231.69
Surplus / (Deficit) in the Statement of Profit & Loss		
Opening Balance	(1063.19)	(1100.31)
Net Profit/(Net Loss) for the current year	306.99	37.12
Closing Balance	(756.20)	(1063.19)
Equity Component of other financial instruments (share warrants)		
Opening Balance	49.72	49.72
Balance amount received against 8,92,000 Share Warrants	66.90	-
Less: 8,92,000 Share warrant converted to Equity Shares	(89.20)	-
Closing Balance	27.42	49.72
Other Comprehensive Income		
Actuarial Gain/Losses		
Opening Balance	(0.14)	(0.14)
Add: Actuarial Gain/ (Loss) for the year on PBO	(2.23)	-
Closing Balance	(2.37)	(0.14)
Total	(499.47)	(781.94)

Financial Liabilities (Non-Current)**Note 11****Long Term Borrowings**

Particulars	As at 31 March 2022	As at 31 March 2021
Vehicle Loan	37.21	-
Less: Current Maturities	7.18	-
	30.03	
(Secured against hypothecation of respective vehicles)		
Repayment Period:		
HDFC Bank for 60 months from 07.09.2021		
Kotak Mahindra Bank for 60 month from 1.04.2022		
Total	30.03	-

Non-current Liabilities**Note 12****Employee Benefit Obligation**

Particulars	As at	As at
	31st March 2022	31st March 2021
i) Gratuity	7.93	1.49
Total	7.93	1.49

Financial Liabilities (Current)**Note: 13****Short Term Borrowings**

Particulars	As at 31st March 2022	As at 31st March 2021
Unsecured Loans		
- From Bodies Corporate	1917.97	162.15
-From Directors	2.60	190.00
Interest Payable	2.08	1.09
Total	1922.65	353.24

Note: 14**Trade payables**

Particulars	As at 31st March 2022	As at 31st March 2021
Due to MSME Enterprises		
- Overdue payment	1.58	55.75
- Interest on Overdue payment	7.56	7.56
- Due to other than MSME Enterprises	141.41	252.82
Total	150.55	316.13

*Trade Payables to related parties- Nil (PY-Nil)***Trade Payables ageing schedule**

Particulars	Outstanding for the following periods from due date of payment			
	Less than 1 year	1-2 years	2-3 years More than 3 years	Total
(i) MSME Enterprises				
As at 31.03.2022	1.58	-	-	1.58
As at 31.03.2021	55.75	-	-	55.75
(ii) Others				
As at 31.03.2022	140.80	0.57	0.04	141.41
As at 31.03.2021	252.82	-	-	252.82
Total				
As at 31.03.2022	142.38	0.57	0.04	142.99
As at 31.03.2021	308.57	-	-	308.57

Note: 15**Other Current Liabilities**

Particulars	As at 31st March 2022	As at 31st March 2021
Accrued Salary & Benefits	15.74	10.99
Expenses Payable	8.73	2.98
Current Maturities of Vehicle loan	7.18	-
Statutory Liabilities	54.19	3.66
Total	85.84	17.63

Note: 16**Revenue from operations**

Particulars	For year ended 31st March 2022	For year ended 31st March 2021
Sale of Products:		
Empty glass bottles & Other Products	56.91	93.14
Edible Oils	2812.33	605.98
Liquor Bottling Services	1257.17	-
Total	4126.41	699.12

Note: 17**Other Income**

Particulars	For year ended 31st March 2022	For year ended 31st March 2021
Unclaimed Balances written off	1.82	5.22
Interest on Loan	0.27	-
Total	2.09	5.22

Note No. 18**Purchase of Stock in Trade**

Particulars	For year ended 31st March 2022	For year ended 31st March 2021
Empty glass bottles & Other Products	56.47	91.65
Edible Oils	2729.28	552.59
Total	2785.75	644.24

Note No. 19**Consumption of Packing Material & consumables**

Particulars	For year ended 31st March 2022	For year ended 31st March 2021
Opening Stock	-	-
Add: Purchases	601.25	-
Less: Closing Stock	(16.60)	-
Total	584.65	-

Note: 20**Employee benefit expense**

Particulars	For year ended As at 31 March 2022	For year ended 31st March 2021
Salaries, Wages and Incentives	103.44	22.78
Provision for Long term employees benefits	3.88	1.07
Total	107.32	23.85

Note: 21**Finance Cost**

Particulars	For year ended As at 31 March 2022	For year ended 31st March 2021
Interest on unsecured loan	1.10	1.17
Interest on Vehicle Loan	1.32	-
Total	2.42	1.17

Note: 22**Other Expenses**

Particulars	For year ended 31st March 2022	For year ended 31st March 2021
Power & Fuel	17.94	-
Repairs & Maintenance	19.77	-
Labour Charges	20.18	-
Fee & Taxes	19.51	9.47
Legal & Professional Expenses	33.25	8.63

Festival Expenses	19.13	-
Rent	5.17	0.72
Advertisement	5.92	0.83
<u>Auditors Remuneration</u>		
- Statutory Audit Fees	0.40	0.13
- Internal Audit Fees	0.25	0.10
Interest Payable to MSME Units	-	7.56
Other Expenses	34.66	1.32
Total	176.18	28.76

23 Contingent Liabilities and commitments:

I. Contingent Liabilities:(Rs. In Lacs)

	2021-22	2020-21
a) Claims against the company not acknowledged as Debts.	-	-

II. Commitments:

a) Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-
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24. In the opinion of the Board, value on realization of assets other than fixed assets & non-current investments in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet. Balances of some of the debtors and creditors, on the Balance Sheet date are subject to reconciliation and confirmation from some of the parties. However, the variation is not expected to substantially vary the results of the company for the year.

25. The company has a defined benefit gratuity plan & leave encashment as long term benefits to employees. Provision is made on the basis of actuarial valuation.

(Rs.In Lakh)

		Gratuity	
		2021-22	2020-21
i)	Change in benefit obligation		
a)	Present value of obligation as at the beginning of the period	1.86	0.65
b)	Acquisition adjustment	--	--
c)	Interest cost	0.12	0.04
d)	Past service cost	--	--
e)	Current service cost	3.76	1.03
f)	Curtailed cost/(Credit)	--	--
g)	Settlement cost/(Credit)	--	--
h)	Benefits paid	--	--
i)	Actuarial (gain)/loss on obligation	2.23	0.14
j)	Present value of obligation as at the end of period	7.97	1.86
ii)	Fair value of plan assets :		
a)	Fair value of plan assets at the beginning of the period	--	--
b)	Acquisition adjustment	--	--
c)	Actual return on plan assets	--	--
d)	Employer contributions	--	--
e)	Benefits paid	--	--
f)	Fair value of plan assets at the end of the period	--	--
g)	Funded status	(7.97)	(1.86)
h)	Excess of actual over estimated return on plan assets	--	--
iii)	Fair value of plan assets :		

a)	Expected return on plan assets	--	--
b)	Actual return on plan assets	--	--
c)	Actuarial gain/(loss) on plan assets	--	--
iv)	Actuarial gain / loss recognized		
a)	Actuarial gain / (loss) for the period- obligation	(2.23)	(0.14)
b)	Actuarial (gain) / loss for the period - plan assets	--	--
c)	Total (gain) / loss for the period	(2.23)	(0.14)
d)	Actuarial (gain) / loss recognized in the period	(2.23)	(0.14)
e)	Unrecognized actuarial (gains) / losses at the end of period	--	--
v)	The amounts to be recognized in balance sheet and related analysis		
a)	Present value of obligation as at the end of the period	(7.97)	(1.86)
b)	Fair value of plan assets as at the end of the period	--	--
c)	Funded status / Difference	6.11	1.21
d)	Excess of actual over estimated	--	--
e)	Unrecognized actuarial (gains) / losses	--	--
f)	Net asset / (liability) recognized in balance sheet	(7.97)	(1.86)
	As Current Liability (amount due within one year)	(0.05)	(0.38)
	As Non-Current Liability (amount due over one year)	(7.93)	(1.49)
vi)	Expense recognized in the statement of profit and loss		
a)	Current service cost	3.76	1.03
b)	Past service cost		--
c)	Interest cost	0.12	0.04
d)	Expected return on plan assets	--	--
e)	Curtailement cost / (Credit)	--	--
f)	Settlement cost / (credit)	--	--
g)	Net actuarial (gain) / loss recognized in the period	--	--
h)	Expenses recognized in the statement of profit & losses	3.88	0.00
vii)	Reconciliation statement of expense in the statement of profit and loss		
a)	Present value of obligation as at the end of period	(7.97)	(1.86)
b)	Present value of obligation as at the beginning of the period	(1.86)	(0.65)
c)	Benefits paid	--	--
d)	Actual return on plan assets	--	--
e)	Actuarial gain/(loss) on PBO to be recognised in OCI	(2.23)	(0.15)
f)	Acquisition adjustment	--	--
g)	Expenses recognized in the statement of profit & losses	3.88	0.00
viii)	Sensitivity Analysis of the defined benefit obligation.		
a)	Impact of the change in discount rate		
	Present Value of Obligation at the end of the period	7.97	1.86
a)	Impact due to increase of 0.50%	(0.16)	(0.04)
b)	Impact due to decrease of 0.50 %	0.18	0.05
b)	Impact of the change in salary increase		
	Present Value of Obligation at the end of the period	7.97	1.86
a)	Impact due to increase of 0.50%	0.18	0.05
b)	Impact due to decrease of 0.50 %	(0.16)	(0.04)
ix)	Actuarial Assumptions:		
	Particulars	2021-22	2020-21
	Mortality table	IALM (2012-14)	IALM (2012-14)
	Discount rate	7.26%	6.42%
	Expected rate of return on plan assets	N.A.	N.A.
	Rate of escalation in salary per annum	0.0	5.00%

	Employee turnover up to 30 years	5.00%	5.00%
	Above 30 years but up to 44 years	3.00%	3.00%
	Above 44 years	2.00%	2.00%

The estimates of future salary increase considered in actuarial valuation take into account the inflation, seniority, promotion and other relevant factors such as demand in the employment market and supply.

26 Additional Regulatory Information

- a) The company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.
- b) The company does not have any transactions with companies struck off
- c) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period
- d) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- e) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - ii. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- f) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - ii. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- g) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961
- h) The company does not have any borrowings from banks and financial institutions on the basis of security of current assets
- i) The company has not been declared as wilful defaulter by any bank or financial institution or any other lender
- j) Section 135 of the Companies Act, 2013 relating to CSR is not applicable on the company.
- k) **Capital Work in Progress Ageing Schedule: NA**

Ratios

	Particulars	Numerator	Denominator	31.03.2022	31.03.2021	Variation	Reason
1	Current Ratio	Current Assets	Current Liabilities	0.67	0.50	34%	The Company has diversified into Liquor business.
2	Debt Equity Ratio	Total long term Debt	Shareholders Equity	0.07	0.00	-	-

3	Debt Service Coverage Ratio	Earnings for debt service: Profit after tax+ depreciation +interest	Debt Service: Interest +Loan repayment	NA	NA	-	Company has no borrowings from banks/FIs
4	Return on Equity	Net Profit after tax	Average Shareholders Equity	114.16%	NA as shareholders equity negative	-	-
5	Inventory Turnover Ratio	Cost of goods sold	Average Inventory	203.04	NA as no inventory	-	-
6	Trade receivables ratio	Net Sales	Average Receivables	15.19	3.62	320%	The Company has diversified into Liquor business.
7	Trade payable turnover ratio	Net Purchases	Average Trade payable	14.52	3.11	367%	The Company has diversified into Liquor business
8	Net Capital turnover ratio	Net sales	Working Capital	Working Capital is negative	Working Capital is negative	-	-
9	Net Profit Ratio	Net Profit	Net Sales	7.44%	5.31%	40%	The Company has diversified into Liquor business.
10	Return on Capital Employed	Profit before interest and taxes	Capital Employed: Tangible Net Worth +Total long term Debt +Deferred Tax Liability	79.59%	8.85%	799%	The Company has diversified into Liquor business.

11	Return on Investment			NA	NA	-	The company has not made any investments
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27. Payment to auditors**Payment to Auditors as:****Rs in Lakh**

Particulars	2021-2022	2020-2021
- Statutory Auditor		
a) Statutory Audit Fees	0.40	0.13
b) For Taxation Matters	0.00	0.00
c) Limited Review/Certification	0.21	0.08
Internal Auditor	0.25	0.10

28. Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended March 31, 2022 is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

(Amount in Lakh)

Particulars	As on 31.03.2022	As on 31.03.2021
(i) Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act:	1.58	55.75
a. Principle	-	7.56
b. Interest	-	-
(ii) The amount of interest paid by the buyer in terms of section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year,	-	-
c. Principle	-	-
d. Interest	-	-
(iii) The amount interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act.	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year,	7.56	-
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006,	-	-

29.Expenditure in Foreign Currency during the year- Nil (Previous Year Nil)

30.Value of Imports on CIF Basis- Nil (Previous Year Nil)

31. Analysis of Material Consumed in Manufacturing Operation:**(Rs. In Lakh)**

Particulars	Current Year		Previous Year	
	Qty	Value (Rs.)	Qty	Value (Rs.)

Packing	-	579.09	-	-
Consumables/ Stores	-	5.56	-	-
Total		584.65	-	-

32. Value of imported and indigenous raw materials, stores, spare parts and components consumed
(Rs. In Lakh)

Particulars	Current Year				Previous Year			
	Packing Material		Consumables/ Stores		Packing Material		Consumables/ Stores	
	Value	% of total consumption	Value	% of total consumption	Value	% of total consumption	Value	% of total consumption
Imported	-	-	-	-	-	-	-	-
Indigenous	579.09	1.00	5.56	100.00%	-	-	-	-
	579.09	1.00	5.56	100.00%	-	-	-	-

33. Deferred Tax Asset/Liability

Particulars	As at 31st March 2022	As at 31st March 2021
Deferred Tax Asset		
Unabsorbed Depreciation & Business Loss as per Income Tax Act	-	30.52
Employee Benefit Obligation	2.00	0.37
Total	2.00	30.89
Deferred Tax Liability		
WDV of Fixed Assets	30.59	0.09
Total	30.59	0.09
Net Deferred Tax/(Liability)	(28.59)	30.80

34. RELATED PARTY DISCLOSURE

The information given below is only in respect of the transactions entered into by the company or any outstanding, during the year with the related parties.

A) Names of the Related parties and description of relationship

Key Managerial Personnel

- Suraj Prakash Gupta, Managing Director
- Ashu Malik, Whole Time Director (Appointed w.e.f 27th June 2021)
- Bhanumathy Ramachandran, Company Secretary (Resigned w.e.f, 8th January, 2022)
- Chhavi Agrawal, Company Secretary (Appointed w.e.f, 9th January, 2022)
- Sujeet Gupta, CFO (Resigned w.e.f, 8th January 2022)

B) Transactions during the year with the Related Parties:

(Rs in Lakh)

Transaction	For the year ended 31 March 2022	For the year ended 31 March 2021
	Rs	Rs
Salary to Managing Director	40.50	18.00
Salary to Whole Time Director	8.50	-
Salary to Company Secretary	1.63	0.60

Salary to CFO	2.60	3.54
	Balance as on 31 March 2022	Balance as on 31 March 2021
Unsecured Loan received		
SurajPrakash Gupta	2.60	190.00

35. SEGMENT REPORTING

In the current financial year, the Company acquired a bottling unit situated at the premises of Rajasthan State Ganganagar Sugar Mills Ltd (RSGSM) at Purani Chungi, Ramganj, Taragarh Road, Teh. -Ajmer, Distt-Ajmer, Rajasthan-305001 for bottling and packaging of alcoholic beverages. The company has two business segments- a) Liquor Operations (b) Trading Operations. The Segment reporting is being accordingly made.

(Rs in lakh)

Segment Revenue	2021-22	2020-21
a) Liquor operations	1257.17	0.00
b) Trading Operations	2871.32	704.33
Total	4128.49	704.33
Less: Inter-segment Revenue	0.00	0.00
Net Sales/Income from operations	4128.49	704.33
Segment Results		
a) Liquor operations	412.03	0.00
b) Trading Operations	60.64	7.49
Total	472.67	7.49
Less: a) Finance Cost	2.42	1.17
b) Other Unallocable Expenses	57.82	0.00
Total Profit before Tax	412.43	6.32
Segment Assets		
a) Liquor operations	1398.06	397.74
b) Trading Operations	196.88	373.83
c) Unallocated	1085.38	0.00
Total Segment Assets	2680.32	771.57
Segment Liabilities		
a) Liquor operations	995.01	397.74
b) Trading Operations	118.20	290.75
c) Unallocated	1112.38	0.00
Total Segment Liabilities	2225.59	688.49
Capital Employed		
a) Liquor operations	403.05	0.00
b) Trading Operations	78.68	83.08
c) Unallocated	(27.00)	0.00
Total Capital Employed	454.73	83.08

36. BASIC AND DILUTED EARNING PERSHARE

The Basic and Diluted Earnings Per Share

Particulars	As at 31.03.2022 (Rs)	As at 31.03.2021 (Rs)
Net Profit after tax available for equity shareholders	304.76	36.98
No. of weighted average equity shares (Basic & Diluted)	88.82	73.08
BASIC & DILUTED EARNING PER SHARE (Rs.)		
Basic (Rs.)	3.43	0.51
Diluted (Rs.)	3.43	0.51

37. Financial instruments and risk management**Capital Management**

The Company manages its capital to ensure that Company will be able to continue as going concern. The Capital structure of the Company consists of net debt (borrowings as detailed in notes and offset by cash and bank balances) and total equity of the Company. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

Debt is classified as long-term and short-term borrowings:

Categories of financial instruments Financial and other financial assets Measured at amortised cost	As at 31 March 2022	As at 31 March 2021
Cash and bank balances	285.77	17.74
Inventories	16.60	-
Trade Receivables	231.72	311.64
Loans & Advances	875.77	2.50
Other Current assets	30.63	10.84
Other Non-Current assets	27.69	397.74
Total	1468.18	740.46
Financial liabilities Measured at amortised cost		
Borrowings-Non Current	30.03	-
Borrowings- Current	1922.65	353.24
Trade payables	150.55	316.13
Other Current Liability	85.84	17.63
Total	2189.06	687.00

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale

The following methods and assumptions were used to estimate the fair values: -

- Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other financial liabilities and other financial instruments approximate their carrying amounts largely

due to the short-term maturities of these instruments.

- b) Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Financial risk management objectives and Policies

Financial risk management objectives

The Company's Corporate Treasury function provides services to the business, co-ordinates access to domestic market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The company does not have foreign trade transactions nor any foreign currency transactions.

The Board of Directors manages the financial risk of the company through internal risk reports which analyses exposure by magnitude of risk.

Financial Risk Factors

The Company's exposure to credit risk is influenced mainly by the individual characteristics and credit worthiness of each customer.

Market Risk Factor

Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables or payables.

Liquidity Risk Factor

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligation on time or at a reasonable price.

Foreign currency risk management

The company does not have any foreign currency exposure or transactions.

Interest rate risk management

The company's borrowings are at fixed rate of interest.

Credit risk management

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. The company takes due care while extending any credit.

Liquidity risk management

The Company's finance department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by Senior Management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Liquidity and interest risk tables- Not Applicable

38 Operating Lease:

Assets taken on lease, under which the lessor effectively retains all the risks and rewards of ownership, are classified as operating lease. Operating lease payments are recognised as expense in the profit and loss account on straight line basis over the lease term.

The lease rentals charged during the year for cancelable/non-cancelable leases.

Particulars	2021-2022	2020-2021
Lease Rentals	5.17	0.72
Obligation of non-cancelable leases:		
Not later than one year	25.66	5.17
Later than one year but not later than Three years	46.17	45.45

39 Forward exchange Contracts entered into by the company and outstanding:

The Company did not have any foreign exchange contracts including derivative contracts for which there were any material foreseeable losses.

40 There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

41 Previous year's figures have been regrouped/reclassified, wherever considered necessary, to conform to current year's classification.

As per our report of even date attached

For Satendra Rawat & Co
Chartered Accountants
Firm Registration No: FRN-008298C

For and on the Behalf of Board of Directors

Sd/-
(CA. Satendra Rawat)
Partner
Membership No.: 074126

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

Sd/-
Syed Azizur Rahman
(Director)
DIN-00242790

Place: Delhi
Date: 18.05.2022
UDIN: 22074126AKFIDJ6752

Sd/-
Chhavi Agrawal
Company Secretary