SURYA
Energising Lifestyles

Surya Roshni Limited | Annual Report 2015-16

Achieve more.
Aspire more.

LIGHTING | FANS | APPLIANCES | PIPES

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Forward Looking Statement

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

Achieve more. Aspire more.

The unabated progress and growth of our business over the last four decades has been fuelled by a burning desire of aiming, attaining and aspiring more. Committed to protect and enhance stakeholders' value every single day and every single way, we have steadily expanded our business sphere and market geography all these years. As a result, we have built a strong position in our traditional operational domains of lighting and steel pipes.

Treating every milestone as a stepping stone for future, at Surya Roshni, the more we achieve, the more we aspire. The same very aspiration has ignited a slew of game-changing initiatives across our business spectrum in recent times. In our lighting business, we have scaled up our LED portfolio across product development, manufacturing and distribution. Our recent foray into fans and a host of other home appliances has received encouraging response in the market.

In our steel pipe business, the proposed merger of Surya Global Steel Pipes Limited will provide a welcome fillip at a time when business prospects appear brighter.

Believing in the famous saying 'Change is the only constant'; we have been anticipating and aligning with the emerging business trends. Our skill to sense the future and seize it with the required preparation continues to get sharper. Remaining at the forefront of adoption of new technologies, we keep adding new products and manufacturing capacities to maintain our leadership position across our business segments. Being true to our social responsibility, we continue to work towards enhancing lives of communities living around our business locations.

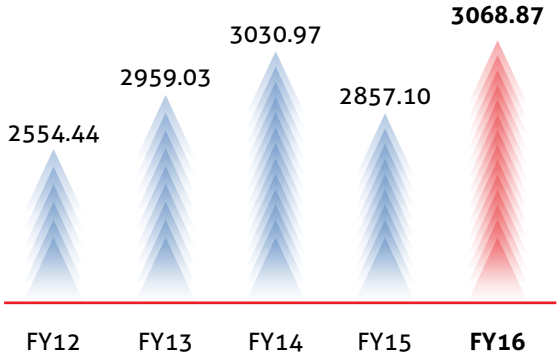
Having delivered an encouraging performance in FY16, we are stepping into FY17, ASPIRING MORE.

Financial Highlights

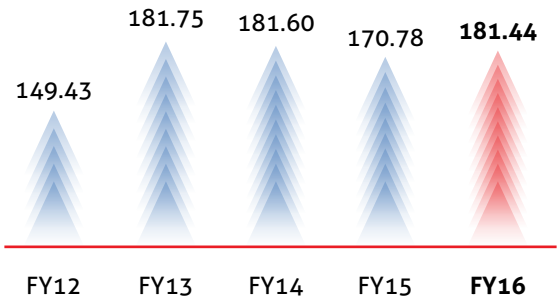
₹ in crore

Particulars	FY 16	FY 15	FY 14	FY 13	FY 12
Revenue from Operations	3068.87	2857.10	3030.97	2959.03	2554.44
Earnings Before Interest, Tax, Depreciation & Amortization (EBITDA)	242.11	226.82	237.24	238.26	196.74
Profit After Tax	62.05	54.09	53.36	69.25	52.59
Net Worth	867.79	811.02	773.90	732.26	683.48
Net Debt	894.99	947.64	1037.89	857.26	832.54
EBIDTA Margin , %	7.89	7.94	7.83	8.05	7.70
Net Profit Margin, %	2.02	1.89	1.76	2.34	2.06
Earnings Per Share, ₹	14.16	12.34	12.17	15.80	11.93
Book Value Per Share, ₹	197.99	185.04	176.64	167.07	155.94
Debt / Equity, x	1.03	1.17	1.34	1.17	1.22

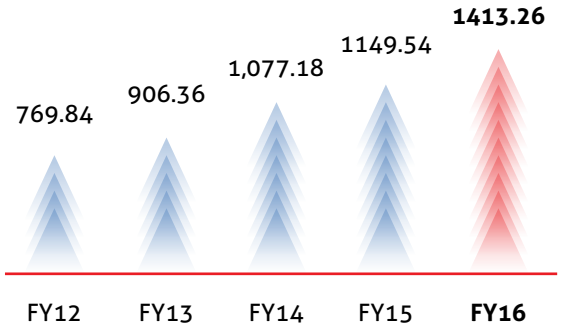
Revenue from Operations, ₹ in crore (Standalone)



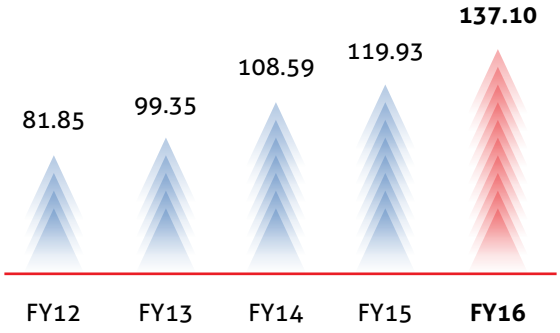
Earnings Before Tax and Finance Cost (EBIT), ₹ in crore (Standalone)



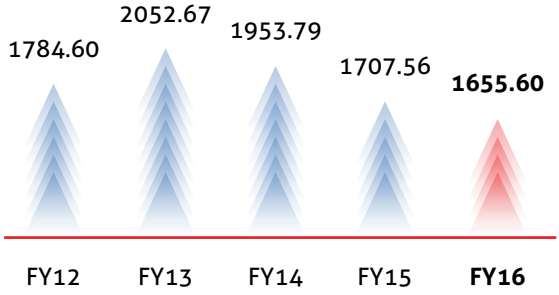
Revenue from Operations ₹ in crore (Lighting Division)



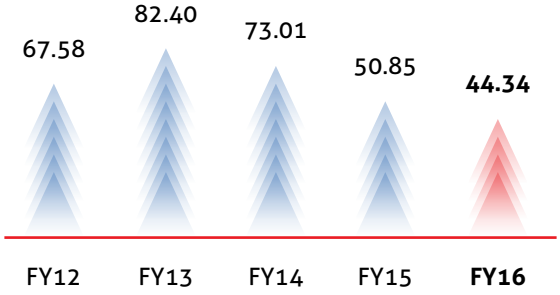
Earnings Before Tax and Finance Cost (EBIT), ₹ in crore (Lighting Division)



Revenue from Operations, ₹ in crore (Steel Division)



Earnings Before Tax and Finance Cost (EBIT), ₹ in crore (Steel Division)



The world of Surya Roshni

We are a four decade old manufacturing conglomerate with business interest spanning Steel Tubes & Pipes, Lighting, Fans & Appliances and PVC pipes. Besides enjoying an in-depth market presence across the length and breadth of India, we also export our products to more than 50 countries globally. We are one of the largest GI & Hollow Section Pipes manufacturer and second largest seller of GLS and FTL in India. Headquartered at New Delhi, our plants are located in Haryana, Madhya Pradesh and Uttarakhand.

Business Divisions

Surya Roshni

Steel Segment

Steel Pipes | CR Strips | Steel Structures

OUR VISION

Committed towards a better tomorrow

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

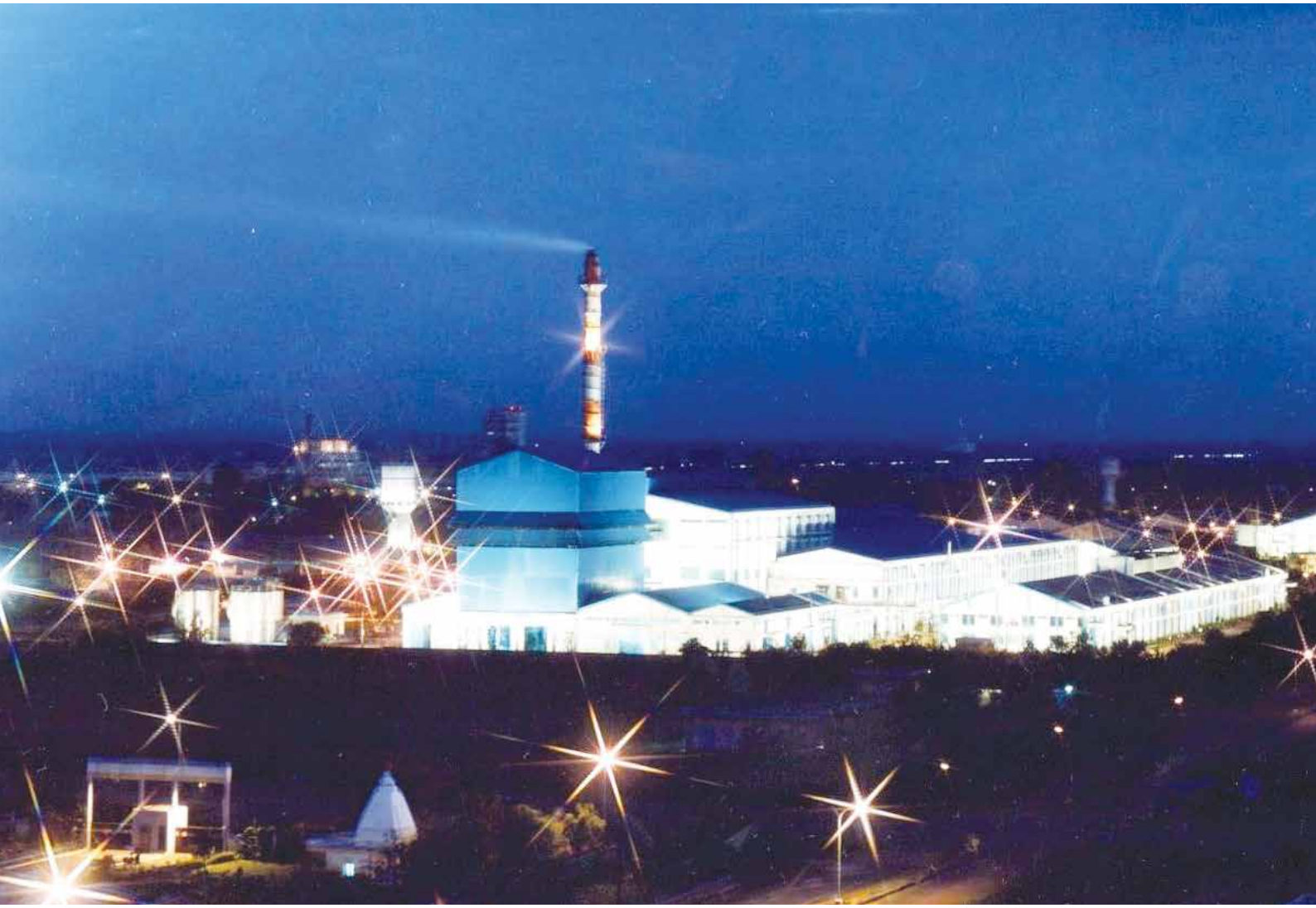
OUR MISSION

Energizing lives and beyond

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

Lighting Segment

Lightings | Fans | Home Appliances | PVC Pipes



Milestones

2016 Commissioning of New Steel Pipe Plant at Hindupur (A.P.)

2015 Launch of Surya Home Appliances

2014 Launch of Surya Fans

2012 Surya Technology and Innovation Centre (R&D centre) for energy efficient LED lights went operational at Noida.

2010
- Set up of Steel pipe Plant at Gwalior (M.P)
- A new world-class pipe unit started production at Bhuj (SGSTL- an Associate Company)
- PVC plant became operational

2006 Installed CFL unit at Gwalior (M.P)

1998 Asia's largest ribbon glass plant started with annual capacity of 400 million GLS and 25 million FTL shells

1994 A new modern glass plant started

1992 Second lighting plant went commercial at Gwalior (M.P), production of filament for GLS and FTL commenced

1991 Production of CR Strips begun

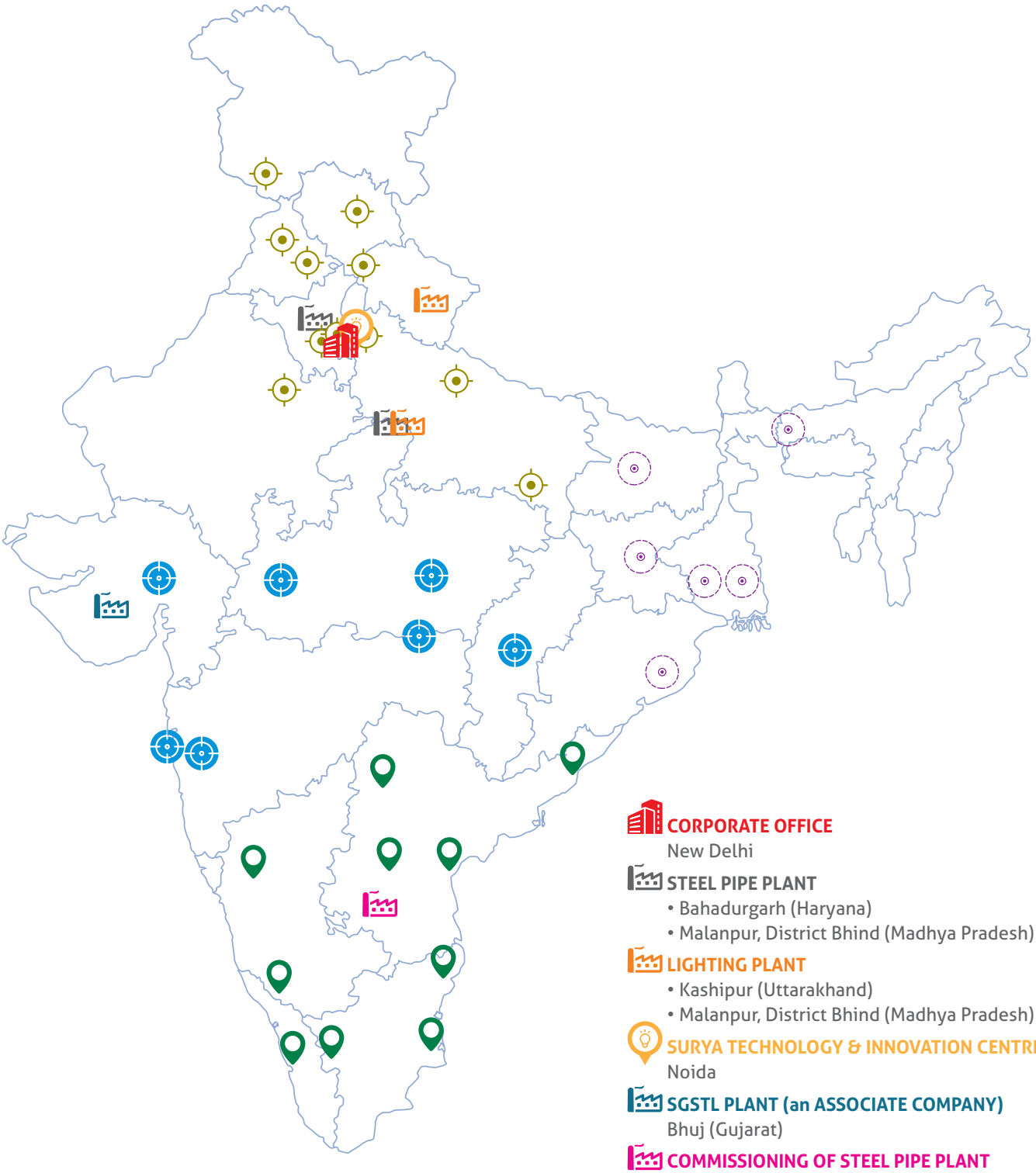
1989 Production of HPSVL and energy-efficient 26mm FTL began

1984 The first Lighting plant started at Kashipur

1980 Galvanizing Plant got started

1973 Set up of Steel plant at Bahadurgarh

PAN India presence



CORPORATE OFFICE
New Delhi

STEEL PIPE PLANT
- Bahadurgarh (Haryana)
- Malanpur, District Bhind (Madhya Pradesh)

LIGHTING PLANT
- Kashipur (Uttarakhand)
- Malanpur, District Bhind (Madhya Pradesh)

SURYA TECHNOLOGY & INNOVATION CENTRE
Noida

SGSTL PLANT (an ASSOCIATE COMPANY)
Bhuj (Gujarat)

COMMISSIONING OF STEEL PIPE PLANT
Hindupur (A.P)

North Zone
Dehradun, Delhi, Ghaziabad, Jaipur, Jammu, Kala Amb, Lucknow, Ludhiana, Rohtak, Varanasi, Zirakpur

East Zone
Bhubaneshwar, Guwahati, Kolkata, Patna, Ranchi, Siliguri

West Zone
Ahmedabad, Indore, Mumbai, Jabalpur, Nagpur, Pune, Raipur

South Zone
Bengaluru, Chennai, Coimbatore, Hubli, Kochi, Kurnool, Madurai, Secunderabad, Vijayawada, Vizag

Chairman's Message

Dear Shareholders,

It gives me great pleasure to share with you Company's performance, which has been well as compared to previous years. The year had its opportunities and challenges which Company has navigated very well.

Surya Roshni is a diversified company with two broad business streams: Steel and Lighting. Both the businesses are distinct with their respective growth opportunities. We have been successful in seizing these opportunities to continuously achieve more. Our LED segment has been growing at an impressive rate.

We have introduced new range of products in the LED segment during the year, which has given us an edge. Further, backed by our state-of-the-art research centre, we will continue to enhance our product offering in the LED segment.

Our venture into Fans and Home Appliances businesses has also yielded fruitful results, as we surpassed ₹ 130 crore in the fan business during the year. We are aggressively leveraging our vast distribution network and expanding our presence across various states in India.

The steel business has also remained stable even in the turbulent business scenario. There has been great volatility in the basic raw material prices, but our business acumen has helped us to successfully sail through it. The steel business scenario is turning around after imposition of safeguard duty and minimum import price (MIP) which has resulted in an increase in volume of Steel division by 16% during the year.

We are further strengthening our steel business, adding new products and merging our associate company Surya Global Steel Tubes Limited with Surya Roshni Limited. This would bring in economies of scale further fortifying our steel division.

The board and management team is doing a very good job in leading the Company to attain more and also aspire for more.

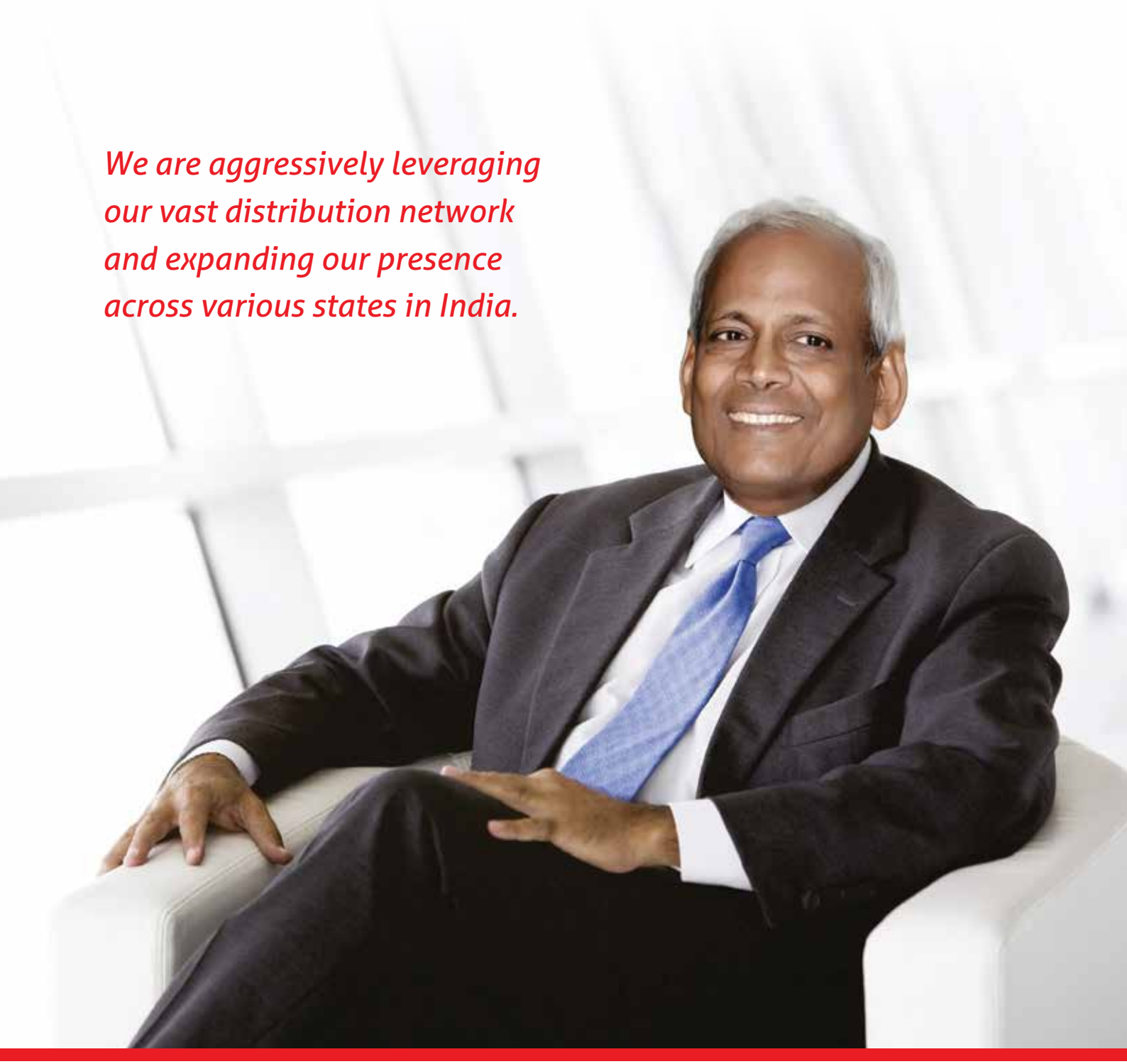
Also, the Company has been socially responsible and dedicated its resources towards the betterment of society through Surya Foundation, which continues to work for enhancing the quality of life. We focus to develop youths and also on spreading the importance of health.

I would like to take this opportunity to thank senior management team for steering Company to newer heights and all our employees for their passion and dedication towards the Company. I would also like to thank all our stakeholders, bankers and customers for supporting and motivating us to aspire and attain more.

Best Regards,

Jai Prakash Agarwal
Chairman

We are aggressively leveraging our vast distribution network and expanding our presence across various states in India.



Q&A Session with the Managing Director

"The proposed merger of SGSTL with the company will result into consolidation of steel tubes business and bringing the benefits of overall synergy, common management, reduced finance cost and greater integration."

Raju Bista
Managing Director

How has the performance been for the year?

The overall performance of the Company has been satisfactory during the year. The sales in the lighting business continued to move at a strong rate, with a YoY growth of 24.2%, driven by the strong growth in the LED segment. The steel business was mired by the sluggish steel prices and registered a marginal fall of 3% growth. However, volume growth has been fairly good during the same period. The EBITDA for the year has grown by 6.7% and stood at ₹ 242.10 crore. The EBITDA margin was maintained at 7.9%. The net profit for the year stood at ₹ 62 crore, where the growth has been 14.7% over the previous year.

How is the LED industry evolving in India and how has been our growth in this segment?

Backed by government initiatives, the LED industry in India is witnessing a robust growth. The lighting industry in India is expected to grow at a CAGR of 17% by FY2020. At the retail level also, mostly in the urban area, the acceptance for LED bulbs and tubes is growing fast. The Compulsory Registration Scheme from BIS is helping to curb the unorganized sector, which further increases the growth prospects for the organized players.

We have been one of the early entrants in this segment. We are also one of the backward integrated lighting companies in India. This has added an edge to our growth prospects. Our Research & Development centre in Noida is amongst the best in the industry. During the year, we have also successfully bid and won many LED supply contracts. Our total LED sales stood at ₹ 303 crore where the YoY growth was 326%.

How successful has been our venture in new fans and applicances business segments?

To leverage our strong brand recall for 'Surya' and the vast distribution network that we have created over the years, the company has ventured into the new synergistic business of Fans & Home Appliances which is well accepted by the market and consumers and both the businesses are performing well. We are continuously increasing our product offering in both the segments, with new design innovations. Also, our product quality is amongst the best in the industry. During the year, we have achieved a sales growth of 92% in this segment. We have been increasing our marketing (including publicity) expenditures, to further increase the reach of the new product segments. This would enable a steady growth momentum for the business segment and also further fortify our new future growth pillar.

How have exports fared and what's the outlook, going forward?

We currently export steel pipes and lighting products to over 50 countries across Asia Pacific, the Middle East, Africa and Europe. Our products meet the best of the global standards and are synonyms for quality in the global market. The demand for all our products remains very strong and we continue to hold good orders for most of our products.

What are the reasons for merging the associate company and how will it benefit?

The steel business under the Company is majorly limited to the domestic market, whereas SGSTL (an associate company) due to advantage of port proximity is more focused on exports. To optimally utilize both the manufacturing facilities, and also to gain access to new markets, we have proposed to merge the associate with the Company. This would bring in improving the company's capital structure, debt coverage, cost efficiency, profitability, future growth and financial ratios.

The merger of an associate company will give a fillip to our steel business with new avenues of growth. The proposed merger of SGSTL with the company will result into consolidation of steel tubes business and bringing the benefits of overall synergy, common management, reduced finance cost and greater integration. The merger will make the steel business of the company self–reliant. It will provide economies of scale, geographical reach in western India & international markets and creating value for all the stakeholders.

What is the outlook for both the key business segments?

Driven by the demand for consumer appliances and fans and the growing thrust on energy-efficient lighting solutions, our lighting business continues to hold huge growth prospects. Backed by our strong in-house R&D centre, we are in the process of launching new lighting products which would further augment our growth.

Also, the new steel pipe capacity in South India would enable us to further penetrate the market. The Government initiatives such as 'Make in India, Smart Cities and Housing for All' will provide better growth prospects for both the businesses.

Board of Directors

J.P Agarwal
Executive Chairman
DIN: 00041119

Raju Bista
Managing Director
DIN: 01299297

Ravinder Kumar Narang
Independent Director
DIN: 02318041

K. K. Narula
Independent Director
DIN: 00098124

Utpal Kumar Mukhopadhyay
Independent Director
DIN: 02766045

Tara Sankar Bhattacharya
Independent Director
DIN: 00157305

Surendra Singh Khurana
Independent Director
DIN: 02126149

Sudhanshu Kumar Awasthi
Independent Director
DIN: 02162923

Rajeev Kumar Sinha
IDBI Nominee
DIN: 13345049

Dr. Salila Tewari
Director
DIN: 01748088

Mukesh Tripathi
Director
DIN: 01951272

Corporate Information

SURYA ROSHNI LIMITED
Regd. Office: Prakash nagar, Sankhol,
Bahadurgarh - 124507 (Haryana)
Corporate Identity Number
(CIN) - L31501HR1973PLC007543
Website : www.surya.co.in
Phone : 01276 - 241540
Fax : 01276 - 241886

STATUTORY AUDITORS

Sastry K. Anandam & Company
Chartered Accountants

COST AUDITORS
R. J. Goel & Co.

BANKERS
1. State Bank of India
2. Punjab National Bank
3. State Bank of Patiala
4. IDBI Bank Ltd.
5. State Bank of Travancore
6. Canara Bank
7. HDFC Bank Limited

HEAD OFFICE
Padma Tower - 1, 2nd Floor,
5 Rajendra Place
New Delhi - 110 008
email : cs@surya.in

REGISTERED OFFICE AND WORKS - STEEL DIVISION
Rohtak Road, Sankhol
Bahadurgarh -124507 (Haryana)
email : surya@suryasteelpipe.com

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

WORKS - LIGHTING DIVISION
- 7k.m. Stone, Kashipur - Moradabad Road
  District Udham Singh Nagar,
  Kashipur - 244 713 (Uttarakhand)
- J - 7, 8 & 9 Malanpur Industrial Area
  Malanpur, District Bhind (Madhya Pradesh)

KEY MANAGERIAL PERSONNEL (KMPs)
- R N Maloo
  Executive Director & Group CFO
- Tarun Baldua
  CEO - Steel Operations
- Ramanjit Singh
  CEO - Lighting Operations
- B. B. Singal
  Sr. V. P & Company Secretary

Audit Committee
- Sh. Krishan Kumar Narula, Chairman
- Sh.Tara Sankar Bhattacharya, Member
- Sh. Utpal K Mukhopadhyay, Member
- Sh. Mukesh Tripathi, Member

Stakeholder's Relationship Committee
- Sh. Krishan Kumar Narula, Chairman
- Sh. Ravinder Kumar Narang, Member
- Sh. Raju Bista, Member

Corporate Social Responsibility Committee
- Shri Krishan Kumar Narula, Chairman
- Shri Jai Prakash Agarwal, Member
- Shri Raju Bista, Member
- Shri Mukesh Tripathi, Member

Nomination and Remuneration Committee
- Shri Krishan Kumar Narula, Chairman
- Shri Ravinder Kumar Narang, Member
- Shri Mukesh Tripathi, Member

Committee of Directors
- Shri Krishan Kumar Narula, Chairman
- Shri Raju Bista, Member
- Shri Mukesh Tripathi, Member

More awareness. More efficiency.

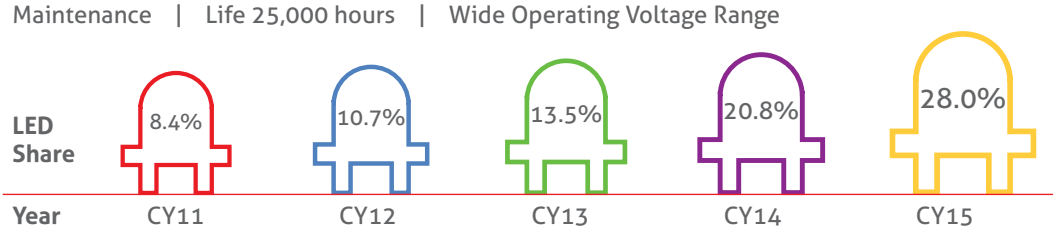
India has significantly increased its impetus on reducing carbon emission. In its submission of Intended Nationally Determined Contribution (INDC), it has indicated its seriousness to confront the challenges of climate change. Lighting in India currently consumes 18% of the total power generated. By increasing the use of LED lamps, the consumption can be significantly reduced. The LED lamp is 85% more efficient as against GLS lamp. Hence, the government has started a number of initiatives, such as the Domestic Efficient Lighting Program (DELP) for LED lamps and also a National Program for LED Street Lights which focuses on the replacement of all street light fittings with LED. As a result, there is now a fast growing market for LED in India.

Surya Roshni has been one of the front-runners in the lighting industry with its brand 'Surya', which commands both, a huge equity and a vast distribution network. We produce a wide range of lighting products at our state-of-the-art lighting manufacturing units at Kashipur (Uttarakhand) and Malanpur (Gwalior). The Company has made early investments in the LED segment and today is amongst the leaders of LED in India.

We have set-up a global standard R&D Centre - Surya Technology & Innovation Centre (STIC) at Noida. The R&D centre is equipped with latest Mirror Gonio Photometer from LMT – Germany. It is used for developing latest generation energy saving luminaries and is capable to carry out optimal measurement of LED chips in addition to conventional light source. The Company has steadily introduced newer products to its offering and currently is catering to all the retail needs as well as the institutional demand. Some of the products we would introduce are High Beam Angle LED Lamps, Color Change LED Lamps, new Range Down lighters, LED Torch with Dry Cell Battery & Rechargeable, Rechargeable Lantern, Spot Lights and LED Wall Light etc. Our new range is scheduled to hit the market soon and we are very confident that we will gain a larger market share, as we soar towards greater heights.

Key Advantages of Surya LED

Eco Friendly | Low Voltage | Instant Lighting | High Power Factor | Zero UV Emissions | Light Dispersion | Operational in Extreme Temperatures | High Energy Efficiency | Low Maintenance | Life 25,000 hours | Wide Operating Voltage Range



TEA
COFFEE
SUGAR
Aristeo
SURYA
SURYA
SURYA
chocolate
al fresco
VENEZIA
fast food

More prosperity.
More fans & appliances.

In today's life on the fast track, time has become a scarce resource. Machines are known for their support in reducing human efforts and have become a good ally in efficient time management. Hence, there is growing need of various designer & efficient fans & appliances across all sections of the society in India. India is one of the fastest growing economies, as well as the world's second most populous nation, is witnessing a huge demand for fans & appliances. Over the last decade, it has witnessed a demographic shift with higher urbanization and growing number of working women. This has led to a growing number of prosperous families and an increased craving for high quality fans & appliances. The demand for innovative designs and premium quality fans is significantly growing as against traditional fans.

With India becoming more fancy look conscious, there is a growing preference for better aesthetics be it fans, range of home appliances viz. heaters, irons, etc. Another growing trend is the fast acceptance of energy efficient fans & appliances. Our strategy in the fans & appliance business is to create a niche products based on these two growing trends and our effort is bearing fruit. The Company has launched a wide variety of colorful range of ceiling, table, pedestal & wall mounting fans and vast range of exhaust fans. Leveraging our brand Surya and our vast distribution network, we have been steadily making inroads in the fan business which has now crossed the ₹ 130 crore mark in just two years. By any standard, this is a commendable achievement.

With India is moving steadily on its growth trajectory, giving wings to a billion plus dreams, we have aimed to become one of the best brands in this segment. We have been steadily achieving more, but our hunger for growth is insatiable. We aspire to achieve even more.

Key USPs of Fans

- Best in class design aesthetics
- 3D Surround Air
- High Speed
- 2 year Guarantee
- Double Ball Bearing

Key USP of Appliance

- High on efficiency
- Robust Durability
- Best in class design aesthetics
- 2 year Guarantee

Fans Business crossed ₹ 130 crore mark in just two years

Vast Pan India Network

2000+ distributors

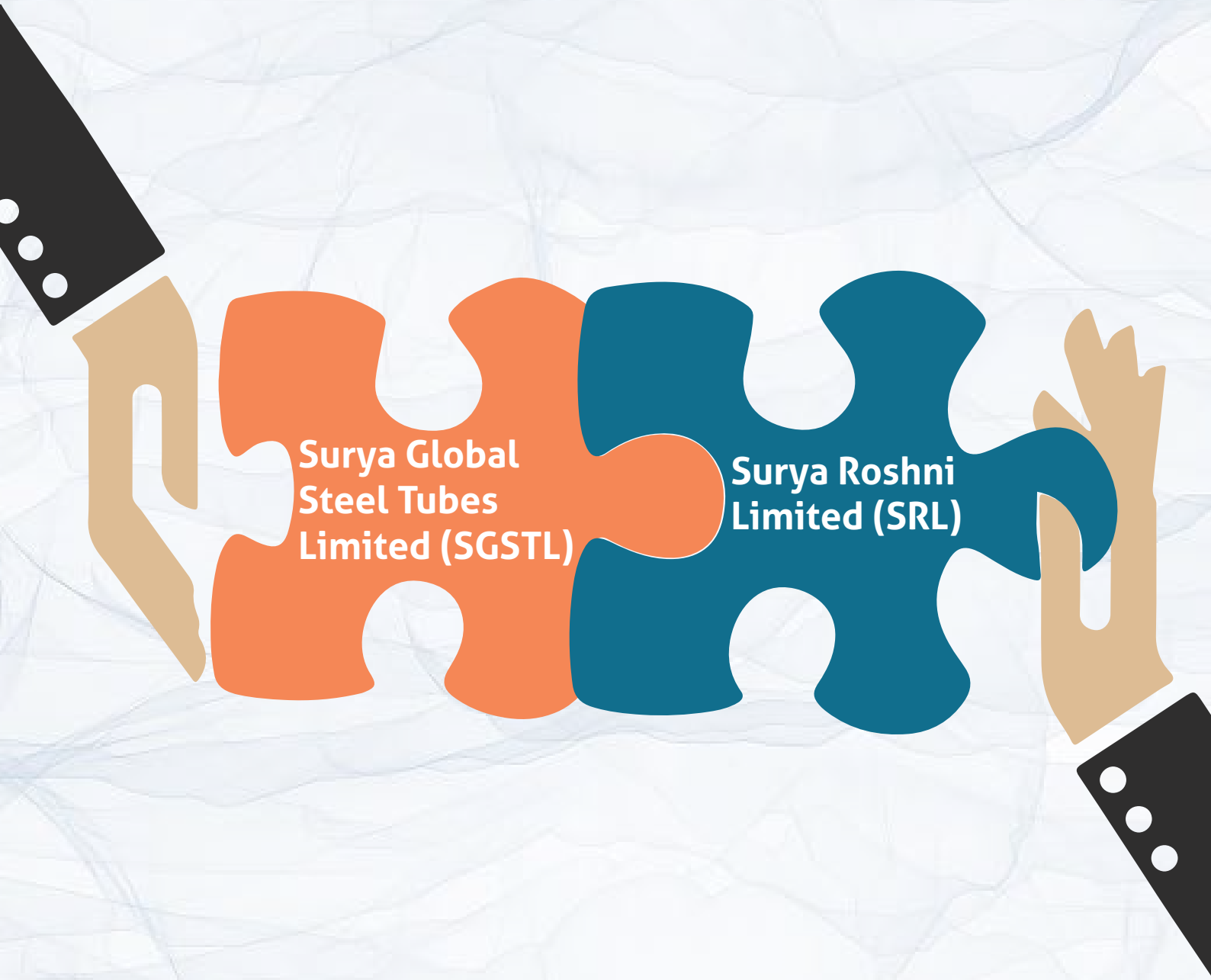
2 lakh + country-wide retailers

More growth.
More pipes.

India is witnessing a paradigm shift, fueled by the central government's various new initiatives. With the objective of creating jobs and business opportunities, the central government has targeted to make India a manufacturing hub through its 'Make in India' drive. This may lead to a significant increase in industrialization. The pipeline is undoubtedly the lifeline for any industry, therefore the demand for pipes is expected to grow. The 'Smart Cities' initiative will be another big opportunity, as it will lead to the demand for better infrastructure which is already witnessing an increased consumption of steel structures. The government has also pushed for City Gas Distribution for 'Smart Cities' which would open new avenues of growth for pipes. With the need for speed in construction, Pre-Engineered Building is fast gaining acceptance across industries.

Surya over four decades stands as a very robust brand in steel pipes. We currently are one of India's largest GI pipe manufacturers. Surya Roshni is also a leading manufacturer of ERW pipes with installed capacity of 345,000 MT per annum and manufactures ERW pipes from OD ½" to 16" as per various national & international specifications. We also manufacture Cold Rolled sheets where our installed capacity is 115,000 MT per annum. The Company's ERW pipe manufacturing plant and Cold rolling strip mill are located at Bahadurgarh, (NCR) & Gwalior (M.P.). We have started to manufacture Square and Rectangular tubular sections, which have very diverse applications and have been accepted well. With manufacturing facilities of its associate company SGSTL near India's two major ports, we have been leveraging our strategic location to make significant inroads in exports and we currently export to more than 50 countries.

To further enhance our reach and product offering, we are setting up a new M.S. Black and GI pipe manufacturing unit in Hindupur, (AP). With this unit, we aim to make further inroads in the southern market. With these initiatives, we expect more growth in the pipes division in the near future.


Surya Global
Steel Tubes
Limited (SGSTL)
Surya Roshni
Limited (SRL)

More indigenization. More value.

We have been always focused towards building in-house capabilities. Hence, we have built a state-of-the-art Research & Development Centre in Noida for our Lighting Division. The R&D Centre is equipped with best-in-class equipment's and has been successful in adding innovative products to our bouquet of offerings. We have also been investing in our key asset, our people, which exceeds 3,300.

Our diversified base and steady growth in capabilities and product offerings has led to sustainable value creation for all our stakeholders. With robust growth opportunities across our business segments and steady growth in capabilities, we will continue to sustain our growth momentum as we charter our journey across newer opportunities to achieve more.

Over the last four decades Surya Roshni has emerged as a strong brand with a diversified revenue base. We have been further diversifying our revenue mix venturing into newer streams of business. To further strengthen our base and enhance efficiencies, we have proposed a merger of our associate company Surya Global Steel Tubes Limited (SGSTL). SGSTL owns and operates a state-of-the-art pipe making facility at Anjar for manufacturing ERW & SAWH Pipes.

The plant is spread over 100 acres of land and has a combined capacity of approximately 0.50 million tons. This unit manufactures large diameter ERW & SAWH pipes and has the capacity to manufacture ERW pipes from 0.5" to 16" in DIA & SAWH pipes from 18" to 104" in DIA. The unit is in close proximity to Kandla / Mundra Port, thus giving it a strategic advantage of being a highly cost efficient option, both import and export of raw material making SGSTL highly competitive. SGSTL has a huge export network and caters to more than 25 countries.

The Company's proposed merger with SGSTL would bring in economies of scale and also open newer avenues of growth in terms of volumes, new products and improved profitability besides improving company's capital structure, debt coverage, cost efficiency and financial ratios. This would also lead to the consolidation of steel business leading to optimal utilization of resources and bringing the benefits of overall synergy, common management, reduced finance cost, improved credit rating and greater integration. The merger will make the steel business of the company self-reliant and make both the businesses independent.

The debottlenecking by installation of two new mills will increase volumes at marginal cost. The Company's under commissioning Steel Plant at Hindupur (A.P) have locational benefit and thus leveraging on the premium market of south India.

Merger would lead to economies of scale and also open newer avenues of growth

Corporate Social Responsibility

Established in 1992 by Shri Jai Prakash Agarwal, Surya Foundation fundamental philosophy is to promote a greater sense of patriotism and national consciousness among our countrymen. In pursuance of this larger objective, Surya Foundation is working in the following areas:—

Adarsh Gram Yojna:

Surya Group strongly believes in Mahatma Gandhiji's philosophy which says that the path & development of the country passes through its' villages. For India to develop, our villages need to be transformed into ideal villages, which are prosperous and inhabited by healthy and happy people. Surya Foundation has made a humble beginning by setting up 'Bal Vikas Kendras' in many villages in the country. These Kendras have been established in far flung and remote rural areas across 15 States. They provide moral education, training in Yoga and meditation to the young school going children and dropouts, besides inculcating the spirit of patriotism in them. Amazing results have been achieved by these Bal Vikas Kendras in a short period of time. The children are doing extremely well in their exams and their parents are very happy to see all round improvement in their children.

Ideal Village Projects with emphasis on Literacy and Personality Development of Youth:

Surya Foundation is engaged in the development of youth who are the future of our nation. It is actively engaged in conducting Personality Development Camps for youth throughout the country. Remarkable changes were witnessed in the behaviour, habits and performance in academics of the children who attend these camps. Surya Foundation advocates for military training for youths to make them capable of protecting themselves against any threat. The focus is on personality and character development besides military training to prepare them as good citizens and leaders of tomorrow.

Development of Preventive & Cost Effective Health System of Naturopathy & Yoga:

International Naturopathy Organization (INO), the Naturopathy wing of Surya Foundation has undertaken a massive project for promotion of Naturopathy and Yoga across India. The Foundation has organized Naturopathy awareness camps and seminars throughout the year across various states. The Foundation also conducts Naturopathy Doctors Management and Training Programmes for practitioners from various parts of the country and abroad.

Management Discussion & Analysis

SURYA ROSHNI IN BRIEF

Started as a steel tube making unit in 1973, Surya Roshni today is a diversified company. The Company's business segments are broadly divided into two: Lighting and Steel. Under Lighting, the Company offers some of the widest range of lighting products, ranging from GLS, CFL, Luminaries to LEDs. Under the Lighting division, the Company also operates its Fans and Appliances business, where the Company offers several models of fans and kitchen appliances & heating applicances products like Mixer Grinders, Juicer Mixer Grinders, Induction Cooktops, Toasters, Dry Irons, Steam Irons, Water Heaters and Air Coolers etc. The Company's Lighting manufacturing units are located in Uttarakhand and Madhya Pradesh.

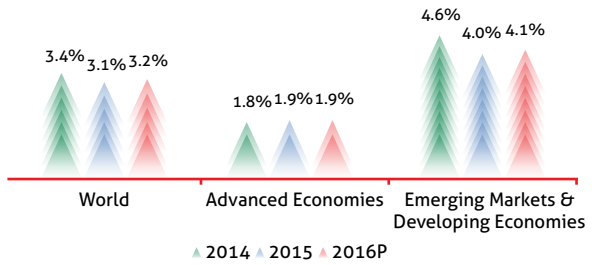
In its Steel division, the Company manufactures and sells Steel pipes and is currently India's biggest GI pipe manufacturer. The Company manufactures pipes in the range of 1/2" to 16" DIA. The Company's Pipe manufacturing units are located in Haryana and Madhya Pradesh.

ECONOMIC REVIEW

Global Review

As per the International Monetary Fund's (IMF) World Economic Outlook report, the global economy grew by 3.1% in 2015. The global economic growth was muted in 2015; the Advanced Economies (AEs) showed mixed signs of revival while the Emerging Markets & Developing Economies (EMDEs) witnessed a slowdown. The prices of commodities remained strained, largely due to the slowdown in China. In 2015, the U.S. steered the economic growth of the AEs with a 2.4% GDP growth. The IMF foresees the EMDEs would be improving at a growth rate of 4.1% in 2016, pegging the global economic growth at 3.2%.

Exhibit 1: Global GDP Growth, %



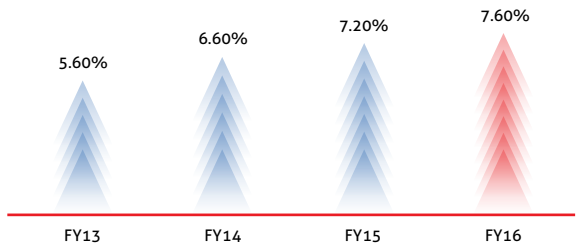
Source: IMF's World Economic Outlook Update, April 2016

India Economic Overview

The economic revival in India has been steady amidst the global slowdown, despite being distorted by a twin-monsoon deficit. India, tapped the opportunity arising from the fall in global commodity prices, majorly, crude. Overall, it has aided the Government to accomplish its fiscal deficit target of 3.9%. During FY16, the inflation remained under control with the Wholesale Price Inflation (WPI) staying in the negative zone. Further, the subdued Consumer Price inflation facilitated the Reserve Bank of India (RBI) to cut its repo rate by 100bps between, March 2015 to April 2016, to a five year low of 6.50%.

The Indian economy recorded a five year high growth of 7.6% in FY16, as per the data released by the Central Statistics Office (CSO), in May 2016. During FY16, the Indian Rupee (INR) depreciated 6.4%, to ₹ 66.30 against USD, due to the U.S. Fed rate hike, the devaluation of the Chinese Yuan and the slowdown in global economy. But, as compared to other emerging market currencies, the INR has shown resilience.

Exhibit 2: India GDP Growth, %



Source: Central Statistics Office (CSO)

The economic revival gained further momentum with the Union Budget 2015-16, which increased the emphasis on rural and agricultural growth. It is also well-supported by the Government's determined actions towards driving investment demand, anchored by the monetary easing, rising FDI, infrastructural investments and public-private partnerships.

INDUSTRY REVIEW

Lighting Industry

The Lighting Industry in India can be broadly categorized into four segments

1. Lamps [General Lighting Service (GLS), Fluorescent Tube Lights (FTL), Compact Fluorescent Lamp (CFL), and others]
2. Luminaries
3. Accessories, Components and Control gears (ACCs)
4. Light Emitting Diode (LED)

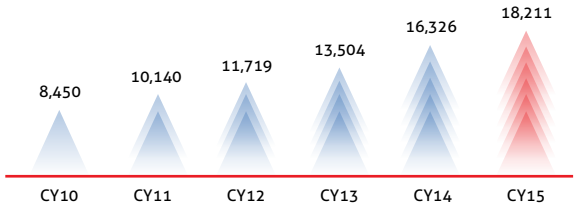
The Lighting industry is one of the most promising sectors in India. It is steadily growing and is estimated to have reached ₹ 18,211 crore as per ELCOMA. The industry has more than doubled, over the last five years, growing at a CAGR of 16.6%, over CY10 to CY15. The growth has been fueled by a robust growth in LED sales. The LED market, as per ELCOMA, has crossed ₹ 5,000 crore growing, at a CAGR of around 59%, over CY10 to CY15. Though LED is a high cost lighting solution, as compared to other available options, its efficiency, in terms of consumption of electricity and long life, are its key benefits.

To save on energy consumption and carbon emission, the government is giving a significant push to the usage of LEDs, and has launched the Unnat Jyoti by Affordable LEDs for All (Ujala) Scheme. Under this scheme, the government has planned to make LEDs available at subsidized rates and to distribute close to 770 million LED lamps. This would address the demand-

supply gap in power in India. Currently, the demand for street lighting application, accounts for the major opportunity for the Indian LED lighting market.

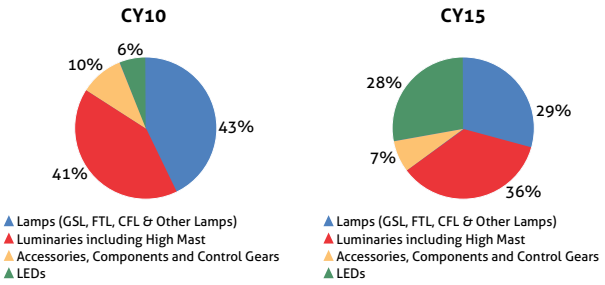
Backed by the government's initiative, the share of LED has gone up from 6%, in CY10 to 28% in CY15, of the total lighting industry, as per ELCOMA.

Exhibit 3: Total Lighting Industry in India, ₹ crore



Source: ELCOMA

Exhibit 4: Share of various lighting products in total industry by value



Source: ELCOMA

As per the TechSci Research report, "India LED Lighting Market Forecast and Opportunities, 2020", the LED market in India is estimated to grow at a CAGR of over 32%, during 2015-20. The key driving force for the demand growth of LED would be falling prices, the subsidized distribution by the government and the replacement of streetlights with LED. The growing awareness among consumers and better design availability would also shift the consumer preference, and drive the expected growth of the LED market in India.

Appliances & Fans Industry

The Appliance market in India is amongst some of the fastest growing markets in India. As per a report published by TechSci Research, the kitchen appliances market growth in India is driven by the continuous expansion in the Middle and affluent classes, the growing working class population and improving lifestyles. India is witnessing a growing, young, ambitious working class population with a lack of time for traditional cooking. This is also leading to the growing demand for appliances for easy and fast cooking. The increasing per capita disposable income of consumers is also fueling the growth of the appliance market.

As per the report, the future demand prospects for kitchen appliances remains very strong in India and is expected to grow at a CAGR of 25%, over 2014 to 2019.

As per Indian Fan Manufacturers Association, India has witnessed a steady growth in Fan sales. As per IFMA, the domestic sales of fans by member companies data grew at a CAGR 14.58% over 2002-03 to 2013-14. As per IFMA, the member companies together have manufactured a total of 44.26 million fans in 2014-15. The total fan industry in India is pegged at ₹ 7000 crore. IFMA represents around 75 % of the country's fan production. India exports around 5% of fans produced, mainly to African, South-East Asian and West Asian countries.

Steel Sector

The global steel industry has been under a difficult scenario in 2015, with falling demand, especially in China. As per the World Steel Association, the steel demand has witnessed a contraction of -3.0% in 2015, largely due to the deceleration in the economic growth of China. The sluggish growth in global trade and investments in the manufacturing sector is having an adverse impact on global demand. This has led to a significant fall in global steel prices. The global steel demand is expected to stabilize with a very marginal contraction of -0.8% in 2016 to 1,488 million tons and recover by 0.4% in 2017 to 1,494 million tons.

The demand for steel over the last few years has been very sluggish in India, due to falling investments in the Infrastructure sector. However, there has been a steady revival in the Indian economy and as per the IMF, India is the brightest spot in the global economy. The steel demand in India, backed by the reform momentum and steady investments in the infrastructure and manufacturing sectors, is expected to grow by 5.4% in both 2016 and 2017, reaching 88.3 Mt in 2017. However, due to the growing spread between the domestic prices and imported Chinese steel, the import of steel in India is increasing. Russia, with severe depreciation in currency has also become competitive in the global steel market. This had an adverse impact of domestic steel manufacturers.

The pipeline is one of the important parts of a nation's infrastructure. The demand for the pipe industry in India is driven by steady growth in India as well as strong demand from key export regions such as the Middle East, West Asia, Africa, South East Asia and Australia. With the growing need for transportation of Oil & Gas as water & waste water the demand for steel pipes is increasing. The global demand for water pipe is projected to increase by a CAGR of 6.8% through 2017.

As per a study by MBR in 2014, of the total world's transmission pipeline network, close to 38% is less than 20 years old. Also, 37% of the pipeline network is over 40 years old. In U.S. over half the transmission pipe network for oil and gas is over 50 years old. This old pipeline network is suffering from faulty welds and posing a major safety risk. This reflects the high potential for replacement demand.

India is currently amongst the fastest growing major global economies. India has been steadily witnessing urbanization leading to new industries and growing real estate sector. Hence the demand for transport of water & waste water and Oil & Gas in India is steadily growing. India is currently under invested in the pipeline infrastructure with only 1/3rd of petroleum product moving through the pipeline which is the most efficient mode of transport for fluids. Recently, the Union Cabinet has approved laying of 15,000 km of pipelines, which should improve the domestic infrastructure and also create demand for pipe manufacturers.

Also to improve the pipeline infrastructure of cities huge investment is expected with an emphasis on water supply and sanitation. The water sector provides an additional opportunity for the pipes sector. In the 12th Five Year Plan gross budgetary support for development of water resources was around ₹ 1,096 billion, which was more than double as against ₹ 414 billion allocated in the 11th Plan. With government's huge focus towards infrastructure development the demand for pipeline in India is expected to grow steadily.

OPERATIONAL REVIEW

Lighting Industry

The Company is amongst the largest manufacturers of lighting products in India. Over the last three decades, it has been amongst the pioneers of technological acceptance in the lighting industry, providing some of the benchmark products in the industry. Being leaders in providing lighting equipments, Surya Roshni has been providing innovative and safe lighting equipments and has been a pioneer in introducing energy-efficient lighting solutions.

The Company's brand 'Surya' is amongst the most trusted brands for quality in the Indian lighting industry. The Company has one of the largest reach, in terms of its distribution. It is spread across India with a network of over 2000 distributors and 2 lakh countrywide retailers. The Company further exports to over 50 countries globally, across the Middle East, Europe, Africa and Asia, meeting the best of the global quality standards.

The Company has always been committed to provide the best to its customers. It has assiduously worked towards technological advancements and developing products that are not only energy efficient, but also environment friendly. Surya LED is amongst the luminaries of the future, enabling the transformation in the lighting industry in India. Being cognizant of this fact, the Company manufactures almost all its LED products in-house, backed by strategic marketing initiatives and a strong trade channel. The Company manufactures its LED products at its state-of-the-art, fully integrated plants in Kashipur (Uttarakhand) and Malanpur, near Gwalior (M.P). The Company's product development is being supported by its advanced lighting research and laboratory centre, Surya Technology & Innovation Centre (STIC), at Noida. The key focus of the research centre is to develop new LED products, further augmenting the Company's product portfolio.

The Surya Technology & Innovation Centre (STIC) at Noida, is one of the best lighting laboratories in Asia. It is equipped with Mirror Gonio-photometer from LMT-Germany, used for developing new

generation energy saving luminaries. In addition, the Company also provides Photometric Optical Testing facility for all kinds of luminaries. Backed by its research centre, the Company is about to introduce many new products, such as High Beam Angle LED Lamps, Color Change LED Lamps, New Range Down lighters, LED Torch with Dry Cell Battery & Rechargeable, Rechargeable Lantern, Spot Lights and LED Wall Light, to meet the growing demand of the customers. Surya Roshni has registered a CAGR of 20%, as compared to the Indian lighting market CAGR of 12%. The LED market in India is growing at a very robust rate of 60%, where as Surya Roshni has registered 300% growth.

A Compulsory Registration Scheme (CRS) of Deity/BIS for LED products, has been introduced in the industry to keep a check on safety standards of LED products. The Company's manufacturing plants have CRS approval from the Bureau of Energy Efficiency (BIS). The Bureau of Energy Efficiency's star rating plan for LED lamps, will further enhance the luminous efficacy of lamps.

Fans & Home Appliances

The Company has introduced Fans as a business segment in FY14. Overwhelmed by the response to its fans, the Company introduced home appliances as a business segment in FY15. Both the segments are witnessing strong growth. The Company has been following the strategy of leveraging its vast distribution network and the brand equity of 'Surya' for the growth of the new business segments. The key differentiators of the products offered by the Company are efficiency and modern design.

In just two years, the fans segment has crossed the ₹ 100 crore mark and has achieved sales of ₹ 130 crore in FY16. The prompt acceptance of 'Surya' fans by the distributors, coupled with the customer connect that the 'Surya' brand enjoys, has led to the robust growth of the fans segment.

During the year, the Company has further augmented its products by adding value and offering a premium range of fans, such as Plated fans, Kids fans, Under-lite fans, Ventura, Metallica and more than 15 variants of fans with LED. All its fans have a premium plated finish, giving an edge to its products. The

remote control equipped fans with LED and fans with under light Chandelier option, gives the Company a higher premium in the market.

The Company also introduced new models of Energy Efficient and BEE Five star rated fans, which will enabled it to participate in government tenders, DGS&D and CSD in the coming years.

Under the Home Appliances segment, during the year, the Company introduced Air Coolers, Water Heaters, new models of Mixers, Irons and some kitchen appliances. The water heater was very well accepted by the market with the Company selling 28,000 units in FY16. During the year, the Company achieved sales of ₹ 30 crore in the Appliances segment.

Steel Segment

The Company's Pipe division produces both galvanized and black varieties, in sizes ranging from ½" mm to 104" mm diameter in various specifications and is currently India's largest GI pipe manufacturer. The products have wide applications in various industries, such as Agriculture, Household and Oil & Gas. The API pipes are well accepted across many developed and developing countries, contributing to exports. The Company started manufacturing of Square and Rectangular Section (hollow) pipes which are used for civil structures, furniture, and transmission towers and has many other applications as well.

During the year, the Company commenced capex for setting up a new manufacturing unit for M.S. Black and GI Pipes at Hindupur District, Ananthapuramu, Andhra Pradesh. The plant will have an installed capacity of 7500 M.T per month and caters to the southern market. This would help the Company to be cost competitive, by saving on logistics costs, and further strengthening its market share in the lucrative southern market. The Company achieved sales of ₹ 1,829 crore in the steel division, contributing 55% of the Company's consolidated sales.

STRENGTHS, WEAKNESS, OPPORTUNITIES AND THREATS

Strengths

Brand 'Surya' is well accepted internationally and holds a prominent position in the Indian Steel Pipes and Lighting industry. With such strong brand equity, the Company is well poised to capitalize on the opportunities unfolding in the global market. The Company has accredited quality certifications from leading agencies and has years of successful track record on schedule delivery. Its commitment to deliver world-class solutions to its clients in the shortest time lag has enabled it to build robust customer relationships.

The Company's management has more than four decades of experience in the Steel Pipe industry and nearly three decades of experience in the Lighting industry. Also, it has a strong and extensive Pan India dealers and retailers network, with more than 2,00,000 retailers.

The Company is competitively positioned today over its rivals and has become a prominent brand in the consumer market due to the following factors –

- One of the largest GI & Hollow Section Pipes Manufacturer
- High Mast and ERW pipe Manufacturing unit at Malanpur, Madhya Pradesh
- Enhanced product offering with the introduction of Square & Section and Rectangular pipes in steel
- Asia's largest ribbon glass plant from Dema Glass UK at Gwalior, Madhya Pradesh
- The Company is the only lighting company with 100% backward integration, manufacturing all its components in-house
- It is the second largest seller of GLS and FTL in India
- Surya Lamps saves up to 85% electricity and have a much longer life
- Surya Technology & Innovation Centre (STIC) – the state-of-the-art lighting laboratory in Noida is one of the best lighting laboratories in Asia. STIC has been recognized as an R & D centre by DSIR, Ministry of Science and Technology. Listed as one of the best testing laboratories in India by BEE (Bureau of Energy Efficiency) LED lighting system
- To complement its foray in the luminaire segment, the Company has set up a state-of-the-art manufacturing facility for High Mast Lighting Systems and Octagonal Poles
- Surya provides wide categories of designer and colourful range of ceiling, table, pedestal and wall mounting fans, along with a wide range of domestic exhaust fans

- The Company offers a premium and contemporary range of Electrical Home Appliances, like Electrical Storage Water Heaters, Room Heaters, Dry Irons, Steam Irons, Immersion Heater and Kitchen appliances, like Mixer Grinders, Juicer Mixer Grinders, Induction Cooktops, Toasters, etc., which are well accepted across India

Weakness

In the Lighting business segment, the margins are low due to competition from the established market players and also from the unorganized sector. The Company's businesses are also vulnerable to macro environment changes.

Opportunities

- **Steel Tubes & Pipes**

City Gas Distribution: The government has significantly increased its focus on reducing pollution in the cities and the best alternative of fuel for vehicles is Compressed Natural Gas. Hence, the government has placed City Gas Distribution (CGD) companies on top priority for domestic low cost natural gas. PNGRB is currently carrying out the sixth round of bidding and allotting licence for newer cities for CGD. This would lead to a higher demand for pipes used for Compressed as well as Piped natural gas.

Housing for All: The central government has launched a 'Housing for all' scheme, to provide houses to the economically weaker sections and provide assistance in building close to 3 crore homes. This will boost the construction industry and also create huge demand for water and sewage pipes.

Smart Cities: Under this initiative, the government wants to develop 100 smart cities, with better urban infrastructure. This will bring in investments for new infrastructure and also to upgrade existing infrastructure, leading to a greater demand for pipes and structures. The government has also emphasized the need to have CGD in all Smart Cities, which will further augment the demand for pipes.

Better Monsoon: For the year 2016, the IMD has projected a normal monsoon, which would boost the Agriculture sector in India, leading to a higher demand for pipes for irrigation.

- **LED**

Government Initiatives: To enhance the energy efficiency of the nation, the government has launched Unnat Jyoti by Affordable LEDs for All (Ujala) Scheme. Under this scheme, the government has planned to make LED lamps available at subsidized rates and to distribute close to 770 million LED lamps. This has significantly increased the demand for LEDs in India.

Growing Awareness: LED lamps have a much lower energy consumption and a longer life. With the growing awareness amongst customers, the demand for LED would further grow.

Compulsory Registration: A Compulsory Registration Scheme (CRS) of Deity/BIS for LED products has been introduced in the industry, to keep a check on the safety standards of LED products. This will significantly curb the unorganized sector, leading to better demand prospects for the organized sector.

- **Fans and Home Appliances**

Growing Housing Segment: There is a steady growth in the real estate sector in India, leading to a growing demand for fans. Also the government's initiative of 'Housing for All', will further increase the demand for fans and home appliances.

Demographics: India is steadily witnessing an increase in young working class as well as middle class population. This would lead to a steady demand for fans and home appliances.

Energy Efficiency: With rising power per unit cost, more and more consumers are opting for efficient products. This would curb the unorganized sector and lead to better demand for the organized sector.

- **Threats**

Competition: Competition from spurious manufacturers, unorganized sector without quality constraints and multinational companies is always a challenge. The Company believes in confronting such challenges and transforming them into opportunities. It will mitigate these threats with better products, informed and better customer relationships and more aggressive marketing activities.

Cost of Raw material: Metal being a major raw material in the steel tubes and pipe segment, the fluctuation in its cost may affect the Company's operating margins. However, the Company has adopted various measures to minimize the adverse effect of volatile prices of raw materials.

FINANCIAL REVIEW

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

(₹ in Crores)

Particulars	2015-16	2014-15
Total Income	3068.87	2857.10
Earnings Before Interest, Tax, Depreciation & Amortization	242.11	226.82
Finance Charges	96.43	109.00
Gross Profit	145.68	117.82
Provision for Depreciation	60.67	56.04
Net Profit Before Tax	85.01	61.78
Provision for Tax	22.96	7.69
Net Profit After Tax	62.05	54.09
Balance of Profit brought forward	377.40	334.58
Balance available for appropriation	439.45	388.67
Proposed Dividend on Equity Shares	4.38	4.38
Tax on proposed Dividend	0.89	0.89
Transfer to General Reserve	6.00	6.00
Surplus carried to Balance Sheet	428.17	377.40

Net Sales: During the year the revenue from the operations of the Company was ₹ 3068.87 crore up from ₹ 2857.10 crore last year, registering an increase of 7.41%.

EBITDA: The EBITDA for the year 2015-16 stood at ₹ 242.11 crore, as compared to ₹ 226.82 crore in the previous year 2014-15.

Gross Profit: The Gross Profit grew at 23.64 % from ₹ 117.82 crore, in 2014-15 to ₹ 145.68 crore in 2015-16.

PBT: The PBT registered a growth of 37.60% in the year 2015-16, from ₹ 61.78 crore in 2014-15 to ₹ 85.01 crore in 2015-16.

PAT: The PAT registered a growth rate of 14.71%, from ₹ 54.09 crore in 2014-15, to ₹ 62.05 crore in 2015-16.

Credit Rating: The Company's rating for short term and long term bank facilities will improve on the back of improvement in its financial risk profile characterized by the improvement in its capital structure and debt coverage and supported by the healthy performance of its lighting business.

OUTLOOK

With the falling interest rates, increasing investment cycle and inflation well in control, the economic revival in India is firmly gaining momentum. The government is determined on accelerating the economic growth in India through a number of policy measures. Further, a better monsoon than the consecutive last two years below average monsoon, would further support a steady growth. The Company's businesses are well placed to leverage the growing demand, both domestic as well as international, to maintain a firm growth over the coming years.

RISK & CONCERNS

Surya Roshni, like all other organizations, is exposed to several types of risks, including Financial, Operational and Regulatory risks. Risk Management Policy ("Policy") of Surya Roshni Limited is prepared and adopted to build a framework for risk management. The key objective of a Risk Management Policy is to ensure sustainable business expansion with stability and to promote an upbeat approach towards risk management and mitigation. The main objectives of the Risk Management Policy are:

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

At Surya Roshni, the Risk Management is being integrated with setting of Business Strategies. Risk management is managing all material risks in an appropriate manner, by designing and implementation of policies and systems around major business processes and assigning roles and responsibilities to process owners. Major steps in the framework are as under:

a. Planning & Strategizing

b. Identification of Major Risks

c. Assessment of Risks and Assignment of Responsibilities

d. Development of Mitigation Plans

e. Monitoring & Reporting

The Board of the Company periodically reviews and evaluates the risk management system of the Company so that the management controls the risks through a properly defined network. Head of Departments shall be responsible for implementation of the risk management system as may be applicable to their respective areas of functioning and report to the Board and Audit Committee. No risks threatening the existence of the organization have been identified. However, there are other risks against which adequate mitigation plans are prepared. Following are some risks and their mitigation measures:

A. Financial Risk:

This risk arises due to requirement of cash for working capital and other operating expenses.

Mitigation: The Company keeps a track of the operations and the cash conversion cycle to meet the day-to-day expenses.

B. Technology Risk:

The ever-evolving technology with continuous up-gradation and new products being developed may make products obsolete.

Mitigation: At Surya Roshni there is a continuous and immense effort in innovating and staying abreast with changing technology needs. Our move to CFL from GLS and finally to

LED from CFL shows our continuous up-gradation to newer technologies.

C. Business Competition Risk:

The Steel and Lighting divisions face stiff competition in pricing from well established players and the threat of new entrants in lighting division is high as the barriers to entry is low.

Mitigation: Surya Roshni has a good brand reputation in the market and the launch of new products which are unique in all aspects, helps to sustain the competition from peer companies. Surya Roshni's increased distribution network, advertisement expenses and backward integration gives an edge over the competition.

D. Operational Risk:

This risk arises from suppliers and identification of vendors and the debtor management which, if not properly managed, can hamper the business operations.

Mitigation: The Company efficiently manages and deals with suppliers and vendors and is vigilant on all the operations and takes precautionary measures to nullify the risk to a maximum extent. Surya has robust credit management in which it benchmark its suppliers that helps it to have smooth operations of the company.

E. Forex Fluctuation Risk:

The Company deals with many Exports and Imports deals in business and is exposed to currency fluctuations which can have a negative impact on profitability.

Mitigation: The Company has in place dedicated professionals who continuously monitor the fluctuations in currency and take measures, like 100% hedging against forex.

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

F. Human Resources Risk:

The Company needs adequate talent to run the business and may face talent crunch at times.

Mitigation: The Company has good HR policies in place that attract and retain the best talent and maintains attrition at low levels.

G. Labour unrest Risk:

There may be disruptions in production due to labour unrest and strikes which may cause delay in products needed to be produced in a given time.

Mitigation: The Company has cordial relations with the workers and has been adequately compensating them for their work. Surya has never faced labour strike till date.

H. Regulatory and Compliance Risk:

There may be risk of changes in the Regulations and Compliances from the government, which may negatively impact the sales and profitability of the Company.

Mitigation: The Company is strictly adhering to all the Regulations and Compliances and complies with any change in the Regulations.

COMMODITY PRICE RISK

Company sources several commodities for use as inputs in its businesses In order to manage Commodity Price Risk, the company has a comprehensive risk assessment framework to manage the risks arising out of the inherent price volatility associated with commodities. This includes robust mechanisms for monitoring market dynamics on an ongoing basis towards making informed sourcing decisions and continuous tracking of positions. Further, the company has in place a mechanism whereby the Audit Committee of the Board defines risk exposures, measuring them and defining appropriate actions to control the risk.

INTERNAL CONTROL SYSTEMS

The Company has a proper and adequate system of internal control commensurate with the size and nature of business. The internal control system is an integral component of the Company's corporate governance. The Company has in place a strong and independent Internal Audit Department responsible for assessing and improving the effectiveness of internal control and governance. Internal Audit focuses on operational as well as systems audit. The scope and authority of the Internal Audit function is defined in the Internal Audit Charter. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee.

Extensive programme of risk and transaction based internal audits cover all divisions, plants, branches and the different areas of operations.

The Audit committee of the Board is updated every quarter on major internal audit observations, compliances with accounting standards, risk management and control systems. The Audit committee assesses the adequacy and effectiveness of inputs given by the internal audit and suggests improvement for strengthening the control systems. Further, the Company has an extensive budgetary control system, which is regularly examined by the management. Surya Roshni has well defined Management Information System with clear Organizational Structures and authorization levels for business transactions.

The Company's internal financial controls are quite adequate and operate effectively which ensures orderly and efficient conduct of its business, including adherence to its policies, safeguard its assets, prevent and detect frauds & errors, maintain accuracy and completeness of its accounting records and further enable it in the timely preparation of reliable financial information.

Surya also undertakes external audit for efficient audit and control for its branches and depots and also for specialized functions like taxations.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS

Surya Roshni is committed to create open and transparent HR policies that are focused on people and their capabilities. These policies foster an environment and enable them to deliver superior performance. Attracting quality talent and focusing on their development through training sessions helps them to improve their performance. The Company also motivates the employees to perform better. Talent recognition and retention has been the top priority.

The Management wishes to place on record, the excellent cooperation and contribution made by the employees, collectively called "SURYA PARIVAR" at all levels of the organization to the continued growth of the Company. The Company's industrial relations continued to be harmonious during the year under review. The number of personnel directly employed by the company was 3323 as on 31st March, 2016.

CORPORATE SOCIAL RESPONSIBILITY

The CSR movement in Surya Roshni is based on the core belief of compliance of social and ecological responsibilities. Corporate social responsibility is basically a continuous ongoing process whereby the Company contributes for the betterment of society and a cleaner and greener environment.

"Surya Roshni Limited CSR Policy" describes and contains the Company's philosophy for delivering its responsibility as a corporate citizen and lays down the guidelines, process and mechanisms for undertaking socially useful programmes for welfare and sustainable development of the community at large. The key objectives are to eradicate hunger, poverty and malnutrition; Promoting health care; making available safe drinking water and Sanitation; Promoting education; enhancing vocational skills and livelihood enhancement projects. The Company prioritizes Women empowerment, by promoting home and hostels for women and orphans. It has also taken initiatives in reducing inequality faced by socially and economically backward groups; Animal welfare/animal care; Promoting Art & Culture; Contribution to Prime Minister Relief Fund; Rural development projects; and addressing environmental issues.

To attain the Company's Corporate Social Responsibility objectives in a professional and integrated manner, the Company discharged its responsibilities through the **Surya Foundation.**

In pursuance of this objective, the Foundation is working in the following areas:

- Adarsh Gram Yojana
- Development of Preventive and Cost Effective Health Systems of Naturopathy and Yoga
- Ideal Village Projects with emphasis on Literacy and Personality Development of Youth

During the year under review, the Company spent ₹ 134.86 lacs on corporate social activities being two percent of the average net profits of the company made during the three immediately preceding financial years.

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

CAUTIONARY STATEMENT

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

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

BOARD'S REPORT

To the Members,

Your Directors have pleasure in presenting the Forty Third Annual Report of the Company for the year ended 31st March, 2016.

1 FINANCIAL SUMMARY/HIGHLIGHTS, OPERATIONS, STATE OF AFFAIRS:

(₹ in Crores)

Particulars	2015-2016	2014-2015
Gross Income	3068.87	2857.10
Profit Before Interest and Depreciation	242.11	226.82
Finance Charges	96.43	109.00
Gross Profit	145.68	117.82
Provision for Depreciation	60.67	56.04
Net Profit Before Tax	85.01	61.78
Provision for Tax	22.96	7.69
Net Profit After Tax	62.05	54.09
Balance of Profit brought forward	377.40	334.58
Balance available for appropriation	439.45	388.67
Proposed Dividend on Equity Shares	4.38	4.38
Tax on proposed Dividend	0.89	0.89
Transfer to General Reserve	6.00	6.00
Surplus carried to Balance Sheet	428.17	377.40

In the fiscal year under review, the revenue from operations of your Company is ₹ 3068.87 crore as compared to ₹ 2857.10 crores last year register an increase of 7.41%. The Profit Before Tax stood at ₹ 85.01 crores as compared to ₹ 61.78 crores last year, registering an increase of 37.60%.

LIGHTING DIVISION

During the year under review, Lighting Division continued to innovate and expand product portfolio through its wide range of LED products. With its Luminaire range of LED company expand its market share considerably. During the year lighting division surpassed all the past records and achieved new milestone making it today the second largest lighting Company of the country, commanding a market share in excess of 25%.

To provide new dimensions to Lighting Division, company has appointed Chief Executive Officer (CEO) Lighting Operations of the Company during the year. His illustrious track record and value system brings multi fold revenue growth, cost leadership and significant performance improvement in company's lighting operations in time to come.

The performance of the division during the year shows good growth. Revenue from operation of the division increased to ₹ 1413.26 crores as compared to ₹ 1149.54 crores last year, an increase of 22.94% over the previous year. The higher sales have partly been accounted by new products and geographical expansion. The turnover of lighting division in the total turnover of the company has increased to 46% from 40%.

We became the first lighting company in India to introduce energy-efficient lighting solutions. Today, Surya ranked as one of the most respected and trusted brand in India for its Lighting products. Surya, offers wide range of LED products ranging from 0.5w to 25w Lamps, Down-lighters, LED Panels, LED Street lights & LED Hi-bays for Indoor, Commercial and Industrial Lighting sectors which are produced in-house after extensive R&D at its Noida based laboratory to suit Indian conditions. Many new products such as High Beam Angle LED Lamps, Color Change LED Lamps, New Range Down lighters, LED Torch with Dry Cell Battery Rechargeable etc. will also be introduced in near future to cater to the growing demand of the customers. This gives Surya an edge over its competitors.

The LED products add a great amount of colour & class as well as complimenting the existing range of our products which include CFL, Tube Light, GLS, Luminaries and Accessories, High Mast Lighting Systems, Lighting Poles etc.

During the year under review, Company has been awarded orders amounted to ₹ 155 crores (approx.) for supply of LED Bulbs, Street Lights and other lighting products from Energy Efficiency Services Limited (EESL) and other Public Sector Undertakings including NTPC & BPCL which includes orders for supply of 8.6 million LED Bulbs under Domestic Efficient Lighting Programme (DELP). Company had successfully executed orders within the time lines of the respective orders.

Company Lighting Division is not limited to Lighting Products only but also includes Fans, Home appliance and Consumer Durables in its segment. The acceptance of the brand Surya fans, Home Appliances and Consumer Durables was overwhelming amongst distributors, retailers as well as customers. During the year under review, Company achieved a sales of ₹ 130 crores through Fans and a sales of ₹ 30 crores from Home Appliances Business. Turning energy into happiness Surya, added value added and premium range of fans such as Plated fans, Kids fans, Under-lite fans, Ventura, Metallica all in premium Plated finish and even fans with LED in more than 15 designs during the year. Further, Surya ventured into Room Coolers on an experiment basis and sold decent quantity, totally against advance payment.

With government initiatives like building smart cities across India and structural shift in the lighting industry towards LEDs the company is poised to grow by leaps and bounds in years to come.

STEEL DIVISION

Steel Industry has witnessed a subdued environment world-wide from past several years and especially in India due to lack of activity in infrastructure sector and wide demand supply gap due to fallen prices of inventory and the impact has been visible on our 'less than expected' growth numbers.

However, Steel sector reflects positive signs of revival during the year globally. In India, Steel consumption significantly depends on the overall performance of the economy (GDP) and more specifically on investments made in fixed assets such as housing, infrastructure like railways, ports, roads, airports, etc. Anticipated increase in GDP will result in higher consumption and demand of steel products.

Bad times are good times. One can either learn to accept them and wait for them to end; or can challenge one's abilities to perform despite them. As a company that initiated its Steel business, close to four decades ago, we at Surya Roshni Limited clearly believe in a simple fact: that each downturn is followed by an upturn and vice-versa. Therefore, successful businesses are those, which concentrate their energies and resources to build a stronger foundation for creating long term value; and not merely worry about the uncontrollable factors or the short-term challenges.

During the year, in spite of lack of Institutional / Government tenders, Company's Steel division reflects positive signs of revival as volume increased by 16% during the year while the average selling prices lower by about 18% due to reduction in

steel prices. The revenue from operations of the divisions stood at ₹ 1655.60 crores as compared to ₹ 1707.56 crores in the last financial year despite tough competition and squeezed margins in the market.

Surya is a leader in the steel tube industry in India with products for agriculture, infrastructure, oil & gas and construction sectors. Company products are approved by API (American Petroleum Institute) for oil & gas sector. During the year company at its Bahadurgarh plant also started manufacturing Square and Rectangular Section (hollow) pipes, Door frames etc. which are used for civil structures, furniture, transmission tower and has many other applications as well.

Operating in a cyclical industry such as steel, it was important for us to invest and to explore opportunities at the right time. To achieve economy of scales particularly in logistics, Company had decided to make direct investment of ₹ 66 crore (approx.) for setting up manufacturing unit for M.S. Black and GI Pipes at an installed capacity of 7500 M.T per month at Hindupur Dist. Ananthapuramu, Andhra Pradesh to cater South India Steel Tube market.

Upbeat by Government policies at the centre and in particular its recent decision to increase Import duty and Safe-guard duty by fixing Minimum Import Prices (MIP) for steel will further boost sentiments of steel pipe sector in a big way. Government programs such as Development of 100 Smart Cities, Skill India, Renewal and Revival of road / rail infrastructure projects will further provide a big boost to the Company's Steel Division in times to come.

FUTURE PROSPECTS

LIGHTING DIVISION

The Indian Lighting Market is currently around ₹ 15,000 Crore in size and is expected to grow at a CAGR of 17% to over ₹ 28,500 Crore by FY 2020. Our industry is in the middle of a transformation creating disruption and, therefore, opportunities for growth. The growth drivers are:

- Increasing population - expected to increase by around 8 Crore till 2020
- Urbanization where access to electricity and per capita usage of light is high.
- Government initiatives in the migration to more energy-efficient & green technologies like LED, Development of Smart Cities, and Make in India.
- Consumer Awareness

Surya has ranked as one of the most respected and trusted brands in India for lighting products. At Surya, the excellence of its wide-ranging solutions is founded on a strategic mechanism of backward integration, unmatched corporate governance and excellent management skills. What's more, a world class manufacturing infrastructure, with fully integrated plants in Kashipur (Uttarakhand) and Malanpur near Gwalior (M.P) complemented by a state-of-the-art R & D center at Noida add credibility to the brand's stature as being synonymous to lighting.

India's LED Lighting forecast is to reach ₹ 10,000 Crores market by 2020. Government initiatives to replace incandescent bulbs with LED bulbs, increasing energy demand supply gap, declining prices are the factors driving the growth of LED lighting in India. Street lighting application accounts for majority of the market revenues in Indian LED lighting market. Visionaries at Surya Group had visualized the crucial importance of LED lighting long before and commenced preparations in this direction. The group started in-house production of LED products and presently manufactures almost all the products, backed by strategic marketing initiatives and a strong trade channel.

Surya has registered a CAGR of 25% in LED / Lighting as compared to the Indian lighting market CAGR of 17%. LED market is growing at a high speed of 60% whereas Surya has registered 300% growth with wide range of products launched. Its LED product portfolio has both indoor and outdoor luminaires. Apart from these, now-a-days LED Lamps are fast replacing the conventional Lamps (incandescent). Keeping this in mind, Surya Roshni has come out with LED Lamps. They are energy efficient and environment friendly as well as power savers. The LED lamps save up to 85% energy and have a long life-span of 25000 hours. Surya's LED product offerings include LED Candle Lamps, LED Colored Lamps, LED Lamps, Down-lighters and LED Street Light Fittings. The present product portfolio in both LED-based and Conventional products gives us a competitive advantage and One-Stop solution to our customers.

We want customers to think of Surya when they think of Lighting and to do so we will remain at the forefront of LED technological development and will continue to innovate in premium LED lamp and Luminaire ranges. Furthermore, we will aggressively drive cost-downs in Conventional as well as LED range to reach the critical retail price points that will drive the required volume to realize further economies of scale. We will continue to be first in the market with high quality light at the best possible price points.

We continue to shift our mindset and behavior to build a deeply embedded culture of growth and performance. This mindset will make us the fastest and the best in the industry.

Our Brand Strength, Pan India presence and a Committed Team we are confident to achieve our goals of being dominant Lighting Player in India.

LUMINAIRE BUSINESS GROUP ("LBG")

India is poised to emerge as the largest market for lighting systems based on LEDs (light-emitting diodes), thanks to our Prime Minister Shri Narendra Modi led government's UJALA (Unnat Jyoti by Affordable LEDs for All) Scheme for replacing all in-efficient bulbs with energy efficient lamps. With India selling 770 million LED bulbs every day, the country will soon become the LED capital of the World.

Today, 12% of all LED lighting systems sold in the world is consumed in India. Most of the lighting needs in domestic and public sectors are met by in-efficient incandescent or CFL bulbs. The UJALA Scheme aims at replacing about 77 crore in-efficient bulbs in the country with LEDs.

LED business is the order of the day and Surya LBG has added a host of LED products in it's product portfolio. Surya, present LED share is around 70% of the total lighting turnover in the luminaire segment. LBG is well equipped to meet the challenges of LED technology and the ever increasing customer expectations. The complete range of products including LED products helps us in providing the much desired total lighting solution. The most advanced Surya R&D centre ensures that highly efficient and top quality products are delivered.

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

Current Financial Year 2016 -17 is a promising year for LBG with major focus on LED business, EPC business and major government and industrial segment. LBG is well poised to register a healthy growth both in top line as well as bottom line.

RESEARCH AND DEVELOPMENT CENTRE

Surya, being the leader of Lighting Industry in India, has conclusively embarked upon bringing a revolution in the world

of lighting by setting up Surya Technology & Research Centre (STIC), at Noida, a state of the art lighting laboratory & research centre. It is a jewel in the crown of Surya. STIC houses the most advanced photometric laboratory in India with a High speed automatic Mirror Gonio–Photometer from LMT, Germany --- the best equipment available for measurement of light sources, luminaires & optical design of lighting systems.

For the last few years, STIC Noida has focused on research of LED Luminaries and has created a wide portfolio of products, for both indoor & outdoor applications.

Since all LED systems comprise of electronics design in its core, with thermal, optical and mechanical design, STIC has adequately invested in expert human resource and equipment's for design and testing. STIC has computer aided design (CAD) facilities with advanced software's for thermal and mechanical simulations. Luminaires testing facilities under extreme Thermal, Mechanical, Environmental conditions and all kinds of Electrical & Safety parameters including surge conditions, are available at STIC. Recently some new and advanced equipment's like temperature regulated ovens and high surge generators are added to the already existing list of test equipment's.

STIC has been recognized as an R & D Centre by DSIR (Department of Scientific & Industrial Research, Ministry of Science & Technology) and also it has been listed as one of the best testing laboratories in India by BEE (Bureau of Energy Efficiency), for the measurement complying BIS Standard / International Standard of LED Lighting systems. Further Photometric Laboratory and Testing is NABL accredited. Last but not least STIC, is a Green Building with LEED Platinum certification and process of accreditation is in process.

With all this, Surya is proliferating with the Research, Design & Development of the most energy efficient, safe, reliable & environment-friendly lighting products and providing guidance and direction towards evolving into a "Green India".

FAN DIVISION

Saving energy is the mantra for today as the nation requires power for development and energy saved is energy generated. Energy efficient fans are the order of day today. Surya, is the name reckoned for energy efficient domestic and commercial fan solution market.

2015-2016 was the good year for fans sales as company which has launched Surya Fans 2 years back achieved a sales of ₹ 130 crores during the year. The acceptance of the brand Surya fans was good amongst distributors, retailers as well as customers.

Company who initially started with standard and economy segment in Ceiling fans and complete range of table, wall, pedestal and exhaust fans , and encouraged by the success and demand in the market, company added value added and premium range of fans such as Plated fans, Kids fans, Under-lite fans, Ventura, Metallica all in premium Plated finish and even fans with LED in more than 15 designs. Surya, Fans with LED, is controlled by remote. Wherein the customer can keep the Fan or LED at off or on mode and can also control the speed of fan with remote. Another favorite are Fans with under light Chandelier option with speed, ON/OFF and light controlled by remote. These will give us higher turnover, premium image in the market and higher contribution and help us in increasing the contribution by 2 % in current year.

Surya also introduced new models of Energy Efficient and BEE Five star rated fans which has enabled us to participate in government tenders, DGS&D and CSD in coming years. Company set a separate target of ₹60 crores for government business in the year 2016-2017. This is besides ₹ 200 Crore target set for trade sales. Surya, fans are designed to perfection and attractively styled, keeping in mind the requirements of the modern-day homes based on findings of consumer research and insights.

HOME APPLIANCES AND CONSUMER DURABLES

Surya, Home Appliances which launched 15 month back have achieved a sales of ₹ 30 crores. During the year, Surya ventured into Room Coolers on an experiment basis and sold decent quantity, totally against advance payment. This was after launch of Water Heaters, where we successfully sold 28000 water heaters in first year only. New models of Mixer, Irons and some kitchen appliances also were introduced during the year.

Surya, Home Appliances and consumer durables are accepted with great enthusiasm by the trade and company plans to get ₹ 70 crore turnover from water heaters and Cooler segments and ₹ 30 crores form Kitchen appliances and Irons in year 2016-2017.

STEEL DIVISION

India has become the global pipe manufacturing hub primarily due to the benefits of its lower cost, high quality and geographical advantages. The global accreditations and certifications that the Indian companies possess have made them preferred suppliers for many leading oil and gas companies in the world and particularly those in Middle East, North America and Europe. Since. the global economy returned to sustained growth, the domestic pipe industry is expected to accelerate into high growth trajectory.

Our demand forecasting is derived from several upcoming pipeline projects expected in India and other countries along with the normal demand for replacement of existing pipe lines. With, demand for steel pipes such as seamless pipes, HSAW, LSAW pipes is on a rise and steel sector will once again regain its old glory.

Surya, the largest GI pipe manufacturer in India understands in-depth the needs of its customers which guide it in adapting its technology to suit their new requirements and thus producing ½"- 104" Dia- pipes for agriculture, household and Oil & Gas sector. It produces API pipes for India and for exports and currently introduced section pipes in Steel Range to increase the product basket to achieve higher market share.

Surya, also a leading manufacturer of ERW pipes which are used in water transportation, Oil & gas, construction, fire- fighting, irrigation and water industry. It also manufactures CR sheets which are used in electrical, automobile, furniture and home appliances.

In spite of sale of Surya products at premium in South India, Surya Roshni, Steel manufacturing facilities have been largely concentrated in the northern and central India. Due to heavier, logistics cost occurred in selling Company products in Southern India and to achieve economy of scales, Company is now setting sights to expand its reach to southern markets by making direct investment of ₹ 66 crore (approx.) for setting up manufacturing unit for M.S. Black and GI Pipes at an installed capacity of 7500 M.T per month at Hindupur Dist. Ananthapuramu, Andhra Pradesh.The project would not only enable us to offer high value products to key sectors but also would enable us further expand its share in the southern India markets.

Further, In order to meet the growing demand of Large Diameter Pipes (SAWH), the group has set up Surya Global Steel Tubes Limited (an associate company) situated in west coast of India at Anjar near Bhuj in the state of Gujarat near International sea port, Mundra & Kandla. It is engaged in manufacturing of

Spiral Welded Pipes and ERW pipes and due to its world-class machines and strategic location in close proximity to Kandla and Mundra Port it majorly caters to the export business of the Group, and exports to over 25 countries across the Globe. It is rightly recognized as "Jewel in the Crown of Surya Roshni" as even in subdued environment it achieved a double digit growth both Top line and Bottom line during the year. Company had invested an amount of ₹ 50 crore in its Associate Company comprising 26.99% of its total share capital.

Furthermore, our commitment to deliver world class products to our clients/customers in the shortest- time lag enabled us to establish presence all concerns of India and globally.

The increased emphasis and thrust given by the Government on infrastructure and hosing sectors and in particular improving water management and urban amenities, steel pipes have emerged as the most reliable, cost efficient and durable option which will again benefit the pipe industry. Mention must be made of the several initiatives taken by the Indian government and in particular its recent decision to increase Import duty and Safe-guard duty by fixing Minimum Import Prices (MIP) for steel will further boost sentiments of steel pipe sector as a whole.

2 EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS

As per the provisions of Section 134(3)(I) of the Companies Act, 2013, no material changes or commitment affecting the financial position have been occurred between the end of the financial year of the Company to which the financial statements relates to the date of the report.

3 CHANGE IN THE NATURE OF BUSINESS, IF ANY

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

4 DIVIDEND

The Board considering the Company's performance and financial position for the year under review, recommended payment of dividend of Re. 1.00 per equity share of ₹ 10/- each on the ₹ 43,83,12,500 Equity Share Capital of the Company, for the year ended 31st March, 2016 subject to the approval of the members at the ensuing Annual General Meeting.

Together, with Corporate tax on dividend, the total outflow on account of equity dividend will be ₹ 5.34 crores.

The dividend on equity shares, if approved at the Annual General Meeting, will be payable to those shareholders whose names appear on the Company's register of members on 09th September, 2016. In respect of shares held in dematerialised form, the dividend shall be payable on the basis of beneficial ownership as at the end of 05th September, 2016, as per the details furnished by National Securities Depository Ltd./ Central Depository Services (India) Ltd. for the purpose, as on that date.

5 BOARD MEETINGS

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

During the last financial year, our Board met four times, on 30th May, 2015; 13th August, 2015; 6th November, 2015 and 10th February, 2016.

6 DIRECTORS AND KEY MANANGERIAL PERSONNEL

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

Change in Directorship

During the year, under review Sh. Rajeev Kumar Sinha has been substituted as a Nominee Director of IDBI Bank Ltd w. e. f 22nd August, 2015 in place of Sh. Dev Dutt Das on the Board of the company. Your Directors welcome Sh. Rajeev Kumar Sinha and at the same time placed on record the high sense of appreciation for the wise counsel and valuable services rendered by Sh. Dev Dutt Das during his tenure on the Board.

During the year under review, Shri Utkarsh Dwivedi, whole-time director has resigned from the board of the Company w.e.f 25th December, 2015. Your Directors placed on record the high sense of appreciation for the wise counsel and valuable services rendered by him during his tenure on the Board.

Appointment of Woman Director

During the year under review, shareholders in its 42nd Annual General Meeting of the Company held on 11th September, 2015 at Prakash Nagar Sankhol, Bahadurgarh – 124507 (Haryana) approved the appointment of Dr. Salila Tiwari as Director (Woman) of the Company w.e.f 31st March, 2015 liable to retire by rotation as per the provisions of Section 152 of the Companies Act, 2013 and in compliance of Clause 49(II)(A) of Corporate Governance of the Listing agreement read with SEBI Circular dated 15th September, 2014.

Appointment of Key Managerial Personnel (KMPs)

To provide new dimensions to Lighting Division, company has appointed Mr. Ramanjit Singh as Chief Executive Officer (CEO) Lighting Operations of the Company during the year. His illustrious track record and value system brings multi fold revenue growth, cost leadership and significant performance improvement in company's lighting operations in time to come. Further, as per the provisions of section 203 of the Companies Act, 2013, following additional official as named below is appointed (identified) as Key Managerial personnel of the Company during the year under review.

Name of the official(s)	Key Managerial Personnel (KMPs)
Sh. Ramanjit Singh	C.E.O – Lighting Operations

7. DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

The Company has received necessary declaration from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013 that the Independent Directors of the Company meet with the criteria of their Independence laid down in Section 149(6).

FAMILARISE PROGRAMME FOR INDEPENDENT DIRECTORS

In view of the provisions of Regulation 25(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013, a familiarise programme for Independent Directors was organised during the year to make them aware of SEBI & Corporate Laws and recent developments. A detailed familiarisation programme was presented by Corporate Professionals, a leading firm of Corporate law Consultants which was keenly participated by every Independent Director on the Board of the Company and express happiness over the same. The detailed familiarisation programme for Independent Directors was uploaded on the website of the company at the following link:
http://www.surya.co.in/2015/downloads/SEBI_CorporateLaw.ppt

8. COMPOSITION OF AUDIT & OTHER COMMITTEES

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

Names of the Members	Director Identification No.	Category
Sh. K. K. Narula	00098124	Chairman; Independent – Director
Sh.Tara Sankar Bhattacharya	00157305	Member; Independent – Director
Sh. Utpal K Mukhopadhyay	02766045	Member; Independent – Director
Sh. Mukesh Tripathi	01951272	Member; Non Independent – Director

All members of audit committee are financially literate and Shri K K Narula, Shri T S Bhattacharya and Shri U K Mukhopadhyay have accounting and related financial management expertise. Audit Committee as formed above meet the criteria as provided in Regulation 18 read with Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also meet the provisions of Section 177 of the Companies Act, 2013.

The Audit Committee is responsible for overseeing of the company's financial reporting process, reviewing the quarterly/ half-yearly/ annual financial statements, reviewing with the management on the financial statements and adequacy of internal audit function, recommending the appointment / re-appointment of statutory auditors and fixation of audit fees along with reviewing and monitoring the auditor's independence and performance, reviewing the significant internal audit findings / related party transactions, reviewing the Management Discussion and Analysis of financial condition and result of operation. Matters to be included in Director's Responsibility Statement form part of the Board Report, compliance with listing and other legal requirements relating to financial statements, scrutiny of inter-corporate loans and investments, valuation of undertaking or assets of the company. The Committee acts as a link between the management, external and internal auditors and the Board of Directors of the Company. The Committee discussed with the external auditors their audit methodology, audit planning and significant observations / suggestions made by them. The Committee also discussed major issues related to risk management and compliances and review the functioning of Whistle Blower mechanism.

As per Rule 6A of the Companies (Meeting of Board and its Powers) Rules, 2014 and in compliance to regulation 23(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 committee to recommend to grant Omnibus approval for proposed related party transactions which are foreseen and for unforeseen transactions as per the framed specified criteria on an annual basis

In addition, the Committee has discharged such other role/ function as envisaged under Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (referred to as' Listing Regulations' with the Stock Exchange) and the provisions of Section 177(4) of the Companies Act, 2013.Audit Committee of the Company discharged its role and duties with great commitment and further any recommendations made by the Audit committee within the terms of its reference is considered and approved by the Board accordingly. No recommendation of the Audit Committee is turned down during the year under review.

Nomination and Remuneration Committee

The composition of the Committee is as follows:

Name of the Member	DIN	Position	Category
Shri K K Narula	00098124	Chairman	Non-Executive, Independent
Shri Ravinder Kumar Narang	02318041	Member	Non-Executive, Independent
Shri Mukesh Tripathi	01951272	Member	Non-Executive, Non-Independent

The Nomination and Remuneration Committee is responsible for-

- Appointment of the directors and key managerial personnel of the Company and
- Fixation of the remuneration of the directors, key managerial personnel (KMP's) and one level below the KMPs.

In addition, the Committee discharged such other role/function as envisaged under Regulation 19 read with Part D clause A of Schedule II of SEBI (Listing Obligations and Dislosure Requirements) Regulations, 2015 and as per the provisions of Section 178 of the Companies Act, 2013.

Remuneration Policy

Remuneration Policy as framed by the Committee and approved by the Board keeping in view the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 read with Part D clause A of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The policy inter alia provides for the following :

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

EVALUATION CRITERIA

As per the provisions of section 178(2) of the Companies Act, 2013 and Clause VII & VIII of Schedule IV of the Act read with SEBI (Listing Obligations and Disclosure Requirements) 2015, Nomination and Remuneration committee carried out annual performance evaluation of Director's according to their roles and duties on the Board of the Company and in particular considered the following aspects -

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

Stakeholder's Relationship Committee

Composition / Name of members and chairperson

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

Name of the Member	DIN	Position	Category
Shri K K Narula	00098124	Chairman	Non-Executive, Independent
Shri Ravinder Kumar Narang	02318041	Member	Non-Executive, Independent
Shri Raju Bista	01299297	Member	Executive,Non-Independent

9. WHISTLE BLOWER POLICY (VIGIL MECHANISM)

As per the provisions of Section 177(9) & (10) of the Companies Act, 2013, Company promotes ethical behaviour in all its business activities and has put in place a mechanism of reporting illegal or unethical behaviour. The Company has a Whistle Blower Policy (Vigil mechanism) wherein the directors and employees are free to report violations of laws, rules, regulations or unethical conduct, actual or suspected fraud or violation of the company's code of conduct or ethics policy to the nodal officer. The confidentiality of those reporting violations is maintained and they are not subjected to any discriminatory practice. The Company will oversee the mechanism through the Audit Committee and no personnel have been denied access to the Audit Committee. The Whistle Blower policy of the Company may be assessed on the website of the company at the following link: *http://www.surya.co.in/2015/downloads/whistle-blower-policy.pdf*

10. DIRECTOR'S RESPONSIBILITY STATEMENT

In pursuance of section 134 (5) of the Companies Act, 2013

The Board of Directors of the Company confirm:

i. that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanations relating to material departures;

ii. that the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

iii. that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. that the Directors had prepared the annual accounts on a "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 systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

11 INFORMATION ABOUT THE FINANCIAL PERFORMANCE / FINANCIAL POSITION OF THE ASSOCIATE COMPANY

Company has a non-listed Indian Associate Company named as Surya Global Steel Tubes Limited and an amount of ₹ 50,00,00,000 is invested in the said company as on 31st March, 2016.

Surya Global Steel Tubes Limited has grown in leaps & bounds within India as well as overseas. In a span of 6 years the company almost doubled its volume in the domestic front signifying care & ambition of the company with regard to serving its domestic customers. Due to the world class facilities available at its Anjar Plant near Bhuj, Gujarat, exports got additional boost due to cost efficiencies and logistical advantages. Company, not only better equipped to maintain the market share in domestic markets but also serving critical requirements of High End markets like USA, Europe, Australia at the same time.

Statement containing salient features of the financial statement of associate company in Form AOC – 1 form part of the Annual Report. Pursuant to general circular no. 04/2016 dated 27th April, 2016 issued by Ministry of Corporate Affairs ('MCA') Consolidation of Financial statements is not required for the Financial Year 2015-16. Further during the year under review, no company have become / ceased to be our subsidiary / Associate Company.

12 EXTRACT OF ANNUAL RETURN

As per the provisions of section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT 9 as per **Annexure – 1** forms part of this Board Report.

13 AUDITORS AND AUDIT REPORT

STATUTORY AUDITORS

The Statutory Auditors, M/s Sastry K. Anandam & Company, Chartered Accountants (Firm Registration no-000179N) hold office till the conclusion of the ensuing Annual General Meeting and are recommended for re-appointment for a period of one year i.e. from the conclusion of the ensuing Annual General Meeting to the conclusion of the next Annual General Meeting. The Certificate from the auditors have been received to the effect that their re-appointment, if made, would be in accordance with the conditions as specified under section 139(1) of the Companies Act, 2013 and they are not disqualified for re-appointment.

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 remarks.

COST AUDITOR

The Board has appointed M/s R J Goel & Company (a Cost auditor firm) as Cost Auditors for conducting the audit of the cost records of the Company for the financial year 2015-16.

SECRETARIAL AUDITOR:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 , the Board has appointed Messrs S G S Associates , a firm of Company Secretaries in Practice, to conduct Secretarial Audit of the Company for the financial year 2015-16. The Secretarial Audit Report for the financial year ended March 31, 2016 is annexed herewith and marked as **Annexure II** to this report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

14 CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:

Information on Conservation of Energy , technology absorption, foreign exchange earnings and outgo, is required to be given pursuant to the provisions of section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 is annexed hereto and marked as **Annexure – III** and form part of this report.

15 DETAILS RELATING TO DEPOSITS, COVERING THE FOLLOWING

(a)	Accepted during the year	:	NIL
(b)	Remained unpaid or unclaimed as at the end of the year	:	NIL
(c)	Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved		
	i. at the beginning of the year	:	NIL
	ii. maximum during the year	:	NIL
	iii. at the end of the year	:	NIL
(d)	Details of deposits which are not in compliance with the requirements of Chapter V of the Act	:	NIL

Note :

As per the provisions of Section 74(1)(b) of the Companies Act, 2013, Company had made pre- payments, re-payments or outstanding unclaimed deposits on or before 31st March, 2015 to all the public depositor of the Company.

At the close of the year 56 depositors aggregating to ₹ 23.15 lakhs to whom cheques were issued but not cleared. Since then cheques aggregating to ₹ 2.20 lakh have been claimed.

16 SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS:

There are no significant material orders passed by the regulators / Courts / Tribunals which impact the going concern status of the Company and its future operations during the year,

17 INTERNAL FINANCIAL CONTROLS

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

The company has in place a strong and independent Internal Audit Department responsible for assessing and improving the effectiveness of internal financial control and governance. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee.

18 PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

As per the provisions of section 186(4) read with Rule 11 of the Companies (Meetings of Board and its Powers) Rules, 2014 Company has not granted any loan, Guarantee or security provided or made any investments during the year under review.

However, as per the provisions of Section 186 of the Companies Act, 2013 read with Regulation of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, members of the Company through Special Resolution passed in its 41st Annual General Meeting of the Company held on 5th September, 2014 at Prakash Nagar Sankhol, Bahadurgarh – 124507 (Haryana) have accorded their assent that Company continue to provide financial support by way of providing guarantee(s) to Banks to the extent of ₹ 135 Crore in regard to financial support provided by banks to Surya Global Steel Tubes Limited (an Associate Company) till the repayment of said loans by Surya Global steel Tubes Limited. During the year the Term loan has been repaid by the Associate Company Surya Global Steel Tubes Limited and thus the guarantee provided by the company to the Bankers in respect of Associate ceased to exist.

19 RISK MANAGEMENT POLICY

In line with the provisions of Section 134(3)(n) of the Companies Act, 2013 and Regulation 17(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Company have developed a Risk Management Policy for ensuring sustainable business expansion with stability and to promote an upbeat approach towards risk mitigation and minimization. The main objectives of the Risk Management Policy are:

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

Board assess several types of risks which the company is exposed to from time to time which include the following:

A. Financial Risks: These risks are related to flux and movement of money and capital in the Company. This will include cash flow, working capital and cost of funds.

B. Technology Risks: Businesses of Surya Roshni is subject to frequent and revolutionary technological changes as new products are being developed in this segment. This also leads to risk of obsolescence of machinery as well as inventory.

C. Business Competition: Both Steel and Lighting divisions of Surya face stiff competition from established companies as well as new entrants in the market in terms of pricing and penetration in markets.

D. Operational Risks: These risks are related to business operations, identification of vendors, service delivery of vendors, realisation from debtors and business activity disruptions.

E. Risk of Forex Fluctuation: Imports and Exports of material constitute integral part of Surya's operations. Frequent and steep fluctuations may impact the profitability of the Company.

F. Human Resources Risk: These risks relate to availability of adequate talent for running the business operations. It also includes establishment and understanding of roles and responsibilities of key personnel.

G. Risk of Labour Unrest: Industrial relations should be and remain cordial at works in order to achieve desired production at plants.

H. Regulatory & Compliance Risks: Risks due to inadequate compliance of regulations and contractual obligations are covered here. Changes in Regulatory framework may also adversely affect business plans.

At Surya, the Risk Management is being integrated with setting of Business Strategies. Risk management is managing all material risks in an appropriate manner by designing and implementation of policies and systems around major business processes and assigning roles and responsibilities to process owners. Major steps in the Framework are as under :

a. Planning & Strategizing

b. Identification of Major Risks

c. Assessment of Risks and Assignment of Responsibilities

d. Development of Mitigation Plans

e. Monitoring & Reporting

The Board of the Company periodically review and evaluate the risk management system of the Company so that the management controls the risks through properly defined network. Head of Departments shall be responsible for implementation of the risk management system as may be applicable to their respective areas of functioning and report to the Board and Audit Committee.

No risks threatening the existence of the organization have been identified. However there are other risks against which adequate mitigation plans are prepared.

20 CORPORATE SOCIAL RESPONSIBILITY POLICY

To attain Company's Corporate Social Responsibility objective Board has constituted Corporate Social Responsibility Committee (referred to as "CSR Committee") as per the provisions of Section 135 of the Companies Act, 2013.

Composition / Category / name of members and chairperson

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

S. No.	Name of the Member	DIN	Category
1	Shri Jai Prakash Agarwal	00041119	Member
2	Shri Raju Bista	01299297	Member
3	Shri K K Narula	00098124	Chairman
4	Shri Mukesh Tripathi	01951272	Member

During the last financial year four CSR Committee meetings were held on 30th May, 2015 ; 13th August, 2015 ; 6th November, 2015 and 10th February, 2016.

To attain the objectives of Corporate Social Responsibility in a professional and integrated manner CSR Committee framed the Corporate Social Responsibility Policy of the Company (referred to as "CSR Policy").

"Surya Roshni Limited CSR Policy" framed as per the provisions of Section 135 and Schedule VII of the Companies Act, 2013 , describes and contains the Company's philosophy for delivering its responsibility as a corporate citizen and lays down the guidelines, process and mechanisms for undertaking socially useful programmes for welfare and sustainable development of the community at large. The key objective is to eradicating hunger, poverty and malnutrition; Promoting health care; making available safe drinking water & Sanitation; Promoting education; enhancing vocational skills & livelihood enhancement projects; Women empowerment; Promoting of home and hostels for women and orphans; Reducing inequality faced by socially and economically backward groups; Animal welfare /animal care; Promoting Art & Culture; Contribution to Prime Minister Relief Fund; Rural development projects; and addressing environmental issues.

Company discharged its responsibilities through **Surya Foundation** a social NGO established in 1992 with established track record of more than 22 years, to undertake CSR related activities and further is an eligible implementing agency in accordance with the provisions of section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The CSR projects or programs or activities undertaken by the Company as per the Company's CSR Policy in India only which includes Adarsh Gram Yojana, Naturopathy, Health Camps. The Company prefer to take up projects for spending the amount earmarked for CSR at local areas and regions where the Company operates.

During the year under review, Company spends ₹ 134.86 lakhs on corporate social activities being two percent of the average net profits of the company made during the three immediately preceding financial years.

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

Company had spent during the year an amount of ₹ 134.86 lakhs on corporate social activities being not less than two percent of the average net profits of the company made during the three immediately preceding financial years as required under the provisions of Section 135(5) of the Companies Act, 2013. No amount was left unspent during the year under review on corporate social responsibility activities. Annual Report on CSR activities is annexed as **Annexure IV** to the Board's Report.

21 RELATED PARTY TRANSACTIONS

Particulars of contracts or arrangements or transactions at arm's length basis with Related parties referred to in Section 188(1) in Form AOC- 2 is provided in **ANNEXURE – V** to the Board's Report.

As per the requirements of section 188 of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 read with Rule 6A of the Companies (Meeting of Board and its Powers) Rules, 2014 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Board has framed Policy on Materiality of Related Party Transactions and also on dealing with Related Party Transaction, to ensure the proper approval and reporting of transactions between the Company and its Related Parties.

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

The policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at the following link *http://www.surya.co.in/2015/downloads/RPT-Policy.pdf*

Your Directors draw attention of the members to Note No. 32.1 to the financial statement which sets out related party disclosures.

22 ANNUAL EVALUATION OF DIRECTORS AND BOARD AS A WHOLE

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Clause VII & VIII of Schedule IV of the Act and Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 referred to as the "Listing Agreement", Nomination and Remuneration Committee ("the Committee") has formulated "Nomination and Remuneration Policy" for Directors, Key Managerial Personnel (KMPs) and other employees and further the "Performance Evaluation Policy has been devised for performance evaluation of Independent Directors, Board, Committees and other Individual Directors.

On the basis of the recommendation received from Nomination and Remuneration Committee in regard to performance evaluation of Non- executive Directors including the chairman of

the Company and the Board as a whole, Independent directors at its meeting review the -

- Evaluation of the Performance of the Non – Independent Directors and the Board as a Whole.
- Evaluation of the performance of the Board Committees including Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Stakeholders Relationship Committee.
- Evaluation of the Performance of the Chairman of the Company taking into account the views of Executives and Non-Executive Directors.
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

A separate exercise was carried out to evaluate the performance of individual Independent Directors by the Nomination and Remuneration Committee and submit its recommendation to the Board.

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

The Board on the basis of the report submitted by the Nomination and Remuneration committee and Independent Directors in regard to performance evaluation of Independent Directors, Board, Committee and other Individual directors evaluate its own performance and of its committees and of the Independent Directors as per the provisions Section 134(3)(p) and Clause VIII of Schedule IV of the Companies Act, 2013. Directors expressed deep satisfaction with the entire performance evaluation process.

23 PARTICULARS OF EMPLOYEES :

The information required pursuant to Section 197 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided on request. In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered office of the Company during business hours on all working days of the Company up to the date of the ensuing Annual General Meeting. If any member is interested in obtaining the copy thereof, such Member may write to the Company Secretary in this regard.

24 LISTING WITH STOCK EXCHANGES:

The equity shares of the company were listed on the following Stock Exchanges during the financial year 2015-16:

The Stock Exchange, Mumbai Rotunda Building, Dalal Street, Fort, Mumbai – 400 001.	**The National Stock Exchange of India Ltd.** Exchange Plaza, Bandra-Kurla Complex, Bandra, Mumbai – 400 051.

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

The company has paid the Annual Listing Fees to both the Stock Exchanges for the Financial Year 2015-16 and 2016-17.

25 CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION

Company has taken adequate steps to adhere to all the stipulations laid down in Regulations 17 to 27 read with Schedules of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 "Listing Agreement". A report on Corporate Governance is provided in **Annexure – VI** and form part of this Report.

Certificate from the Statutory Auditors of the company confirming the compliance with the conditions of Corporate Governance as stipulated under Regulations read with Schedules of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached to this report.

Company believes that its Members are among its most important stakeholders. Accordingly your Company's operations are committed to the pursuit of achieving high levels of operating performance and cost competitiveness, consolidating and building for growth, enhancing the productive assets and resource base and nurturing overall corporate reputation. Your Company is also committed in creating values for its other stakeholders by ensuing that its corporate actions positively impact the socio-economic and environmental dimensions and contribute to sustainable growth and development.

BOARD DIVERSITY

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

26 GENERAL

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

As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 referred to as the Listing Agreement with the Stock Exchanges, the compliance certificate from Chairman, Managing Director and Executive Director & Group CFO is given as **Annexure – VII** to the report.

27 ACKNOWLEDGEMENTS

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

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

for and on behalf of
the Board of Directors

J P AGARWAL
CHAIRMAN
DIN - 00041119

Place : New Delhi
Dated : 27th May, 2016

ANNEXURE – I TO BOARD'S REPORT

EXTRACT OF ANNUAL RETURN as on the financial year ended on 31st March, 2016

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

I. REGISTRATION AND OTHER DETAILS

i)	CIN	L31501HR1973PLC007543
ii)	Registration Date	17th October, 1973
iii)	Name of the Company	SURYA ROSHNI LIMITED
iv)	Category / Sub-Category of the Company	Manufacturing
v)	Address of the Registered office and contact details	Prakash Nagar, Sankhol, Bahadurgarh – 124507 Haryana
vi)	Whether listed company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Mas Services Limited T- 34, 2nd floor Okhla Industrial Area, Phase – II, New Delhi – 110020 Tel No. – (011) 26387281 /82 /83 Email : info@masserv.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Pipes & Tubes	24106	43.39%
2	CR Strips	24105	12.03%
3	Lighting Products	27400	44.58%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name And Address of the Company	CIN/GLN	Holding/ Subsidiary / Associate	% of shares held	Applicable Section
1	Surya Global Steel Tubes Limited Padma Tower – 1, 3rd Floor, Rajendra Place, New Delhi	U28999DL2008PLC177870	Associate	26.99%	2(6)

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

I) Category wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
(a) Individuals/HUF	22,16,383	-	22,16,383	5.057	22,16,383	-	22,16,383	5.057	-
(b) Central Government	-	-	-	-	-	-	-	-	-
c) State Government	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	2,55,38,343	-	2,55,38,343	58.265	2,55,38,343	-	2,55,38,343	58.265	-
e) Banks /Financial Institutions	-	-	-	-	-	-	-	-	-
f) Any other (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (A) (1)	**2,77,54,726**	**-**	**2,77,54,726**	**63.322**	**2,77,54,726**	**-**	**2,77,54,726**	**63.322**	**-**
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-		-
b) Other Individuals	-	-	-	-	-	-	-		-
c) Bodies Corporate	-	-	-	-	-	-	-		-
d) Banks /Financial Institutions	-	-	-	-	-	-	-		-
e) Any other (specify)	-	-	-	-	-	-	-		-
Sub-Total (A) (2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**		**-**
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	2,77,54,726	-	2,77,54,726	63.322	2,77,54,726	-	2,77,54,726	63.322	-

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(B) Public shareholding									
(1) Institutions									
a) Mutual Funds	495	886	1,381	0.003	4,67,000	886	4,67,886	1.067	1.064
b) Banks / Financial Institutions	30,216	1,328	31,544	0.072	33,536	1,328	34,864	0.080	0.008
c) Central Government(s)	-	-	-	-	-	-	-	-	-
d) State Government(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	3,000	3,000	0.007	-	3,000	3,000	0.007	-
g) Foreign Institutional Investors	11,500	250	11,750	0.027	88,966	-	88,966	0.203	0.176
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Any other (specify) : Foreign Institutional Investors	-	-	-	-	65,392	250	65,642	0.150	0.150
Sub-Total (B) (1)	**42,211**	**5,464**	**47,675**	**0.109**	**6,54,894**	**5,464**	**6,60,358**	**1.507**	**1.398**
(2) Non-institutions									
(a) Bodies Corporate									
i) Indian	90,23,647	17,837	90,41,484	20.628	72,34,312	14,031	72,48,343	16.537	(4.091)
ii) Overseas	-	-	-	-			-	-	-
b) Individuals -									-
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	50,94,231	7,98,308	58,92,539	13.444	55,00,579	7,69,193	62,69,772	14.304	0.860
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	6,97,850	-	6,97,850	1.592	13,44,559	-	13,44,559	3.068	1.476
c) Any other (specify)		-					-	-	-
NRIs/OCB	1,87,364	6,251	1,93,615	0.442	1,99,116	6,251	2,05,367	0.469	0.027
Clearing Members	2,03,161	-	2,03,161	0.464	3,47,925	-	3,47,925	0.794	0.330
Trust	200	-	200	-	200	-	200	-	-
Sub-Total (B) (2)	**1,52,06,453**	**8,22,396**	**1,60,28,849**	**36.569**	**1,46,26,691**	**7,89,475**	**1,54,16,166**	**35.172**	**(1.398)**
Total Public Shareholding (B) = (B)(1)+(B)(2)	**1,52,48,664**	**8,27,860**	**1,60,76,524**	**36.678**	**1,52,81,585**	**7,94,939**	**1,60,76,524**	**36.678**	**-**
(C) Shares held by Custodians for GDRs & ADRs	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
GRAND TOTAL (A)+(B)+(C)	**4,30,03,390**	**8,27,860**	**4,38,31,250**	**100.00**	**4,30,36,311**	**7,94,939**	**4,38,31,250**	**100.00**	

(II) Shareholding of Promoters

Sl. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total shares of the company	% of shares pledged/ encumbered to total shares	No. of Shares	% of total shares of the company	% of shares pledged/ encumbered to total shares	
1	Jai Prakash Agarwal	18,39,416	4.197	-	18,39,416	4.197	-	-
2	Urmil Agarwal	2,10,431	0.480	-	2,10,431	0.480	-	-
3	Vinay Surya	1,66,536	0.380	-	1,66,536	0.380	-	-
4	Pankaj Investments Limited	9,69,348	2.212	-	9,69,348	2.212	-	-
5	Goel Die Cast Limited	18,80,729	4.291	-	18,80,729	4.291	-	-
6	Viksit Trading & Holding Pvt Ltd	2,37,346	0.541	-	2,37,346	0.541	-	-

Sl. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total shares of the company	% of shares pledged/ encumbered to total shares	No. of Shares	% of total shares of the company	% of shares pledged/ encumbered to total shares	
7	Gargiya Finance & Investment Pvt. Ltd	5,22,487	1.192	-	5,22,487	1.192	-	-
8	Lustre Merchants Pvt. Ltd.	16,22,394	3.701	-	72,394	0.165	-	(3.536)
9	Sahaj Tie-up Pvt. Limited	19,16,250	4.372	4.335	31,16,250	7.110	4.335	2.738
10	Shirin Commodeal Pvt Ltd	20,98,750	4.788	4.687	20,98,750	4.788	4.687	-
11	S M Vyapaar Private Limited	19,70,000	4.494	1.369	19,70,000	4.494	2.738	-
12	Diwakar Marketing Private Limited	56,37,500	12.862	10.837	56,37,500	12.862	10.837	-
13	Shreyansh Mercantile Private Limited	31,78,000	7.251	-	31,78,000	7.251	-	-
14	Cubitex Marketing Private Limited	47,61,000	10.862	-	48,61,000	11.090	-	0.228
15	Jits Courier & Finance Private Limited	7,44,539	1.699	-	9,94,539	2.269	-	0.570
	TOTAL	**2,77,54,726**	**63.322**	**21.227**	**2,77,54,726**	**63.322**	**22.596**	**-**

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

Sl. No.	Name of Promoters shareholders	Shareholding at the beginning of the year		Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g allotment / transfer/bonus/ sweat equity etc.)		Cumulative Shareholding during the year (01-04-2015 to 31-03-2016)		
		No. of Shares at the beginning (01-04-2015) and end of the year (31-03-2016)	% of total shares of the company	Date	Increase / Decrease in shareholding	Reason	No. of Shares	% of total shares of the company
	Promoter Holding as at 01-04-2015	2,77,54,726	63.322	-	-	-	2,77,54,726	63.322
1	Cubitex Marketing Pvt. Limited	47,61,000	10.862	1-Apr-2015			47,61,000	10.862
				28-Mar-2016	1,00,000	Inter- se Transfer	48,61,000	11.090
		48,61,000	11.090	31-Mar-2016			48,61,000	11.090
2	Sahej Tie Up Pvt. Limited	19,16,250	4.335	1-Apr-2015			19,16,250	4.372
				28-Mar-2016	12,00,000	Inter- se Transfer	31,16,250	7.110
		31,16,250	7.110	31-Mar-2016			31,16,250	7.110
3	Jits Courier And Finance Pvt. Limited	7,44,539	1.699	1-Apr-2015			7,44,539	1.699
				28-Mar-2016	2,50,000	Inter- se Transfer	9,94,539	2.269
		9,94,539	2.269	31-Mar-2016			9,94,539	2.269
4	Lustre Merchants Pvt. Limited	16,22,394	3.701	1-Apr-2015			16,22,394	3.701
				28-Mar-2016	(15,50,000)	Inter- se Transfer	72,394	0.165
		72,394	0.165	31-Mar-2016			72,394	0.165
	Consolidated Change in Promoter Shareholding during the year	90,44,183	20.634	1-Apr-2015	-		90,44,183	20.634
	Total Promoter Holding as at 31-03-2016	2,77,54,726	63.322	-	-	-	2,77,54,726	63.322

(iv) Shareholding Pattern of Top 10 Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	Name of the top 10 shareholders	Shareholding at the beginning of the year		Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g allotment / transfer/bonus/ sweat equity etc.)		Cumulative Shareholding during the year (01-04-2015 to 31-03-2016)		
		No. of Shares at the beginning (01-04-2015) and end of the year (31-03-2016)	% of total shares of the company	Date	Increase / Decrease in shareholding	Reason	No. of Shares	% of total shares of the company
1	VLS Securities Limited	10,00,000	2.281	1-Apr-2015	-	-	10,00,000	2.281
				3-Apr-2015	(10,00,000)	Transfer	-	-
		-	-	3-Apr-2015	-	Date of Separation	-	-
2	Prakash Chemtex (India) Limited	9,74,356	2.223	1-Apr-2015	-	-	9,74,356	2.223
				8-Jan-2016	(34,701)	Transfer	9,39,655	2.144
		9,39,655	2.144	31-Mar-2016	-	-	9,39,655	2.144
3	Swadeshi Tubes Limited	7,63,875	1.743	1-Apr-2015	-	-	7,63,875	1.743
		-	-	-	No Movement during the year	-	-	-
		7,63,875	1.743	31-Mar-2016	-	-	7,63,875	1.743
4	Bhalotia Steel & Wax Ind. Pvt Ltd	6,60,162	1.506	1-Apr-2015		-	6,60,162	1.506
				3-Jul-2015	(100)	Transfer	6,60,062	1.506
				10-Jul-2015	(2,57,382)	Transfer	4,02,680	0.919
				17-Jul-2015	(5,826)	Transfer	3,96,854	0.905
				24-Jul-2015	(84,950)	Transfer	3,11,904	0.712
				31-Jul-2015	(61,966)	Transfer	2,49,938	0.570
				7-Aug-2015	(1,84,654)	Transfer	65,284	0.149
		65,284	0.149	7-Aug-2015		Date of Separation	65,284	0.149
5	Jasmine Mercantile Private Ltd	6,28,174	1.433	1-Apr-15	-	-	6,28,174	1.433
				10-Apr-15	(22,684)	Transfer	6,05,490	1.381
				17-Apr-15	(44,619)	Transfer	5,60,871	1.280
				22-May-15	(43,301)	Transfer	5,17,570	1.181
				29-May-15	(81,900)	Transfer	4,35,670	0.994
				5-Jun-15	(61,283)	Transfer	3,74,387	0.854
				26-Jun-15	(67,717)	Transfer	3,06,670	0.700
				30-Jun-15	(4,332)	Transfer	3,02,338	0.690
				3-Jul-15	(2,82,892)	Transfer	19,446	0.044
		19,446	0.044	3-Jul-15	-	Date of Separation	19,446	0.044
6	Lush Traders Private Ltd	5,69,400	1.299	1-Apr-2015	-	-	5,69,400	1.299
		-	-	-	No Movement during the year	-	-	-
		5,69,400	1.299	31-Mar-2016		-	5,69,400	1.299
7	Swadeshi Mercantile Private Ltd	4,63,048	1.056	1-Apr-2015	-	-	4,63,048	1.056
		-	-	-	No Movement during the year	-	-	-
		4,63,048	1.056	31-Mar-2016	-	-	4,63,048	1.056

Sl. No.	Name of the top 10 shareholders	Shareholding at the beginning of the year		Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g allotment / transfer/bonus/ sweat equity etc.)		Cumulative Shareholding during the year (01-04-2015 to 31-03-2016)		
		No. of Shares at the beginning (01-04-2015) and end of the year (31-03-2016)	% of total shares of the company	Date	Increase / Decrease in shareholding	Reason	No. of Shares	% of total shares of the company
8	Jasmine Ispat Private Ltd	4,35,527	0.994	1-Apr-2015	-	-	4,35,527	0.994
		-	-	-	No Movement during the year	-	-	-
		4,35,527	0.994	31-Mar-2016		-	4,35,527	0.994
9	Prakash Castings private Limited	4,29,002	0.979	1-Apr-2015	-	-	4,29,002	0.979
		-	-	-	No Movement during the year	-	-	-
		4,29,002	0.979	31-Mar-2016	-	-	4,29,002	0.979
10	Sakshi Trading Co. Private Limited	3,95,064	0.901	1-Apr-2015	-	-	3,95,064	0.901
					No Movement during the year	-	-	-
		3,95,064	0.901	31-Mar-2016	-	-	3,95,064	0.901
11	Globe Capital Market Limited*	10,433	0.024	1-Apr-2015		Transfer	10,433	0.024
				3-Apr-2015	9,00,000	Transfer	9,10,433	2.077
				10-Apr-2015	(3,000)	Transfer	9,07,433	2.070
				17-Apr-2015	(200)	Transfer	9,07,233	2.070
				24-Apr-2015	899	Transfer	9,08,132	2.072
				15-May-2015	14,000	Transfer	9,22,132	2.104
				22-May-2015	(1,000)	Transfer	9,21,132	2.102
				5-Jun-2015	3,000	Transfer	9,24,132	2.108
				12-Jun-2015	4,000	Transfer	9,28,132	2.118
				19-Jun-2015	1,000	Transfer	9,29,132	2.120
				26-Jun-2015	(1,300)	Transfer	9,27,832	2.117
				30-Jun-2015	(9,00,000)	Transfer	27,832	0.063
				3-Jul-2015	8,99,200	Transfer	9,27,032	2.115
				10-Jul-2015	(1,500)	Transfer	9,25,532	2.112
				17-Jul-2015	9,000	Transfer	9,34,532	2.132
				24-Jul-2015	15,358	Transfer	9,49,890	2.167
				31-Jul-2015	63,750	Transfer	10,13,640	2.313
				7-Aug-2015	(22,560)	Transfer	9,91,080	2.261
				14-Aug-2015	(2,07,260)	Transfer	7,83,820	1.788
				21-Aug-2015	(42,688)	Transfer	7,41,132	1.691
				28-Aug-2015	(6,855)	Transfer	7,34,277	1.675
				4-Sep-2015	(4,353)	Transfer	7,29,924	1.665
				11-Sep-2015	827	Transfer	7,30,751	1.667
				18-Sep-2015	(16,519)	Transfer	7,14,232	1.630
				25-Sep-2015	(656)	Transfer	7,13,576	1.628
				30-Sep-2015	(2,050)	Transfer	7,11,526	1.623

Sl. No.	Name of the top 10 shareholders	Shareholding at the beginning of the year		Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g allotment / transfer/bonus/ sweat equity etc.)		Cumulative Shareholding during the year (01-04-2015 to 31-03-2016)		
		No. of Shares at the beginning (01-04-2015) and end of the year (31-03-2016)	% of total shares of the company	Date	Increase / Decrease in shareholding	Reason	No. of Shares	% of total shares of the company
				9-Oct-2015	(1,300)	Transfer	7,10,226	1.620
				16-Oct-2015	1,872	Transfer	7,12,098	1.625
				23-Oct-2015	(210)	Transfer	7,11,888	1.624
				30-Oct-2015	1,140	Transfer	7,13,028	1.627
				6-Nov-2015	3,375	Transfer	7,16,403	1.634
				13-Nov-2015	250	Transfer	7,16,653	1.635
				20-Nov-2015	1,229	Transfer	7,17,882	1.638
				27-Nov-2015	600	Transfer	7,18,482	1.639
				4-Dec-2015	(3,444)	Transfer	7,15,038	1.631
				11-Dec-2015	(363)	Transfer	7,14,675	1.631
				18-Dec-2015	826	Transfer	7,15,501	1.632
				25-Dec-2015	(1,355)	Transfer	7,14,146	1.629
				31-Dec-2015	(6,88,337)	Transfer	25,809	0.059
		25,809	0.059	31-Dec-2015			25,809	0.059
12	VLS Finance Limited*	1,00,500	0.229	1-Apr-2015		-	1,00,500	0.229
				3-Apr-2015	1,00,000	Transfer	2,00,500	0.457
				30-Jun-2015	9,00,000	Transfer	11,00,500	2.511
				3-Jul-2015	(9,00,000)	Transfer	2,00,500	0.457
				14-Aug-2015	2,00,000	Transfer	4,00,500	0.914
				31-Dec-2015	7,00,000	Transfer	11,00,500	2.511
				8-Jan-2016	(1,40,000)	Transfer	9,60,500	2.191
				31-Mar-2016	1,40,000	Transfer	11,00,500	2.511
		11,00,500	2.511	31-Mar-2016			11,00,500	2.511
13	Swati Merchants Private Limited*	2,56,500	0.585	1-Apr-2015	-	-	2,56,500	0.585
					No Movement during the year	-	-	-
		2,56,500	0.585	31-Mar-2016	-	-	2,56,500	0.585
14	Udit Trading & Holding Private Limited*	2,27,277	0.519	1-Apr-2015	-	-	2,27,277	0.519
					No Movement during the year	-	-	-
		2,27,277	0.519	31-Mar-2016	-	-	2,27,277	0.519
15	Rashi Fincorp Ltd.*	-	-	1-Apr-2015	-	-	-	-
				21-Aug-2015	3,15,414	Transfer	3,15,414	0.720
		3,15,414	0.720	4-Sep-2015		Date of Separation	3,15,414	0.720

Sl. No.	Name of the top 10 shareholders	Shareholding at the beginning of the year		Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g allotment / transfer/bonus/ sweat equity etc.)		Cumulative Shareholding during the year (01-04-2015 to 31-03-2016)		
		No. of Shares at the beginning (01-04-2015) and end of the year (31-03-2016)	% of total shares of the company	Date	Increase / Decrease in shareholding	Reason	No. of Shares	% of total shares of the company
16	Mahesh Dinkar Vaze*	-	-	1-Apr-2015	-	-		-
				29-May-2015		Transfer	40,000	0.091
				5-Jun-2015	1,10,000	Transfer	1,50,000	0.342
				3-Jul-2015	10,000	Transfer	1,60,000	0.365
				10-Jul-2015	45,000	Transfer	2,05,000	0.468
				21-Aug-2015	14,500	Transfer	2,19,500	0.501
				28-Aug-2015	82,500	Transfer	3,02,000	0.689
				4-Sep-2015	1,00,000	Transfer	4,02,000	0.917
		4,02,000	0.917	31-Mar-2016			4,02,000	0.917
17	DSP Blackrock 3 Year Close Ended Equity Fund*	-	-	1-Apr-2015	-	-	-	-
				8-Jan-2016	2,93,279	Transfer	2,93,279	0.669
				15-Jan-2016	1,73,226	Transfer	4,66,505	1.064
		4,66,505	1.064	31-Mar-2016		-	4,66,505	1.064

* Not in the list of Top 10 shareholders as on 01-04-2015. The same has been reflected above since the shareholder was one of the Top 10 shareholders during the year ended 31st March, 2016.

(v) Share holding of Directors and Key Managerial personnel

Sl. No.	Name of the Directors and KMP	Director Identification No. (DIN	Shareholding at the beginning of the year		Shareholding at the end of the year		% change in shareholding during the year
			No, of Shares	% of total shares of the company	No, of Shares	% of total shares of the company	
Directors							
1	Jai Prakash Agarwal (Executive Chairman)	00041119	18,39,416	4.197	18,39,416	4.197	-
2	Raju Bista (Managing Director)	01299297	-	-	-	-	-
3	Ravinder Kumar Narang	02318041	-	-	-	-	-
4	Krishan Kumar Narula	00098124	-	-	-	-	-
5	Utpal Kumar Mukhopadhyay	02766045	-	-	-	-	-
6	Tara Sankar Bhattacharya	00157305	-	-	-	-	-
7	Sudhanshu Kumar Awasthi	02162923	-	-	-	-	-
8	Surendra Singh Khurana	02126149	-	-	-	-	-
9	Dr. Salila Tiwari	01748088	-	-	-	-	-
10	Rajeev Kumar Sinha	01334549	-	-	-	-	-
11	Mukesh Tripathi	01951272	-	-	-	-	-
Key Managerial Personnel (KMPs)							
a	R N Maloo (ED & Group CFO)	-	-	-	-	-	-
b	Ramanjeet Singh (CEO- Lighting Division)	-	-	-	-	-	-
c	Tarun Baldua (CEO- Steel Operations)			-	-	-	-
d	B B Singal (Sr. V.P & Company Secretary)	-	-	-	-	-	-

V. INDEBEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness (in ₹)
Indebtedness at the beginning of the financial year				
i) Principal Amount	9,47,63,95,729	-	-	9,47,63,95,729
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	1,11,29,003	-	-	1,11,29,003
Total (i+ii+iii)	**9,48,75,24,732**	**-**	**-**	**9,48,75,24,732**
Change in Indebtedness during the financial year				
• Addition	45,50,02,041	-	-	45,50,02,041
• Reduction	96,26,22,627	-	-	96,26,22,627
Net Change	**(50,76,20,586)**	**-**	**-**	**(50,76,20,586)**
Indebtedness at the end of the financial year				
i) Principal Amount	8,94,79,46,639	-	-	8,94,79,46,639
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	3,00,02,041	-	-	3,00,02,041
Total (i+ii+iii)	**8,97,99,04,146**	**-**	**-**	**8,97,99,04,146**

(VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Directors , Whole-Time Director and / or Manager

Sl. No.	Particulars of the Remuneration	Name of MD/WTD / Manager			Total Amount (₹)
		Jai Prakash Agarwal	Raju Bista	Utkarsh Dwivedi	
		Executive Chairman	Managing Director	Whole-Time Director	
1	**Gross Salary**				
	(a) Salary as per the provisions contained in section 17(1) of the Income Tax Act, 1961	69,75,000	63,00,000	33,07,397	1,65,82,397
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961				-
	(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				-
	- as % of profit				-
	- others, specify (1% of Net Profit subject to a maximum of 50% of annual salary)	11,25,000	-	-	11,25,000
5	Others, please specify	-	-	-	-
	Total (A)	**81,00,000**	**63,00,000**	**33,07,397**	**1,77,07,397**
	Ceiling as per Act				9,51,13,012

B. Remuneration to other Directors

Sl. No.	Particulars of the Remuneration	Name of Directors									Total Amount (₹)
		Krishan Kumar Narula	Ravinder Kumar Narang	Utpal Kumar Mukhopadhyay	Tara Sankar Bhattacharya	Sudhanshu Kumar Awasthi	Surendra Singh Khurana	Rajeev Kumar Sinha (IDBI Nominee)*	Mukesh Tripathi#	Dr. Salila Tewari	
3.	**Independent Directors**										
	Fees for attending board / committee meetings	5,10,000	2,90,000	2,50,000	1,40,000	1,50,000	1,50,000		-	-	14,90,000
	Commission	-	-	-	-	-	-		-	-	-
	Others	-	-	-	-	-	-		-	-	-
	Total (1)	5,10,000	2,90,000	2,50,000	1,40,000	1,50,000	1,50,000	-	-	-	14,90,000
	Other Non Executive Directors										-
	Fees for attending board / committee meetings	-	-	-	-	-	-	90,000	-	1,20,000	2,10,000
	Commission	-	-	-	-	-	-		-	-	-
	Others	-	-	-	-	-	-		-	-	-
	Total (2)	-	-	-	-	-	-	90,000	-	1,20,000	2,10,000
	Total (B) = (1+2)	**5,10,000**	**2,90,000**	**2,50,000**	**1,40,000**	**1,50,000**	**1,50,000**	**90,000**	**-**	**1,20,000**	**17,00,000**
	Total Managerial Remuneration(Sitting Fees)										17,00,000
	Overall Ceiling as per the Act										NIL

* Appointed as Nominee Director by Substitution of the Nominee Director Sh. Dev Dutt Das By IDBI Bank Limited on the Board w.e.f 22.08/2015

\# Mukesh Tripathi draws remuneration from Associate Company, hence no sitting fees were paid to him for attending Board / Committee Meetings

C. Remuneration to Key Managerial Personnel other than MD/ Manager/WTD

Sl. No.	Particulars of the Remuneration	Key Managerial Personnel				Total Amount (₹)
		R N Maloo	Ramanjeet Singh	Tarun Baldua	B B Singal	
		ED & GCFO	CEO-Lighting Division	CEO-Steel Division	Sr. V.P & Company Secretary	
1	**Gross Salary**					
	(a) Salary as per the provisions contained in section 17(1) of the Income Tax Act, 1961	50,95,336	57,96,271	62,39,264	22,39,672	1,93,70,543
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission					-
	- as % of profit					-
	- others, specify	-	-	-	-	-
5	Others	-	-	-	-	-
	Total (C)	**50,95,336**	**57,96,271**	**62,39,264**	**22,39,672**	**1,93,70,543**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There was no penalties, punishment or compounding of offences during the year ended March 31, 2016.

for and on behalf of
the Board of Directors

J P AGARWAL
CHAIRMAN
DIN - 00041119

Place : New Delhi
Dated : 27th May, 2016

ANNEXURE – II TO BOARD'S REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

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

TO
THE MEMBERS
SURYA ROSHNI LIMITED
PRAKASH NAGAR, SANKHOL
BHADURGARH, HARYANA-124507

I/We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/S SURYA ROSHNI LIMITED** (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 my 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, I/We hereby report that in my/our opinion, the company has, during the audit period covering the financial year ended on 31st March 2016 ("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:

I/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 31st March 2016 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External commercial Borrowings;

(v) The Following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992.

(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, 2009 (Not applicable to the Company during the Audit Period);

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (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; (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;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations,2009 (Not applicable to the Company during the Audit Period);and

(h) The Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998 (Not applicable to the Company during the Audit Period).

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements, as applicable entered into by the Company with Stock Exchanges and the SEBI (Listing Obligations and Disclosure Requirements) regulations 2015.

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

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

(a) The Explosives Act

(b) The Indian Boilers Act

We further report that The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance 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.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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.

For SGS ASSOCIATES
Company Secretaries

D.P. Gupta
M N FCS 2411
C P No. 1509

Date: 27th May, 2016
Place: New Delhi

ANNEXURE – III TO BOARD'S REPORT

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo as per Section 134(3)(m) read with Companies(Accounts) Rules 2014and forming part of the Directors' Report for the year ended 31st March, 2016.

I. CONSERVATION OF ENERGY

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

a) Energy conservation measures taken :

At Steel Division, Bahadurgarh :

- Induction of the variable frequency drive in the galvanizing process in pipe mill and annealing furnace in CR Plant
- Induction of the energy efficient motors for the critical applications like annealing fan motor, galvanizing blower motor & water pumps.
- Monitoring and controlling of the power factor parameters.
- Enhancement in the mill speed by optimization of the drivers to get better outcome of the pipe mills.
- Saving of energy by 10 unit / MT in pipe and 14 unit / MT in CR plant respectively.
- Fine controlling of the supply voltage through automatic voltage regulator at 33 kva.
- Reduction in the breakdown of machine results in better output by improving the technical capability.

At Malanpur Unit of Lighting Division :

- Saving of energy achieved by change of spiral shell coating process from vertical to horizontal coating
- New combustion skid with automatic air / gas ratio control fabricated and installed for Danner 12' Muffle resulted in saving of Natural Gas.
- By installation of compressed air filter in all zone for exact indication of all the pyrometers resulted in saving of Natural Gas.
- Use of alternate fuel – Natural Gas to propane.
- Air Circulatory Blower at Ribbon LEHR converted from Delta to Star Mode and thus saves energy.
- Over insulation modified in FTL bankers resulted in saving of Natural Gas.
- Water consumption reduced from approx. 550 KL day to 400 KL/day and thus saves energy.
- Replacement of 250W metal Halide Lamp with LED in CFL Tuber.
- Replacement of T.L by CFL in Falma, GLS, TL packing
- Replacement of all Street Lights SVL with LED Street Lights resulted in saving of energy.

At Kashipur Unit of Lighting Division :

- Installation of New Energy efficient Trilobe blower of 37KW (1700 CMH) in place of existing Twins lobe blower of 75KW (1600 CMH) and thus saves energy
- FTL main Human Cooling Overhead duct connected from TL II main cooling duct with provision of dumper to give human cooling supply to TL II from FTL and thus saves energy.
- Modification of ETP system for optimum utilization of water on installation of MGF & ACF system.
- Modification of GE Baker to fixed bed baker (26 MM DIA) and thus saves energy.
- Fabrication of Nixed Bed Baker M/C for FTL Duplex Chain and thus saves energy.

b) Steps taken by the Company for utilizing alternate source of energy :

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

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

No investment on energy conservation equipment's are made by the company during the year.

II. TECHNOLOGY ABSORPTION

Efforts made in technology absorption as per Rules:

1. Research and Development (R&D)

a) Specific areas in which R&D carried out by the company:

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

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

Developed / modified energy efficient environment friendly lighting products.

c) Future Plan of action:

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

d) Expenditure on R&D:

Capital as well as Revenue expenditure made on R&D. Capital Expenditure during the year is ₹ 14.38 Lakhs and Revenue Expenditure is ₹ 298.86 Lakhs

2. Technology absorption, adaptation & innovation:

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

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

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

There were various benefits derived as a result of the efforts listed above, some of them included

better utilization of the available resources, product improvement and development, cost reduction, better overall efficiency.

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

III. FOREIGN EXCHANGE EARNINGS AND OUTGO

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

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

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

b) **Total foreign exchange used and earned (₹ in lacs)**
Used : 19652.10 Earned : 27695.29

for and on behalf of
the Board of Directors

J P AGARWAL
CHAIRMAN
DIN - 00041119

Place : New Delhi
Dated : 27th May, 2016

ANNEXURE – IV TO BOARD'S REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITIES (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2015-16

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

http://www.surya.co.in/2015/downloads/CSR-POLICY.pdf

Composition:

The Corporate Social Responsibility Committee consists of four directors amongst whom, Sh. K.K. Narula as an Independent Director.

S. No.	Name	Category	Designation
1	Shri Jai Prakash Agarwal	Member	Chairman & Whole-time Director
2	Shri Raju Bista	Member	Managing Director
3	Shri K K Narula	Member	Independent Director
4	Shri Mukesh Tripathi	Member	Non-Independent Director

Average Net Profit of the Company for last three financial years is	₹ 67,42,80,186
Prescribe Amount of CSR expenditure (2% of Average)	₹ 1,34,85,604
Details of CSR Spent during the financial year	₹ 1,34,86,000
Total Amount to be spent for the financial year	₹ 1,34,86,000
Amount unspent if any	Nil
Manner in which amount spent during the financial year	As Mentioned below

Details of Amount Spent on CSR Activities during the Financial Year 2015-16

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No	CSR project or activity identified.	Sector in which the Project is covered	Projects or programs programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or Programs Sub¬heads: (1) Direct expenditure on projects or programs. (2) Overheads:	Cumulative expenditure upto to the reporting period	Amount spent: Direct or through implementing agency *
1	ADARSH GRAM YOJNA (RURAL DEVELOPMENT)	PROMOTING EDUCATION & RURAL DEVELOPMENT & YOUTH DEVELOPMENT, PERSONALITY DEVELOPMENT & CHARACTER BUILDING OF YOUTH, IMRROVING THE LITERACY RATE, HELPING THEM IN DEVELOPMENT OF THEIR VILLAGE, PROMOTE RURAL SPORTS	**HARYANA-** BAHADURGARH, JHAJJAR, ROHTAK, SONIPAT, HISSAR **UTTRAKHAND**- KASIPUR, DEHRADUN **MADHYA PRADESH-** MALANPUR, VIDISHA, RISEN, SIHORE, DEWAS, INDORE **GUJARAT-** KUTCHH, ANAND, ARRVALI, BANASKANTHA, DAHOD, DANG, JAMNAGAR, JUNAGADH, KHEDA, MAHESANA, PATAN, PORBANDAR, RAJKOT,SURAT, VALSAD SAWAR KANTA **PUNJAB-** AMRITSAR, KAPURTHALA **RAJASTHAN-** BIKANER, RAJSMAND, **DELHI-** NANGLOI, MADIPUR **MAHARASHTRA-** NAGPUR, WARDHA, AKOLA, CHANDRAPUR, GONDIYA, BEED, AHMEDNAGAR **CHATTISGARH-** BILASPUR, DURG, JANJGIR CHAMPA, JASHPUR, KAWARDHA, KORBA, RAIPUR, RAJNANDGAON, **ORISSA-** PURI, **JHARKHAND-** EAST SINGH BHUM ,KHUNTI, RAMGARH **UTTAR PRADESH-** AGRA, ALIGARH, AJAMGARH, BAGPAT, BAHRAICH, BALIA, BALRAMPUR, BARABANKI, BAREILLY, BIJNORE, BULANDSHAHR, DEORIA, ETAH, FAIZABAD, FATEHPUR, FIROJABAD, GAUTAM BUDH NAGAR, GONDA, GORAKHPUR, HAMIRPUR, JHANSI, KANPUR DEHAT, KANPUR NAGAR, KAUSHAMBI, LAKHIMPUR KHEDI, LUCKNOW,MAHARJGANJ, MATHURA, MEERUT, MURADABAD, MUZZAFAR NAGAR, PILIBHEET, SAHARANPUR, SANT KABIR NAGAR, SAHAJANPUR, VARANASI	1,14,21,189	1,14,21,189	1,14,21,189	Implementing Agency- SURYA FOUNDATION
2.	NATUROPATHY EXPENSES	PROMOTING PREVENTIVE HEALTH CARE, PROMOTE YOGA	NATUROPATHY CAMP & SEMINARS AT DELHI & Haryana	13,91,278	13,91,278	13,91,278	Implementing Agency- SURYA FOUNDATION
3.	OTHER ADMINISTRATION EXPENSES		DELHI	6,73,533	6,73,533	6,73,533	Implementing Agency- SURYA FOUNDATION
	Total				**1,34,86,000**	**1,34,86,000**	

2. Company had spent during the year the an amount of ₹ 1,34,86,000 on corporate social activities being not less than two percent of the average net profits of the company made during the three immediately preceding financial years as required under the provisions of section 135(5) of the Companies Act, 2013. No amount was left unspent during the year under review on corporate social responsibility activities.
3. The responsibility statement of the Corporate Social Responsibility (CSR) committee of the Board of Directors of the Company is reproduced below:

   "The implementation and monitoring of Corporate Social Responsibility (CSR) policy is in compliance with CSR objectives and Policy of the company."

K K Narula
Chairman – CSR Committee
(DIN – 00098124)

Raju Bista
Managing Director
(DIN – 01299297)

Place : New Delhi
Dated : 27th May, 2016

for and on behalf of the Board of Directors
J P AGARWAL
CHAIRMAN
DIN - 00041119

ANNEXURE – V TO THE BOARD'S REPORT

FORM NO. AOC - 2

Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

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

1. Details of contracts or arrangements or transactions not at arm's length basis
   (a) Name(s) of the related party and nature of relationship: Nil
   (b) Nature of contracts/arrangements/transactions: Nil
   (c) Duration of the contracts/arrangements/transactions: Nil
   (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Nil
   (e) Justification for entering into such contracts or arrangements or transactions: N.A
   (f) Date(s) of approval by the Board: N.A
   (g) Amount paid as advances, if any: Nil
   (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: N.A
2. Details of material contracts or arrangement or transactions at arm's length basis
   (a) Name(s) of the related party and nature of relationship: **Surya Global Steel Tubes Limited (Associate Company)**
   (b) Nature of contracts/arrangements/transactions: Agreement for purchase of goods or materials and provide financial support by way of providing guarantee(s) or security deposits for performance of contract.
   (c) Duration of the contracts/arrangements/transactions: **Duration of the Contract** – 1st September, 2013 to 31st March, 2017, Transactions Amount during the year 2015-16 – ₹ 208,32,71,937
   (d) Salient terms of the contracts or arrangements or transactions including the value, if any:

The terms & conditions as set out in the Agreement between Surya Roshni Limited (SRL) and M/s Surya Global Steel Tubes Limited (SGSTL) are as follows:

1. The "SGSTL" to the agreement is the manufacturer of ERW pipes of various sizes and having its work at Village: Bhuvad, Tal: Anjar, (Gujarat) with all necessary man, machine, material and equipment.
2. The "SGSTL" to the agreement shall undertake to produce pipes of various sizes in its plant for the "SRL" as per the requirements and terms of Purchase Order given by "SRL".
3. The "SGSTL" shall procure all the raw material such as HR Coils, Zinc, Store & Spares etc whatever required to produce the pipes as per the requirement of Purchase Order received from "SRL".
4. **Delivery:** Material shall be delivered as per the delivery schedule given by the "SRL" to "SGSTL".
5. **Pricing Pattern:**
   a. Prices shall be determined as per the prevailing market prices based upon export orders obtained by SRL.
   b. Pricing shall be on F.O.B. MUNDRA/KANDLA basis.
   c. Increase / Decrease on raw material prices after receiving the PO by SGSTL, shall be borne by SGSTL only.
   d. Pricing shall be done order to order basis.
   e. Letter of Credit by the end customers shall be opened in the favour of SRL.
   f. Export Incentives for the export made by SRL shall be claimed by SRL only.
   g. Excise & VAT Rebate shall be claimed by SGSTL only.
6. **Currency Exchange Rate Determination:** Purchase orders shall be issued by SRL on the basis of prevailing exchange rate at the time of obtaining export orders by SRL & any exchange fluctuation at the time of actual export shall be borne by SRL.
7. **Payment Terms:** "SRL" shall make payment within 5 working days from the date of Bill of Lading
8. **Security Deposit:** As stated in point no. 3 responsibility of arranging the Raw Material to execute the orders lies upon "SGSTL". Hence to facilitate SGSTL, SRL will arrange a loan upto ₹ 25 Crores from the outside lenders by providing performance guarantee on behalf of SGSTL or "SRL" may provide initial interest free security deposit of ₹ 10 crores which can be extended up to ₹ 25 Crores for the performance of above said contract for supply of goods. The above said deposit / comfort shall be refunded/ rescinded on the termination of said contract.
9. Both the Parties shall ensure the compliance of Central Excise Act, 1944 and all other legal requirements.
10. The ownership of materials after delivery at MUNDRA/ KANDLA shall be vested with the "SRL".
11. Third Party Inspection by the customers may be conducted in the premises of SGSTL. SRL shall give prior intimation of the inspection to SGSTL.
12. **Quantity:** SRL shall purchase approx. 60000 MT Pipes having value of ₹ 280 Cr. Approx. on annually basis. Quantity tolerance of 20% + / - shall be applicable.
13. **Countries to be covered:** Mainly UAE, Behrin, Qatar countries shall be covered under this contract. Other countries also may be covered with mutual understanding of the both parties.
14. **Claims Settlement:** Any quality related complaints shall be intimated to SGSTL by SRL in writing. Sole responsibility related to quality complaints related to manufacturing defects lies with SGSTL. SGSTL shall attend & settle the complaint accordingly.
15. **Modernization / Capital Expenditure:** Expenses on account of modernization / expansion for new market / product development shall be borne by SGSTL.
   (e) Date(s) of approval by the Board, if any: Board of Directors in its meeting held on 30th May, 2015 has recommended the same for passing of Special Resolution in Annual General Meeting (AGM) to be held on 11th September, 2015 which was passed by the shareholders of the Company in that AGM.

for and on behalf of
the Board of Directors

J P AGARWAL
CHAIRMAN
DIN - 00041119

Place : New Delhi
Dated : 27th May, 2016

ANNEXURE – VI TO THE BOARD'S REPORT
REPORT ON COPRPORATE GOVERNANCE

1. Corporate Governance Philosophy

The company is committed to good Corporate Governance. The Company fully realizes the rights of its shareholders to information on the performance of the Company and considers itself a trustee of its shareholders. The Company provides detailed information on various issues concerning the Company's business and financial performance, to its shareholders. The basic philosophy of Corporate Governance in the Company is to achieve the business excellence and dedicate itself for increasing long term shareholder value, keeping in view the needs and interests of its stakeholders. The Company is committed to transparency in all its dealings and places emphasis on business ethics. This chapter constitutes your Company's compliance under Regulation 17 to 27 read with clause C of schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. Board of Directors

a. Composition and Category of Directors as on 31st March, 2016

The Board consists of 11 Directors as on 31st March, 2016. The composition of the Board is in conformity with Regulation 17 read with clause C(2)(a) of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The day to day management of the company was carried by 2 Executive – Non Independent Directors. Chairman is an Executive Director and the number of Independent Non-Executive Directors on the Board is more or equal to 50% of the Board strength at any point of time. All Independent Non-Executive Directors possess the requisite qualification and are very experienced in their respective fields and further comply with the legal requirements for being "independent". Neither Independent Directors nor their relatives do not have any pecuniary relationships or transactions either with the Company or its associate or with the promoters/management that may affect their judgment in any manner. The non-executive independent directors of the Company satisfied the definition of independent directors as provided in Section 149(6) of the Companies Act, 2013 read with Regulation 16(1)(b) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Total No. of Directors	11
Executive Chairman	Sh. Jai Prakash Agarwal
Managing Director	Sh. Raju Bista
No. of Independent Directors (Chairman being Executive)	6 (> 50% of Board Strength
No. of Non-Executive Directors	9 (> 50% of Board Strength)

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

Name of the Directors	Director Identification No. (DIN)	Category of Directors
Sh. Jai Prakash Agarwal (Executive Chairman)	00041119	Promoter Executive Non-Independent
Sh Raju Bista (Managing Director)	01299297	Executive Non-Independent
Sh Utkarsh Dwivedi *** (Whole – time Director)	05142124	Executive Non-Independent
Sh. Krishan Kumar Narula	00098124	Non-Executive – Independent
Sh. Ravinder Kumar Narang	02318041	Non-Executive Independent
Sh. Utpal K Mukhopadhyay	02766045	Non-Executive Independent
Sh. Tara Sankar Bhattacharya	00157305	Non-Executive Independent
Sh. Sudhanshu Kumar Awasthi	02162923	Non-Executive Independent
Sh. Surendra Singh Khurana	02126149	Non-Executive Independent
Sh. Dev Dutt Das * (IDBI Nominee in the capacity as lender)	06620284	Non-Executive Non-Independent
Sh. Rajeev Kumar Sinha** (IDBI Nominee in the capacity as lender)	01334549	Non-Executive Non-Independent
Sh Mukesh Tripathi	01951272	Non-Executive Non-Independent
Dr. Smt. Salila Tiwari	01748088	Non-Executive Non-Independent

* Withdraw Nomination of the Nominee Director by IDBI Bank Limited from the Board of the Company w.e.f. 22nd August, 2015.

** Appointed as Nominee Director by Substitution of the Nominee By IDBI Bank Limited on the Board of the Company w.e.f 22nd August, 2015.

*** Resigned from the Board of the Company w.e.f 25th December, 2015.

b. Attendance of each Director at Board Meetings held during the year 2015-16 and last AGM

The names of the Directors on the Board and their attendance at Board meetings during the year 2015-16 and at the last AGM are as under:

Name of the Director	Director Identification No. (DIN)	No. of Board Meetings attended during 2015-16	Last AGM attendance As on 11.09.2015
Sh. Jai Prakash Agarwal (Executive Chairman)	00041119	4	NO

Name of the Director	Director Identification No. (DIN)	No. of Board Meetings attended during 2015-16	Last AGM attendance As on 11.09.2015
Sh Raju Bista (Managing Director)	01299297	4	YES
Sh. Krishan Kumar Narula	00098124	4	YES
Sh. Ravinder Kumar Narang	02318041	4	NO
Sh. Utpal K Mukhopadhyay	02766045	4	NO
Sh. Tara Sankar Bhattacharya	00157305	2	NO
Sh. Sudhanshu Kumar Awasthi	02162923	4	NO
Sh. Surendra Singh Khurana	02126149	4	NO
Sh Utkarsh Dwivedi ***	05142124	2	NO
Sh Dev Dutt Das * (IDBI Nominee in the capacity as lender)	06620284	2	NO
Sh. Rajeev Kumar Sinha** (IDBI Nominee in the capacity as lender)	01334549	1	NO
Sh Mukesh Tripathi	01951272	4	NO
Dr. Smt. Salila Tiwari	01748088	4	NO

* Withdraw Nomination of the Nominee Director by IDBI Bank Limited from the Board of the Company w.e.f. 22nd August, 2015.

** Appointed as Nominee Director by Substitution of the Nominee By IDBI Bank Limited on the Board of the Company w.e.f 22nd August, 2015.

*** Resigned from the Board of the Company w.e.f 25th December, 2015.

c. Directorships and Committee Memberships in other companies as on 31st March, 2016

The names of the Directors and the details of chairmanship / directorships and committee memberships of each director in other companies as on 31st March, 2016 is given below:

Name of the Director	Director Identification No. (DIN)	No. of Directorships held in other companies		No. of committee positions held in other companies	
		Chairman	Director	Chairman	Member
Sh. Jai Prakash Agarwal (Executive Chairman)	00041119	1	1	-	-
Sh Raju Bista (Managing Director)	01299297	-	1	-	-
Sh. Krishan Kumar Narula	00098124	-	1	1	-
Sh. Ravinder Kumar Narang	02318041	-	1	-	1
Sh. Utpal K Mukhopadhyay	02766045	-	5	1	2
Sh. Tara Sankar Bhattacharya	00157305	-	7	-	5
Sh. Sudhanshu Kumar Awasthi	02162923	-	1	-	-
Sh. Surendra Singh Khurana	02126149	-	NIL	-	-
Sh Dev Dutt Das * (IDBI Nominee)	06620284	-	1	-	-
Sh Rajeev Kumar Sinha ** (IDBI Nominee)	01334549	-	-	-	-
Sh Utkarsh Dwivedi ***	05142124	-	-	-	-
Sh Mukesh Tripathi	01951272	-	4	-	1
Dr. Smt. Salila Tiwari	01748088	-	3	-	-

* Withdraw Nomination of the Nominee Director by IDBI Bank Limited from the Board of the Company w.e.f. 22nd August, 2015.

** Appointed as Nominee Director by Substitution of the Nominee By IDBI Bank Limited on the Board of the Company w.e.f 22nd August, 2015.

*** Resigned from the Board of the Company w.e.f 25th December, 2015.

None of the -

- Independent Directors of the Company serves as an independent director in more than 7 listed companies and
- Whole-time Directors of the Company serves as an independent director in more than 3 listed entities.
- Directors of the Company were members in more than 10 committees or acted as Chairman of more than five committees across all companies in which they were Directors

d. **No. of Board Meetings held in the financial year 2015-2016 and dates on which held**

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

During the last financial year, our Board met four times, on 30th May, 2015; 13th August, 2015; 06th November, 2015 and 10th February, 2016.

e. **Disclosure of relationship between Director inter se.**

None of the Directors of the Company have any inter-se relationship with other directors of the Company.

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

No shares or convertible instrument are held by any Non- Executive Director(s) of the Company during the Financial Year 2015-16.

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

A familiarization programme for Independent Directors was organised during the year to make them aware of SEBI & Corporate Laws and recent developments presented by Corporate Professionals, a leading firm of Corporate law Consultants which was keenly participated by every Independent Director on the Board of the Company and express happiness over the same. The detailed familiarisation programme for Independent Directors was uploaded on the website of the company at the following link : *http://www.surya.co.in/familiarization-program.php*

3. Audit Committee

i. Terms of Reference

The Audit Committee is responsible for overseeing of the company's financial reporting process, reviewing the quarterly/half-yearly/ annual financial statements, reviewing with the management on the financial statements and adequacy of internal audit function, recommending the appointment / re-appointment of statutory auditors and fixation of audit fees along with reviewing and monitoring the auditor's independence and performance, reviewing the significant internal audit findings / related party transactions, reviewing the Management Discussion and Analysis of financial condition and result of operation. Matters to be included in Director's Responsibility Statement form part of the Board Report, compliance with listing and other legal requirements relating to financial statements, scrutiny of inter-corporate loans and investments, valuation of undertaking or assets of the company. The Committee acts as a link between the management, external and internal auditors and the Board of Directors of the Company. The Committee discussed with the external auditors their audit methodology, audit planning and significant observations / suggestions made by them. The Committee also discussed major issues related to risk management and compliances and review the functioning of Whistle Blower mechanism.

As per Rule 6A of the Companies (Meeting of Board and its Powers) Rules, 2014 and in compliance to regulation 23(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.committee to recommend to grant Omnibus approval for proposed related party transactions which are foreseen and for unforeseen transactions as per the framed specified criteria on an annual basis

In addition, the Committee has discharged such other role/function as envisaged under Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (referred to as ' Listing Regulations' with the Stock Exchange) and the provisions of Section 177(4) of the Companies Act, 2013.

ii. Composition / Category / name of members and chairperson

The Audit Committee comprises of four directors. The names alongwith categories of the members at the meeting was as follows:

Names of the Members	Director Identification No.	Category
Sh. K. K. Narula	00098124	Chairman ; Independent – Director
Sh.TaraSankar Bhattacharya	00157305	Member ; Independent – Director
Sh. Utpal K Mukhopadhyay	02766045	Member ; Independent – Director
Sh. Mukesh Tripathi	01951272	Member ; Non Independent – Director

All the members except Sh. Mukesh Tripathi have extensive financial and accounting knowledge and background. The terms of reference of the Audit Committee are in line with Regulation 18 read with Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The quorum for the Committee is two independent members. The Audit Committee meetings were attended by the heads of Finance and Internal Audit and the Auditors (including Cost Auditors) as invitees. The members held discussions with the Auditors during the meetings and the Committee reviewed the periodic unaudited and audited results of the company before being considered and approved by the Board of Directors. Sh. B.B. Singal, V.P & Company Secretary, acts as the secretary to the Committee.

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

During the financial year 2015-16, Audit Committee meetings were held on 30th May, 2015 ; 13th August, 2015 ; 06th November, 2015 and 10th February, 2016. The names along with categories of the members and the attendance of members at the meeting was as follows :

Name	DIN	Position	Category	No. of Meetings Attended
Shri K K Narula	00098124	Chairman	Non-Executive, Independent	4
Shri Tara Sankar Bhattacharya	00157305	Member	Non-Executive, Independent	2
Shri Utpal K Mukhopadhyay	02766045	Member	Non-Executive, Independent	4
Shri Mukesh Tripathi	01951272	Member	Non-Executive, Non-Independent	4

4. Nomination and Remuneration Committee

i. Terms of Reference

The Nomination and Remuneration Committee is responsible for

- Appointment of the directors and key managerial personnel of the Company and
- Fixation of the remuneration of the directors, key managerial personnel (KMP's) and one level below the KMPs.

In addition, the Committee has discharged such other role/function as envisaged under Regulation 19 read with Part D clause A of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the provisions of Section 178 of the Companies Act, 2013.

ii. Composition / name of members and chairperson

The composition of the Committee is as follows:

Name	DIN	Position	Category
Shri K K Narula	00098124	Chairman	Non-Executive, Independent
Shri Ravinder Kumar Narang	02318041	Member	Non-Executive, Independent
Shri Mukesh Tripathi	01951272	Member	Non-Executive ,Non-Independent

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

iii. Meetings and Attendance during the year

During the financial year 2015-16, three meetings was held on 27th April, 2015, 13th August, 2015 & 6th November, 2015. The attendance of the members at the meeting was as follows :

Name	DIN	Position	Category	No. of Meetings Attended
Shri K K Narula	00098124	Chairman	Non-Executive, Independent	3
Shri Ravinder Kumar Narang	02318041	Member	Non-Executive, Independent	3
Shri Mukesh Tripathi	01951272	Member	Non-Executive, Non-Independent	3

iv. Performance evaluation criteria for Independent Directors

As per the provisions of section 178(2) of the Companies Act, 2013 and Clause VII & VIII of Schedule IV of the Act read with SEBI (Listing Obligations and Disclosure Requirements) 2015, Nomination and Remuneration committee carried out annual performance evaluation of Independent Director's according to their roles and duties on the Board of the Company and in particular considered whether Independent Directors shall -

(1) help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;

(2) bring an objective view in the evaluation of the performance of board and management;

(3) scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;

(4) satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;

(5) safeguard the interests of all stakeholders, particularly the minority shareholders;

(6) balance the conflicting interest of the stakeholders;

(7) determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management;

(8) moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

(9) undertake appropriate induction and regularly update and refresh their skills,knowledge and familiarity with the company;

(10) seek appropriate clarification or amplification of information and, where necessary,take and follow appropriate professional advice and opinion of outside experts at the expense of the company;

(11) strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;

(12) participate constructively and actively in the committees of the Board in which they are chairpersons or members;

(13) strive to attend the general meetings of the company;

(14) where they have concerns about the running of the company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting;

(15) keep themselves well informed about the company and the external environment in which it operates;

(16) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;

(17) pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the company;

(18) ascertain and ensure that the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;

(19) report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;

(20) not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law and based on structured questionnaire as tabulated below to rate on a scale of 1 to 5 by every director of the company in accordance with their respective functions and duties and accordingly submit its report to the Chairman of the Company.

Sl. No	Topics and Statements	Rating (on a scale of 1-5, 5 is highest)
1	Attends and participate in Board and Committee meetings regularly.	
2	Prepares adequately / or add values on the Agenda for the Board / Committee Meetings.	
3	Has a good understanding of the organization's strategy and risk environment.	
4	Participate in meetings in an open and constructive manner.	
5	Brings his / her experience and credibility to bear on the critical areas of the performance of the organization.	
6	Represents the interests of shareholders and focuses on enhancing shareholder value.	
7	Gives fair chance to other members to contribute, participate actively in the discussion and is consensus oriented.	
8	Provide Feedback and guidance to top management on areas of business strategy, governance and risk.	
9	Sufficiently Challenges management to set and achieve stretch goals.	
10	Maintain effective and successful relationship with fellow Board members and senior management.	

The Nomination and Remuneration Committee Chairman Sh. K K Narula was present in the Annual General Meeting of the Company held on 11th September, 2015.

PERFORMANCE EVALUATION:

As per the provisions of Section 178 of the Companies Act, 2013 and Clause VII & VIII of Schedule IV of the Act read with Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements) 2015, based on the performance evaluation report submitted by the Nomination and Remuneration committee, Board had carried out the annual performance evaluation of Independent Directors and express deep satisfaction on their performance.

5. Details of Remuneration to all Directors

a. Pecuniary Relationships:

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

b. The details of remuneration / sitting fees paid to the Executive Directors / Non Executive Directors during the financial year 2015-2016 is as under:

Name	Director Identification No. (DIN)	Salary (₹)	Perquisites & Allowances (₹)	Commission (₹)	Bonuses, Stock Options, Pensions (₹)	Sitting Fees (excluding service tax) (₹)
Sh. J P Agarwal (Executive Chairman)$	00041119	46,50,000	23,25,000	11,25,000	Nil	N .A.
Sh. Raju Bista (Managing Director)	01299297	45,00,000	18,00,000	Nil	Nil	N.A.
Sh.Utkarsh Dwivedi*	05142124	11,02,903	22,04,494	Nil	Nil	N. A
Sh. K.K.Narula	00098124	Nil	Nil	Nil	Nil	5,10,000
Sh. Ravinder Kumar Narang	02318041	Nil	Nil	Nil	Nil	2,90,000
Sh. U K Mukhopadhyay	02766045	Nil	Nil	Nil	Nil	2,50,000
Sh. Tarasankar Bhattacharya	00157305	Nil	Nil	Nil	Nil	1,40,000
Sh. Sudhanshu Kumar Awasthi	02162923	Nil	Nil	Nil	Nil	1,50,000
Sh. Surendra Singh Khurana	02126149	Nil	Nil	Nil	Nil	1,50,000
Sh. Mukesh Tripathi	01951272	Nil	Nil	Nil	Nil	Nil
Dr. Salila Tewari	01748088	Nil	Nil	Nil	Nil	1,20,000
IDBI Bank (Nominee Director)	01334549	Nil	Nil	Nil	Nil	90,000

$ Voluntarily decided to draw Basic Salary of ₹ 8,00,000 w.e.f 1st January,2016 (Previously draw Basic Salary of ₹ 2,50,000 p.m. w.e.f 1st January, 2014) as compared to his Basic slab of ₹ 11,50,000 per month as approved by the Shareholders in the Annual General Meeting held on 28th September, 2012. Further voluntarily decided not to draw commission w.e.f 1st January, 2016.

* Resigned from the Board of the Company w.e.f. 25th December, 2015 His perquisites & Allowances include ₹ 17,63,333/- paid as Leave Encashment and Gratuity at the time of relieving to him

Name	Director Identification No. (DIN)	Performance Linked Incentives (₹)	Performance Criteria (₹)	Service Contracts (₹)	Notice Period (₹)	Severance Fees (₹)
Sh. J P Agarwal (Executive Chairman)	00041119	N.A.	N.A	5 years from 1st January, 2012 (i.e. upto 31st December 2016)	3 Months	Nil
Sh. Raju Bista (Managing Director)	01299297	N.A.	N.A	5 years from 18th June, 2014 (i.e. upto 17th June 2019)	3 Months	Nil
Sh.Utkarsh Dwivedi*	05142124	N.A.	N.A	5 years from 5th February, 2013 to 4th February, 2018	3months.	Nil

* Resigned from the Board of the Company w.e.f. 25th December, 2015

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

Number of Shares held by Non-Executive Directors: NIL

6. Stakeholder's Grievance Committee

i. Composition / name of members and chairperson

The Committee headed by Shri K K Narula (Non-executive – Independent Director) has the mandate to review and redress shareholder grievances. The Committee met 4 times during the year on 24.04.2015, 27.07.2015, 15.10.2015 and 30.01.2016, and the attendance of Members at the Meeting was as follows:

Names of the Members	Director Identification No.	Status	No. of Meetings Attended
Sh. K K Narula	00098124	Chairman	4
Sh. R K Narang	02318041	Member	4
Sh. Raju Bista	01299297	Member	3

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

ii.	Name & Designation of Compliance Officer	:	Sh. B.B.Singal (Sr. V.P & Company Secretary)
iii.	Number of shareholders' complaints received upto 31st March, 2016	:	08
iv.	Number of complaints not solved to the satisfaction of the shareholders	:	Nil
v.	Number of pending complaints	:	Nil

7. General Body Meetings

a) Location and Time, where last three Annual General Meetings held

The last three Annual General Meetings were held on the following dates: 27.09.2013; 05.09.2014; 11.09.2015 at the Registered Office of the company at Prakash Nagar, Sankhol, Bahadurgarh–124 507 at 11:00 a.m

b) Special Resolutions passed in the previous three Annual General Meetings

Two Special Resolutions were passed in the Annual General Meeting held on 27th September, 2013, Six Special Resolution were passed in the Annual General Meeting held on 5th September, 2014 and two Special Resolution were passed in the AGM held on 11th September, 2015.

c) Special Resolutions passed last year through Postal Ballot – Details of Voting Pattern

Two Special Resolution were passed in the AGM held on 11th September, 2015.In view of the provisions of clause 35B(ii) of the repealed Listing Agreement Company shall continue to enable those shareholders, who do not have access to e-voting facility, to send their assent or dissent in writing on a postal ballot as per the provisions of the Companies (Management and Administration) Rules, 2014. Keeping in view of the above said provisions the voting pattern details of Special Resolutions passed at the 42nd AGM are as follows:

A) CONSENT FOR MORTGAGE THE PROPERTIES FOR LOANS & WORKING CAPITAL LIMITS U/S 180(1)(a) OF COMPANIES ACT, 2013

Promoter / Public	No. of shares held (1)	No. of votes polled (2)	% of votes polled on outstanding shares (3)=[(2) / (1)] * 100	No. of Votes – in favour (4)	No. of Votes against (5)	% of votes in favour on votes polled (6) = [(4) / (2)} * 100	% of votes against on votes polled (7) = [(5) / (2)]*100
Promoter and Promoter Group	27754726	25538343	92.01	25538343	NIL	100.00	NIL
Public – Institutional Holders	65462	NIL	NIL	NIL	NIL	NIL	NIL
Public – Others	16011062	1586237	9.91	1565574	20663	98.70	1.30
Total	**43831250**	**27124580**	**61.88**	**27103917**	**20663**	**99.92**	**0.08**

B) CONSENT U/S 188 OF THE COMPANIES ACT, 2013 TO CONTINUE EXISTING CONTRACT / AGREEMENT WITH MODIFICATION(S) ENTERED BETWEEN THE COMPANY AND SURYA GLOBAL STEEL TUBES LIMITED.

Promoter / Public	No. of shares held (1)	No. of votes polled (2)	% of votes polled on outstanding shares (3)=[(2) / (1)] * 100	No. of Votes – in favour (4)	No. of Votes against (5)	% of votes in favour on votes polled (6) = [(4) / (2)} * 100	% of votes against on votes polled (7) = [(5) / (2)]*100
Promoter and Promoter Group	27754726	NIL	NIL	NIL	NIL	NIL	NIL
Public – Institutional Holders	65462	NIL	NIL	NIL	NIL	NIL	NIL
Public – Others	16011062	1587182	9.91	1582926	4256	99.73	0.27
Total	**43831250**	**1587182**	**3.62**	**1582926**	**4256**	**99.73**	**0.27**

No resolution was passed through postal ballot except in compliance to the provisions of clause 35B(ii) of the repealed listing agreement.

d) Person who conducted the Postal Ballot exercise

SGS Associates (Company Secretaries Firm) 14, First floor, Rani Jhansi Road, New Delhi – 110015 acted as Scrutinizer had conducted the the e-voting and Postal Ballot process . The Pre-paid postage self -addressed envelope bears the address to which duly completed Postal Ballot is to be sent.

e) Whether any Special Resolution is proposed to be conducted through Postal Ballot – NIL

f) Procedure for Postal Ballot – Not Applicable

8. Means of Communication

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

9. General Shareholder Information

i. AGM : Date and Time – 23.09.2016 at 11:00 a.m.

Venue – Prakash Nagar, Sankhol, Bahadurgarh, Haryana – 124 507.

ii. Financial Year - 1st April to 31st March

iii. Dividend payment date - 30th September, 2016

iv.. Listing on Stock Exchanges - The securities of the company were listed on the following Stock Exchanges during the financial year 2015-16:

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

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

The company has paid the Annual Listing Fees to the Stock Exchanges for the Financial Year 2015-16 and 2016-17

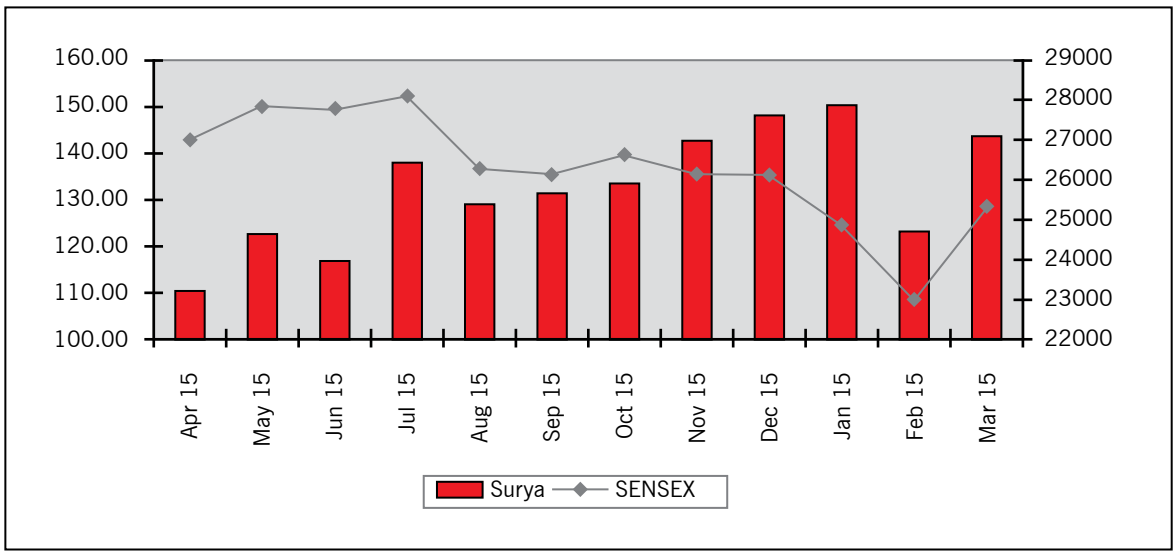
v. Stock Code

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

vi. Market Price Data

MONTH	NSE		BSE	
	HIGH (₹)	LOW (₹)	HIGH (₹)	LOW (₹)
April, 2015	127.75	103.15	128.00	103.20
May, 2015	125.70	103.50	125.80	103.30
June, 2015	124.60	103.50	124.80	103.60
July, 2015	146.90	116.50	146.80	116.90
August, 2015	163.40	105.50	163.40	104.90
September, 2015	132.90	109.20	133.00	109.50
October, 2015	149.40	129.20	149.50	129.40
November, 2015	146.40	121.05	146.30	121.10
December, 2015	152.65	128.10	152.80	128.00
January, 2016	182.80	131.00	182.40	130.90
February, 2016	152.50	118.90	152.70	119.00
March, 2016	146.90	124.00	146.90	124.30

vii. Performance in comparison to BSE SENSEX



viii. Suspension of trading during the year (if any) : **NIL**

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

x. Share Transfer System

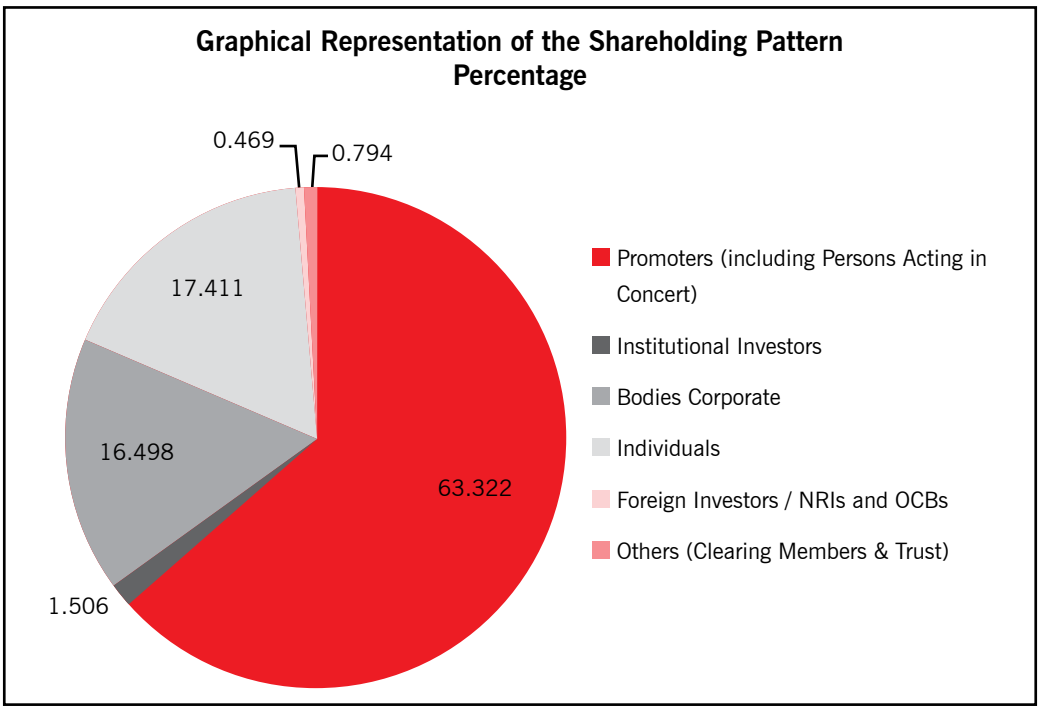
The Company's share transfers are handled by MAS Services Ltd., Registrar and Transfer Agents(RTA). The shares received in physical mode by the Company/RTA are transferred expeditiously provided the documents are complete and shares under transfer are not under dispute. Confirmation in respect of the request for dematerialisation of shares is sent to the respective depositories – National Securities Depository Limited / Central Depository Services (India) Limited within 15 days. None of the transfer was pending for more than a fortnight as on 31st March, 2016.

xi. Distribution of Shareholding

Share Holding of Nominal Value of ₹	Shareholders		Shares	
	Number	% of Total	Number	% of Total
1 - 5000	21737	88.243	2821667	6.438
5001 - 10000	1646	6.682	1299486	2.965
10001 - 20000	646	2.623	985569	2.248
20001 - 30000	215	0.873	548373	1.251
30001 - 40000	87	0.353	316658	0.722
40001 - 50000	77	0.313	366356	0.836
50001 - 100000	108	0.438	800674	1.827
100001 & Above	117	0.475	36692467	83.713
TOTAL	**24633**	**100.000**	**43831250**	**100.000**

Shareholding Pattern

CATEGORY	No. of Shares held	% age of Paid-up Capital
Promoters (including Persons Acting in Concert)	27754726	63.322
Institutional Investors	660358	1.506
Bodies Corporate	7231306	16.498
Individuals	7631368	17.411
Foreign Investors / NRIs and OCBs	205367	0.469
Others (Clearing Members)	347925	0.794
(Trust)	200	-
TOTAL	**43831250**	**100.00**



xii. Dematerialisation of Shares & Liquidity : The company has obtained electronic connectivity with the National Securities Depository Ltd. (NSDL) and the Central Depository Services (India) Ltd. (CDSL) for demat facility (ISIN: INE335A01012). As on 31st March, 2016, 4,30,36,311 equity shares, being 98.19% of the company's total paid-up equity shares had been dematerialized.

The shares of the company are regularly traded at the NSE and BSE.

xiii. Outstanding GDRs /ADRs /Warrants or any Convertible instruments, conversion date & likely impact on equity: Nil

xiv. Commodity price risk or Foreign Exchange risk and hedging activities: Please refer to Management Discussion and Analysis Report for the same.

xv. Plant Locations

Steel Division:
- Prakash Nagar, Sankhol, Bahadurgarh, Haryana – 124 507.
- Plot No.P-1 to P-20, Ghirongi Industrial Area Malanpur Dist. Bhind (M.P)

Lighting Division:
- 7 km Stone, Kashipur-Moradabad Road, Kashipur – 244 713 (Uttarakhand)
- J-7,8 & 9, Malanpur Industrial Area, Malanpur, Distt.Bhind (M.P).

xvi. Address for correspondence: SR. V.P & Company Secretary,
Surya Roshni Limited,
Padma Tower –I, 5 Rajendra Place,
New Delhi – 110 008.
Tel. - (011) 47108000,
Fax - (011) 25789560,
email - bbsingal@ho.surya.in, investorgrievances@sroshni.com

10. Disclosures

a) The senior management has made disclosures to the board relating to all material financial and commercial transactions. There are no materially significant related party transactions that may have potential conflict with the interest of the company at large. The Company has formulated a policy on dealing with the Related Party transactions for determining the Material Related Party Transactions and necessary approval of the Audit Committee and the Board of Directors were taken whenever required in accordance with the policy.

b) The Company has complied with all applicable requirements prescribed by the regulatory and statutory authorities including Stock Exchanges and SEBI during the preceding three financial years on all matters related to capital market and no penalties / strictures in this respect have been imposed on the Company.

c) Personnel of the Company have direct access to the management as the company has established Vigil Mechanism for directors and employees to report concerns about unethical behaviour , actual fraud or suspected fraud or violation of the company's code of conduct or ethics policy. No personnel has been denied access to the Audit Committee. The Whistle Blower Policy was duly posted on the Website of the Company at the following link :http://www.surya.co.in/whistle-blower-policy.php

d) The Company has complied with all mandatory requirements.

e) Web link where policy for determining 'material' subsidiaries is disclosed : Company has no subsidiaries hence Not Applicable

f) Web link where policy on dealing with related party transactions : The Company has formulated a policy on dealing with the Related Party transactions for determining the Material Related Party Transactions and necessary approval of the audit committee and the Board of Directors were taken whenever required in accordance with the policy. The details of Related Party Transaction Policy are disseminated in the website at the following link : http://www.surya.co.in/2015/downloads/RPT-Policy.pdf

g) Commodity price risks and commodity hedging activities. : Please refer to Management Discussion and Analysis report for the same.

11. Compliances of Corporate Governance Requirements

Company has complied all the mandatory requirements of Corporate Governance Report as envisaged in sub-paras (2) to (10) of Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) 2015 during the financial year 2015-16.

12. Adoption of Corporate Governance Discretionary Requirements

Company has adopted the following Discretionary Requirements of Corporate Governance as specified in Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) 2015 during the financial year 2015-16.

- Separate Posts of Chairman and Managing Director
- Reporting of Internal Auditor

13. Disclosure of Compliances of Corporate Governance Requirements

Company has complied all the mandatory requirements of Corporate Governance Report (tabulated below) as specified in Regulation 17 to 27 and clause (b) to (i) of sub regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) 2015 during the financial year 2015-16.

I. Disclosure of Website in terms of Listing Agreement	
Items	**Compliance status (Yes /No / N.A)**
Terms and conditions of appointment of independent directors	Yes
Composition of various committees of board of directors	Yes
Code of conduct of board of directors and senior management personnel	Yes
Details of establishment of vigil mechanism/ Whistle Blower policy	Yes
Criteria of making payments to non-executive directors	Yes
Policy on dealing with related party transactions	Yes
Policy for determining 'material' subsidiaries	Not Applicable
Details of familiarization programmes imparted to independent directors	Yes

II. Annual affirmation

Particulars	**Regulation Number**	**Compliance status (Yes/ No/NA)**
Independent director(s) have been appointed in terms of specified criteria of 'independence' and/or 'eligibility'	16(1)(b) & 25(6)	Yes
Board composition	17(1)	Yes
Meeting of Board of directors	17(2)	Yes
Review of Compliance Reports	17(3)	Yes
Plans for orderly succession for appointments	17(4)	Yes
Code of Conduct	17(5)	Yes
Fees/compensation	17(6)	Yes
Minimum Information	17(7)	Yes
Compliance Certificate	17(8)	Yes
Risk Assessment & Management	17(9)	Yes
Performance Evaluation of Independent Directors	17(10)	Yes
Composition of Audit Committee	18(1)	Yes
Meeting of Audit Committee	18(2)	Yes
Role of the Audit Committee and the information to be reviewed	18(3)	Yes
Composition and role of nomination & remuneration committee	19(1),(2) & (4)	Yes
Presence of Chairperson of Nomination and Remunaration Committee at Company AGM	19(3)	Yes
Composition and role of Stakeholder Relationship Committee	20(1),(2),(3),(4)	Yes
Composition & role of risk management committee & applicability	21(1),(2),(3),(4) & (5)	Not Applicable
Vigil Mechanism	22(1) & (2)	Yes
Policy for related party Transaction	23(1),(5),(6),(7) & (8)	Yes

Particulars	Regulation Number	Compliance status (Yes/ No/NA)
Prior or Omnibus approval of Audit Committee for all related party transactions	23(2), (3)	Yes
Approval for material related party transactions	23(4)	Yes
Composition of Board of Directors of unlisted material Subsidiary	24(1)	Not Applicable
Other Corporate Governance requirements with respect to subsidiary of listed entity	24(2),(3),(4),(5) (6),(7) & (8)	Not Applicable
Maximum Directorship & Tenure	25(1) & (2)	Yes
Meeting of independent directors	25(3) & (4)	Yes
Independent Directors Accountability	25(5)	Yes
Resignation or Removal of Independent Directors	25(6)	Not Applicable
Familiarization of independent directors	25(7)	Yes
Memberships in Committees	26(1)	Yes
Affirmation with compliance to code of conduct from members of Board of Directors and Senior management personnel	26(3)	Yes
Disclosure of Shareholding by Non- Executive Directors	26(4)	Yes
Policy with respect to Obligations of directors and senior management	26(2) & 26(5)	Yes
Adoption of Corporate Governance Discretionary Requirements	27(1)	Yes
Submission of Quarterly Compliance Report on Corporate Governance to the Stock Exchanges within 15 days from the close of the respective quarter.	27(2)	Yes

Disclosure with respect to demat suspense account / unclaimed suspense account.

Aggregate No. of Shareholders at the beginning of the year	Outstanding Shares in demat suspense account at the beginning of the year	No. of Shareholders who approached the company for transfer of shares from suspense account during the year	No. of Shareholders to whom shares were transfered from suspense account during the year	Aggregate No. of Shareholders lying at the end of the year	Outstanding Shares in demat suspense account lying at the end of the year	Voting Rights Frozen
146	10263	Nil	NIL	146	10263	Yes

SURYA CODE OF CONDUCT

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

DECLARATION

We hereby confirm that all the Board Members and senior management personnel of the company have affirmed their compliance of the 'Code of Conduct for Members of the Board and Senior Management' for the year ended 31st March 2016 in terms of clause D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) 2015 with the Stock Exchanges.

Jai Prakash Agarwal
Chairman
DIN - 00041119

Raju Bista
Managing Director
DIN - 01299297

For and on behalf of
the Board of Directors

J P AGARWAL
CHAIRMAN
DIN - 00041119

Place : **New Delhi**
Dated : 27th May, 2016

CERTIFICATE ON COMPLIANCE WITH CONDITIONS OF CORPORATE GOVERNANCE

INDEPENDENT AUDITOR'S CERTIFICATE

To the members of
SURYA ROSHNI LIMITED

1. We have examined the compliance of conditions of Corporate Governance by **SURYA ROSHNI LIMITED** ("the Company"), for the year ended on 31st March, 2016, as stipulated in:
   - Clause 49 (excluding clause 49(VII)(E)) of the Listing Agreements of the Company with stock exchanges for the period from 1st April, 2015 to 30th November, 2015.
   - Clause 49 (VII)(E) of the Listing Agreements of the Company with the stock exchanges for the period from 1st April, 2015 to 1st September, 2015.
   - Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") for the period from 2nd September, 2015 to 31st March, 2016 and
   - Regulations 17 to 27 (excluding regulation 23(4)) and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations for the period from 1st December, 2015 to 31st March, 2016.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India.
4. In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement and regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations for the respective periods of applicability as specified under paragraph 1 above, during the year ended 31st March, 2016.
5. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Sastry K. Anandam & Co.
Chartered Accountants
Firm Registration No. 000179N

Place : New Delhi
Dated : 27th May, 2016

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

ANNEXURE -VII TO BOARD'S REPORT

Certification by Chairman, Managing Director and Executive Director & Group Chief Financial Officer (GCFO) of the Company

A. We hereby certify that for the financial year ending 31st March, 2016 on the basis of the review of the financial statements and the cash flow statement and to the best of our knowledge and belief that :

   1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.

   2) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the company during the 2015-2016 which are fraudulent, illegal or violative of the Company's Code of Conduct.

C. We accept the responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to the financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of the internal controls, if any, of which we are aware, and that we have taken the required steps to rectify these deficiencies.

D. We have indicated to the auditors and the Audit Committee that :

   1) There have been no significant changes in internal control over financial reporting during this year.

   2) There have been no significant changes in accounting policies during this year.

   3) There have been no instances of significant fraud of which we have become aware and the involvement therein, of management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : New Delhi
Dated : 27th May, 2016

J P Agarwal
Executive Chairman
(DIN - 00041119)

Raju Bista
Managing Director
(DIN - 01299297)

R N Maloo
ED & Group CFO

INDEPENDENT AUDITOR'S REPORT

To the Members of
Surya Roshni Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Surya Roshni Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date, and as summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in sub-section 5 of Section 134 of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies(Accounts) Rules, 2014 ("the Rules"). 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under sub-section 10 of Section 143 of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016 and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), issued by the Central Government of India in exercise of powers conferred by sub-section 11 of section 143 of the Act, we enclosed in 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by sub-section 3 or Section 143 of the Act, we report that :
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
   (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Rules.
   (e) On the basis of the written representations received from the Directors as on 31st March, 2016 and taken on record by the Board of Directors, none of the Directors are disqualified as on 31st March, 2016 from being appointed as a Director in terms of sub-section 2 or Section 164 of the Act.
   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B" and
   (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
      1. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 29, 31 and 32.8 to the financial statements;
      2. Provision has been made in the financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts; and
      3. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Sastry K Anandam & Co.
Chartered Accountants
(Firm's Registration No.000179N)

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

Place: New Delhi
Date : 27-05-2016

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

31st March, 2016, (Referred to in our report of even date)

(i) (a) 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 all fixed assets are verified in a phased manner over a period of two years. In accordance with this programme, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies have been noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) According to the information and explanations given to us, the title deeds of immovable properties, as disclosed in Note 12 of the standalone financial statements, are held in the name of the Company.

(ii) The inventory, except goods-in-transit, has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on verification between the physical stocks and the books records were not material.

(iii) In our opinion and according to information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.

(iv) The Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Act. The Company has complied with the provisions of Section 186 of the Act in respect of investments made or loans or guarantee or security provided to the parties covered under Section 186.

(v) The Company has not accepted any deposits from the public in accordance with the provisions of sections 73 to 76 of the Act and the rules framed there under.

(vi) We have broadly reviewed the records maintained by the Company pursuant to the rules prescribed by Central Government for maintenance of cost records under sub section 1 of Section 148 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.

(vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the 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, professional tax and other material statutory dues, as applicable, with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, professional tax and other material statutory dues were in arrears as at 31st March, 2016 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of Income Tax, Sales tax, Value added tax, duty of customs, duty of excise which have not been deposited with the appropriate authorities on account of any dispute other than those mentioned as follow:

S. No.	Name of the Statute	Nature of Dues	Forum where dispute is pending	Amount (in ₹)
1.	Central Excise Act, 1944	Excise Duty – Note No. 29, to the Financial Statements	CESTAT	1,33,93,777
2.	Sales Tax/ VAT Acts	VAT – Note No. 29 to the Financial Statements	Up to Commissioner Level	10,19,524
3.	Income Tax Act, 1961	Income – Tax – Note No. 32.8 to the Financial Statements	CIT (Appeals)	40,69,74,683

(viii) The Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government, nor has it issued any debentures, as at the balance sheet date.

(ix) The Company has not raised any money by way of initial public offer, further public offer (including debt instruments). Term loans are applied for the purpose for which those are raised.

(x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during course of our audit.

(xi) According to the information and explanations give to us and based on our examination of the records, the Company has paid/provided for managerial remuneration in accordance with requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3 (xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examinations of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(xiv) According to the information and explanations give to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or party convertible debentures during the year.

(xv) According to the information and explanations given to us and based on our examination of the records, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Sastry K Anandam & Co.
Chartered Accountants
(Firm's Registration No.000179N)

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

Place: New Delhi
Date : 27-05-2016

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

31st March, 2016 on Standalone Financial Statements (Referred to in our report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act.

We have audited the internal financial controls over financial reporting of Surya RoshniLimited ("the Company") as of 31st March, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal controls 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 ("the Act").

Auditor's 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 Act 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 ICAI. 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 and 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 controls based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial controls 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 controls over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the 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 controls 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 control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by ICAI.

For Sastry K Anandam & Co.
Chartered Accountants
(Firm's Registration No.000179N)

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

Place: New Delhi
Date : 27-05-2016

BALANCE SHEET AS AT 31ST MARCH, 2016

CIN - L31501HR1973PLC007543

(Amount in ₹)

Particulars	Note No.	As at 31st March, 2016	As at 31st March, 2015
EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	2	43,83,12,500	43,83,12,500
Reserves and Surplus	3	8,23,96,33,256	7,67,18,55,824
		8,67,79,45,756	**8,11,01,68,324**
Non-Current Liabilities			
Long Term Borrowings	4	3,32,77,58,128	3,64,27,52,459
Deferred Tax Liabilities (Net)	5	52,35,34,350	51,30,36,069
Other Long Term Liabilities	6	7,81,21,000	7,02,84,792
Long Term Provisions	7	23,39,15,097	19,20,82,282
		4,16,33,28,575	**4,41,81,55,602**
Current Liabilities			
Short Term Borrowings	8	5,13,18,14,355	5,15,52,15,270
Trade Payables	9	2,13,22,93,437	1,72,12,84,550
Other Current Liabilities	10	1,21,39,10,038	1,20,68,38,808
Short-term Provisions	11	9,53,01,125	7,19,33,162
		8,57,33,18,955	**8,15,52,71,790**
Total		**21,41,45,93,286**	**20,68,35,95,716**
ASSETS			
Non-Current Assets			
Fixed Assets	12		
Tangible assets		9,35,41,38,190	9,36,47,39,220
Capital work-in-progress		18,37,55,805	26,37,83,367
		9,53,78,93,995	**9,62,85,22,587**
Non-Current Investments	13	50,00,00,000	50,00,00,000
Other Non Current Assets	14	7,87,94,428	7,28,75,183
		10,11,66,88,423	**10,20,13,97,770**
Current Assets			
Inventories	15	4,69,87,55,995	3,89,52,21,241
Trade Receivables	16	5,18,07,62,648	5,24,22,78,986
Cash and cash equivalents	17	27,26,06,715	26,35,14,039
Short-term loans and advances	18	1,14,01,69,610	1,07,16,55,158
Other current assets	19	56,09,894	95,28,522
Total		**11,29,79,04,862**	**10,48,21,97,946**
		21,41,45,93,286	**20,68,35,95,716**
Significant Accounting Policies	1		
Additional Notes to the Financial Statements	31 to 34		

As per our attached report of even date

For **SASTRY K. ANANDAM & CO.**
Chartered Accountants
Firm No.00179N

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

J P Agarwal
Executive Chairman
(DIN - 00041119)

Raju Bista
Managing Director
(DIN - 01299297)

R N Maloo
Executive Director
& Group Chief Financial Officer

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

Ravinder K Narang
Director
(DIN - 02318041)

R K Sinha
Director
(DIN - 1334549)

Mukesh Tripathi
Director
(DIN - 01951272)

S S Khurana
Director
(DIN - 02126149)

K K Narula
Director
(DIN - 00098124)

S K Awasthi
Director
(DIN - 02162923)

Ms. Salila Tewari
Director
(DIN - 01748088)

U K Mukhopadhyay
Director
(DIN - 2766045)

Place : New Delhi
Dated : 27th May, 2016

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

CIN - L31501HR1973PLC007543

(Amount in ₹)

Particulars	Note No.	Year ended 31st March, 2016	Year ended 31st March, 2015
Revenue from Operations including Excise Duty		33,01,20,87,949	30,70,84,10,708
Less: Excise Duty		2,32,34,30,472	2,13,74,28,727
Revenue from Operations	**20**	**30,68,86,57,477**	**28,57,09,81,981**
Other income	21	1,84,98,772	3,73,12,848
Total Revenue		**30,70,71,56,249**	**28,60,82,94,829**
EXPENSES			
Cost of materials consumed	22	19,64,90,74,947	18,58,35,31,464
Purchase of Traded goods	23	2,29,92,97,166	2,00,54,57,661
Change in inventories of finished goods,work-in-progress and Stock-in-Trade	24	(21,56,95,968)	4,49,24,905
Employee benefit expense	25	1,87,78,10,323	1,56,37,48,446
Finance Cost	26	96,43,17,244	1,08,99,83,760
Depreciation and amortization expenses	12	60,66,55,750	56,04,24,621
Other Expenses	27	4,67,55,60,657	4,14,24,38,775
Total Expenses		**29,85,70,20,119**	**27,99,05,09,632**
Profit before tax		**85,01,36,130**	**61,77,85,197**
Tax expense			
Current tax		17,63,61,966	10,52,20,556
Deferred tax		1,04,98,281	2,95,44,591
MAT Credit Adjustment		4,27,44,189	(5,78,51,550)
Profit after tax		**62,05,31,694**	**54,08,71,600**
Earning per equity share of face value of ₹ 10/- each			
Basic & Diluted in ₹	28	14.16	12.34
Significant Accounting Policies	1		
Additional Notes to the Financial Statements	31 to 34		

As per our attached report of even date

For **SASTRY K. ANANDAM & CO.**
Chartered Accountants
Firm No.00179N

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

J P Agarwal
Executive Chairman
(DIN - 00041119)

Raju Bista
Managing Director
(DIN - 01299297)

R N Maloo
Executive Director
& Group Chief Financial Officer

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

Ravinder K Narang
Director
(DIN - 02318041)

R K Sinha
Director
(DIN - 1334549)

Mukesh Tripathi
Director
(DIN - 01951272)

S S Khurana
Director
(DIN - 02126149)

K K Narula
Director
(DIN - 00098124)

S K Awasthi
Director
(DIN - 02162923)

Ms. Salila Tewari
Director
(DIN - 01748088)

U K Mukhopadhyay
Director
(DIN - 2766045)

Place : New Delhi
Dated : 27th May, 2016

CASH FLOW STATEMENT for the year ended 31ST MARCH, 2016

(Amount in ₹)

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
A. Cash flow from operating activities		
Net Profit Before Tax	85,01,36,130	61,77,85,197
Adjustment for :		
Depreciation	60,66,55,750	56,04,24,621
Interest Income	(1,17,71,532)	(93,97,226)
Finance Costs	96,43,17,244	1,08,99,83,760
Loss/(Profit) on Sale of Fixed Assets	(48,63,368)	(2,34,84,835)
CSR Expenses	1,34,86,000	1,30,00,000
Other Non-Operating Income	(2,57,213)	(77,114)
Operating Profit before working capital changes	**2,41,77,03,011**	**2,24,82,34,403**
Adjustment for :		
Trade & Other Receivables	(5,17,42,919)	(36,50,55,453)
Inventories	(80,35,34,755)	43,60,60,304
Trade Payables	67,13,79,274	46,59,30,826
Cash Generated from Operations	**2,23,38,04,611**	**2,78,51,70,080**
Income Tax Paid	(17,63,61,966)	(10,52,20,556)
CSR Expenses	(1,34,86,000)	(1,30,00,000)
Net cash from operating activities	**2,04,39,56,645**	**2,66,69,49,524**
B. Cash flow from investing activities		
Interest Received	1,17,71,532	93,97,226
Acquisition of Fixed Assets	(53,37,60,153)	(66,74,81,130)
Sale/Adjustments of Fixed Assets	2,25,96,362	4,07,06,511
Other Non-Operating Income	2,57,213	77,114
Net cash used in investing activities	**(49,91,35,046)**	**(61,73,00,279)**
C. Cash flow from financing activities		
Increase/(Decrease) Long Term Borrowings	(49,52,56,502)	(54,40,04,907)
Increase/(Decrease) Short Term Borrowings	(2,34,00,915)	(34,62,49,020)
Finance Cost	(96,43,17,244)	(1,08,99,83,760)
Dividend Paid	(5,27,54,262)	(5,27,54,262)
Net cash inflow/(outflow) from financing activities	**(1,53,57,28,923)**	**(2,03,29,91,949)**
Net Increase/(decrease) in cash & cash equivalents	90,92,676	1,66,57,295
Opening Cash & Cash equivalents	**26,35,14,039**	**24,68,56,744**
Closing Cash & Cash equivalents	**27,26,06,716**	**26,35,14,039**

J P Agarwal
Executive Chairman
(DIN - 00041119)

Raju Bista
Managing Director
(DIN - 01299297)

R N Maloo
Executive Director
& Group Chief Financial Officer

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

Ravinder K Narang
Director
(DIN - 02318041)

R K Sinha
Director
(DIN - 1334549)

Mukesh Tripathi
Director
(DIN - 01951272)

S S Khurana
Director
(DIN - 02126149)

K K Narula
Director
(DIN - 00098124)

S K Awasthi
Director
(DIN - 02162923)

Ms. Salila Tewari
Director
(DIN - 01748088)

U K Mukhopadhyay
Director
(DIN - 2766045)

Place : New Delhi
Dated : 27th May, 2016

We have examined the above Cash Flow Statement of Surya Roshni Limited for the year ended 31st March, 2016. The Statement has been prepared by the Company in accordance with the requirements of listing Regulation 33 of SEBI (LODR) Regulations, 2015 with Stock Exchanges and is based on and in agreement with the books and records of the Company and also the Profit and Loss Statement and Balance Sheet of the Company covered by our report of even date to the members of the Company.

For Sastry K Anandam & Co.
Chartered Accountants
(Firm's Registration No.000179N)

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

Place: New Delhi
Date : 27-05-2016

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

NOTE NO. 1

A. SIGNIFICANT ACCOUNTING POLICIES

1. Basis of preparation of Financial Statements

(a) The financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles (GAAP) in India and the provisions of the Companies Act, 2013, as adopted consistently by the Company.

(b) The Company recognises income and expenditure on accrual basis except those of significant uncertainties.

2. Fixed Assets

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

3. Depreciation

(i) Depreciation on Fixed assets is provided on Straight Line Method (SLM) considering specified useful / remaining useful lives of the assets as prescribed in Schedule II to the Companies Act, 2013 except in cases of Plant & Machineries relating to Tuber Plant of Lighting Division and Pipe Mills & CR Plant of Steel Division where the useful life has been assessed as 25 Years on the basis of technical evaluation.

(ii) Depreciation on additions is being provided on pro rata basis from the date of such additions.

(iii) Depreciation on assets sold, discarded, disabled or demolished during the year is being provided up to the date in which such assets are sold, discarded, disabled or demolished.

(iv) Depreciation on additions / deductions on account of increase / decrease due to revaluation of foreign currency loan are provided based on the useful life of the assets.

4. Foreign Currency Transactions

(i) The Monetary items denominated in foreign currency are translated at the exchange rate prevailing on the last day of the accounting year where the Company has entered into forward exchange contracts, the difference between the forward rate and the exchange rate at the date of the transaction is recognised in the statement of profit & loss over the life of the contract. However the difference relating to borrowings attributable to the fixed assets are capitalized.

(ii) Exchange differences arising due to repayment or restatement of monetary items denominated in foreign currency are recognised in Profit & Loss Statement. However the exchange difference relating to borrowings attributable to the fixed assets are capitalized.

5. Investments

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

6. Employee Benefits

i. Contribution to the provident fund with the government at pre-determined rates is a defined contribution scheme and is charged to the Profit and Loss Statement. There are no other obligations other than contribution to PF Schemes.

ii. Liabilities in respect of defined benefit plan of Gratuity is determined as per actuarial valuations made by an independent actuary as at the balance sheet date. The actuarial gains or losses are recognised immediately in the profit and loss statement. The contributions made by the Company through approved gratuity trust time to time are invested with Life Insurance Corporation of India and SBI Life Insurance Company Limited.

iii. Provisions for other long term employee benefits-leave, a defined benefit scheme, is made on the basis of actuarial valuation at the end of each financial year and are charged to the profit and loss statement. All actuarial gains or losses are recognised immediately in the profit and loss statement.

7. Use of Estimates

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

8. Inventory Valuation

(i) Raw material, Stores & Spares are valued at cost on FIFO basis.

(ii) Finished Goods are valued at cost or net realisable value whichever is lower.

(iii) Work in Progress are valued at cost or net realisable value whichever is lower.

(iv) Scrap and Salvage is valued at realisable value.

(v) Excise duty is included in value of finished goods.

9. Revenue Recognition

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

10. Taxation

Income-Tax is accounted for in accordance with the Accounting Standard 22 "Accounting for taxes on income" issued by the ICAI .Taxes comprise both current and deferred tax.

The provision for the current tax is made considering the liability estimated to arise on the results for the year in accordance with Income-Tax Act, 1961.

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

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

NOTE 2 : SHARE CAPITAL

(Amount in ₹)

Share Capital	As at 31st March 2016		As at 31 March 2015	
	Number	Amount	Number	Amount
Authorised				
Equity Shares of par value of ₹ 10/- each	4,98,00,000	49,80,00,000	4,98,00,000	49,80,00,000
Preference Shares of par value of ₹ 100/- each	6,20,000	6,20,00,000	6,20,000	6,20,00,000
Total		**56,00,00,000**		**56,00,00,000**
Issued				
Equity Shares of par value of ₹ 10/- each	4,38,31,250	43,83,12,500	4,38,31,250	43,83,12,500
Preference Shares of par value of ₹ 100/- each	-	-	-	-
Total		**43,83,12,500**		**43,83,12,500**
Subscribed & fully paid up				
Equity Shares of par value of ₹ 10/- each	4,38,31,250	43,83,12,500	4,38,31,250	43,83,12,500
Preference Shares of par value of ₹ 100/- each	-	-	-	-
Total		**43,83,12,500**		**43,83,12,500**
Subscribed but not fully Paid up				
Equity Shares of par value of ₹ 10/- each	-	-	-	-
Preference Shares of par value of ₹ 100/- each	-	-	-	-
Total		**-**		**-**

(Amount in ₹)

Equity Share Warrants	As at 31st March 2016		As at 31 March 2015	
	Number	Amount	Number	Amount
	-	-	-	-

Particulars	As at 31st March 2016		As at 31 March 2015	
	Equity Shares	Preference Shares	Equity Shares	Preference Shares
Shares outstanding at the beginning of the year	4,38,31,250	-	4,38,31,250	-
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	4,38,31,250	-	4,38,31,250	-

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

Name of Shareholder	As at 31st March 2016		As at 31 March 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Diwakar Marketing Private Limited	56,37,500	12.86	56,37,500	12.86
Cubitex Marketing Private Ltd.	48,61,000	11.09	47,61,000	10.86
Shreyansh Mercantile Private Ltd.	31,78,000	7.25	31,78,000	7.25
Sahaj Tie-Up Private Limited	31,16,250	7.11	19,16,250	4.37

Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10/- per share (previous year ₹ 10/- per share). Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. A dividend of ₹ 1/- per share of ₹ 10/- each has been recommended by the Board subject to approval of shareholders in the ensuing Annual General Meeting. 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 number of equity shares held by the shareholders.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

NOTE 3 : RESERVES & SURPLUS

(Amount in ₹)

Particulars	Figures as at the end of the current reporting period				Figures as at the end of the previous reporting period			
	Balance as on 01-04-2015	Additions	Deductions	Balance as on 31-03-2016	Balance as on 01-04-2014	Additions	Deductions	Balance as on 31-03-2015
CAPITAL RESERVE								
Capital Subsidy	50,00,000	-	-	50,00,000	50,00,000		-	50,00,000
Revaluation of Fixed Assets	1,79,35,31,415	-	-	1,79,35,31,415	1,79,40,32,641	-	5,01,226	1,79,35,31,415
Capital Redemption Reserve	3,00,00,000	-	-	3,00,00,000	3,00,00,000		-	3,00,00,000
Forfeiture Reserve	17,62,51,250	-	-	17,62,51,250	17,62,51,250		-	17,62,51,250
Securities Premium Reserve	1,40,95,19,175	-	-	1,40,95,19,175	1,40,95,19,175	-	-	1,40,95,19,175
General Reserve	48,35,93,102	6,00,00,000	-	54,35,93,102	54,00,98,030	6,00,00,000	11,65,04,928	48,35,93,102
Surplus as per the last balance sheet	**3,34,58,43,544**			**3,77,39,60,882**	**2,92,35,19,127**			**3,34,58,43,544**
Profit after Tax for the Year	54,08,71,600	62,05,31,694		62,05,31,694	53,36,04,788	54,08,71,600		54,08,71,600
Less: Transfer to General Reserve	(6,00,00,000)		6,00,00,000	(6,00,00,000)	(6,00,00,000)		6,00,00,000	(6,00,00,000)
Less: Proposed Dividend	(4,38,31,250)		4,38,31,250	(4,38,31,250)	(4,38,31,250)		4,38,31,250	(4,38,31,250)
Less: Dividend Distribution Tax	(89,23,012)		89,23,012	(89,23,012)	(74,49,121)		89,23,012	(89,23,012)
Balance Surplus	3,77,39,60,882			4,28,17,38,314	3,34,58,43,544			3,77,39,60,882
Total	**7,67,18,55,824**	**68,05,31,694**	**11,27,54,262**	**8,23,96,33,256**	**7,30,07,44,640**	**60,08,71,600**	**22,97,60,416**	**7,67,18,55,824**

NOTE 4 : LONG TERM BORROWINGS

(Amount in ₹)

Particulars	As at 31st March 2016	As at 31st March 2015
SECURED		
Term loans		
Foreign Currency Loan		
From banks	1,64,55,36,536	75,06,95,041
	1,64,55,36,536	**75,06,95,041**
Rupee Loans		
From banks	1,24,00,21,592	2,89,20,57,418
From Institutions	44,22,00,000	-
	1,68,22,21,592	**2,89,20,57,418**
Total	**3,32,77,58,128**	**3,64,27,52,459**

a) All rupee term loans carrying floating interest rate of Base Rate + 0.15% to 1.25% as on 31st March 2016 with periodical interest resets

b) All foreign currency loan carrying floating interest rate of LIBOR + 300 bps to 325 bps as on 31st March 2016 with periodical interest resets

Maturity Profile of Secured Term Loans are as set out below :

(Amount in ₹)

Maturity Profile	As at 31st March 2016	As at 31st March 2015
1 Year	49,03,29,622	67,84,28,000
2-5 Years	2,08,29,49,129	2,27,43,80,459
6-8 Years	1,24,48,08,999	1,36,83,72,000

Term Loans from banks are secured by all fixed Asset of the Company including equitable mortgage of Land & Building and further secured by way of second charge on company's entire Current Assets both present & future and personal guarantee of Chairman of the Company.

NOTE 5 : DEFERRED TAX LIABILITIES (NET)

(Amount in ₹)

Particulars	As at 31st March 2016	As at 31st March 2015
(A) DEFERRED TAX LIABILITY		
Related to Fixed Assets	61,43,73,308	58,73,35,412
Total	**61,43,73,308**	**58,73,35,412**
(B) DEFERRED TAX ASSETS		
Gratuity	7,35,43,868	6,00,61,491
Leave Encashment	1,72,95,090	1,42,37,852
Total	9,08,38,958	7,42,99,343
Deferred Tax Liabilities (Net)	**52,35,34,350**	**51,30,36,069**

NOTE 6 : OTHER LONG-TERM LIABILITIES

(Amount in ₹)

Particulars	As at 31st March 2016	As at 31st March 2015
Security Deposit Payables	7,81,21,000	7,02,84,792
Total	**7,81,21,000**	**7,02,84,792**

NOTE 7 : LONG-TERM PROVISIONS

(Amount in ₹)

Particulars	As at 31st March 2016	As at 31st March 2015
PROVISION FOR EMPLOYEE BENEFITS		
Gratuity (unfunded) - See Note No. 33	19,37,15,027	15,80,72,512
Leave Encashment (unfunded) - See Note No. 33	4,02,00,070	3,40,09,770
Total	**23,39,15,097**	**19,20,82,282**

NOTE 8 : SHORT TERM BORROWINGS

(Amount in ₹)

Particulars	As at 31st March 2016	As at 31st March 2015
SECURED		
Loans repayable on demand From Banks	5,13,18,14,355	5,15,52,15,270
Total	**5,13,18,14,355**	**5,15,52,15,270**

Working Capital Loan from Banks are secured against company's entire Current Assets both present & future and further secured by way of second charge on all fixed Asset of the Company including equitable mortgage of Land & Building and personal guarantee of Chairman of the Company.

NOTE 9 : TRADE PAYABLES

(Amount in ₹)

Particulars	As at 31st March 2016	As at 31st March 2015
Micro, Small and Medium Enterprises	7,96,38,290	7,64,68,077
Others	2,05,26,55,147	1,64,48,16,473
Total	**2,13,22,93,437**	**1,72,12,84,550**

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

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

(Amount in ₹)

Particulars	As at 31st March 2016	As at 31st March 2015
(i) The Principal amount and the interest due thereon remaining unpaid to any supplier.		
Principal Amount :	7,96,38,290	7,64,68,077
Interest :	Nil	Nil
(ii) The amount of interest paid by the Company along with the amounts of the payment made to the supplier beyond the appointed day for the year ending.	Nil	Nil
(iii) The amount of interest due and payable for the period of delay in making payment (beyond the appointed day during the year)	Nil	Nil
(iv) The amount of interest accrued and remaining unpaid for the year ending.	Nil	Nil
(v) The amount of further interest remaining due and payable for the earlier years.	Nil	Nil

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

NOTE 10 : OTHER CURRENT LIABILITIES

(Amount in ₹)

Particulars	As at 31st March 2016	As at 31st March 2015
Current maturities of long-term debt	49,03,29,622	67,84,28,000
Interest accrued but not due on borrowings	3,00,02,041	4,91,94,664
Unpaid dividends	41,85,968	43,31,762
Duties and Taxes Payable	23,13,29,098	16,37,50,636
Other liablities	45,80,63,309	31,11,33,746
Total	**1,21,39,10,038**	**1,20,68,38,808**

NOTE 11 : SHORT TERM PROVISIONS

(Amount in ₹)

Particulars	As at 31st March 2016	As at 31st March 2015
(a) Provision for employee benefits		
Gratuity (Unfunded) - See Note No. 33	1,74,08,432	1,40,93,548
Leave Encashment (Unfunded) - See Note No. 33	77,28,959	50,85,352
(b) Others		
Provision for Income Tax for Current Year (net of Advance Tax & TDS)	1,74,09,472	-
Provision for Proposed dividend	4,38,31,250	4,38,31,250
Dividend distribution tax on Proposed Dividend	89,23,012	89,23,012
Total	**9,53,01,125**	**7,19,33,162**

NOTE 12 : FIXED ASSETS

(Amount in ₹)

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at 1st April 2015	Additions	Disposals	Balance as at 31st March 2016	Balance as at 1st April 2015	Depreciation charge for the year	On disposals	Balance as at 31st March 2016	Balance as at 1st April 2015	Balance as at 31st March 2016
	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount
TANGIBLE ASSETS										
Land Freehold	1,86,49,68,564	-	31,09,260	1,86,18,59,304	-	-	-	-	1,86,49,68,564	1,86,18,59,304
Land under lease	13,24,64,058	-	-	13,24,64,058	-	-	-	-	13,24,64,058	13,24,64,058
Buildings	1,49,12,14,172	17,33,764	-	1,49,29,47,936	48,51,45,454	4,50,09,976	-	53,01,55,430	1,00,60,68,719	96,27,92,506
Plant and Equipment	11,63,83,16,058	58,09,62,146	4,14,96,140	12,17,77,82,064	5,37,86,74,065	52,37,53,305	2,85,48,077	5,87,38,79,293	6,25,96,41,993	6,30,39,02,771
Furniture and Fixtures	7,43,82,750	32,58,105	31,327	7,76,09,528	4,07,48,510	60,76,647	29,884	4,67,95,273	3,36,34,240	3,08,14,255
Vehicles	10,75,17,954	39,28,242	74,06,490	10,40,39,706	7,02,67,923	1,01,00,622	57,83,168	7,45,85,377	3,72,50,031	2,94,54,329
Office equipment	8,16,76,122	1,28,45,684	4,84,760	9,40,37,046	6,97,45,019	87,74,177	4,33,855	7,80,85,341	1,19,31,103	1,59,51,705
Air Conditioner & Coolers	1,17,74,253	13,08,695	-	1,30,82,948	94,90,658	13,33,412	-	1,08,24,070	22,83,595	22,58,878
Temporary Construction	1,50,55,565	-	-	1,50,55,565	1,50,55,565	-	-	1,50,55,565	-	-
Electric Equipments	86,75,070	16,200	-	86,91,270	73,72,303	9,26,956	-	82,99,259	13,02,767	3,92,011
Miscellaneous Assets	34,69,955	-	-	34,69,955	27,74,461	1,53,770	-	29,28,231	6,95,494	5,41,724
Computers	10,18,81,775	97,34,879	-	11,16,16,654	8,73,83,118	1,05,26,887	-	9,79,10,005	1,44,98,658	1,37,06,649
Total	**15,53,13,96,296**	**61,37,87,715**	**5,25,27,977**	**16,09,26,56,034**	**6,16,66,57,076**	**60,66,55,752**	**3,47,94,984**	**6,73,85,17,844**	**9,36,47,39,222**	**9,35,41,38,190**
Previous Year	**14,69,79,46,936**	**94,07,86,048**	**10,73,36,688**	**15,53,13,96,296**	**5,57,93,41,313**	**56,04,24,622**	**9,01,15,012**	**6,16,66,57,076**	**9,11,86,05,623**	**9,36,47,39,220**
Capital Work In Progress	26,37,83,367	26,73,21,949	34,73,49,511	18,37,55,805	-	-	-	-	26,37,83,367	18,37,55,805
Total	**26,37,83,367**	**26,73,21,949**	**34,73,49,511**	**18,37,55,805**	**-**	**-**	**-**	**-**	**26,37,83,367**	**18,37,55,805**
Previous Year	**53,70,88,285**	**42,89,71,559**	**70,22,76,477**	**26,37,83,367**	**-**	**-**	**-**	**-**	**53,70,88,285**	**26,37,83,367**

Note : Previous year accumulated depreciation balance as on 31st March, 2015 includes adjustment on account of revaluation of ₹ 5,01,226 and adjustment due to transfer to general reserves of ₹ 11,65,04,928.

Amount of reduction / increase of revalued assets

(Amount in ₹)

Particulars	Year 2010-11	Year 2011-12	Year 2012-13	Year 2013-14	Year 2014-15	Year 2015-16
Asset details:	Land	Land	Land	Land	Land	Land
Balance as at 1 April	20,90,80,713	2,08,08,87,024	2,10,59,03,812	2,10,55,42,113	1,99,84,87,709	1,99,74,32,622
Addition	2,46,21,156	3,00,16,248	97,640	4,42,054	-	-
Revaluation	1,85,17,37,873	-	-	(6,54,17,562)	-	-
Deletion	45,52,718	49,99,460	4,59,339	4,20,78,896	10,55,087	31,09,260
Balance as at 31 March	2,08,08,87,024	2,10,59,03,812	2,10,55,42,113	1,99,84,87,709	1,99,74,32,622	1,99,43,23,362

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

NOTE 13 NON-CURRENT INVESTMENTS

(Amount in ₹)

Particulars	As at 31st March 2016	As at 31st March 2015
TRADE INVESTMENTS		
Investment in Equity instruments	50,00,00,000	50,00,00,000
Total	**50,00,00,000**	**50,00,00,000**
Less : Provision for dimunition in the value of Investments	-	-
Total	**50,00,00,000**	**50,00,00,000**
Aggregate amount of quoted investments (Market value of ₹ NIL(Previous Year ₹ NIL)	NIL	NIL
Aggregate amount of unquoted investments	50,00,00,000	50,00,00,000

B. DETAILS OF OTHER INVESTMENTS

Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Equity Holding (%)		Amount (Rs)		Whether stated at Cost Yes / No	If Answer to Column (12) is 'No' - Basis of Valuation
			As at 31.03.2016	As at 31.03.2015			As at 31.03.2016	As at 31.03.2015	As at 31.03.2016	As at 31.03.2015		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
	Investement in Equity Instruments											
1	Surya Global Steel Tubes Limited of ₹ 10/- each	Associate	5,00,00,000	5,00,00,000	Unquoted	Fully Paid	26.99	49.99	50,00,00,000	50,00,00,000	Yes	N.A.
	Total		**5,00,00,000**	**5,00,00,000**					**50,00,00,000**	**50,00,00,000**		

Note : The above mentioned investment in associate company is given as security by way of pledge of shares in favour of consortium banks of associate company for working capital facilities availed by it.

NOTE 14 : OTHER NON-CURRENT ASSETS

(Amount in ₹)

Particulars	As at 31st March 2016	As at 31st March 2015
Security Deposits	7,87,94,428	7,28,75,183
Total	**7,87,94,428**	**7,28,75,183**

NOTE 15 : INVENTORIES

(Amount in ₹)

Particulars	As at 31st March 2016	As at 31st March 2015
Raw Materials	1,55,23,81,356	96,40,65,551
Work-in-Progress	50,34,53,067	37,81,76,880
Finished goods	2,40,81,74,296	2,32,11,18,188
Stores and spares	20,23,98,659	20,28,75,677
Scrap and salvage	3,23,48,617	2,89,84,945
Total	**4,69,87,55,995**	**3,89,52,21,241**

NOTE 16 : TRADE RECEIVABLES

(Amount in ₹)

Particulars	As at 31st March 2016	As at 31st March 2015
Outstanding due for a period exceeding six months from the date they are due for payment		
Unsecured,considered good	22,99,21,502	22,76,10,025
Less: Bad and doubtful debts	-	-
	22,99,21,502	**22,76,10,025**
Other receivables		
Unsecured,considered good	4,95,08,41,146	5,01,46,68,961
Less: Bad and doubtful debts	-	-
	4,95,08,41,146	**5,01,46,68,961**
Total	**5,18,07,62,648**	**5,24,22,78,986**

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

NOTE 17: CASH AND CASH EQUIVALENTS

(Amount in ₹)

Particulars	As at 31st March 2016	As at 31st March 2015
Balance with banks	3,39,54,813	1,09,56,962
Cheques, drafts on hand	23,23,51,244	24,72,27,070
Cash on hand	63,00,658	53,30,007
Total	**27,26,06,715**	**26,35,14,039**
Cash and cash equivalents stated above includes :		
Earmarked balances with banks for unpaid dividend	41,85,968	43,31,762

NOTE 18 : SHORT-TERM LOANS AND ADVANCES

(Amount in ₹)

Particulars	As at 31st March 2016	As at 31st March 2015
Loans and advances to others (Unsecured,considered good)		
Prepaid Taxes & Advances recoverable in cash or kind or for value to be received		
MAT Recoverable	32,88,53,426	35,49,34,360
Balances with statutory authorities	7,29,85,967	5,10,07,846
Incentives, Claims and other advances	73,83,30,217	66,57,12,952
	1,14,01,69,610	**1,07,16,55,158**
Provision for bad and doubtful advances	-	-
Total	**1,14,01,69,610**	**1,07,16,55,158**

NOTE 19 : OTHER CURRENT ASSETS

(Amount in ₹)

Particulars	As at 31st March 2016	As at 31st March 2015
Earnest Money Deposits	56,09,894	95,28,522
Total	**56,09,894**	**95,28,522**

NOTE 20: REVENUE FROM OPERATIONS

(Amount in ₹)

Particulars	For the Year ended 31st March 2016	For the Year ended 31st March 2015
Sale of Products		
(a) Lighting	14,58,73,07,555	11,79,10,27,667
(b) Steel	18,13,11,04,295	18,66,19,61,275
Other Operating Revenue		
(a) Investment promotion assistance	9,77,75,029	11,57,90,701
(b) Export Incentives & Claims	13,37,49,735	10,29,31,935
Sale of Services	6,21,51,335	3,66,99,130
	33,01,20,87,949	**30,70,84,10,708**
Less: Excise duty	2,32,34,30,472	2,13,74,28,727
Total	**30,68,86,57,477**	**28,57,09,81,981**

NOTE 21: OTHER INCOME

(Amount in ₹)

Particulars	For the Year ended 31st March 2016	For the Year ended 31st March 2015
Interest TDS ₹6,19,563/- (Prev. Year ₹ 9,03,880/-)	1,17,71,532	93,97,226
Profit on Sale of Fixed Assets	64,70,027	2,78,38,508
Other non-operating income	2,57,213	77,114
Total	**1,84,98,772**	**3,73,12,848**

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

NOTE 22 : COST OF MATERIALS CONSUMED

(Amount in ₹)

Particulars	For the Year ended 31st March 2016	For the Year ended 31st March 2015
Raw Material (Imported)	1,49,28,22,903	1,02,57,36,284
Raw Material (Indigenous)	17,66,66,48,076	17,13,24,02,161
Packing Material Consumed	48,96,03,968	42,53,93,019
Total	**19,64,90,74,947**	**18,58,35,31,464**
Particulars of materials consumed		
Lighting	5,70,78,22,489	4,40,52,94,860
Steel	13,94,12,52,458	14,17,82,36,604
Total	**19,64,90,74,947**	**18,58,35,31,464**

NOTE 23 : PURCHASES OF TRADED GOODS

(Amount in ₹)

Particulars	For the Year ended 31st March 2016	For the Year ended 31st March 2015
Purchase / Outsourced Materials	2,29,92,97,166	2,00,54,57,661
Total	**2,29,92,97,166**	**2,00,54,57,661**

NOTE 24 : INCREASE/ (DECREASE) IN FINISHED GOODS AND WORK IN PROGRESS

(Amount in ₹)

Particulars	For the Year ended 31st March 2016	For the Year ended 31st March 2015
Opening Stock		
Finished Goods	2,33,07,29,984	2,48,21,66,171
Work-in-Progress	39,75,50,029	29,10,38,747
	2,72,82,80,013	**2,77,32,04,918**
Closing Stock		
Finished Goods	2,41,05,86,922	2,33,07,29,984
Work-in-Progress	53,33,89,059	39,75,50,029
	2,94,39,75,981	**2,72,82,80,013**
Change	**(21,56,95,968)**	**4,49,24,905**

NOTE 25 : EMPLOYEE BENEFIT EXPENSES

(Amount in ₹)

Particulars	For the Year ended 31st March 2016	For the Year ended 31st March 2015
Salaries,Wages and Bonus	1,75,10,35,260	1,44,68,48,917
Contribution to provident and other funds	8,75,50,807	8,19,51,560
Workmen and Staff Welfare Expenses	3,92,24,256	3,49,47,969
Total	**1,87,78,10,323**	**1,56,37,48,446**

NOTE 26 : FINANCE COST

(Amount in ₹)

Particulars	For the Year ended 31st March 2016	For the Year ended 31st March 2015
Interest expenses	92,03,58,247	1,04,33,09,499
Other borrowing costs	4,39,58,997	4,66,74,261
Total	**96,43,17,244**	**1,08,99,83,760**

NOTE 27 : OTHER EXPENSES

(Amount in ₹)

Particulars	For the Year ended 31st March 2016	For the Year ended 31st March 2015
Manufacturing Expenses		
Consumption of stores and spare parts	21,09,31,098	20,99,25,602
Power and fuel	65,38,13,952	68,27,08,630
Water Charges	56,31,940	58,95,556
Repairs to buildings	25,40,189	48,23,345
Repairs to machinery	1,55,07,604	1,34,56,147
Repairs to other items	28,17,113	23,54,450
Other manufacturing expenses	37,91,03,321	37,24,02,460
	1,27,03,45,217	**1,29,15,66,190**
Selling and Other Expenses		
Discount,Rebate and Allowances	1,04,70,89,238	78,78,64,252
Warranty Cost	47,41,53,844	32,83,78,460
Commission on Sales	10,56,31,703	13,06,69,284
Advertisement	12,51,01,461	8,88,94,443
Others	28,74,13,186	27,63,75,497
Outward Freight Charges	91,06,52,765	82,20,93,243
	2,95,00,42,197	**2,43,42,75,179**
Administrative Expenses		
Rent	7,78,78,503	6,56,94,582
Rates and taxes	22,17,350	16,99,113
Insurance	1,19,27,141	79,00,914
Postage,Telegraph and Telephone	2,39,93,091	2,30,51,793
Printing & Stationery	1,43,56,339	1,22,05,363
Travelling and Conveyance	13,24,53,366	12,23,98,861
Staff Recruitment and Training Expenses	27,19,894	30,84,539
Loss on sale/ write off of Fixed Assets (net)	16,06,659	43,53,673
CSR Expenses	1,34,86,000	1,30,00,000
Miscellaneous expenses	17,33,50,314	16,18,29,808
	45,39,88,657	**41,52,18,646**
Payment to Auditors		
Statutory Audit Fees	7,20,000	6,70,000
Income-Tax Audit Fees	1,80,000	1,80,000
Certification Fees	1,35,000	2,96,143
Reimbursement of expenses	1,49,586	2,32,617
	11,84,586	**13,78,760**
Total	**4,67,55,60,657**	**4,14,24,38,775**

NOTE 28 : DIVIDEND & EARNING PER SHARE (EPS)

(Amount in ₹)

Particulars	For the Year ended 31st March 2016	For the Year ended 31st March 2015
Equity Shares		
Propsed Dividend amount per share	1.00	1.00
No. of Shares	4,38,31,250	4,38,31,250
Propsed Dividend amount to be distributed	4,38,31,250	4,38,31,250
Earning per share (EPS)		
Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹)	62,05,31,694	54,08,71,600
Number of Equity Shares	4,38,31,250	4,38,31,250
Weighted Average Number of Equity Shares used as denominator for calculating EPS	4,38,31,250	4,38,31,250
Basic and Diluted Earning per share (₹)	14.16	12.34
Face Value per equity share (₹)	10.00	10.00

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

NOTE 29 : CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

(Amount in ₹)

Particulars	As at 31st March 2016	As at 31st March 2015
Contingent Liabilities		
Claims against the company not acknowleged as debt;	1,92,92,567	1,89,18,530
Bank guarantees issued by banks for which counter guarantee given by the company	1,02,98,51,377	57,11,62,451
Corporate Guarantee in favour of Banks for providing term loans to erstwhile Subisidiary Company: Sanctioned term loans amount - ₹ 135 Crores; Outstanding term loans amount;	Nil	21,00,00,000
Bonds executed by the Company to Custom Department against export obligation under EPCG Scheme	16,65,23,242	24,70,92,877
Other money for which the company is contingently liable		
Total	**1,21,56,67,186**	**1,04,71,73,858**
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	7,17,73,664	8,65,00,000
Total	**7,17,73,664**	**8,65,00,000**

NOTE 30 : CIF VALUE OF IMPORTS

(Amount in ₹)

Particulars	As at 31st March 2016	As at 31st March 2015
Raw materials and purchases for trading	1,90,99,58,023	1,32,03,55,240
Components and Spare parts;	1,20,50,871	1,28,31,725
Capital goods	5,15,79,927	70,72,212

Value of consumption of imported and indigeneous raw material, stores and spares and its percentage to total consumption

Particulars	As at 31st March 2016		As at 31 March 2015	
	₹	%age	₹	%age
Raw Materials				
Imported	1,49,28,22,903	7.79	1,02,57,36,284	5.65
Indigenous	17,66,66,48,076	92.21	17,13,24,02,161	94.35
Total	**19,15,94,70,979**	**100.00**	**18,15,81,38,445**	**100.00**
Stores and Spares				
Imported	70,36,294	3.34	1,44,01,225	6.86
Indigenous	20,38,94,804	96.66	19,55,24,377	93.14
Total	**21,09,31,098**	**100.00**	**20,99,25,602**	**100.00**

Earning in foreign exchange

(Amount in ₹)

Particulars	As at 31st March 2016	As at 31st March 2015
Export of goods calculated on F.O.B. basis	2,76,95,28,788	2,37,10,58,229

Expenditure in Foreign Currency

(Amount in ₹)

Particulars	As at 31st March 2016	As at 31st March 2015
Professional and consultation fee	3,65,667	5,77,024
Other matters	1,15,35,450	87,14,969

Dividend Amount paid to Non Residents

(Amount in ₹)

Particulars	For the Year ended 31st March 2016	For the Year ended 31st March 2015
Number of non resident Shareholders	198	165
Number of equity shares held by them on which dividends were due	2,37,711	1,81,446
Year ended to which the dividend related	2014-15	2013-14
Amount paid (in ₹)	2,37,711	1,81,446

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

ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

NOTE NO. 31

The Excise department has disallowed CENVAT Credit of ₹ 1,31,05,538/- on certain Plant and Machinery for which the Company has filed appeal. The same has been considered as Claims Receivable and the same shall be recognised in the year in which the matter will be finally settled.

32.1 RELATED PARTY DISCLOSURES

As per Accounting Standard 18, the disclosures of transactions with whom transactions have taken place and relationships:

A. Relationship:

i. Associate Company

- Surya Global Steel Tubes Limited

ii. Key Managerial Personnel (KMPs)

- Shri Jai Prakash Agarwal, Chairman
- Shri Raju Bista, Managing Director
- Shri Utkarsh Dwivedi, Whole time Director (Resigned in Dec'15)
- Shri R. N. Maloo, ED & Group CFO
- Shri Ramanjeet Singh, CEO (Lighting Operations)
- Shri Tarun Baldua, CEO (Steel Operations)
- Shri B. B. Singal, Sr. V.P & Company Secretary

iii. Relatives of Key Managerial Personnel (KMPs)

- Sh. Rajesh Bista (Brother of Managing Director)

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

i) Associate:

1. Surya Global Steel Tubes Ltd.

Investment in Equity Shares

(Amount in ₹)

Particulars	For the Year ended 31st March 2016	For the Year ended 31st March 2015
Total Investment at the beginning of the year	50,00,00,000	50,00,00,000
Investment made during the year	Nil	Nil
Total investment at the year end	**50,00,00,000**	**50,00,00,000**

Transactions

(Amount in ₹)

Particulars	For the Year ended 31st March 2016	For the Year ended 31st March 2015
Sale of Material / Goods / Stores during the year	4,99,88,843	1,90,65,901
Purchase of Goods/RM/Stores/others	2,11,42,99,989	203,16,21,256
Fixed Assets sold to SGSTL	22,05,622	34,88,812
Purchase of Fixed Assets	-	23,66,971
Security/ Advance given(taken back)	-	(10,00,00,000)

ii) Key Management Personnel (KMPs) - Remuneration

(Amount in ₹)

S. No.	Name of KMPs	For the Year ended 31st March 2016	For the Year ended 31st March 2015
1	Sh. J. P. Agarwal (Chairman)	81,00,000	60,00,000
2	Sh. Raju Bista (Managing Director)	63,00,000	46,20,000
3	Sh. Utkarsh Dwivedi (Since Resigned)	33,07,397	19,32,000
4	Sh. R. N. Maloo	50,95,336	48,60,545
5	Sh. Ramanjeet Singh (Joined in Aug'15)	57,96,271	Not Applicable
6	Sh. Tarun Baldua	62,39,264	59,87,328
7	Sh. B. B. Singal	22,39,672	21,59,694

ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

iii) Relative of KMPs - Remuneration for the year 2015-2016:

(Amount in ₹)

S. No.	Name of KMPs	For the Year ended 31st March 2016	For the Year ended 31st March 2015
1	Sh. Rajesh Bista (Brother of Managing Director)	5,85,415	4,71,448

32.2. Disclosure of loans and investment as per Regulation 33, 34 read with Schedule V of SEBI (LODR) Regulations, 2015 of the Listing Regulation with the Stock Exchanges:

Investment in Equity Shares:

(Amount in ₹)

Associate	As on 31st March, 2016	Maximum investment during the year ended 31st March, 2016
Surya Global Steel Tubes Ltd.	50,00,00,000	50,00,00,000

32.3 Note on Financials of Associate:

As per the provisions of Companies Act, 2013 read with Rule 6 of the Companies (Accounts) Rules, 2014, Consolidation of financial statements of the company shall be made in accordance with the provisions of Schedule III of the Act and the applicable Accounting Standards. The MCA vide general circular no. 04/2016 dated 27th April, 2016 'MCA' clarified that the amended Accounting Standards (including AS-21) be applicable from the Financial Year 2016-17, resulting thereby that presentation of Consolidation of Financial Statements is not required for the Financial Year 2015-16.

The Company has no subsidiary and have only one Associate namely Surya Global Steel Tubes Limited engaged in manufacturing of Spiral Welded Pipes and ERW pipes and is situated in west coast of India at Anjar near Bhuj in the state of Gujarat near International sea port, Mundra & Kandla. Brief financials as at 31st March, 2016 is summarized as under:

Particulars	Financials
Latest Audited Balance Sheet Date	31st March, 2016
Shares held by the company	5,00,00,000 equity shares of ₹ 10/- each
Amount of Investment in Associate	₹ 50,00,00,000/-
Extent of Holding (in %)	26.99%
Revenue from Operations	₹ 805,72,57,967/-
EBIDTA	₹ 84,10,36,425/-
Profit Before Tax (PBT)	₹ 21,06,03,358/-
Profit After Tax (PAT)	₹ 15,04,12,048/-
Net Worth	₹ 231,79,74,756/-
Reserve and Surplus	₹ 46,53,24,756/-

As a mark of good Corporate Governance Practice, company hereby report the summarized consolidated financials which would have appeared had consolidation of accounts were made of even date.

(Amount in ₹)

Particulars	Surya Roshni Limited	Share of Associate Company	Consolidated Amount
Net Worth	867,79,45,756	12,55,83,558	880,35,29,314
Investment	50,00,00,000	12,55,83,558	62,55,83,558
Profit After Tax (PAT)	62,05,31,695	4,05,93,757	66,11,31,132

32.4 Corporate Social Responsibility Activities includes:

a) Gross amount required to be spent by the Company during the year : ₹ 1,34,85,604/-

b) Amount spent during the year : ₹ 1,34,86,000/-

S. No	Particulars	In Cash (₹)	Yet to be paid in cash	Total (₹)
(i)	Construction / acquisition of any asset	NIL	NIL	NIL
(ii)	On Purpose other than (i) above	1,34,86,000	NIL	1,34,86,000

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

(Amount in ₹)

Particulars	For the Year ended 31st March 2016	For the Year ended 31st March 2015
Exchange rate fluctuation differences included in the net profit/ (loss) for the period.	1,65,00,926	2,78,37,234

ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

32.6 The figures of the previous year have been re-arranged and/ or re-grouped where-ever considered necessary and practicable to make them comparable with current year figures.

32.7 The Balance of Sundry Debtors and Sundry Creditors are subject to confirmation.

32.8 The Income-tax assessments of the Company were completed upto financial year 2012-13 in last year wherein demands of ₹ 40,69,74,683/- were raised. Aggrieved with the orders, Company had filed the Appeals with stay of demand. The cases are being contested before the CIT(Appeals) and based on the interpretations of the relevant provisions, decisions of Appellate authorities in similar cases and as per the consultations made, the Company is not liable for such tax and accordingly no provision has been made.

32.9 Expenditure on R&D

Company has made Capital and Revenue expenditure from the financial year 2011-12 to 2015-16 in respect of its Unit : Surya Technology & Innovation 1Centre (R&D Lab) D-63, Hosiery Complex, Phase – II, Noida (U.P) as tabulated below :

CAPITAL & REVENUE EXPENDITURE BREAK-UP FINANCIAL YEAR WISE			
Financial Year	Capital Expenditure (in ₹)	Revenue Expenditure (in ₹)	Total Expenditure incurred during the year (in ₹)
2011 – 2012	11,18,10,112	3,90,391	11,22,00,503
2012 – 2013	1,86,056	1,47,04,776	1,48,90,832
2013 – 2014	4,90,943	1,70,16,211	1,75,07,154
2014 – 2015	30,09,865	2,38,99,903	2,69,09,768
2015 – 2016	14,38,084	2,98,85,567	3,13,23,651

Further, the capital and revenue expenditure as stated above of respective financial years of the above mentioned R & D Centre is reflected and forms part of the Fixed Assets (in case of capital expenditure) and Employee benefit expenses, Administrative expenses and other revenue expenses (in case of revenue expenditure) were grouped under relevant Notes / Schedules of the financial statements / Annual Accounts of respective financial years of the company.

NOTE 33: EMPLOYEE BENEFITS

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

Particulars	As at 31st March 2016		As at 31 March 2015	
	Gratuity (Partly funded)	Leave Encashment (Unfunded)	Gratuity (Partly funded)	Leave Encashment (Unfunded)
Discount rate	8.0%	8.0%	8.5%	8.5%
Future Salary Increase	3.00%	3.00%	3.00%	3.00%
Rate of return on plan assets	8.35%	N.A.	9.00%	N.A.
Average Working life in Years	17.27	17.18	17.89	17.83
Withdrawl rates for various age groups	1% to 3%	1% to 3%	1% to 3%	1% to 3%

Change in the present value of obligation (Amount in ₹)

Particulars	As at 31st March 2016		As at 31 March 2015	
	Gratuity (Partly funded)	Leave Encashment (Unfunded)	Gratuity (Partly funded)	Leave Encashment (Unfunded)
Present value of obligation as at the beginning of the period	17,31,51,736	3,90,95,122	15,99,38,714	3,28,28,479
Interest Cost	1,47,17,898	33,23,085	1,35,94,791	27,90,421
Past Service Cost	-	-	-	-
Current Service Cost	1,58,00,185	76,56,192	1,30,66,119	60,05,182
Benefits paid	(1,35,40,903)	(1,07,49,832)	(2,16,21,692)	(65,81,209)
Actuarial (gain)/loss on obligations	2,11,55,551	86,04,462	81,73,804	40,52,249
Present value of obligation as at the end of period	21,12,84,467	4,79,29,029	17,31,51,736	3,90,95,122

Change in the fair value of plan assets (Amount in ₹)

Particulars	As at 31st March 2016	As at 31 March 2015
	Gratuity (Partly funded)	Gratuity (Partly funded)
Fair value of Plan Assets at the beginning of the period	9,85,676	49,35,388
Expected Return on plan assets	88,711	4,44,185
Contributions	-	-
Benefits paid	(8,56,841)	(44,14,830)
Actuarial (gain)/loss on plan assets	(56,538)	20,933
Fair value of Plan Assets at the end of the period	1,61,008	9,85,676

ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

Reconciliation of present value of obligation and the fair value of assets

(Amount in ₹)

Particulars	As at 31st March 2016	As at 31 March 2015
	Gratuity (Partly funded)	Gratuity (Partly funded)
Present value of obligation as at end of the period	21,12,84,467	17,31,51,736
Fair value of Plan Assets at the end of the period	1,61,008	9,85,676
Present value of unfunded obligation as at end of the period	21,11,23,459	17,21,66,060
Unfunded Net Liability recognised in Balance Sheet	21,11,23,459	17,21,66,060

Expenses recognised in the Profit & Loss Account

(Amount in ₹)

Particulars	For the Year ended 31st March 2016		For the Year ended 31st March 2015	
	Gratuity (Partly funded)	Leave Encashment (Unfunded)	Gratuity (Partly funded)	Leave Encashment (Unfunded)
Current Service Cost	1,58,00,185	76,56,192	1,30,66,119	60,05,182
Interest Cost	1,47,17,898	33,23,085	1,35,94,791	27,90,421
Return on plan assets	(88,711)	-	(4,44,185)	-
Net actuarial (gain)/ loss recognized in the period	2,12,12,089	86,04,462	81,52,871	40,52,249
Total Expenses recognised in the Profit & Loss Account	5,16,41,461	1,95,83,739	3,43,69,596	1,28,47,852

NOTE 34 SEGMENT INFORMATION FOR THE YEAR ENDED 31ST MARCH, 2016 AND *31ST MARCH,2015*

The company has identified the following two Primary Business Segments :

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

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

Primary Business Segments

(Amount in ₹)

Particulars	Lighting	Steel	Total
REVENUE			
External Sales	**14,13,26,40,715**	**16,55,60,16,762**	**30,68,86,57,477**
	11,49,54,03,607	*17,07,55,78,374*	*28,57,09,81,981*
Inter-segment Sales	-	-	-
	-	-	-
Total	**14,13,26,40,715**	**16,55,60,16,762**	**30,68,86,57,477**
	11,49,54,03,607	*17,07,55,78,374*	*28,57,09,81,981*
RESULT			
Segment Result	**1,36,10,77,393**	**43,48,77,209**	**1,79,59,54,602**
(Profit(+)/Loss(-) before tax & finance cost)	*1,19,50,24,625*	*47,54,31,484*	*1,67,04,56,109*
Unallocable Corporate Expenditure			-
			-
Operating Profit			**1,79,59,54,602**
			1,67,04,56,109
Finance Cost			**96,43,17,244**
			1,08,99,83,760
Other Income	**1,00,00,040**	**84,98,732**	**1,84,98,772**
	43,29,795	*3,29,83,053*	*3,73,12,848*
Income Tax			**22,96,04,436**
			7,69,13,597
Profit from ordinary activities			**62,05,31,694**
			54,08,71,600

ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

(Amount in ₹)

Particulars	Lighting	Steel	Total
Net Profit after Tax			**62,05,31,694**
			54,08,71,600
Other Information			
Segment Assets			
Fixed Assets	**2,68,48,63,050**	**6,85,30,30,946**	**9,53,78,93,996**
	2,65,14,75,437	*6,97,70,47,145*	*9,62,85,22,587*
Non-Current Investments	**-**	**50,00,00,000**	**50,00,00,000**
	-	*50,00,00,000*	*50,00,00,000*
Other Non-Current Assets	**5,27,12,667**	**2,60,81,761**	**7,87,94,428**
	5,03,30,089	*2,25,45,094*	*7,28,75,183*
Current Assets	**6,23,72,94,777**	**5,06,06,10,085**	**11,29,79,04,862**
	5,45,37,73,602	*5,02,84,24,343*	*10,48,21,97,946*
Total Segment Assets	**8,97,48,70,494**	**12,43,97,22,792**	**21,41,45,93,286**
	8,15,55,79,128	*12,52,80,16,582*	*20,68,35,95,716*
Unallocated Corporate Assets			-
			-
Total Assets			**21,41,45,93,286**
			20,68,35,95,716
Segment Liabilities			
Liabilities except borrowings	**1,62,19,76,886**	**1,64,12,34,190**	**3,26,32,11,076**
	46,28,25,302	*2,12,11,70,292*	*2,58,39,95,594*
Total Segment Liabilities	**1,62,19,76,886**	**1,64,12,34,190**	**3,26,32,11,076**
	46,28,25,302	*2,12,11,70,292*	*2,58,39,95,594*
Unallocated Corporate Liabilities (Deferred Tax)			**52,35,34,350**
			51,30,36,069
Total Liabilities			**3,78,67,45,426**
			3,09,70,31,663
Capital Employed **(Segment Assets- Segment Liabilities)**	**7,35,28,93,608**	**10,79,84,88,602**	**18,15,13,82,210**
	7,69,27,53,826	*10,40,68,46,291*	*18,09,96,00,117*
Borrowings	**3,42,74,53,728**	**5,03,21,18,755**	**8,45,95,72,483**
	4,24,18,79,483	*4,55,60,88,246*	*8,79,79,67,729*
Capital expenditure	**26,34,75,726**	**27,02,84,431**	**53,37,60,153**
	22,63,57,906	*44,11,23,224*	*66,74,81,130*
Depreciation and amortisation	**22,25,18,656**	**38,41,37,094**	**60,66,55,750**
	18,96,40,104	*37,07,84,517*	*56,04,24,621*
Non-cash expenses other than Depreciation	**-**	**-**	**-**
	-	-	-
Geographic Segment revenue			
India			**30,24,25,59,161**
			28,33,73,52,479
Outside India			**2,76,95,28,788**
			2,37,10,58,229

Form AOC-1

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

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

Part- A : Subsidiaries

Company has no subsidiary hence no information is required to be disclosed under Part -A

Notes:

1. Names of subsidiaries which are yet to commence operations None
2. Names of subsidiaries which have been liquidated or sold during the year. None

Name of Associates/ Joint Ventures	Surya Global Steel Tubes Limited (Associate)
1. Latest Audited Balance Sheet Date	31st March 2016
2. Shares of Associate held by the company on the year end	
No.	5,00,00,000 Equity Shares of ₹ 10/- each
Amount of Investment in Associates/Joint Ventures	₹ 50,00,00,000/-
Extend of Holding %	26.99% of the Capital.
3. Description of how there is significant influence	Control of at least 20 percent of total share capital
4. Reason why the associate/ joint venture is not consolidated	Vide general circular no.04/2016 dated 27th April 2016 issued by 'MCA'
5. Networth attributable to Shareholding as per latest audited Balance Sheet	₹62,56,81,740
6. Profit / Loss for the year	
i considered in Consolidation	No
ii Not considered in Consolidation	₹15,04,12,048/-

Notes:

1. Names of associates or joint ventures which are yet to commence operations None
2. Names of associates or joint ventures which have been liquidated or sold during the year. None

As per our attached report of even date

For **SASTRY K. ANANDAM & CO.**
Chartered Accountants
Firm No.00179N

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

J P Agarwal
Executive Chairman
(DIN - 00041119)

Raju Bista
Managing Director
(DIN - 01299297)

R N Maloo
Executive Director
& Group Chief Financial Officer

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

Ravinder K Narang
Director
(DIN - 02318041)

R K Sinha
Director
(DIN - 1334549)

Mukesh Tripathi
Director
(DIN - 01951272)

S S Khurana
Director
(DIN - 02126149)

K K Narula
Director
(DIN - 00098124)

S K Awasthi
Director
(DIN - 02162923)

Ms. Salila Tewari
Director
(DIN - 01748088)

U K Mukhopadhyay
Director
(DIN - 2766045)

Place : New Delhi
Dated : 27th May, 2016

Details pertaining to Remuneration as required under Section 197(12) of the Companies Act, 2013 read with rule (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(i) The Percentage increase in remuneration of each Director, Chief Financial officer and Company Secretary during the financial year 2015-16, ratio of remuneration of the employees of the Company for the financial year 2015-16 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company.

S. No	Name of the Director / KMP and Designation	Remuneration of Director / KMP for the financial year 2015-16 (INR in lakhs)	% increase in Remuneration in the Financial year 2015-16	Ratio of remuneration of each Director / to median remuneration of employees	Comparison of the Remuneration of the KMP against the Performance of the Company
1	Jai Prakash Agarwal* (Chairman)	81.00	#	30.80	Profit Before Tax increased by 37.6% and Profit After Tax increased by 14.7% in the Financial Year 2015-16
2	Raju Bista (Managing Director)	63.00	36.36	23.95	
3	Utkarsh Dwivedi (Whole-time Director)	33.07	@	@	
4	Tarun Baldua (CEO – Steel Operations)	62.39	4.20	Not Applicable	Profit Before Tax incrase by 37.6% and Profit After Tax increased by 14.7% in the Financial Year 2015-16
5	Ramanjit Singh (CEO–Lighting Operations)	57.96	$	Not Applicable	
6	R N Maloo (ED& Group CFO)	50.95	4.83	Not Applicable	
7	B B Singal (Sr. V.P & C.S)	22.39	3.70	Not Applicable	

#Jai Prakash Agarwal voluntarily decided to draw basic salary of Rs. 8.00 lacs (Previously draw Rs.2.50 lacs p.mvoluntarily) w.e.f 1st January, 2016as compared to his basic salary slab of Rs. 12.50 Lacs per month as approved by the shareholders in the AGM held on 23rd September, 2011.

@As Utkarsh Dwivedi resigned from the Board of the Company on 25th December, 2015, hence figures are not comparable. However he draws Basic Salary of Rs. 1.30 lcs (Previously draw Rs. 1.15 lacs p.m) till he resigned. As a part of full and final settlement he received Rs. 17.63 lacs as leave encashment and Gratuity.

$ As Ramanjit Singh was appointed as CEO – Lighting Operations of the Company as on 6th August, 2015 hence, figures are not comparable during the year. However, he draws Salary of Rs.7,39,442p.m during the year

ii) The median remuneration of employees of the Company during the financial year was Rs.2.63 lakhs.

(iii) In the financial year, there was an increase of 6.90% in the median remuneration of employees;

(iv) There were 3323 number of permanent employees on the rolls of company;

(v) Relationship between average increase in remuneration and company performance :- The average increase in median remuneration was 6.90% during the year which was in line with Company and Industry Performance.

(vi) Comparison of the remuneration of the Key Managerial Personnel against the performance of the company : The total Managerial remuneration of Key Managerial Personnel was decided on the recommendations of Nomination and Remuneration Committee based on Nomination and Remuneration policy of the Company and during the year total remuneration paid to Key Managerial Personnel was Rs.1.99 crores (excluding remuneration of Rs. 57.96 lacs of KMP CEO- Lighting Operations appointed during the year) which is well within limits as per Company and Industry standards and an increase of 13% paid during the F.Y 2014-15 i.e. Rs. 1.76 crores. Company's Performance is also on the same line with a growth of 37.6% in profit after tax during the year 2015-16.

(vii) Variations in the market capitalisation of the company : The market Capitalisation as on March 31, 2016 was Rs. 626.00 crores (Rs. 490.03 crores as on March 31, 2015. Price earnings ratio of the Company was 10.49 as at March 31, 2016 and was 9.05 as at March 31, 2015.

Percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in the year : The Company had come out with initial public offer (IPO) in the year 1982. An amount of Rs. 1000/- invested in the said IPO is worth Rs. 24964 / - as on31st March, 2016 including a compounded annual growth rate of 9.925%. This is excluding the dividend accrued and Rights issue offered thereon.

(viii) average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year i.e 2015-16 was 7.05% whereas increase in the managerial remuneration# for the same financial year was36.35%

Jai Prakash Agarwal voluntarily decided to draw basic salary of Rs. 8.00 lacs (Previously draw Rs. 2.50 lacs p.m voluntarily) w.e.f 1st January, 2016 as compared to his basic salary slab of Rs. 12.50 Lacs per month as approved by the shareholders in the AGM held on 23rd September, 2011.

@ As Utkarsh Dwivedi resigned from the Board of the Company on 25th December, 2015, hence figures are not comparable. However he draws Basic Salary of Rs. 1.30 lacs (Previously draw Rs. 1.15 lacs p.m) till he resigned. As a part of full and final settlement he received Rs. 17.63 lacs as leave encashment and Gratuity.

(ix) The key parameters for the variable component of remuneration availed by the directors are Considered by the Board of Directors bases on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial personnel and other employees.

(x) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year – **Shri Ramanjit Singh** and

(xi) It is hereby affirmed that the remuneration paid is as per the Remuneration policy of the Company for Directors, Key Managerial Personnel and other Employees.

STATEMENT SHOWING DETAILS OF EMPLOYEES OF THE COMPANY

(i)	**designation of the employee;**	**Sh. Jai Prakash Agarwal – Chairman**	**Sh. Raju Bista – Managing Director**	**Sh. Tarun Baldua CEO-Steel Operations**	**Sh. Ramanjit Singh CEO – Lighting Operations**
(ii)	remuneration received;	Rs. 81,00,000/-	Rs. 63,00,000/-	Rs. 62,39,264/-	Rs. 57,96,271/-
(iii)	nature of employment, whether contractual or otherwise;	Whole-time Director	Managing Director	CEO – Steel Operations	CEO – Lighting Operations
(iv)	qualifications and experience of the employee;	B.Com	M.B.A	C.A	M.B.A
(v)	date of commencement of employment;	01.04.1986	01.08.2004	05.01.2013	06.08.2015
(vi)	the age of such employee;	65 years	29 years	55 years	55 years
(vii)	the last employment held by such employee before joining the company;	Jindal Industries Limited (Executive Director)	Not Applicable	MaralOvereas Ltd - President Overall Head Unit	Philips India Opetions Head - CFLI - Mohali
(viii)	the percentage of equity shares held by the employee in the company within the meaning of clause (iii) of sub-rule (2) above; and	4.20%	Not Applicable	Nil	Nil
(ix)	whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager:	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	The employee, if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than sixty lakh rupees;	Sh. Jai Prakash Agarwal – Employed throughout the Financial Year 2015-16 and salary received by him is Rs. 81,00,000/-	Sh. Raju Bista – Employed throughout the Financial Year 2015-16 and salary eceived by him is Rs. 63,00,000/-	Sh. Tarun Baldua – Employed throughout the Financial Year 2015-16 and salary received by him is Rs. 62,39,264/-	Not Applicable
	The employee, if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than five lakh rupees per month;	Not Applicable	Not Applicable	Not Applicable	Sh. Ramanjit Singh – Employed Part of the Financial Year 2015-16 and salary received by him per month is Rs. 7,39,442/-
	The employee, if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.	Not Applicable	Not Applicable	Not Applicable	Not Applicable

Notes

SURYA

Energising Lifestyles

OUTDOOR LIGHTING

INDOOR LIGHTING

STEEL PIPES

PVC PIPES

FANS

APPLIANCES

SURYA

Energising Lifestyles

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