



**SURANA TELECOM AND POWER LIMITED**

27<sup>th</sup> Annual Report  
2015-2016



Forging Ahead in Renewable Energy



Solar Street Light



Solar Farm



## 5MW Solar Power Plant at Charanka, Gujarat



## BOARD OF DIRECTORS

|                     |                       |
|---------------------|-----------------------|
| Narender Surana     | - Managing Director   |
| Devendra Surana     | - Director            |
| Vinita Surana       | - Whole-time Director |
| Nirmal Kumar Jain   | - Director            |
| D Venkata Subbiah   | - Director            |
| Dr. R.N. Sreenath   | - Director            |
| Sandeep Jain        | - Director            |
| Baunakar Shekarnath | - Whole-time Director |

### STATUTORY COMMITTEES

#### AUDIT COMMITTEE

|                    |   |          |
|--------------------|---|----------|
| Nirmal Kumar Jain  | - | Chairman |
| D. Venkata Subbiah | - | Member   |
| Dr. R.N Sreenath   | - | Member   |

#### STAKEHOLDERS RELATIONSHIP COMMITTEE

|                    |   |          |
|--------------------|---|----------|
| D. Venkata Subbiah | - | Chairman |
| Narender Surana    | - | Member   |
| Devendra Surana    | - | Member   |

#### NOMINATION & REMUNERATION COMMITTEE:

|                   |   |          |
|-------------------|---|----------|
| Nirmal Kumar Jain | - | Chairman |
| D Venkata Subbiah | - | Member   |
| Dr. R.N Sreenath  | - | Member   |

#### RISK MANAGEMENT COMMITTEE:

|                     |   |          |
|---------------------|---|----------|
| Narender Surana     | - | Chairman |
| Devendra Surana     | - | Member   |
| Baunakar Shekarnath | - | Member   |

### COMPANY SECRETARY

Dudam Srinivas

### BANKERS

State Bank of India  
Corporation Bank  
Indian Overseas Bank

### STATUTORY AUDITORS

M/s. Sekhar & Co.,  
Chartered Accountants  
133/4, R. P. Road,  
Secunderabad – 500 003.

### INTERNAL AUDITORS

M/s. Luharuka & Associates  
Chartered Accountants  
5-4-187/3&4, Soham Mansion, 2nd Floor,  
Above Bank of Baroda, M G Road,  
Secunderabad-500 003.

### COST AUDITORS

M/s. BVR & Associates  
H.No. 6-3-628/3, Flat No. 101,  
R.V. Naipunya Apts,  
Anand Nagar Colony,  
Khairatabad, Hyderabad – 500 004.

### SECRETARIAL AUDITOR

Ms. Rakhi Agarwal  
Company Secretary in Practice  
A-10, Janata HSG. Society,  
Opp. Pantaloons, Shyamlal Building,  
Begumpet, Hyderabad – 500 016.

### REGISTRAR & TRANSFER AGENT:

#### KARVY COMPUTERSHARE PRIVATE LIMITED

Karvy Selenium Tower B, Plot No 31 & 32  
Gachibowli, Financial District, Nanakramguda  
Serilingampally, Hyderabad - 500 032.  
Tel No. 040-67162222  
E-mail : einward.ris@karvy.com  
Web Site : www.karvy.com  
Regd.Office: Karvy House 46, Avenue 4,  
Street No.1, Banjara Hills, Hyderabad - 500 034.

### WORKS

#### Solar Power Project

Gujarat Solar Park, Charanka Village  
Santalpur Taluk, Patan District, Gujarat

#### Solar Module Manufacturing Unit

#### Hard Ware Park

Plot No. 21B, Sy No. 1/1  
Kanchaimarat, Raviryala Village,  
Maheswaram Mandal, R.R. District.

#### Aluminum Wire Rods

Plot No. 215/D, Phase II,  
I.D.A., Cherlapally, Hyderabad – 500 051.

#### Optic Fibre/Cable Plant

Plot No.214, Phase II, IDA Cherlapally  
Ghatkesar (M), Ranga Reddy District

#### Non- Conventional Energy (Wind)

Kapatgudda, Gadag District,  
Karnataka, India.

### REGISTERED OFFICE

#### Surana Telecom and Power Limited

5th Floor, Surya Towers, Sardar Patel Road,  
Secunderabad – 500 003. India.

Tel: + 91 40 27845119, 44665750

Fax: + 91 40 27818868

E-mail: surana@surana.com, Investors: cs@surana.com,  
investorservices\_stl@surana.com

Website: www.surana.com, www.suranatele.com

CIN: L23209TG1989PLC010336

# C O N T E N T S

|   |    |
|---|----|
| ❖ Notice.....                           | 3  |
| ❖ Director's Report.....                | 10 |
| ❖ Report on Corporate Governance.....   | 31 |
| ❖ Independent Auditors' Report.....     | 45 |
| ❖ Balance Sheet .....                   | 51 |
| ❖ Statement of Profit & Loss.....       | 52 |
| ❖ Cash Flow Statement .....             | 53 |
| ❖ Significant Accounting Policies ..... | 55 |
| ❖ Notes on Financial Statements .....   | 57 |

## **CONSOLIDATED FINANCIAL STATEMENTS**

|   |    |
|---|----|
| ❖ Independent Auditor's Report.....                             | 72 |
| ❖ Balance Sheet.....  | 76 |
| ❖ Statement of Profit & Loss.....                               | 77 |
| ❖ Cash Flow Statement .....                                     | 78 |
| ❖ Significant Accounting Policies .....                         | 80 |
| ❖ Notes on Financial Statements .....                           | 81 |
| ❖ Information related to Subsidiary / Associate Companies ..... | 97 |
| ❖ Attendance Slip   |    |
| ❖ Proxy Form  |    |

## NOTICE OF 27<sup>th</sup> ANNUAL GENERAL MEETING

NOTICE is hereby given that the 27<sup>th</sup> Annual General Meeting of the members of **SURANA TELECOM AND POWER LIMITED** will be held on Friday the 30<sup>th</sup> September, 2016 at 12.00 Noon at the Grand Solitaire Hotel, 1-240, 41 & 43, S.D.Road, Parklane, Secunderabad, Telangana 500003 to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the standalone and consolidated financial statements of the Company for the year ended 31<sup>st</sup> March, 2016 including the audited balance sheet as at 31<sup>st</sup> March, 2016 and the Statement of Profit and Loss of the Company for the year ended on that date, along with the Auditors' Report & Directors' Report thereon.
2. To appoint a Director in place of Shri Baunakar Shekarnath, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **ORDINARY RESOLUTION:**

**"RESOLVED THAT** in terms of the provisions of Sections 139 and 142 and other applicable provisions, if any, of the Companies Act, 2013, read with Companies (Audit and Auditors) Rules, 2014 as may be applicable and pursuant to the resolution of the members at the 25<sup>th</sup> Annual General Meeting, the appointment of M/s. Sekhar & Co., Chartered Accountants (Firm Regn No: 003695S) as Statutory Auditors of the Company, to hold office from the conclusion of this meeting until the conclusion of the 28<sup>th</sup> Annual General Meeting of the Company to be held in the year 2017, be ratified by the members on a remuneration as may be decided by the Board of Directors".

### SPECIAL BUSINESS:

4. To consider and, if thought fit, to pass, with or without modifications, the following resolution as an **ORDINARY RESOLUTION:**

**"RESOLVED THAT** pursuant to the provisions of Section 149 and any other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof) read with Schedule IV of the Companies Act, 2013, Shri Sandeep Jain (DIN-00125124) who was appointed as Additional Director w.e.f 12.10.2015 and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director.

**RESOLVED FURTHER THAT** Shri Sandeep Jain has submitted a declaration that he meets the criteria of In-

dependence as provided in Section 149(6) of the Act and who is eligible for appointment and in respect of whom, pursuant to Section 160 be and is hereby appointed as Independent Director of the Company to hold office for five consecutive years with effect from 30<sup>th</sup> September, 2016 up to 29<sup>th</sup> September, 2021 not liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, proper, expedient to give effect to the foregoing resolution."

5. To consider and, if thought fit, to pass, with or without modifications, the following resolution as **SPECIAL RESOLUTION:**

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof), read with Schedule V to the Companies Act, 2013, as recommended by the nomination and remuneration committee, consent of the Company be and is hereby accorded for the appointment of Shri. Narender Surana (DIN: 00075086), as Managing Director of the Company for a period of three years w.e.f. 24.05.2016 with managerial remuneration of Rs.7,00,000/- per month (inclusive of House Rent Allowance equal to 50% of the Salary) and expenditure on furnishing, electricity, water, gas at actual shall in addition be payable by the Company to Shri Narender Surana.

**RESOLVED FURTHER THAT** Shri.Narender Surana shall be entitled for reimbursement of actual entertainment, travelling, boarding and lodging expenses incurred by him in connection with the Company's business and such other benefits / amenities and other privileges, as may from time to time, be available to other Senior Executives of the Company as per the service rules of the Company.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to alter or vary the scope of remuneration of Shri Narender Surana, Managing Director, including the monetary value thereof, to the extent recommended by the nomination and remuneration committee from time to time as may be considered appropriate, subject to the overall limits specified by this resolution and the Companies Act, 2013.

**RESOLVED FURTHER THAT** any one of the Directors or Company Secretary of the Company be and are hereby authorized to do all necessary acts, deeds and things, which may be usual, expedient or proper to give effect to the above resolution."

6. To consider and, if thought fit, to pass, with or without modifications, the following resolution as an **SPECIAL RESOLUTION**:

**“RESOLVED THAT** pursuant to the provisions of Section 42, 62 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debenture) Rules, 2014 and all other applicable provisions of the Companies Act, 2013, as applicable, and/or Foreign Exchange Management Act, 1999 (including any statutory modification(s) or re-enactment thereof), the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India), Regulations, 2000, as amended, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Deposit Receipt Mechanism) Scheme, 1993, as amended and the applicable Rules, Regulations, Notifications and Circulars, if any, issued by Securities and Exchange Board of India (SEBI) from time to time, including the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the ICDR Regulations), Reserve Bank of India (RBI), Government of India or any other competent Authority and clarifications, if any, issued thereon from time to time by appropriate authorities, the Equity Listing Agreements (the “Listing Agreement”) entered into by the Company with the Stock Exchanges where the Company’s Equity Shares of face value of ₹ 1/-each (the “Equity Shares”) are listed and other concerned and appropriate authorities, and other applicable laws, if any, and relevant provisions of the Memorandum and Articles of Association of the Company and subject to such approval(s), consent(s), permission(s) and/or sanction(s), if any, of the Government of India, RBI, SEBI and any other appropriate Authority(ies), Bank(s), Institution(s) or Body(ies), as may be necessary and subject to such conditions as may be prescribed by any of them in granting any such approval, consent, permission or sanction, as are accepted, the Board of Directors of the Company, (hereinafter referred to as the “Board”, which term shall be deemed to include any duly constituted Committee thereof), be and is hereby authorized to create, offer, issue and allot Equity Shares/ Securities in one or more tranches, in the course of domestic or international offerings, by way of Follow-on Public Offer (FPO) and/or by way of a Qualified Institutions Placement (QIP) in terms of the Chapter VIII of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time and/ or Equity Shares in the form of Global Depository Receipts (GDRs), and/or American Depository Receipts (ADRs), and/ or External Commercial Borrowings (ECBs) with rights of conversion into shares, and/ or Foreign Currency Convertible Bonds (FCCBs) and/or Optionally or Compulsorily Convertible Redeemable Preference Shares (OCPS/CCPS), convertible into Equity Shares of the Company with voting rights or with differential rights as to voting, dividend or otherwise in accordance with such rules and subject to such conditions as may

be prescribed or any other instrument convertible into Equity Shares with voting rights or with differential voting rights as to voting, dividend or otherwise (hereinafter referred to as the “Securities”), to be subscribed to, by International and/or Indian Banks, Institutions, Institutional Investors, Mutual Funds, companies, other Corporate Bodies, Resident/Non-Resident Indians, Foreign Nationals and other eligible Investors, as may be decided by the Board, (hereinafter referred to as “Investors”), whether or not such Investors are members of the Company or not (including the provisions for reservation on firm and/or competitive basis, of such part of issue and for such categories of persons including employees of the Company, group/associate company(ies) as may be permitted by the ICDR Regulations from time to time, at such time or times, at such price or prices, at discount / premium to the market or prices in such manner and on such terms and conditions including security, rate of interest etc. including the discretion to determine the categories of Investors to whom the offer, issue and allotment shall be made to the exclusion of all other categories of Investors, as may be determined by the Board at the time of such issue and allotment, considering the then prevailing market conditions and other relevant factors wherever necessary, up to an aggregate of **US\$ 30 million** in any foreign currency or in Rupees (inclusive of such premium as may be determined) and such issue and allotment be made at such time or times, in such tranche or tranches, in such currency or currencies, in such manner and on such terms and conditions (including, if necessary, in relation to security on convertible debt instruments) as may be decided and deemed appropriate by the Board in its sole discretion at the time of issue / allotment.”

**“RESOLVED FURTHER THAT** in case of QIP, pursuant to Chapter VIII of the ICDR Regulations, the allotment of Equity Shares/ Securities shall only be made to Qualified Institutional Buyers at a price including a discount of not more than 5% (or such discount as may be prescribed by SEBI from time to time) within the meaning of Chapter VIII of ICDR Regulations and such securities shall be fully paid-up and the allotment of such Securities shall be completed within 12 months from the date of this Resolution.”

**“RESOLVED FURTHER THAT** the Company and/or any agency or body authorized by the Company, may issue receipts/certificates representing the underlying securities and/ or Equity Shares issued by the Company with such features and attributes as are prevalent in International Capital Markets for instruments of this nature and provide for the tradability or free transferability thereof as per the domestic/international practices, norms and regulations, and under the norms and practices prevalent in the International Markets.”

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to issue and allot, from time to time,

such number of Equity Shares at such premium as may be decided by the Board in its absolute discretion, upon conversion of such Securities or as may be necessary in accordance with the terms of the offering, including additional Equity Shares, and all such shares shall rank pari-passu with the then existing Equity Shares of the Company in all respects including to dividend.”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to any issue and/or allotment of Equity Shares in the Company or Securities or instruments or Securities representing or convertible into Equity Shares in the Company, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may at its discretion, deem necessary, appropriate or desirable for such purpose, including, without limitation, determining the form and manner of the issue, the class of investors to whom the Equity Shares/ Securities are to be issued and allotted, number of Equity Shares/Securities to be allotted in each tranche, issue price, face value, premium amount on issue/conversion of Securities/ exercise of warrants/redemption of Securities, rate of interest, redemption period, to appoint Lead Managers, Merchant Bankers, Global Business Coordinators, Book Runners, Underwriters, Guarantors, Financial and/or Legal Advisors, Depositories, Custodians, Registrars, Trustees, Bankers and all other agencies, to enter into or execute all such agreements/ arrangements /MOUs/documents with any such agencies, as may be necessary; to list the Securities and the Equity Shares to be issued on conversion of the said Securities on any Indian and/or Foreign Stock Exchange(s), as it may in its absolute discretion deem fit.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorized to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or

allotment of Equity Shares or Securities and utilization of the issue proceeds as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the members or otherwise, with the intent that the members shall be deemed to have given their approval thereto expressly by the authority of the aforesaid Resolution.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors or Whole-time Director(s) or any Director(s) or any other Officer(s) of the Company to implement the aforesaid Resolution.”

7. To consider and, if thought fit, to pass, with or without modifications, the following resolution as an **ORDINARY RESOLUTION:**

“**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the rules framed there under and subject to all other approvals, if any required, the Company be and is hereby authorised to pay an amount of ₹ 10,000/- (Rupees Ten Thousand Only) as remuneration to M/s. BVR & Associates, Cost Accountants in practice, the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year 2016-17.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution”.

By Order of the Board  
For **SURANA TELECOM AND POWER LIMITED**

Place : Secunderabad  
Date : 10.08.2016

**NARENDER SURANA**  
**MANAGING DIRECTOR**

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, TO VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE VALID AND EFFECTIVE, MUST BE DELIVERED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

Pursuant to provisions of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014 a person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights.

2. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing such representative to attend and vote on their behalf at the Meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 25.09.2016 to 30.09.2016 (both days inclusive) for the purpose of annual closure.
4. The Company's Equity shares are listed at BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001 and National Stock Exchange of India Ltd., Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051 and the Company has paid the Listing Fees to the said Stock Exchanges.
5. Members / Proxies are requested to bring their copies of Annual Report with them for the Annual General Meeting and the attendance slip duly filled in for attending the Meeting. No copies of the Annual Report will be distributed at the meeting.
6. Members holding shares in dematerialized form are requested to intimate all changes pertaining to, nominations, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, Karvy Computershare Private Limited to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to Karvy Computershare Private Limited
7. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or Karvy Computershare Private Limited, the details of such folios together with the share certificates for consolidating their holding in one folio. A consolidated share certificate will be returned to such Members after making requisite changes thereon.
8. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
9. Members seeking any information with regard to the Accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the meeting.
10. Regulation 36 of SEBI (LODR) Regulations, 2015 of the Listing Agreement executed with the stock exchanges permits sending of soft copies of annual reports to all those members who have registered their email addresses for the purpose.  
  
The Companies Act, 2013 has also recognized serving of documents to any member through electronic mode. In terms of the circular No. NSDL/CIR/II/10/2012 dated March 9, 2012 issued by National Securities Depository Limited, email addresses made available by the Depository for your respective DPs accounts as part of the beneficiary position downloaded from the Depositories from time to time will be deemed to be your registered email address for serving notices/documents including those covered under Section 101 and 136 of the Companies Act, 2013 read with Section 20 of the Companies Act, 2013 and the applicable Rules. In light of the requirements prescribed by the aforesaid circulars, for those members whose Depository Participant accounts do not contain the details of their email addresses, printed copies of the Annual Report would be dispatched.
11. Shareholders are requested to furnish their e-mail IDs to enable the Company to forward all the requisite information in electronic mode and support the green initiative. In case of the Shareholders holding shares in demat form the email IDs of the shareholders registered with DP and mode available to the Company shall be the registered email IDs unless communication is received to the contrary.
12. The Securities Exchange Board of India has notified that the shareholder/transferee of shares (including joint holders) holding shares in physical form are required to furnish a certified copy of their PAN card to the Company's RTA while transacting in the securities market including transfer, transmission or any other Corporate Action. Accordingly, all the shareholders/transferee of shares (including joint holders) are requested to furnish a certified copy of their PAN card to the Company's RTA while transacting in the securities market including transfer, transmission or any other corporate action.



13. Pursuant to Section 108 of the Companies Act, 2013 read with relevant Rules under the Act, the Company is pleased to provide the facility to the Members to exercise their right to vote through electronic voting. The members who have not cast their vote by remote e-voting shall be able to vote at the Annual General Meeting.
14. The members whose names appear on the Register of Members/ list of beneficial owners as on 23<sup>rd</sup> September, 2016 are eligible to participate in e-voting on the resolutions set forth in this notice.
15. The Companies (Management and Administration) Rules, 2015 provide that the electronic voting period shall close at 5:00 PM, on the date preceding the AGM. Accordingly, the e-voting will be available at the <https://evoting.karvy.com>. The remote e-voting period will commence at 9:00 A.M. (IST) on 26<sup>th</sup> September, 2016 and will end at 5:00 P.M. (IST) on 29<sup>th</sup> September, 2016. The remote e-voting will not be allowed beyond the aforesaid period and time, and the remote e-voting module shall be disabled by M/s Karvy Computershare Private Limited, the agency engaged by the company to provide e-voting facility..
16. The member(s) who have cast their vote by remote e-voting may also attend the meeting but shall not be entitled to cast their vote again. Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently.
17. In order to enable its members, who do not have access to e-voting facility, to send their assent or dissent in writing in respect of the resolutions as set forth in their Notice, the Company is enclosing a Ballot form with the Notice. Resolution (s) passed by the members through ballot forms, remote e-voting and voting at the AGM are deemed to have passed as if they have been passed at the AGM.
18. The Company has appointed Ms. Rakhi Agarwal, Company Secretary in Practice, Hyderabad to act as Scrutinizer to scrutinize the poll at the Annual General Meeting, remote e-voting process and through ballot form in a fair and transparent manner.
19. The Login ID and Password for e-voting along with process, manner and instructions for e-voting is being sent to the members who have not registered their e-mail ids with the Company/their respective Depository Participant along with physical copy of the Notice. Those members who have registered their e-mail IDs with the Company/their respective Depository Participant are being forwarded the login ID and password for e-voting along with process, manner and instruction by e-mail.
20. Members are requested to send all communication relating to shares to the Company's Share Transfer Agents (Physical and Electronic) at M/s KARVY COMPUTERSHARE PRIVATE LIMITED, Karvy Selenium Tower B, Plot No 31&32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500 032. Further, kindly note that members holding shares in physical form and intending to transfer their shares have to furnish the PAN particulars of transferee along with the share transfer deeds for affecting the physical share transfer.
21. Any person who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice of AGM and holds shares as on the cut-off date of 23<sup>rd</sup> September, 2016, may obtain User ID and Password by sending a request at [evoting@karvy.com](mailto:evoting@karvy.com). However, if you are already registered with Karvy for e-voting, then you can use your existing User ID and Password for casting your vote.
22. Please note that, any queries pertaining to accounting related aspects may be posted /handed over to the Secretarial Department at the Registered Office of the Company at least 48 hours before the Annual General Meeting, so that the same could be clarified to the shareholders at the Annual General Meeting.
23. The relative Explanatory Statements pursuant to Section 102 of the Companies Act, 2013 in respect of Special Businesses set out above is annexed herewith.

By Order of the Board  
For **SURANA TELECOM AND POWER LIMITED**

Place : Secunderabad  
Date : 10.08.2016

**NARENDER SURANA**  
**MANAGING DIRECTOR**

## EXPLANATORY STATEMENT

PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

### Item No. 4

The Board of Directors of the Company appointed Shri Sandeep Jain, as an Additional Director of the Company with effect from 12.10.2015. In accordance with the provisions of Section 161 of Companies Act, 2013, Shri Sandeep Jain shall hold office up to the date of the ensuing Annual General Meeting and is eligible to be appointed as an Independent Director for a term up to five years. Notice as required under Section 160 of the Companies Act, 2013 has been received from a member signifying their intention to propose her as candidate for the office of Director of the Company.

The Company has received a declaration of independence from Shri Sandeep Jain. In the opinion of the Board, Shri Sandeep Jain fulfills the conditions specified in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for appointment as Independent Director of the Company. A brief profile of Shri Sandeep Jain is annexed in the Annual Report.

The Board of Directors recommends the Ordinary Resolution for your approval.

No Director or Key Managerial Personnel of the Company and/or their relatives are concerned or interested financially or otherwise in this item of business.

### Item No. 5

Shri Narender Surana is serving as Director on the Board of the Company since incorporation of the Company. The Board is of the opinion that his services should continue to be available to the Company to achieve greater heights, by appointing him as Managing Director of the Company, subject to the approval of shareholders. The Board of Directors at its meeting held on 24th May, 2016 on the recommendations of the Nomination and Remuneration Committee appointed Shri Narender Surana as Managing Director of the Company for a period of 3 years, on a monthly remuneration of Rs.7,00,000/- subject to concurrence of shareholders. A brief profile of Shri. Narender Surana is annexed in the Annual Report.

As per the provisions of the Companies Act, 2013 approval by a resolution of the Shareholders in the General Meeting is required for appointment of the Managing Director. The Board of Directors recommends the Special Resolution for your approval.

Shri Narender Surana and Shri Devendra Surana and Ms.Vinita Surana may be deemed to be concerned or

interested in the said resolution. No other Director, key managerial personnel or their relatives are concerned or interested in the said resolution.

### Item No. 6

The resolution contained in the AGM Notice relates to a proposal by the Company to create, offer, issue and allot Securities through further public offerings, preferential allotments, qualified institutions placements, issuance of Global Depository Receipts, American Depository Receipts and such other Securities in such manner as stated in the resolution. The Company intends to issue Securities for a value of up to US\$ 30 million. Subject to applicable laws and regulations, the Company intends to use the net proceeds of the Issue primarily for making acquisition, expansion and modernization of existing facilities, working capital requirements and general corporate purpose.

The Special Resolution also seeks to empower the Board of Directors to undertake a qualified institutions placement with qualified institutional buyers as defined by SEBI (ICDR) Regulations. The Board of Directors, may in their discretion adopt this mechanism as prescribed under Chapter VIII of the SEBI (ICDR) Regulations for raising the funds for the expansion plans of the company, without the need for fresh approval from the shareholders. In case of an issuance of Securities to qualified institutional buyers, whether or not such investors are existing members of the Company, through a qualified institutions placement under Chapter VIII of the SEBI (ICDR) Regulations, the final price at which the Securities will be offered will be subject to investor response and prevailing market conditions, and computed in accordance with the relevant provisions of Chapter VIII of the SEBI (ICDR) Regulations. Furthermore, a discount of 5% to the floor price of the Equity Shares, or such other discount as may be permitted under Chapter VIII of the SEBI (ICDR) Regulations may also be contemplated at the time of issuance, for which authorization is being taken from the shareholders of the Company through this Special Resolution. The detailed terms and conditions of the issue as and when made will be determined by the Board of Directors in consultation with the Merchant Bankers, Lead Mangers, Advisors and other experts in accordance with the applicable provisions of law.

The Special Resolution seeks to give the Board powers to issue Securities in one or more tranche or tranches, at such time or times, at such price or prices and to such person(s) including institutions, incorporated bodies or otherwise as the

Board in its absolute discretion deem fit. The consent of the Shareholders is being sought pursuant to the provisions of Section 62(1)(c) and Section 42 of the Companies Act, 2013 and other applicable provisions and rules of the Companies Act, 2013, to the extent notified and in force, and in terms of the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Section 62(1)(c) of the Companies Act, 2013 provides, inter-alia, that when it is proposed to increase the issued capital of the Company by allotment of further shares, such further shares shall be offered to the existing shareholders of the Company in accordance with the Act unless the shareholders in a general meeting decide otherwise. The special resolution seeks the consent and authorization of the members to the Board to make the proposed issue of Securities and in the event it is decided to issue Securities convertible into Equity Shares, to issue to the holders of such convertible Securities in such manner and such number of Equity Shares on conversion as may be required to be issued in accordance with the terms of the issue.

The Board of Directors believe that the issue of Securities to investors who are/ are not Shareholders of the Company is in the interest of the Company and therefore recommends the resolution for your approval.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution.

#### Item No. 7

The Board of Directors, on recommendation of the Audit committee, at their meeting held on 24.05.2016 has approved the appointment and remuneration of the M/s. BVR & Associates, Cost Accountants in practice, as Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial year ending 31.03.2017 on a remuneration of ₹ 10,000/- (Ten Thousand).

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31.03.2017.

The Board of Directors recommends the Ordinary Resolution for your approval.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution.

By Order of the Board  
For **SURANA TELECOM AND POWER LIMITED**

Place : Secunderabad  
Date : 10.08.2016

**NARENDER SURANA**  
**MANAGING DIRECTOR**

## DIRECTORS' REPORT

To The Members of  
Surana Telecom and Power Limited

The Directors have pleasure in presenting the 27<sup>th</sup> Annual Report of your Company together with the Audited Balance Sheet as at 31<sup>st</sup> March 2016 and Statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2016.

### FINANCIAL RESULTS:

The performance of the Company during the year has been as under:

(Amount in ₹)

| Particulars                                      | Standalone Results |             | Consolidated Results |             |
|--|--------------------|-------------|----------------------|-------------|
|  | 2015-16            | 2014-15     | 2015-16              | 2014-15     |
| Sales and other Income                           | 231,177,192        | 190,292,091 | 265,773,882          | 195,400,940 |
| Profit before Depreciation and Interest          | 111,621,737        | 134,648,185 | 142,839,670          | 137,449,589 |
| <b>DEDUCT:</b>                                   |                    |             |                      |             |
| Depreciation & Amortization                      | 64,7085,43         | 77,103,617  | 80,875,920           | 81,048,076  |
| Interest   | 30,905,463         | 32,702,990  | 46,178,960           | 37,595,768  |
| Profit for the year                              | 16,007,731         | 24,841,578  | 15,784,790           | 18,805,745  |
| Prior period Adjustments                         | -                  | (33,838)    | 64,637               | (33,838)    |
| Profit before Taxation                           | 16,007,731         | 24,807,740  | 15,849,427           | 18,771,907  |
| Provision for Taxation : Current Tax             | 2,250,000          | 4,000,000   | 2,250,000            | 4,000,000   |
| Deferred Tax                                     | 715,001            | 937,000     | 705,426              | (570,828)   |
| Income Tax in respect of earlier years           | -                  | -           | (19,390)             | 26,064      |
| Profit after Tax                                 | 13,042,730         | 19,870,740  | 12,913,391           | 15,316,671  |
| Minority Interest (Current year's Profit/(loss)) | -                  | -           | (64,333)             | (2,461,232) |
| Surplus brought forward from previous year       | 187,213,217        | 187,321,117 | 184,589,378          | 186,790,114 |
| Balance available for appropriation              | 200,255,947        | 207,191,857 | 197,567,102          | 204,568,017 |
| <b>APPROPRIATION:</b>                            |                    |             |                      |             |
| Dividend   | -                  | 12,482,640  | -                    | 12,482,640  |
| Tax on Dividend                                  | -                  | 2,496,000   | -                    | 2,496,000   |
| Transfer to General Reserves                     | -                  | 5,000,000   | -                    | 5,000,000   |
| Balance c/f to Balance Sheet                     | 200,255,947        | 187,213,217 | 197,567,102          | 184,589,377 |

### PERFORMANCE:

During the year under review, the Income from Operations is ₹ 220,125,276 as against ₹ 174,623,085 for the corresponding previous year. The Profit Before Tax stood at ₹ 16,007,731 as against ₹ 24,807,740 for the previous year. The Profit After Tax stood at ₹ 13,042,730 as against ₹ 19,870,740 for the corresponding period. The Basic Earnings Per Share for the year-ended 31.03.2016 is ₹ 0.13 as against ₹ 0.19 for the corresponding previous year ended 31.03.2015.

### OPERATIONS:

The Company's 5 MW Solar Power Project situated at Gujarat Solar Park, Charanaka Village, Santapur Taluk, Patan District is successfully running. During the year under review, generation was effected due to adverse weather condition which were not conducive to Power Generation.

M/s Surana Solar Systems Private Limited, Subsidiary Company is effectively running 5 MW Solar Power Plant situated at Shankapur Village, Shankarampet Mandal, Medak District, Telangana.

During the year under review, the Company has been awarded 5MW Solar Power Project in the state of Uttar Pradesh which will be implemented through Subsidiary Company viz., M/s Aryavaan Renewable Energy Private Limited has entered into Power Purchase Agreement (PPA) for supply of 5MW Solar Power with Uttar Pradesh Power Corporation Limited (UPPCL), Lucknow. The project is likely to be commissioned by November, 2016.

M/s. Tejas India Solar Energy Private Limited, Subsidiary Company has been awarded technical feasibility to set up 6MW solar power plant at Kodakandla village, Gajwel Mandal,

Medak Dist, Telangana. The power will be sold to third party under open access..

## SUBSIDIARIES

Your company has 5 subsidiary companies as mentioned below. Further there has been no material change in the nature of business of the subsidiaries.

| Sl. No. | Name of the Subsidiary                    | Percentage (%) |
|---------|---|----------------|
| 1.      | Globecom Infotech Private Limited         | 100%           |
| 2.      | Surana Solar Systems Private Limited      | 51%            |
| 3.      | Celestial Solar Solutions Private Limited | 51%            |
| 4.      | Tejas India Solar Energy Private Limited  | 51%            |
| 5.      | Aryavaan Renewable Energy Private Limited | 100%           |

In terms of proviso to sub section (3) of Section 129 of the Act, the salient features of the financial statement of the subsidiaries is set out in the prescribed form AOC-1, which forms part of the annual report. Pursuant to the provisions of section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited accounts in respect of subsidiaries, are available on the website of the Company.

## SCHEME OF ARRANGEMENT:

The Company made an application with the Hon'ble High Court of Judicature at Hyderabad for the State of Telangana and the State of Andhra Pradesh for approval of the Scheme of Arrangement between the Company (Demerged Company) and Surana Telecom and Power Limited (1st Resulting Company) and Bhagyanagar Properties Private Limited (2nd Resulting Company) and their respective Shareholders and Creditors under Section 391 to 394 of the Companies Act, 1956.

According to the Scheme of Arrangement, the solar business including 5 MW solar power plant and investments in Surana Solar Limited held by M/s. Bhagyanagar India Limited (BIL) are being merged with the Company. Please visit our website [www.suranatele.com](http://www.suranatele.com) for complete information relating to the Scheme of Arrangement.

### Rationale for Scheme:

#### Solar Business:

- 5 MW solar power plant of BIL is being transferred to Surana Telecom and Power Limited (STPL) along with all assets and liabilities.
- Bhagyanagar India Limited is holding investments Surana Solar Limited (SSL). Since the company is engaged in the business relating to solar industry, these investments are also being transferred to STPL.
- STPL is focusing only on solar power generation now. As part of consolidation of various business verticals and

to increase the worth of share holders, it is desired that all solar power plant across the Group should come under the umbrella of STPL.

### Exchange Ratio:

- For solar business: STPL shall issue 4 equity shares for every 6 shares held by shareholders of BIL. STPL shall issue net 3,17,37,963 equity shares of the face value of Re.1 each.

The Hon'ble High Court vide its order dated 25<sup>th</sup> April, 2016, directed the Company to convene Meeting of the Shareholders and Unsecured Creditors of the Company on 11<sup>th</sup> June, 2016 for obtaining approval for the Scheme of Arrangement between the Company and M/s. Surana Telecom and Power Limited and M/s. Bhagyanagar Properties Private Limited and their respective Shareholders and Creditors.

The Company has duly convened the meeting of the Equity Shareholders and Unsecured Creditors and obtained approval for the Scheme of Arrangement with the requisite majority. The Company filed a Petition to obtain the sanction of the Hon'ble High Court of Judicature at Hyderabad for the State of Telangana and Andhra Pradesh to the Scheme of Arrangement.

## CONSOLIDATED FINANCIAL STATEMENTS:

The consolidated financial statements prepared and annexed in accordance with the Accounting Standards 21 and 23 as prescribed under Section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2014 and Guidelines issued by Securities and Exchange Board of India ("SEBI") also forms part of this Annual Report.

As per the provisions of Section 136 of the Companies Act, 2013, the Company has placed separate audited accounts of its subsidiaries on its website [www.suranatele.com](http://www.suranatele.com) and copy of separate audited financial statements of its subsidiaries will be provided to the shareholders at their request.

## SHARECAPITAL:

The paid-up Share Capital of the Company as on 31<sup>st</sup> March, 2016 is ₹ 10,40,22,000 divided into 10,40,22,000 equity shares of Re.1/- each.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review as stipulated under Listing Regulations, is presented in a separate section forms part of the Annual Report as Annexure-II.

## DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 134 of the Companies Act, 2013, with respect to the Directors'

Responsibility Statement, the Board of Directors of the Company hereby confirms:

- (a) That the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2016, the applicable

accounting standards have been followed along with proper explanation relating to material departures;

- (b) That the directors have selected such accounting policies and applied them consistently and made judgments 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 31<sup>st</sup> March, 2016 and of the profit and loss of the company for that period;
- (c) That the directors have 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;
- (d) That the directors have prepared the annual accounts for the financial year 31<sup>st</sup> March, 2016 on a going concern basis; and
- (e) That the directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (f) That the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **STATEMENT ON DECLARATION GIVEN BY INDEPENDENT**

The independent directors have submitted the declaration of independence, as required pursuant to sub-section (7) of section 149 of the Companies Act, 2013 stating that they meet the criteria of independence as provided in sub-section(6) of Section 149.

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

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy which lays down a framework in relation to selection, appointment and remuneration to Directors, Key Managerial Personnel and Senior Management of the Company. The details of Nomination and Remuneration Committee and Policy are stated in the Corporate Governance Report.

#### **PARTICULARS OF LOANS, GUARANTEES OR SECURITIES OR INVESTMENTS**

The details of Loans, Guarantees Securities and Investments made during the financial year ended 31<sup>st</sup> March, 2016 are given in the notes to the Financial Statements in compliance with the provisions of Section 186 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014.

#### **RELATED PARTY TRANSACTIONS**

All transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business. There are no materially significant related

party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. All Related Party Transactions are placed before the Audit Committee as also the Board for approval, where ever required. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseeable and repetitive nature. A statement giving details of all related party transactions entered into pursuant to the omnibus approval so granted are placed before the Audit Committee and the Board of Directors on a quarterly basis. The Company has developed a Policy on Related Party Transactions for the purpose of identification and monitoring of such transactions. The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website.

The particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188 is prepared in Form AOC-2 pursuant to clause (h) of the Companies (Accounts) Rules, 2014 and the same is annexed herewith as "Annexure-III" to this Report.

#### **DIVIDEND:**

The Company has the record of continuous payment of dividend to its shareholders for over two decades. However, for the financial year 2015-16 the Board of Directors has not recommended the dividend due to low profitability and the financial commitments, the company has to fulfill during the year 2016-17.

#### **EXTRACT OF ANNUAL RETURN**

The Extracts of Annual Return as per the provisions of Section 92 of the Companies Act, 2013 and Rule 12 of Companies (Management and Administration) Rules, 2014 in Form MGT-9 are enclosed as Annexure - IV to this Report.

#### **PARTICULARS IN RESPECT OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information on Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and outgo required to be disclosed under Section 134(3)(m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014 are provided in the Annexure-I forming part of this Report.

#### **RISK MANAGEMENT:**

The Board of the Company has formed a Risk Management Committee to frame, implement and monitor the risk management policy/plan for the Company and ensuring its effectiveness. The Risk Management Committee oversees the Risk Management process including risk identification, impact assessment, effective implementation of the mitigation plans and risk reporting. The Audit Committee has additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

The development and implementation of risk management policy has been covered in the management discussion and analysis, which forms part of this report.

## **BOARD EVALUATION**

During the year under review, pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the evaluation of performance of all Directors is undertaken annually. The company has implemented a system of evaluating performance of the Board of Directors and of its Committees and individual Directors on the basis of a structured questionnaire which comprise evaluation criteria taking into consideration various performance related aspects.

The Board of Directors has expressed their satisfaction with the valuation process.

## **DIRECTORS:**

Shri Baunakar Shekarnath, Whole-time Director of the Company will retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

The brief particulars of the Directors seeking appointment / re-appointment at this Annual General Meeting are being annexed to the Corporate Governance Report.

Pursuant to the provisions of Section 203 of the Act, the appointment of Shri Narender Surana, Managing Director and Shri Devendra Surana, Director and Ms.Vinita Surana, Whole-time Director and Shri Baunkara Shekarnath, Whole-time Director and Mr.D.Srinivas, Company Secretary were formalized as the Key Managerial Personnel of the Company.

## **MEETINGS**

During the financial year under review, 6(Six) Board Meetings and 6 (Six) Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the meetings was within the period of 120 days as prescribed under the Companies Act, 2013 and Regulation 17 of SEBI Listing Regulations, 2015.

## **DEPOSITS:**

The Company has not accepted any deposits from public in terms of Section 73 of the Companies Act, 2013 and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet.

## **STATUTORY AUDITORS:**

The shareholders of the Company at the 25<sup>th</sup> Annual General Meeting held on 22<sup>nd</sup> September, 2014 approved the appointment of M/s. Sekhar & Co, Chartered Accountants (Registration No. 003695S) as Statutory Auditors of the Company to hold office till the conclusion of 28<sup>th</sup> Annual General Meeting subject to ratification of shareholders at every Annual General Meeting to be held in the year 2017, subject to ratification of their appointment at every Annual General Meeting.

M/s. Sekhar & Co, Chartered Accountants (Registration No. 003695S) have confirmed that their appointment, if made, shall be in accordance with the provisions of Section 139 of the Companies Act, 2013. Accordingly, a resolution seeking Members' ratification on appointment of M/s. Sekhar & Co, Chartered Accountants, as the Statutory Auditors of the Company for the financial year ending 31<sup>st</sup> March, 2017 is included at Item No.3 of the Notice convening the Annual General Meeting.

## **AUDITORS'REPORT**

There are no qualifications, reservations or adverse remarks made by M/s. Sekhar & Co, Chartered Accountants, Statutory Auditors in their report for the Financial Year ended 31<sup>st</sup> March, 2016.

The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company in the year under review.

## **INTERNAL AUDITORS**

The Board of Directors of the Company had appointed M/s Luharuka & Associates, Chartered Accountants as Internal Auditors to conduct Internal Audit of the Company for the Financial Year ended 31<sup>st</sup> March, 2016.

## **COST AUDITORS**

The Board of Directors, subject to the approval of the Central Government, re-appointed M/s BVR & Associates, Cost Accountants, holding certificate of practice No.16851, as a Cost Auditor for conducting the Cost Audit for the financial year 2016-17. Subject to section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 issued by the MCA, the Audit Committee recommended their re-appointment. The Company has also received a letter from the Cost Auditor, stating that the appointment, if made, will be within the limits prescribed pursuant to the section 141 of Companies Act, 2013.

## **CORPORATE GOVERNANCE:**

The Company has implemented the procedures and adopted practices in conformity with the Code of Corporate Governance as per the requirements of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

A separate report on corporate governance practices followed by the Company together with a Certificate from the Company's Auditors confirming compliances forms an integral part of this Report.

## **VIGIL MECHANISM**

The Company has adopted a Whistle Blower Policy establishing vigil mechanism, to provide a formal mechanism to the Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of Code of Conduct and Ethics. It also provides for adequate safeguards against the victimization of employees who avail of the mechanism and provides direct access to the

Chairperson of the Audit Committee in exceptional cases. It is affirmed that no personnel of the Company has been denied access to the Audit Committee. The policy of vigil mechanism is available on the Company's website. The Whistle Blower Policy aims for conducting the affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior.

### SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013, and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Ms. Rakhi Agarwal, Company Secretary in Practice as Secretarial Auditors to conduct Secretarial audit of the company for the financial year ended March 31, 2016.

The Secretarial Audit Report issued by Ms. Rakhi Agarwal, Company Secretary in Practice in Form MR-3 is enclosed as Annexure - V to this Annual Report.

The Secretarial Audit Report does not contain any qualifications, reservation or adverse remarks.

### PARTICULARS OF EMPLOYEES

The Company has not employed any individual whose remuneration falls within the purview of the limits prescribed under the provisions of Section 197 of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

### PARTICULARS OF REMUNERATION

The remuneration and perquisites provided to the employees and Management are at par with the industry levels. The remunerations paid to the Managing Director and senior executives are reviewed and recommended by the Nomination and Remuneration Committee.

- (i) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;

| Name of the Director                    | Ratio to Median Remuneration |
|---|------------------------------|
| Shri Narender Surana, Managing Director | 0                            |
| Shri Devendra Surana, Director          | 0                            |
| Ms.Vinita Surana, WTD*                  | 37.69                        |
| Shri Baunakar Shekarnath, WTD           | 0                            |

\* Ms Vinita Surana has been appointed as Whole Time Director w.e.f. 27.03.2015

- (ii) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;

| Name of Person                          | % increase in remuneration |
|---|----------------------------|
| Shri Narender Surana, Managing Director | 0                          |
| Shri Devendra Surana, Director          | 0                          |
| Ms.Vinita Surana, WTD*                  | 0                          |
| Shri Baunakar Shekarnath, WTD           | 0                          |
| Shri Srinivas Dudam, CS                 | 7.69                       |

\* Ms. Vinita Surana has been appointed as Whole Time Director w.e.f. 27.03.2015

- (iii) The percentage increase in the median remuneration of employees in the financial year – 8.33%
- (iv) The number of permanent employees on the rolls of company – 22.
- (v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;

The average increase in salaries of employees other than managerial personnel in 2015-16 was 1.95%. Percentage increase in the managerial remuneration for the year was 7.69%.

- (vi) Affirmation that the remuneration is as per the remuneration policy of the company - Yes.

### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and its subsidiaries. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

### CHANGE IN NATURE OF BUSINESS

There is no change in nature of business of the Company.

### SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURT:

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact



the going concern status of the Company and its future operations.

#### **MATERIAL CHANGES AND COMMITMENTS**

There are no material changes and commitments, affecting the financial position of the Company which occurred between the end of the financial year 31<sup>st</sup> March, 2016 to which the financial statements relates and the date of signing of this report.

#### **HUMAN RESOURCES:**

The industrial relations of the Company continued to be harmonious during the year under review.

#### **ISO 9001-2008 CERTIFICATION:**

Your Company continues to hold ISO 9001-2008 Certification by meeting all the requirements of Certification from time to time.

#### **POLICY ON SEXUAL HARRASSEMENT**

The Company has adopted policy on Prevention of Sexual Harassment of Women at Workplace in accordance with The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the financial year ended 31<sup>st</sup> March, 2016, the Company has not received any Complaints pertaining to Sexual Harassment.

#### **APPRECIATION:**

Your Directors wish to place on record their appreciation to employees at all levels for their hard work, dedication and commitment. The enthusiasm and unstinting efforts of the employees have enabled the Company to remain at the forefront of the industry, despite increased competition from several existing and new players.

#### **CAUTIONARY STATEMENT**

Statements in the Board's Report and the Management Discussion & Analysis describing the Company's objectives, expectations or forecasts may be forward-looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic demand and supply conditions affecting selling prices of finished goods, input availability and prices, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

#### **ACKNOWLEDGEMENTS:**

The Directors take this opportunity to place on record their sincere thanks to the suppliers, customers, strategic partners, Banks and Financial Institutions, Insurance Companies, Central and State Government Departments and the shareholders for their support and co-operation extended to the Company from time to time. Directors are pleased to record their appreciation of the sincere and dedicated services of the employees and workmen at all levels.

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

**NARENDER SURANA**  
**MANAGING DIRECTOR**

**DEVENDRA SURANA**  
**DIRECTOR**

Date : 10.08.2016  
Place : Secunderabad

**PARTICULARS IN RESPECT OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

(Information Under Section 134(3)(m) of The Companies Act, 2013,  
Read with Rules 8(3) of the Companies (Accounts) Rules, 2014)

**F O R M A**

**1. CONSERVATION OF ENERGY:**

Energy conservation measures taken: Operations of the Company are not energy intensive. However adequate measures have been initiated to reduce energy consumption, the cost of maintenance and conserve the resources.

|   |     |
|---|-----|
| Additional Investments and proposals, if any, being implemented for reduction of consumption of energy                      | Nil |
| Impact of the clause (1) and (2) above for reduction of energy consumption and consequent impact on the production of goods | NA  |

**2. TECHNOLOGY ABSORPTION :**

**F O R M B**

(Disclosure of particulars with respect to Technology Absorption)

**A. Research and Development (R & D) :**

|    |   |     |
|----|---|-----|
| 1. | Specific areas in which R & D is carried out by the Company | NIL |
| 2. | Benefits derived as a result of the above R & D             | NIL |
| 3. | Future plan of action                                       | NIL |
| 4. | Expenditure on R & D  | NIL |

**B. Technology absorption, adaptation and innovation :**

The Company is making all its efforts for improving productivity, product quality and reducing consumption of scarce raw materials and fuels.

**3. FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Activities relating to exports and initiatives taken to increase export products and services and export plans: NIL

|   |              |
|---|--------------|
| Total Foreign Exchange outflow and inflow |              |
| Total Foreign Exchange outflow            | ₹ 77,989,522 |
| Total Foreign Exchange inflow             | Nil          |

For and on behalf of the Board of Directors

Place : Secunderabad  
Date : 10.08.2016

**NARENDER SURANA**  
**MANAGING DIRECTOR**

**DEVENDRA SURANA**  
**DIRECTOR**

## MANAGEMENT DISCUSSION & ANALYSIS

Surana Telecom and Power Limited was incorporated as a Private Limited Company on 14.08.1989 as Surana Petro Products Private Limited and was engaged in the business of manufacturing of Petro Products such as Petroleum Jelly and Telecom products such as Jointing Kits. Thereafter, the Company was converted into a Public Limited Company on 09.07.1993. In 1994, the Company ventured into the Telecom sector with the production of Optic Fibre Cables and consequently, name of the Company was changed to Surana Telecom Limited on 05.08.1994. In 2007 the Company diversified into the power sector with the manufacturing of low tension and high tension power cables and setting up of 1.25 MW wind power generation plant. In order to reflect the diversity, the name of the Company was again changed to "Surana Telecom and Power Limited" on 11.10.2007.

### SOLAR ENERGY:

#### Introduction:

With about 300 clear, sunny days in a year, India's theoretically calculated solar energy incidence on its land area alone is about 5,000 trillion kilowatt-hours (kWh) per year. The solar energy available in a year exceeds the possible energy output of all fossil fuel energy reserves in India. The daily average solar power plant generation capacity over India is 0.25 kWh per m<sup>2</sup> of used land area, which is equivalent to about 1,500–2,000 peak (rated) capacity operating hours in a year with the available commercially-proven technologies. There has been a rising awareness worldwide that renewable energy and energy efficiency are critical not only for addressing climate change, but also for creating new economic opportunities and for providing energy access to the billions of people still living without modern energy services. Over the past decade, and particularly in recent years, advances in renewable energy technologies, global increases in capacity, and rapid cost reductions have been due largely to policy support, which has attracted significant investment and has further driven down costs through economies of scale. As per Global Status Report - REN 21, India's global position in renewable energy capacity installation is 5<sup>th</sup> in the world. The most rapid growth and the largest increase in renewable capacity occurred in the power sector and was dominated by three technologies: wind, solar photovoltaic (PV), and hydropower.

#### GLOBAL SCENARIO:

The year 2015 was an extraordinary one for renewable energy, with the largest global capacity additions seen to date, although challenges remain, particularly beyond the power sector. The year saw several developments that all have a bearing on renewable energy, including a dramatic decline in global fossil fuel prices; a series of announcements regarding the lowest-ever prices for renewable power long-term contracts; a significant increase in attention to energy

storage; and a historic climate agreement in Paris that brought together the global community. Renewables are now established around the world as mainstream sources of energy. Rapid growth, particularly in the power sector, is driven by several factors, including the improving cost-competitiveness of renewable technologies, dedicated policy initiatives, better access to financing, energy security and environmental concerns, growing demand for energy in developing and emerging economies, and the need for access to modern energy. Consequently, new markets for both centralised and distributed renewable energy are emerging in all regions.

2015 was a year of firsts and high-profile agreements and announcements related to renewable energy. These include commitments by both the G7 and the G20 to accelerate access to renewable energy and to advance energy efficiency, and the United Nations General Assembly's adoption of a dedicated Sustainable Development Goal on Sustainable Energy for All (SDG 7). An estimated 147 gigawatts (GW) of renewable power capacity was added in 2015, the largest annual increase ever, while renewable heat capacity increased by around 38 gigawatts-thermal (GWth), and total biofuels production also rose.

#### INDIAN INDUSTRY ANALYSIS:

India is poised to show the value of renewable energies to developing economies. Its new targets, government programs, alongside other factors, seem to be moving India into a renewable energy age. The government has shown a strong commitment to renewables and it's push towards solar is beginning to show results, at the end of FY2015-16, solar represented 2.5% of net installed power generation capacity in India, up from 1.4 % a year ago, and was the fastest growing new energy source in the country. Solar accounted for 17.4% of all renewable energy generation in FY2015-16 compared to 10.5 percent in FY2014-15. Cumulative solar installations in India crossed the 7.5 GW mark in May 2016. About 2.2 GW new capacity has been installed so far this year and it is more than total solar capacity installed in 2015. India's solar project pipeline has now surpassed 22 GW with 13 GW under construction and 9 GW in the request for proposal process. The demand for electricity in the country has been growing at a rapid rate and is expected to grow further in the years to come. In order to meet the increasing requirement of electricity, massive addition to the installed generating capacity in the country is required. India's power deficit has fallen to a record low of 3.6%. The Government of India's focus to attain '**Power For All**' has accelerated capacity addition in the country. At the same time, the competitive intensity is increasing on both market side as well as supply side (fuel, logistics, finances and manpower).

The National Government has set ambitious targets to build a solar power capacity of 100 GW in an energy-starved-but-hungry country, permitting 100% foreign investment and

offering a series of tax breaks for the fledgling sector. Further it is considering to bring long term policies and scheme for installing solar power plants with 1 lakh MW capacity in the country. It has announced revision of the target of renewable energy capacity of the MNRE to 1,75,000 MW by 2022. The revised target of 1,75,000 MW comprises of capacity addition of 1,00,000 MW Solar, 60,000 MW Wind, 10,000 MW Biomass and 5,000 MW Small Hydro Power. A Green Energy Corridor project is under implementation for evacuation of renewable energy from generation points to the load centres by creating intra-state and inter-state transmission infrastructure RE-INVEST 2015 Concludes with 2,66,000 MW Commitments of Green Energy. The Government has launched various schemes to set up grid-connected solar power plants.

During the current year 2016-17, the Peak Demand is about 153 GW and the Installed Capacity is 303 GW on 31.05.2016 with generation mix of Thermal (69.8%), Hydro (14.1%), Renewable (14.1%) and Nuclear (1.9%). The total installed capacity for renewable energy generation grew from 29.46 GW in June 2014 to 38.8 GW as of March 31, 2016. Solar power technology remains the fourth-largest in terms of installed capacity among all renewable energy technologies in India. Geographically, the largest markets again will be China, Japan and the United States, while the largest contributors in terms of absolute growth will be China, the U.S. and India.

#### **BUSINESS OUTLOOK:**

The main focus of the company will be on the installation of Solar Power Projects in different parts of the country depending upon the Solar Policies of different State Governments, JNNSM and under REC Mechanism.

#### **WIND POWER GENERATION:**

The growth of Renewable Energy in India is enormous and Wind Energy proves to be the most effective solution to the problem of depleting fossil fuels, importing of coal, greenhouse gas emission, environmental pollution etc. Wind energy as a renewable, non-polluting and affordable source directly avoids dependency of fuel and transport, can lead to green and clean electricity. India continues to be the second largest wind market in Asia. The worldwide installed capacity of wind power reached 435 GW by the end of 2015. China (148,000 MW), US (74,347 MW) and Germany (45,192 MW) are ahead of India in fourth position. The Indian wind industry has now created a record with an installation of 3414.65 MW in 2015-16. This surpasses the installation of 3197 MW in 2011-12. The state of Madhya Pradesh has set a record for itself of 1261.4 MW. It is a demonstration of proactive policy, which includes a tariff for a meaningful IRR, technology to harness wind energy under low and medium wind regime and interest cost prevailing rates. It is heartening that the wind energy share is 63% of the total renewable energy capacity of 42752 MW and 8.86% in total energy installation of 302 GW as on 31<sup>st</sup> March 2016. Wind power accounts nearly 8.6% of India's total installed power generation capacity

and generated 28,604 million Kwh (MU) in the fiscal year 2015-16 which is nearly 2.5% of total electricity generation.

The Government of India has announced a laudable Renewable Energy target of 175GW by 2022 out of which 60GW will be coming from wind power. The Wind Potential in India was first estimated by National Institute of Wind Energy (NIWE) at 50m hub-height i.e. 49 GW but according to the survey at 80m hub height, the potential grows as much as 102 GW. Further a new study by NIWE at 100m height has estimated a potential 302GW. Ministry of New and Renewable Energy (MNRE) has launched Scheme for setting up of 1000 MW Wind Power Project connected to transmission network of Central Transmission Utility (CTU) with an objective to facilitate supply of wind power to the non-windy states at a price discovered through transparent bidding process.

#### **OUTLOOK:**

The Indian government has committed to a target of 175 GW of renewable energy by 2022, including 100 GW of solar capacity and 60 GW of cumulative wind power capacity. The government has also indicated its support for rapidly growing the power sector, renewables being a core part of this strategy. The government in its latest budget announcement for FY 2016-17 reduced the AD from 80% to 40%. Further, the Generation Based Incentive will come to an end in 2017. These two factors will likely contribute to a rush for installations of wind farms that could result in installations during the Indian fiscal year 2016-2017 of 4,000 MW. The current manufacturing capacity in the country is around 9,500 MW.

The Company currently has an installed capacity 1.25 MW at Kapatguda in the state of Karnataka. The outlook remains stable.

#### **RISKS AND CONCERNS:**

The Company's businesses and operations are subject to a variety of risks and uncertainties which are no different from any other company in general and our competitors in particular. Such risks are the result of both the business environment within which the Company operates and other factors over which there is little or no control. These risks can be categorised as operational, financial, environmental, health and safety, political, market-related and strategic risks. The Company has sufficient risk management policies in place that act as an effective tool in minimising the various risks that the businesses are exposed to during the course of their day-to-day operations as well as in their strategic actions.

#### **INTERNAL CONTROL SYSTEM AND ITS ADEQUACY**

The Company has adequate Internal Control Systems and Procedures with regard to purchase of Stores, Raw Materials including Components, Plant and Machinery, equipment, sale of goods and other assets. The company has clearly defined roles and responsibilities for all managerial positions and all operating parameters are monitored and controlled.

The company has an Internal Audit System commensurate with its size and nature of business. M/s Luharuka & Associates, a firm of Chartered Accountants, are acting as Internal Auditors of the Company. Periodic reports of Internal Auditors are reviewed in the meeting of the Audit Committee of the Board. Compliance with laws and regulations is also ensured and confirmed by the Internal Auditors of the company. Standard operating procedures and guidelines are issued from time to time to support best practices for internal control.

## FINANCIAL PERFORMANCE & OPERATIONAL PERFORMANCE:

### Financial Performance:

#### Capital Structure:

The Equity Share Capital of the Company as on 31<sup>st</sup> March 2016 is ₹ 10,40,22,000/- comprising of 10,40,22,000 Equity Shares of ₹ 1/- each fully paid.

#### Reserves and Surplus:

The Reserves and Surplus of the Company for the current year is ₹ 507,161,265 and in the previous year was ₹ 494,118,536.

#### Fixed Assets:

During the year, the Company has added Fixed Assets amounting to ₹ 12,845,525 making the gross fixed assets as on 31.03.2016 to ₹ 1,14,93,02,786.

#### Inventories:

Inventories, as on 31<sup>st</sup> March, 2016 amounted to ₹ 189,039,106 and in the previous year is ₹ 189,302,432.

#### Sundry Debtors:

Sundry Debtors amounting to ₹ 4,18,01,946 as on 31<sup>st</sup> March, 2016 and ₹ 30,437,218 in the previous year.

#### Cash and Bank Balances:

Cash and Bank balances with Scheduled Banks, as on 31<sup>st</sup> March, 2016 amounting to ₹ 12,656,603 which includes amounts deposited with banks as Security and margin Money Deposit and accrued interest.

#### Long Term Loans and Advances:

Loans and Advances amounting to ₹ 42,440,114 as on 31<sup>st</sup> March, 2016 as against ₹ 61,359,355 in the previous year.

#### Short Term Loans and Advances:

Short Term Loans and Advances amounting to ₹ 3,520,985 as on 31<sup>st</sup> March, 2016 as against 1,987,033 in the previous year.

### Current Liabilities:

Current Liabilities amounting to ₹ 105,225,069 as on 31<sup>st</sup> March, 2016 as against ₹ 196,904,082 in the previous year.

## 6.2. Operational Performance:

### Turnover:

During the year 2015-16, the Net turnover of the Company was ₹ 220,125,276 and ₹ 174,623,085 in the previous year.

Other Income as on 31<sup>st</sup> March, 2016 is ₹ 11,051,916 as against ₹ 15,669,006 in the previous year.

### Depreciation:

The Company has incurred a sum of ₹ 64,708,543 towards depreciation and amortisation for the year and ₹ 77,103,617 in the previous year.

### Net Profit:

The Net Profit of the Company after tax is ₹ 13,042,730 and ₹ 19,870,740 in the previous year.

### Earnings per Share:

Basic Earnings Per Share for the year ended 31.03.2016 is ₹ 0.13 for Face Value of ₹ 1/- and ₹ 0.19 per share for the year ended 31.03.2015.

## HUMAN RESOURCE DEVELOPMENT AND INDUSTRIAL RELATIONS:

The Company believes that the quality of its employees is the key to its success in the long run and is committed to provide necessary human resource development and training opportunities to equip them with skills, which would enable them to adapt to contemporary technological advancements.

Industrial Relations during the year continues to be cordial and the Company is committed to maintain good industrial relations through negotiations, meetings etc.

## CAUTIONARY STATEMENT:

Statements in the Management Discussion and Analysis describing the Company's Objectives and Expectations may be "Forward-Looking Statements" within the meaning of applicable Securities Laws and Regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's Operations include economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates, technological obsolescence, changes in the Government Regulations and Policies, Tax Laws and other Statutes and other incidental factors.

**FORM NO. AOC-2**

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

1. **Details of contracts or arrangements or transactions not at arm's length basis :** No transactions.

2. **Details of material contracts or arrangement or transactions at arm's length basis:**

| Sl. No. | (a)<br>Name(s) of the related party and nature of relationship  | (b)<br>Nature of contracts/ arrangements/ transactions | (c)<br>Duration of the contracts/ arrangements/ transactions | (d)<br>Salient terms of the contracts or arrangements or Transactions including the value, if any: | (e)<br>Date(s) of approval by the Board, if any: | (f)<br>Amount paid as advances, if any:    |
|---------|---|--|--|--|--|--|
| 1       | <b>Surana Solar Limited</b><br>(Common Directors are holding more than 2% of the Share Capital of the Company)                      | Sale of Goods  | 01.04.2015 to 31.03.2016                                     | Sale of Goods - ₹ 392.78 lakhs   | NA   | -  |
| 2       | <b>Surana Solar Limited</b><br>(Common Directors are holding more than 2% of the Share Capital of the Company)                      | Purchase of Goods                                      | 01.04.2015 to 31.03.2016                                     | Purchase of Goods - ₹ 81.64 lakhs  | NA   | -  |
| 3       | <b>Tejas India Solar Energy Private Limited</b><br>(Common Directors are holding more than 2% of the Share Capital of the Company)  | Sale of Goods  | 01.04.2015 to 31.03.2016                                     | Sale of Goods - ₹188.03 lakhs  | NA   | -  |
| 4       | <b>Aryavaan Renewable Energy Private Limited</b><br>(Common Directors are holding more than 2% of the Share Capital of the Company) | Sale of Goods  | 01.04.2015 to 31.03.2016                                     | Sale of Goods  | NA   | 90.00<br>(Advance for supply of materials) |
| 5       | <b>Surana Infocom Private Limited</b><br>(Common Directors are holding more than 2% of the Share Capital of the Company)            | Purchase of Shares                                     | NA   | Purchase of 7,65,000 Equity of Shares of ₹ 10/- each   | NA   | NA   |
| 6       | <b>Aryavaan Renewable Energy Private Limited</b><br>(Common Directors are holding more than 2% of the Share Capital of the Company) | Purchase of Shares                                     | NA   | Purchase of 9,990 Equity of Shares of ₹ 10/- each  | NA   | NA   |
| 7       | <b>Tejas India Solar Energy Private Limited</b><br>(Common Directors are holding more than 2% of the Share Capital of the Company)  | Purchase of Shares                                     | NA   | Purchase of 5,100 Equity of Shares of ₹ 10/- each  | NA   | NA   |

**EXTRACT OF ANNUAL RETURN**

As on the financial year ended 31.03.2016  
[Pursuant to Section 92(3) of the Companies Act, 2013, and  
Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**FORM NO. MGT – 9****I. REGISTRATION AND OTHER DETAILS:**

|   |   |
|---|---|
| CIN   | L23209TG1989PLC010336   |
| Registration Date   | 14 <sup>th</sup> August, 1989   |
| Name of the Company   | <b>SURANA TELECOM AND POWER LIMITED</b>   |
| Category / Sub-Category of the Company                                    | Company limited by shares/ Indian Non-Govt. Company   |
| Address of the Registered Office and contact details                      | 5 <sup>th</sup> Floor, Surya Towers, Sardar Patel Road, Secunderabad-500 003.<br>Phone : 040 44665750   |
| Whether listed company  | Yes   |
| Name, address and contact details of Registrar and Transfer Agent, if any | M/s Karvy Computershare Private Limited,<br>Karvy Selenium Tower B, Plot No 31 & 32 Gachibowli,<br>Financial District, Nanakramguda, Serilingampally<br>Hyderabad – 500 008<br>Phone # +91-40-67162222, Fax # 91-40-23001153,<br>Email ID : einward.ris@karvy.com<br>Website : http://www.karvy.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:

| Name and Description of main Products / Services | NIC Code of the Product / Service | % to total turnover of the Company |
|--|-----------------------------------|------------------------------------|
| Generation of solar energy                       | 40106                             | 52.43                              |
| Trading of solar modules                         | 32105                             | 43.75                              |

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

| Name and address of the Company           | CIN / GLN             | Holding/ Subsidiary/ Associate | % of shares held | Applicable Section |
|---|-----------------------|--------------------------------|------------------|--------------------|
| Globecom Infotech Private Limited         | U72900TG2008PTC060108 | Subsidiary                     | 100.00           | 2(87)              |
| Surana Solar Systems Private Limited      | U40108TG2012PTC084662 | Subsidiary                     | 51.00            | 2(87)              |
| Celestial Solar Solutions Private Limited | U40102TG2013PTC085497 | Subsidiary                     | 51.00            | 2(87)              |
| Tejas India Solar Energy Private Limited  | U40106TG2015PTC098247 | Subsidiary                     | 51.00            | 2(87)              |
| Aryavaan Renewable Energy Private Limited | U40300TG2015PTC100834 | Subsidiary                     | 100.00           | 2(87)              |

**IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):**
**i) Category-wise Shareholding:**

| Category of Shareholders  | No. of Shares held at the beginning of the year (01.04.2015) |              |                 |                   | No. of Shares held at the end of the year (31.03.2016) |              |                 |                   | % Change during the year |
|---|--|--------------|-----------------|-------------------|--|--------------|-----------------|-------------------|--------------------------|
|   | Demat  | Physical     | Total           | % of total shares | Demat  | Physical     | Total           | % of total shares |                          |
| <b>A. PROMOTERS</b>   |  |              |                 |                   |  |              |                 |                   |                          |
| <b>(1) Indian</b>   |  |              |                 |                   |  |              |                 |                   |                          |
| a) Individual / HUF   | 63961215   | -            | 63961215        | 61.49             | 64008550   | 0            | 64008550        | 61.53             | -0.05                    |
| b) Central Govt.  | -  | -            | -               | -                 | -  | -            | -               | -                 | -                        |
| c) State Govt.(s)   | -  | -            | -               | -                 | -  | -            | -               | -                 | -                        |
| d) Bodies Corporate   | 13294785   | -            | 13294785        | 12.78             | 13887345   | 0            | 13887345        | 13.35             | -0.57                    |
| e) Banks/FI   | -  | -            | -               | -                 | -  | -            | -               | -                 | -                        |
| f) Any Other  | -  | -            | -               | -                 | -  | -            | -               | -                 | -                        |
| <b>Sub-Total (A)(1):</b>  | <b>77256000</b>  | <b>-</b>     | <b>77256000</b> | <b>74.27</b>      | <b>77895895</b>  | <b>0</b>     | <b>77895895</b> | <b>74.88</b>      | <b>-0.62</b>             |
| <b>(2) Foreign</b>  |  |              |                 |                   |  |              |                 |                   |                          |
| a) NRIs - Individuals   | -  | -            | -               | -                 | -  | -            | -               | -                 | -                        |
| b) Other - Individuals  | -  | -            | -               | -                 | -  | -            | -               | -                 | -                        |
| c) Bodies Corporate   | -  | -            | -               | -                 | -  | -            | -               | -                 | -                        |
| d) Banks / FI   | -  | -            | -               | -                 | -  | -            | -               | -                 | -                        |
| e) Any Other....  | -  | -            | -               | -                 | -  | -            | -               | -                 | -                        |
| <b>Sub-Total (A)(2):</b>  | <b>-</b>   | <b>-</b>     | <b>-</b>        | <b>-</b>          | <b>-</b>   | <b>-</b>     | <b>-</b>        | <b>-</b>          | <b>-</b>                 |
| <b>Total Shareholding of Promoters (A) = (A) (1)+(A)(2)</b>                     | <b>77256000</b>  | <b>-</b>     | <b>77256000</b> | <b>74.27</b>      | <b>77895895</b>  | <b>0</b>     | <b>77895895</b> | <b>74.88</b>      | <b>-0.62</b>             |
| <b>B. PUBLIC SHAREHOLDING</b>   |  |              |                 |                   |  |              |                 |                   |                          |
| <b>(1) Institutions</b>   |  |              |                 |                   |  |              |                 |                   |                          |
| a) Mutual Funds / UTI   | 42000  | 29000        | 71000           | 0.07              | 42000  | 29000        | 71000           | 0.07              | 0.00                     |
| b) Banks / FI   | -  | 21000        | 21000           | 0.02              | 0  | 21000        | 21000           | 0.02              | 0.00                     |
| c) Central Govt.  | -  | -            | -               | -                 | -  | -            | -               | -                 | -                        |
| d) State Govt.(s)   | -  | -            | -               | -                 | -  | -            | -               | -                 | -                        |
| e) Venture Capital Funds  | -  | -            | -               | -                 | -  | -            | -               | -                 | -                        |
| f) Insurance Companies  | -  | -            | -               | -                 | -  | -            | -               | -                 | -                        |
| g) FIs  | 1379001  | 14000        | 1393001         | 1.34              | 1204001  | 14000        | 1218001         | 1.17              | 0.17                     |
| h) Foreign Venture Capital Funds  | -  | -            | -               | -                 | -  | -            | -               | -                 | -                        |
| i) Others (specify)   | -  | -            | -               | -                 | -  | -            | -               | -                 | -                        |
| <b>Sub-Total (B)(1):</b>  | <b>1421001</b>   | <b>64000</b> | <b>1485001</b>  | <b>1.43</b>       | <b>1246001</b>   | <b>64000</b> | <b>1310001</b>  | <b>1.26</b>       | <b>0.17</b>              |
| <b>(2) Non-Institutions</b>   |  |              |                 |                   |  |              |                 |                   |                          |
| <b>a) Indian Bodies Corporate</b>   | 1655982  | 158515       | 1814497         | 1.74              | 1136081  | 158515       | 1294596         | 1.24              | 0.50                     |
| <b>b) Individuals</b>   |  |              |                 |                   |  |              |                 |                   |                          |
| i) Individual Shareholders holding nominal share capital upto ₹ 1 lakh          | 11738952   | 4502645      | 16241597        | 15.61             | 13481244   | 4357145      | 17838389        | 17.15             | -1.54                    |
| ii) Individual Shareholders holding nominal share capital in excess of ₹ 1 lakh | 5480214  | -            | 5480214         | 5.27              | 4633731  | 0            | 4633731         | 4.45              | 0.81                     |
| <b>c) Others</b>  |  |              |                 |                   |  |              |                 |                   |                          |
| i) Non Resident Indians   | 1377780  | 12500        | 1390280         | 1.34              | 728301   | 12500        | 740801          | 0.71              | 0.62                     |
| Clearing Members  | 61911  | -            | 61911           | 0.06              | 14377  | 0            | 14377           | 0.01              | 0.05                     |
| Trusts  | -  | -            | -               | -                 | -  | -            | -               | -                 | -                        |
| Overseas Bodies Corporate   | -  | 292500       | 292500          | 0.28              | 0  | 292500       | 292500          | 0.28              | 0.00                     |
| NBFCs Registered with RBI   | -  | -            | -               | -                 | 1710   | 0            | 1710            | 0.0               | 0.00                     |



| Category of Shareholders                           | No. of Shares held at the beginning of the year (01.04.2015) |                |                  |                   | No. of Shares held at the end of the year (31.03.2016) |                |                  |                   | % Change during the year |
|--|--|----------------|------------------|-------------------|--|----------------|------------------|-------------------|--------------------------|
|  | Demat  | Physical       | Total            | % of total shares | Demat  | Physical       | Total            | % of total shares |                          |
| Qualified Foreign Investor                         | -  | -              | -                | -                 | -  | -              | -                | -                 | -                        |
| <b>Sub-Total B(2) :</b>                            | 20314839   | 4966160        | 25280999         | 24.30             | 19995444   | 4820660        | 24816104         | 23.86             | 0.45                     |
| <b>Total B=B(1)+B(2):</b>                          | 21735840   | 5030160        | 26766000         | 25.73             | 21241445   | 4884660        | 26126105         | 25.12             | 0.62                     |
| <b>C. SHARES HELD BY CUSTODIANS, AGAINST WHICH</b> | -  | -              | -                | -                 | -  | -              | -                | -                 | -                        |
| <b>GRAND TOTAL (A+B+C)</b>                         | <b>98991840</b>  | <b>5030160</b> | <b>104022000</b> | <b>100.00</b>     | <b>99137340</b>  | <b>4884660</b> | <b>104022000</b> | <b>100.00</b>     | <b>-</b>                 |

## ii) Shareholding of Promoters:

| Shareholders Name                  | Shareholding at the beginning of the year (01.04.2015) |                                  |  | Shareholding at the end of the year (31.03.2016) |                                  |  | % 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 |  |
| Advait Surana                      | 2621525  | 2.52                             | -  | 2621525  | 2.52                             | -  | -  |
| Bhagyanagar India Ltd              | 1734430  | 1.67                             | -  | 1751481  | 1.68                             | -  | 0.01                                     |
| Bhagyanagar India Ltd              | 7660720  | 7.36                             | -  | 7660720  | 7.36                             | -  | -  |
| Bhagyanagar Securities Private Ltd | -  | -                                | -  | 575509   | 0.55                             | -  | 0.55                                     |
| Chand Kanwar                       | 2186990  | 2.10                             | -  | 2186990  | 2.10                             | -  | -  |
| Devendra Surana                    | 13900890   | 13.36                            | -  | 13900890   | 13.36                            | -  | -  |
| Devendra Surana                    | 875000   | 0.84                             | -  | 875000   | 0.84                             | -  | -  |
| Devendra Surana                    | 552125   | 0.53                             | -  | 552125   | 0.53                             | -  | -  |
| GM Surana                          | 4115190  | 3.96                             | -  | 4115190  | 3.96                             | -  | -  |
| Mangilal Surana                    | 305360   | 0.29                             | -  | 305360   | 0.29                             | -  | -  |
| Manish Surana                      | 4216658  | 4.05                             | -  | 4216658  | 4.05                             | -  | -  |
| Mitali Surana                      | 1222500  | 1.18                             | -  | 1222500  | 1.18                             | -  | -  |
| Namrata Surana                     | 4603455  | 4.43                             | -  | 4603455  | 4.43                             | -  | -  |
| Narender Surana                    | 10368880   | 9.97                             | -  | 10368880   | 9.97                             | -  | -  |
| Narender Surana                    | -  | -                                | -  | 11000  | 0.01                             | -  | 0.01                                     |
| Narender Surana                    | 6193800  | 5.95                             | -  | 6229985  | 5.99                             | -  | 0.04                                     |
| Narender Surana                    | 2609395  | 2.51                             | -  | 2609395  | 2.51                             | -  | -  |
| Rahul Surana                       | 1525000  | 1.47                             | -  | 1525000  | 1.47                             | -  | -  |
| Shresha Surana                     | 1434367  | 1.38                             | -  | 1434517  | 1.38                             | -  | -  |
| Sresha Surana                      | 1250000  | 1.20                             | -  | 1250000  | 1.20                             | -  | -  |
| Sunita Surana                      | 3475675  | 3.34                             | -  | 3475675  | 3.34                             | -  | -  |
| Surana Infocom Private Limited     | 3609910  | 3.47                             | -  | 3609910  | 3.47                             | -  | -  |
| Surana Infocom Private Limited     | 289725   | 0.28                             | -  | 289725   | 0.28                             | -  | -  |
| Vinita Surana                      | 2504405  | 2.41                             | -  | 2504405  | 2.41                             | -  | -  |
| <b>Total</b>                       | <b>77256000</b>  | <b>74.27</b>                     | <b>-</b>   | <b>77895895</b>                                  | <b>74.88</b>                     | <b>-</b>   | <b>0.61</b>                              |

**iii) Change in Promoters' Shareholding (Please specify, if there is no change):**

| Sl. No     | Name of the Share Holder               | Shareholding at the beginning of the Year |                                  | Increase/Decrease in share holding |               |          | Cumulative Shareholding during the Year |                                  |
|------------|--|---|----------------------------------|------------------------------------|---------------|----------|---|----------------------------------|
|            |  | No. of Shares                             | % of total shares of the company | Date                               | No. of Shares | Reason   | No of Shares                            | % of total shares of the company |
| 1          | Bhagyanagar India Ltd                  | 1734430                                   | 1.67                             | 01/04/2015                         |               |          | 1734430                                 | 1.67                             |
|            |  |   |                                  | 08/05/2015                         | 17051         | Purchase | 1751481                                 | 1.68                             |
|            |  |   |                                  | 31/03/2016                         |               |          | 1751481                                 | 1.68                             |
| 2          | Narender Surana                        | 6193800                                   | 5.95                             | 01/04/2015                         |               |          | 6193800                                 | 5.95                             |
|            |  |   |                                  | 01/05/2015                         | 25261         | Purchase | 6219061                                 | 5.98                             |
|            |  |   |                                  | 31/07/2015                         | 1             | Purchase | 6219062                                 | 5.98                             |
|            |  |   |                                  | 11/09/2015                         | 2000          | Purchase | 6221062                                 | 5.98                             |
|            |  |   |                                  | 27/11/2015                         | 100           | Transfer | 6220962                                 | 5.98                             |
|            |  |   |                                  | 26/02/2016                         | 2134          | Purchase | 6223096                                 | 5.98                             |
|            |  |   |                                  | 18/03/2016                         | 2000          | Purchase | 6225096                                 | 5.98                             |
|            |  |   |                                  | 25/03/2015                         | 675           | Purchase | 6225771                                 | 5.99                             |
|            |  |   |                                  | 31/03/2016                         |               |          | 6229985                                 | 5.99                             |
| 3          | Sresha Surana                          | 1434367                                   | 1.38                             | 01/04/2015                         |               |          | 1434367                                 | 1.38                             |
|            |  |   |                                  | 04/12/2015                         | 150           | Purchase | 1434517                                 | 1.38                             |
|            |  |   |                                  | 31/03/2016.                        |               |          | 1434517                                 | 1.38                             |
| 4          | Bhagyanagar Securities Private Limited | 0   | 0.00                             | 01/04/2015                         | 0             |          | 0                                       | 0.00                             |
|            |  |   |                                  | 15/05/2015                         | 8233          | Purchase | 8233                                    | 0.01                             |
|            |  |   |                                  | 05/06/2015                         | 7252          | Purchase | 15485                                   | 0.01                             |
|            |  |   |                                  | 12/06/2015                         | 11000         | Purchase | 26485                                   | 0.03                             |
|            |  |   |                                  | 19/06/2015                         | 37500         | Purchase | 63985                                   | 0.06                             |
|            |  |   |                                  | 03/07/2015                         | 6800          | Purchase | 70785                                   | 0.07                             |
|            |  |   |                                  | 17/07/2015                         | 10            | Purchase | 70795                                   | 0.07                             |
|            |  |   |                                  | 31/07/2015                         | 16            | Purchase | 70811                                   | 0.07                             |
|            |  |   |                                  | 14/08/2015                         | 217           | Purchase | 71028                                   | 0.07                             |
|            |  |   |                                  | 21/08/2015                         | 797           | Purchase | 71825                                   | 0.07                             |
|            |  |   |                                  | 04/09/2015                         | 35853         | Purchase | 107678                                  | 0.10                             |
|            |  |   |                                  | 11/09/2015                         | 149809        | Purchase | 257487                                  | 0.25                             |
|            |  |   |                                  | 18/09/2015                         | 10000         | Purchase | 267487                                  | 0.26                             |
|            |  |   |                                  | 25/09/2015                         | 18605         | Purchase | 286092                                  | 0.28                             |
|            |  |   |                                  | 16/10/2015                         | 21469         | Purchase | 307561                                  | 0.30                             |
|            |  |   |                                  | 23/10/2015                         | 5714          | Purchase | 313275                                  | 0.30                             |
|            |  |   |                                  | 30/10/2015                         | 13073         | Purchase | 326348                                  | 0.31                             |
|            |  |   |                                  | 06/11/2015                         | 1208          | Purchase | 327556                                  | 0.31                             |
|            |  |   |                                  | 13/11/2015                         | 6283          | Purchase | 333839                                  | 0.32                             |
|            |  |   |                                  | 20/11/2015                         | 15263         | Purchase | 349102                                  | 0.34                             |
| 27/11/2015 | 32657                                  | Purchase                                  | 381759                           | 0.37                               |               |          |   |                                  |
| 04/12/2015 | 11056                                  | Purchase                                  | 392815                           | 0.38                               |               |          |   |                                  |
| 18/12/2015 | 204                                    | Purchase                                  | 393019                           | 0.38                               |               |          |   |                                  |
| 25/12/2015 | 100                                    | Purchase                                  | 393119                           | 0.38                               |               |          |   |                                  |
| 01/01/2016 | 1                                      | Purchase                                  | 393120                           | 0.38                               |               |          |   |                                  |
| 15/01/2016 | 9000                                   | Purchase                                  | 402120                           | 0.39                               |               |          |   |                                  |

| Sl. No | Name of the Share Holder | Shareholding at the beginning of the Year |                                  | Increase/Decrease in share holding |               |          | Cumulative Shareholding during the Year |                                  |
|--------|--------------------------|---|----------------------------------|------------------------------------|---------------|----------|---|----------------------------------|
|        |                          | No. of Shares                             | % of total shares of the company | Date                               | No. of Shares | Reason   | No of Shares                            | % of total shares of the company |
|        |                          |   |                                  | 22/01/2016                         | 23472         | Purchase | 425592                                  | 0.41                             |
|        |                          |   |                                  | 29/01/2016                         | 3979          | Purchase | 429571                                  | 0.41                             |
|        |                          |   |                                  | 19/02/2016                         | 23921         | Purchase | 453492                                  | 0.44                             |
|        |                          |   |                                  | 26/02/2016                         | 13667         | Purchase | 467159                                  | 0.45                             |
|        |                          |   |                                  | 04/03/2016                         | 12214         | Purchase | 479373                                  | 0.46                             |
|        |                          |   |                                  | 11/03/2016                         | 8859          | Purchase | 488232                                  | 0.47                             |
|        |                          |   |                                  | 18/03/2016                         | 31763         | Purchase | 519995                                  | 0.50                             |
|        |                          |   |                                  | 25/03/2016                         | 19095         | Purchase | 539090                                  | 0.52                             |
|        |                          |   |                                  | 31/03/2016                         | 36419         | Purchase | 575509                                  | 0.55                             |

iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):

| Sl. No | Name of the Share Holder   | Shareholding at the beginning of the Year |                                  | Increase/Decrease in share holding |              |          | Cumulative Shareholding during the Year |                                  |
|--------|----------------------------|---|----------------------------------|------------------------------------|--------------|----------|---|----------------------------------|
|        |                            | No of Shares                              | % of total shares of the company | Date                               | No.of Shares | Reason   | No of Shares                            | % of total shares of the company |
| 1      | Anil Kumar Jain            | 1056710                                   | 1.02                             | 01/04/2015                         |              |          | 1056710                                 | 1.02                             |
|        |                            |   |                                  | 31/07/2015                         | 5000         | Transfer | 1050710                                 | 1.01                             |
|        |                            |   |                                  | 31/03/2016                         |              |          | 1050710                                 | 1.01                             |
| 2      | Savitha Jain               | 973590                                    | 0.09                             | 01/04/2015                         |              |          | 973590                                  | 0.94                             |
|        |                            |   |                                  | 19/06/2015                         | 2000         | Transfer | 971590                                  | 0.93                             |
|        |                            |   |                                  | 24/07/2015                         | 3000         | Transfer | 967590                                  | 0.93                             |
|        |                            |   |                                  | 31/07/2015                         | 12100        | Transfer | 955490                                  | 0.92                             |
|        |                            |   |                                  | 07/08/2015                         | 6252         | Transfer | 949238                                  | 0.91                             |
|        |                            |   |                                  | 04/12/2015                         | 5000         | Transfer | 944238                                  | 0.91                             |
|        |                            |   |                                  | 31/03/2016                         |              |          | 944238                                  | 0.91                             |
| 3      | Emerging India Focus Funds | 550000                                    | 0.53                             | 01/04/2015                         |              |          | 550000                                  | 0.53                             |
|        |                            |   |                                  | 31/03/2016                         |              |          | 550000                                  | 0.53                             |
| 4      | Gaurav Mutha               | 551744                                    | 0.53                             | 01/04/2015                         |              |          | 551744                                  | 0.53                             |
|        |                            |   |                                  | 08/01/2016                         | 24000        | Transfer | 527744                                  | 0.51                             |
|        |                            |   |                                  | 31/03/2016                         |              |          | 527744                                  | 0.51                             |
| 5      | Vaibhav Mutha              | 535055                                    | 0.51                             | 01/04/2015                         |              |          | 535055                                  | 0.06                             |
|        |                            |   |                                  | 10/04/2015                         | 72000        | Transfer | 463055                                  | 0.45                             |
|        |                            |   |                                  | 17/04/2015                         | 4844         | Transfer | 458211                                  | 0.44                             |
|        |                            |   |                                  | 31/03/2016                         |              |          | 458211                                  | 0.44                             |
| 6      | Davos International Fund   | 400000                                    | 0.38                             | 01/04/2015                         |              |          | 400000                                  | 0.38                             |
|        |                            |   |                                  | 31/03/2016                         |              |          | 400000                                  | 0.38                             |
| 7      | Sunil Jain                 | 425695                                    | 0.41                             | 01/04/2015                         |              |          | 425695                                  | 0.41                             |
|        |                            |   |                                  | 26/06/2015                         | 3595         | Transfer | 422100                                  | 0.41                             |
|        |                            |   |                                  | 30/06/2015                         | 500          | Transfer | 421600                                  | 0.41                             |
|        |                            |   |                                  | 03/07/2015                         | 600          | Transfer | 421000                                  | 0.40                             |
|        |                            |   |                                  | 17/07/2015                         | 3564         | Transfer | 414136                                  | 0.40                             |
|        |                            |   |                                  | 24/07/2015                         | 1750         | Transfer | 412386                                  | 0.40                             |
|        |                            |   |                                  | 31/07/2015                         | 15150        | Transfer | 397236                                  | 0.38                             |
|        |                            |   |                                  | 07/08/2015                         | 15426        | Transfer | 381810                                  | 0.37                             |
|        |                            |   |                                  | 04/12/2015                         | 3000         | Transfer | 378810                                  | 0.36                             |

| Sl. No | Name of the Share Holder | Shareholding at the beginning of the Year |                                  | Increase/Decrease in share holding |              |          | Cumulative Shareholding during the Year |                                  |
|--------|--------------------------|---|----------------------------------|------------------------------------|--------------|----------|---|----------------------------------|
|        |                          | No of Shares                              | % of total shares of the company | Date                               | No.of Shares | Reason   | No of Shares                            | % of total shares of the company |
|        |                          |   |                                  | 11/12/2015                         | 3000         | Transfer | 375810                                  | 0.36                             |
|        |                          |   |                                  | 08/01/2016                         | 6076         | Transfer | 369734                                  | 0.36                             |
|        |                          |   |                                  | 31/03/2016                         |              | Transfer | 369734                                  | 0.36                             |
| 8      | Moneyway Ltd             | 290000                                    | 0.28                             | 01/04/2015                         |              |          | 290000                                  | 0.28                             |
|        |                          |   |                                  | 31/03/2016                         |              |          | 290000                                  | 0.28                             |
| 9      | Leman Diversified Fund   | 354001                                    | 0.34                             | 01/04/2015                         |              |          | 354001                                  | 0.34                             |
|        |                          |   |                                  | 30/06/2015                         | 21701        | Transfer | 332300                                  | 0.32                             |
|        |                          |   |                                  | 03/07/2015                         | 78299        | Transfer | 254001                                  | 0.24                             |
|        |                          |   |                                  | 31/03/2016                         |              |          | 254001                                  | 0.24                             |
| 10     | Anil Kumar Jain          | 362865                                    | 0.35                             | 01/04/2015                         |              |          | 362865                                  | 0.35                             |
|        |                          |   |                                  | 26/06/2015                         | 4365         | Transfer | 358500                                  | 0.34                             |
|        |                          |   |                                  | 03/07/2015                         | 120          | Transfer | 358380                                  | 0.34                             |
|        |                          |   |                                  | 17/07/2015                         | 3368         | Transfer | 350012                                  | 0.34                             |
|        |                          |   |                                  | 24/07/2015                         | 1500         | Transfer | 348512                                  | 0.34                             |
|        |                          |   |                                  | 31/07/2015                         | 11290        | Transfer | 337222                                  | 0.32                             |
|        |                          |   |                                  | 07/08/2015                         | 26836        | Transfer | 310386                                  | 0.30                             |
|        |                          |   |                                  | 04/12/2015                         | 5000         | Transfer | 305386                                  | 0.29                             |
|        |                          |   |                                  | 11/12/2015                         | 5000         | Transfer | 300386                                  | 0.29                             |
|        |                          |   |                                  | 31/12/2015                         | 21002        | Transfer | 279384                                  | 0.27                             |
|        |                          |   |                                  | 08/01/2016                         | 30500        | Transfer | 248884                                  | 0.24                             |
|        |                          |   |                                  | 15/01/2016                         | 1000         | Transfer | 247884                                  | 0.24                             |
|        |                          |   |                                  | 31/03/2016                         |              |          | 247884                                  | 0.24                             |

**v) Shareholding of Directors and Key Managerial Personnel:**

| Sl. No. | Name of the Directors | Shareholding at the beginning of the year |                                  | Change in Shareholding |          | Shareholding at the end of the year |                                  |
|---------|-----------------------|---|----------------------------------|------------------------|----------|-------------------------------------|----------------------------------|
|         |                       | No. of Shares                             | % of total shares of the Company | Increase               | Decrease | No. of Shares                       | % of total shares of the Company |
| 1       | Narender Surana       | 19183075                                  | 18.44                            | 32071                  | 100      | 19219260                            | 18.48                            |
| 2       | Devendra Surana       | 15328015                                  | 14.73                            | -                      | -        | 15328015                            | 14.73                            |
| 3       | D. Venkatasubbiah     | -   | -                                | -                      | -        | -                                   | -                                |
| 4       | Dr. R.N Sreenath      | -   | -                                | -                      | -        | -                                   | -                                |
| 5       | Nirmal Kumar Jain     | -   | -                                | -                      | -        | -                                   | -                                |
| 6       | Baunakar Shekarnath   | -   | -                                | -                      | -        | -                                   | -                                |
| 7       | Sandeep Jain*         | -   | -                                | -                      | -        | -                                   | -                                |
| 8       | Vinita Surana         | 2504405                                   | 2.41                             | -                      | -        | 2504405                             | 2.41                             |

|    | Name of the Key Managerial Personnel | Shareholding at the beginning of the year |                                  | Change in Shareholding |          | Shareholding at the end of the year |                                  |
|----|--------------------------------------|---|----------------------------------|------------------------|----------|-------------------------------------|----------------------------------|
|    |                                      | No. of Shares                             | % of total shares of the Company | Increase               | Decrease | No. of Shares                       | % of total shares of the Company |
| 1. | Srinivas Dudam<br>Company Secretary  | -   | -                                | -                      | -        | -                                   | -                                |

\* Sandeep Jain has been appointed as Additional Director w.e.f 12.10.2015

**V. INDEBTEDNESS:**

Indebtedness of the Company including interest outstanding/accrued but not due for payment: (₹ Crores)

| Particulars  |                                | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|--------------------------------|----------------------------------|-----------------|----------|--------------------|
| <b>Indebtedness at the beginning of the financial year</b> |                                |                                  |                 |          |                    |
| i)   | Principal Amount               | 17.89                            | 4.44            | -        | 22.33              |
| ii)  | Interest due but not paid      | -                                | -               | -        | -                  |
| iii)   | Interest accrued but not due   | 2.48                             | 0.51            | -        | 2.99               |
|  | <b>Total (i+ii+iii)</b>        | <b>20.37</b>                     | <b>4.95</b>     | <b>-</b> | <b>25.32</b>       |
| <b>Change in Indebtedness during the financial year</b>    |                                |                                  |                 |          |                    |
|  | Addition                       | 0                                | 5.96            | -        | 5.96               |
|  | Reduction                      | 5.31                             | 0.00            | -        | 5.31               |
|  | <b>Net Increase/(Decrease)</b> | <b>5.31</b>                      | <b>5.958</b>    |          | <b>0.65</b>        |
| <b>Indebtedness at the end of the financial year</b>       |                                |                                  |                 |          |                    |
| i)   | Principal Amount               | 13.12                            | 10.05           | -        | 23.17              |
| ii)  | Interest due but not paid      | -                                | 0.24            | -        | 0.24               |
| iii)   | Interest accrued but not due   | 1.94                             | 0.62            | -        | 2.56               |
|  | <b>Total (i+ii+iii)</b>        | <b>15.06</b>                     | <b>10.91</b>    | <b>-</b> | <b>25.97</b>       |

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

During the year under review, no Executive Director has drawn remuneration.

**B. Remuneration to other Directors:****1. Independent Directors:**

| Sl. No. | Particulars of remuneration                 | Name of Director   |                  |                   |              | Total Amount  |
|---------|---|--------------------|------------------|-------------------|--------------|---------------|
|         |   | D. Venkata Subbiah | Dr. R.N Sreenath | Nirmal Kumar Jain | Sandeep Jain |               |
| 1       | Fee for attending Board/ Committee Meetings | 36000              | 30000            | 36000             | 6000         | 108000        |
| 2       | Commission                                  | -                  | -                | -                 | -            | -             |
| 3       | Others, please specify                      | -                  | -                | -                 | -            | -             |
|         | <b>Total (B)(1)</b>                         | <b>36000</b>       | <b>30000</b>     | <b>36000</b>      | <b>6000</b>  | <b>108000</b> |

**2. Other Non Executive Directors: NIL**

| Sl. No. | Particulars of remuneration                  | Name of Director | Total Amount |
|---------|--|------------------|--------------|
|         | - Fee for attending Board/Committee Meetings | -                | -            |
|         | - Commission                                 | -                | -            |
|         | - Others, please specify                     | -                | -            |
|         | <b>Total (B)(2)</b>                          | <b>-</b>         | <b>-</b>     |

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD:**

| SI. No. | Particulars of Remuneration   | Srinivas Dudam,<br>Company Secretary | Archit Agarwal<br>CFO | Total<br>Amount  |
|---------|---|--------------------------------------|-----------------------|------------------|
| 1       | Gross Salary  |                                      |                       |                  |
| (a)     | Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 | 8,40,000                             | 4,13,226              | <b>12,53,226</b> |
| (b)     | Value of perquisites under Section 17(2) Income Tax Act, 1961                   | -                                    |                       | -                |
| (c)     | Profits in lieu of salary under Section 17(3) Income Tax Act, 1961              | -                                    |                       | -                |
| 2       | Stock Options   | -                                    |                       | -                |
| 3       | Sweat Equity  | -                                    |                       | -                |
| 4       | Commission  | -                                    |                       | -                |
|         | - as % of profit  |                                      |                       |                  |
|         | - Others, specify....   |                                      |                       |                  |
| 5       | Others, please specify  | -                                    |                       | -                |
|         | <b>Total (C)</b>  | <b>8,40,000</b>                      | <b>4,13,226</b>       | <b>12,53,226</b> |

**VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:**

| Type                                | Section of the Companies Act | Brief Description | Details of Penalty/<br>Punishment/<br>Compounding<br>fees imposed | Authority<br>[RD / NCLT<br>/COURT] | Appeal made, if any<br>(give details) |
|-------------------------------------|------------------------------|-------------------|---|------------------------------------|---------------------------------------|
| <b>A. COMPANY</b>                   |                              |                   | <b>None</b>   |                                    |                                       |
| Penalty                             |                              |                   |   |                                    |                                       |
| Punishment                          |                              |                   |   |                                    |                                       |
| Compounding                         |                              |                   |   |                                    |                                       |
| <b>B. DIRECTORS</b>                 |                              |                   | <b>None</b>   |                                    |                                       |
| Penalty                             |                              |                   |   |                                    |                                       |
| Punishment                          |                              |                   |   |                                    |                                       |
| Compounding                         |                              |                   |   |                                    |                                       |
| <b>C. OTHER OFFICERS IN DEFAULT</b> |                              |                   |   |                                    |                                       |
| Penalty                             |                              |                   | <b>None</b>   |                                    |                                       |
| Punishment                          |                              |                   |   |                                    |                                       |
| Compounding                         |                              |                   |   |                                    |                                       |

**FORM NO MR 3**  
**SECRETARIAL AUDIT REPORT**

Pursuant to Section 204 (1) of the Companies Act, 2013 and the Rule 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2016**

To  
The members of  
Surana Telecom and Power Limited

I have conducted Secretarial Audit pursuant to Section 204 of the Companies Act 2013, on the compliance of applicable Statutory Provisions and the adherence to good corporate practices by M/s. Surana Telecom and Power Limited (hereinafter called as "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

1. Based on our verification of the books, papers, minutes books, forms, returns filed and other records maintained by the Company and also the information and according to the examinations carried out by us and explanations furnished and representations made to us by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, I hereby report that in our opinion, the Company has during the audit period covering the Financial Year ended on 31<sup>st</sup> March, 2016 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.
2. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2016 ("Audit Period") 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 there-under;
  - 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 ('SEBI Act'):-
    - (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 during the audit period.
    - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; Not applicable during the audit period.
    - (e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; Not applicable during the audit period
    - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not applicable during the audit period
    - (g) 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;
    - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not applicable during the audit period



- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not applicable during the audit period
- vi) The Company's main business is into trading of Solar Modules and generation of solar and wind energy. Accordingly, the industry specific major law that is applicable to the Company is The Electricity Act, 2003.
- vii) I have also examined compliance with the applicable clauses of the following:
  - (a) The Listing Agreement entered into by the Company with the Stock Exchanges and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
  - (b) Secretarial Standards issued by the Institute of Company Secretaries of India in respect of Board and General Meetings of the Company.

During the period under review, the Company has complied with the provisions of the applicable Acts, Rules, Regulations and Guidelines etc. mentioned above.

3. I, further report that:

- (a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors except in respect of number of Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.
  - (b) Adequate Notice is given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least 7 days in advance. There is adequate system for seeking and obtaining further information and clarifications on the agenda items before the meeting and meaningful participation at the meeting. Majority decision is carried through and there were no instances of dissenting members in the Board of Directors.
  - (c) It is also noted that the Company has an Internal Audit System to constantly monitor the process for efficient compliances.
4. I, further report that during the year under report, the shareholders approved through special resolution the replacement of the existing Articles of Association by a new set of Articles, which is based on Table F of Schedule I of the Companies Act, 2013.
5. I, further report that during the audit period, there were no specific events/actions having a major bearing on the company's affairs in pursuance of the above referred laws, regulations, guidelines, standards, etc referred above.

**RAKHI AGARWAL**  
**Company Secretary in Practice**  
**FCS NO.7047**  
**CP NO.6270**

Place : Hyderabad  
Date : 10.08.2016



## REPORT ON CORPORATE GOVERNANCE

### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Surana Telecom and Power Limited believe in adopting "best practices" followed in the area of Corporate Governance. The Company emphasis and aims in achieving highest standards in Corporate Governance by creating professional beliefs and values, timely disclosures, transparent accounting policies, responsibility and fairness in all its operations and business. The Company maintain the same tradition and commitment. Surana Telecom and Power Limited believe that its systems and actions must be integrated for enhancement of Corporate Performance resulting in the maximisation of the long term value and to protect the interests of its stakeholders of the Company. Hence, it harmonizes the need for a company to strike a balance at all times between the need to enhance shareholders' wealth whilst not in any way being detrimental to the interests of the other stakeholders in the company.

The Company has made disclosures under this part as per the Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, (hereinafter referred as "Listing Regulations") which came into effect from December 1, 2015.

### 2. BOARD OF DIRECTORS:

#### a) Composition and Category of Directors:

In terms of compliance with the regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company endeavour to have an optimum combination of Executive and Non-Executive Directors to maintain the independence of the Board and separate the functions of Governance and Management through Board and Committees. As at March 31, 2016, the Board of Directors ("Board") comprises of eight Directors, of which six are Non-Executive Directors and two are Executive Directors. The Company has four Independent Directors; Independent Directors comprise half of the total strength of the Board. The composition and category of the Board of Directors is as follows:

| SI.No. | Name of Director         | Designation         | Category                          |
|--------|--------------------------|---------------------|-----------------------------------|
| 1      | Shri. Narender Surana*   | Director            | Non-executive Director (Promoter) |
| 2      | Shri. Devendra Surana    | Director            | Non-executive Director (Promoter) |
| 3      | Ms. Vinita Surana        | Whole Time Director | Executive Director (Promoter)     |
| 4      | Dr R. N. Sreenath        | Director            | Independent Director              |
| 5      | Shri. D Venkata Subbaiah | Director            | Independent Director              |
| 6      | Shri. Nirmal Kumar Jain  | Director            | Independent Director              |
| 7      | Shri. Sandeep Jain**     | Director            | Independent Director              |
| 8      | Shri Baunakar Shekarnath | Whole Time Director | Executive Director                |

\* Shri Narender Surana has been appointed as Managing Director w.e.f. 24.05.2016.

\*\* Shri Sandeep Jain has been appointed as Independent Director w.e.f. 12.10.2015

#### b) Attendance of each director at the Board meetings and at the last Annual General Meeting:

The particulars of attendance of Board Meetings and Annual General Meeting by Directors for the financial year ended 31.03.2016 has been set out here below:

| SI.No | Name of Director         | No. of Board Meetings |          | Attendance at last AGM on 30.09.2015 |
|-------|--------------------------|-----------------------|----------|--------------------------------------|
|       |                          | Held                  | Attended |                                      |
| 1     | Shri. Narender Surana    | 6                     | 5        | Present                              |
| 2     | Shri. Devendra Surana    | 6                     | 6        | Present                              |
| 3     | Ms. Vinita Surana        | 6                     | 6        | Present                              |
| 4     | Dr R. N. Sreenath        | 6                     | 5        | Present                              |
| 5     | Shri. D Venkata Subbaiah | 6                     | 6        | Present                              |
| 6     | Shri. Nirmal Kumar Jain  | 6                     | 6        | Present                              |
| 7     | Shri. Sandeep Jain*      | 6                     | 3        | -                                    |
| 8     | Shri Baunakar Shekarnath | 6                     | 6        | Present                              |

\* Shri Sandeep Jain has been appointed as Independent Director w.e.f. 12.10.2015

**c) Number of Other Directorships, Committee Membership(s) & Chairmanship(s):**

| Sl.No. | Name of the Director     | Other Directorships | Committee Membership | Committee Chairmanship |
|--------|--------------------------|---------------------|----------------------|------------------------|
| 1      | Shri. Narender Surana    | 19                  | 2                    | 1                      |
| 2      | Shri. Devendra Surana    | 19                  | 3                    | -                      |
| 3      | Ms. Vinita Surana        | 14                  | -                    | -                      |
| 4      | Dr. R.N. Sreenath        | 5                   | 2                    | -                      |
| 5      | Shri. D Venkata Subbaiah | 2                   | 1                    | 2                      |
| 6      | Shri. Nirmal Kumar Jain  | 2                   | -                    | 1                      |
| 7      | Shri. Sandeep Jain       | 3                   | -                    | -                      |
| 8      | Shri Baunakar Shekarnath | 1                   | -                    | -                      |

- The number of total directorships is in accordance with Section 165 of the Companies Act, 2013.
- The Number of Directorships, Committee memberships and Chairmanships of all listed and unlisted companies are within the limits as per Regulation 26 of SEBI (LODR) Regulations, 2015 and erstwhile Clause 49(II)(D)(2) of the Listing Agreement.

**d) Number of Board Meetings held and the date on which held:**

In terms of compliance with the requirement of Regulation 17(2) of SEBI (LODR) Regulations, 2015, Six Board Meetings were held during the financial year ended 31.03.2016, as against the minimum requirement of four meetings. The maximum time gap between any of two consecutive meetings did not exceed One Hundred and Twenty days.

The dates on which the Board meetings were held are:

|            |            |            |            |            |            |
|------------|------------|------------|------------|------------|------------|
| 30.05.2015 | 06.08.2015 | 30.09.2015 | 12.10.2015 | 07.11.2015 | 10.02.2016 |
|------------|------------|------------|------------|------------|------------|

**e) Disclosure of relationship between directors inter-se**

Shri Narender Surana and Shri Devendra Surana, Directors of the Company are Brothers and Ms.Vinita Surana is daughter of Shri Narender Surana, Director. Except Shri Narender Surana and Shri Devendra Surana and Ms.Vinita Surana, none of the Directors are related to any other Director.

**f) Shares held by Non-Executive Directors**

The number of equity shares of the Company held by the non-executive directors, as on 31.03.2016 are as follows:

| Sl.No | Name of the Director     | No of Equity Shares |
|-------|--------------------------|---------------------|
| 1     | Shri. Narender Surana    | 1,92,19,260         |
| 2     | Shri. Devendra Surana    | 1,53,28,015         |
| 3     | Dr R. N. Sreenath        | Nil                 |
| 4     | Shri. D Venkata Subbaiah | Nil                 |
| 5     | Shri Nirmal Kumar Jain   | Nil                 |
| 6     | Shri Sandeep Jain        | Nil                 |

**g) The details of familiarization programs imparted to independent directors is given below**

Your Company follows a structured orientation and familiarisation programme through various reports/codes/internal policies for all the Directors with a view to update them on the Company's policies and procedures on a regular basis. Periodic presentations are made at the Board Meetings on business and performance, long term strategy, initiatives and risks involved. The framework on familiarisation programme has been posted in the website of the Company. The details of familiarization program is available on the website: <http://www.suranatele.com/investor-relations.php>

**BOARD COMMITTEES:**

Details of the Board Committees and other related information are provided hereunder:

**3. AUDIT COMMITTEE:****(a) Brief description of terms of reference:**

The role and terms of reference of the Audit Committee are set out in Regulation 18(3) read with Part C of Schedule II of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013, besides other terms as may be referred to by the Board of Directors of the Company. The terms of reference of the Audit Committee broadly are:

1. Review of financial reporting systems;
2. Ensuring compliance with regulatory guidelines;
3. Reviewing the quarterly, half yearly and annual financial results;
4. Approval of annual internal audit plan;
5. Review and approval of related party transactions;
6. Discussing the annual financial statements and auditor's report before submission to the Board with particular reference to the (i) Director's Responsibility Statement; (ii) major accounting entries; (iii) significant adjustments in financial statements arising out of audit findings; (iv) compliance with listing requirements etc.;
7. Interaction with statutory, internal and cost auditors;
8. Recommendation for appointment and remuneration of auditors; and
9. Reviewing and monitoring the auditor's independence and performance etc.

**Further the Audit Committee also mandatorily reviews the following information:**

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses;
5. The appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the audit committee; and
6. **Statement of deviations:**
  - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI Listing Regulations;
  - (b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7) of SEBI Listing Regulations.

In addition to the above, the Audit Committee also reviews the financial statements, minutes and details of investments made by the subsidiary companies.

**(b) Composition, Name of members and Chairman:**

As on March 31, 2016, the Audit Committee of the Board comprises of three (3) Independent Directors. The Chairman of the Audit Committee is Independent Director. The composition of the Committee is in compliance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations:

| S.No. | Name of Director         | Designation |
|-------|--------------------------|-------------|
| 1     | Shri. Nirmal Kumar Jain  | Chairman    |
| 2     | Shri. D Venkata Subbaiah | Member      |
| 3     | Dr. R.N. Sreenath        | Member      |

- The Head of Finance & Accounts, Statutory Auditors and Internal Auditors attend the Audit Committee meetings on invitation and the Company Secretary acts as the Secretary of the Committee.
- The minutes of the meetings of the Audit Committee are placed before the Board and discussed in the meeting.

**(c) Meetings and attendance during the year:**

- Six Audit Committee Meetings were held during the financial year ended March 31, 2016. The maximum time gap between any of the two meetings was not more than one Hundred and Twenty days.
- The Audit Committee meetings were held on

|            |            |            |            |            |            |
|------------|------------|------------|------------|------------|------------|
| 30.05.2015 | 06.08.2015 | 30.09.2015 | 12.10.2015 | 07.11.2015 | 10.02.2015 |
|------------|------------|------------|------------|------------|------------|

- Attendance at the Audit Committee Meeting:

| SI.No | Name of the Director     | Number of Meetings |          |
|-------|--------------------------|--------------------|----------|
|       |                          | Held               | Attended |
| 1.    | Shri. Nirmal Kumar Jain  | 6                  | 6        |
| 2.    | Shri. D Venkata Subbaiah | 6                  | 6        |
| 3.    | Dr. R.N. Sreenath        | 6                  | 5        |

The Statutory Auditors and Internal Auditors of the Company have also attended the above meetings on invitation. The recommendations made by the Audit Committee from time to time have been followed by the Company. The Chairman of the Audit Committee has attended the Annual General Meeting to answer the queries raised by the Shareholders regarding Audit and Accounts.

**4. NOMINATION & REMUNERATION COMMITTEE:**
**a. Brief description of terms of reference**

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director;
- Recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Carry on the evaluation of every director's performance;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity; and
- Any other matter as the Board may decide from time to time.

**b. Composition, Name of members and Chairman:**

The Nomination and Remuneration Committee was constituted by the Board with 3 Independent Directors. The following is the composition of the Board.

| SI.No. | Name of Director         | Designation |
|--------|--------------------------|-------------|
| 1.     | Shri. Nirmal Kumar Jain  | Chairman    |
| 2.     | Dr. R.N Sreenath         | Member      |
| 3.     | Shri. D Venkata Subbaiah | Member      |

- The Company Secretary acts as the Secretary of the Committee.
- The minutes of the meetings of the Nomination and Remuneration Committee are circulated to all the members of the Board.

**c. Nomination and Remuneration Committee meetings**

During the period from April 1, 2015 to March 31, 2016, Nomination and Remuneration Committee Meetings were held on 30.05.2015, 06.08.2015 and 10.02.2016.

| SI.No | Name of the Director     | Number of Meetings |          |
|-------|--------------------------|--------------------|----------|
|       |                          | Held               | Attended |
| 1.    | Shri. Nirmal Kumar Jain  | 3                  | 3        |
| 2.    | Dr. R.N Sreenath         | 3                  | 3        |
| 3.    | Shri. D Venkata Subbaiah | 3                  | 3        |

**d. Nomination and Remuneration policy**

- The nomination and remuneration committee has adopted a Nomination and Remuneration Policy which, inter alia, deals with the manner of selection of Board of Directors, KMP & other senior management and their remuneration. Executive Directors and KMP are eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The Executive Director and KMP remuneration is determined based on levels of responsibility and scales prevailing in the industry. The executive directors are not paid sitting fee for any Board/Committee meetings attended by them.
- The Non-executive directors are paid sitting fees for attending meetings of Board/Committee.

**e. Performance evaluation of Directors.**

During the year under review, pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the evaluation of performance of all Directors is undertaken annually. The company has implemented a system of evaluating performance of the Board of Directors and of its Committees and individual Directors on the basis of a structured questionnaire which comprise evaluation criteria taking into consideration various performance related aspects.

The Board of Directors has expressed their satisfaction with the valuation process.

**INDEPENDENT DIRECTORS' MEETING:**

During the year, meeting of Independent Directors was held on 10.02.2016 to review the performance of the Board as a whole on parameters of effectiveness and to assess the quality, quantity and timeliness of flow of information between the management and the Board.

**5. Remuneration of Directors****(a) Details of Remuneration of Non – Executive Directors:**

- There were no pecuniary transactions with any non-executive director of the Company.
- Non-Executive Directors are paid Sitting Fee for attending the Board and Committee Meetings.

Following are the details of sitting fees and commission paid to the Directors The Company pays Sitting fees to all the Non-executive Directors at the rate of ₹ 3,000/- for each meeting. The details of Sitting Fees paid to the Non-executive Directors for attending Board Meetings and Committee Meetings during the financial year 2015-16 are as follows:

| Sl.No. | Name of Director        | Sitting Fees paid (₹) |
|--------|-------------------------|-----------------------|
| 1.     | Shri Narender Surana    | Nil                   |
| 2.     | Shri Devendra Surana    | Nil                   |
| 3.     | Dr. R.N. Sreenath       | 30,000                |
| 4.     | Shri D.Venkata Subbaiah | 36,000                |
| 5.     | Shri Nirmal Kumar Jain  | 36,000                |
| 6.     | Shri Sandeep Jain*      | 6,000                 |
|        | <b>Total</b>            | <b>1,08,000</b>       |

\* Shri Sandeep Jain has been appointed as Independent Director w.e.f. 12.10.2015

**(b) Details of Remuneration of Executive Directors:****(Amount in ₹)**

| Name of Director  | Salary    | H R A    | Commission | Perks | Total     |
|-------------------|-----------|----------|------------|-------|-----------|
| Ms. Vinita Surana | 17,70,000 | 1,90,000 | Nil        | Nil   | 19,60,000 |

**6. STAKEHOLDERS RELATIONSHIP COMMITTEE:****(a) Brief description of terms of reference:**

The Stakeholders Relationship Committee oversees and reviews all matters connected with the share transfers and also looks into redressing of shareholders complaints like transfer of shares, non-receipt of annual report/dividends etc. The committee oversees the performance of the Registrar of Transfer Agents and recommends measures for overall improvement in the quality of investor services. Email-id for Investor Grievances: investorservices\_stpl@surana.comorcs@surana.com

**(b) Composition:**

| Sl.No. | Name of Director         | Designation |
|--------|--------------------------|-------------|
| 1.     | Shri. D.Venkata Subbaiah | Chairman    |
| 2.     | Shri. Narender Surana    | Member      |
| 3.     | Shri. Devendra Surana    | Member      |

**(c) Name and Designation of Compliance Officer:**

Shri D.Srinivas, Company Secretary is acting as Compliance Officer of the Company.

**(d) Number of Shareholders complaints received so far.**

During the year ended March 31, 2016, the Company has received and resolved 7 complaints.

**(e) Number of complaints not resolved to the satisfaction of shareholders is Nil.**
**(f) There were no pending complaints as at the year end.**
**7. GENERAL BODY MEETINGS:**
**(i) Location and Time, where last three Annual General Meetings held:**

| Year                           | Locations  | Date                             | Time       |
|--------------------------------|--|----------------------------------|------------|
| 26 <sup>th</sup> AGM (2014-15) | The Grand Solitaire Hotel, 1-240, 41 & 43, SD Road, Parklane, Secunderabad – 500 003 | 30 <sup>th</sup> September, 2015 | 12.00 Noon |
| 25 <sup>th</sup> AGM (2013-14) | Kamat Lingapur Hotel, 1-10-44/2, ChikotiGardens, Begumpet, Hyderabad – 500 016       | 22 <sup>nd</sup> September, 2014 | 10.00A.M.  |
| 24 <sup>th</sup> AGM (2012-13) | Kamat Lingapur Hotel, 1-10-44/2, ChikotiGardens, Begumpet, Hyderabad – 500 016       | 27 <sup>th</sup> September, 2013 | 12.30 P.M. |

**(ii) Whether any Special Resolutions passed in the previous 3 Annual General Meetings**

**2014-15:** In the AGM held on 30<sup>th</sup> September, 2015 the Company has passed Special Resolutions as follows:

- (i) Adoption of New set of Articles of Association as per Companies Act, 2013.
- (ii) Authorisation Raise Funds through Issue of Convertible Securities/GDR's/ADR's/FCCB's/ECB's etc.

**2013-14:** In the AGM held on 22<sup>nd</sup> September, 2014 the company has passed Special Resolutions as follows:

- (i) Re-appointment of Shri. Baunakar Shekarnath as Whole Time Director of the Company for a period of 5 years.
- (ii) To authorize the Board to borrow money in Excess of Paid-up Capital and Free Reserves under section 180 (1)(c) of Companies Act, 2013.
- (iii) To authorize the Board to sell, Lease or dispose the undertaking under section 180(1)(a) of Companies Act, 2013.
- (iv) To authorize the Board to raise the funds through issue of convertible securities/GDRs/ADRs/FCCBs/ECBs etc.

**2012-13:** In the AGM held on 27<sup>th</sup> September, 2013 the company has passed no Special Resolutions.

**(iii) Special resolution passed last year through postal ballot**

There was no Special Resolution passed through postal ballot during the previous year.

**8. MEANS OF COMMUNICATION:**
**(a) Financial / Quarterly Results:**

The quarterly results of the Company are published in accordance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in widely circulated newspapers namely Business Standard (English daily) and Navatelangana/ Andhra Prabha (Telugu daily).

**(b) Newspapers wherein results normally published**

The results of the Company are published in widely circulated newspapers namely Business Standard (English daily) and Navatelangana/ Andhra Prabha (Telugu daily).

**(c) Any website, where displayed**

The results of the Company are published on the Company's website: [www.suranatele.com](http://www.suranatele.com).

**(d) Whether it also displays official news releases**

Official news releases along with quarterly results are displayed on the Company's website: [www.suranatele.com](http://www.suranatele.com).

**(e) Presentations made to institutional investors or to the analysts.**

There are no presentations made to the investors/ analysts.

**Website:**

The website [www.suranatele.com](http://www.suranatele.com) contains a separate dedicated section for the Company's "Investor Relations" where shareholders' information is available. The full Annual Report, shareholding pattern etc. is also available in the 'Investor Relations' sections on the website of the Company.

**9. GENERAL SHAREHOLDER INFORMATION:**

|  |  |
|--|--|
| <b>Annual General Meeting</b>          | <b>Date</b> : 30 <sup>th</sup> September, 2016   |
|  | <b>Time</b> : 12.00 Noon   |
|  | <b>Venue</b> : Grand Solitaire Hotel, 1-240, 41 & 43, S.D. Road, Parklane, Secunderabad-500003 |
| <b>Financial Calendar</b>              | 1 <sup>st</sup> April to 31 <sup>st</sup> March.   |
| <b>Date of Book Closure</b>            | 25.09.2016 to 30.09.2016 (both days inclusive)   |
| <b>Dividend Payment Date</b>           | Nil  |
| <b>Listing on Stock Exchanges</b>      | BSE Ltd<br>National Stock Exchange of India Limited  |
| <b>Scrp/Stock Code</b>                 | 517530 on BSE<br>SURANAT&P on NSE  |
| <b>ISIN Number for NSDL &amp; CDSL</b> | INE130B01031   |

The listing fee for the year 2016-17 has been paid to the above stock exchanges.

**(a) MARKET PRICE DATA:**

| Month      | NSE      |         | BSE      |         |
|------------|----------|---------|----------|---------|
|            | High (₹) | Low (₹) | High (₹) | Low (₹) |
| Apr- 2015  | 16.95    | 10.75   | 17.44    | 10.01   |
| May-2015   | 11.95    | 8.45    | 12.10    | 8.51    |
| Jun-2015   | 9.15     | 4.95    | 9.79     | 4.93    |
| Jul-2015   | 7.90     | 5.05    | 7.90     | 5.03    |
| Aug- 2015  | 6.90     | 3.80    | 7.09     | 4.20    |
| Sep-2015   | 4.65     | 3.10    | 4.88     | 3.10    |
| Oct -2015  | 5.70     | 4.25    | 5.73     | 4.26    |
| Nov-2015   | 5.55     | 4.35    | 5.59     | 4.36    |
| Dec-2015   | 6.90     | 5.00    | 7.00     | 5.02    |
| Jan- 2016  | 8.90     | 5.00    | 9.00     | 5.00    |
| Feb-2016   | 6.60     | 4.55    | 6.50     | 4.30    |
| Mar - 2016 | 5.80     | 4.90    | 5.70     | 4.87    |

**(b) Performance in comparison to BSE SENSEX:**

The performance of the Company's scrip on the BSE as compared to the Sensex is as under:

|                               | 1 April, 2015 | 31 March, 2016 | % Change |
|-------------------------------|---------------|----------------|----------|
| Company Share Price (closing) | 11.06         | 5.00           | 54.79    |
| SENSEX (closing)              | 28260.14      | 25341.86       | 10.33    |

**(c) There was no suspension of trading in Securities of the Company during the year under review.**
**(d) Registrar to an issue & Share Transfer Agents:**

Registrar to an issue & Share Transfer Agents (for shares held in both Physical and Demat mode) are as follows:

**M/s KARVY COMPUTERSHARE PRIVATE LIMITED**

Karvy Selenium Tower B, Plot No 31 & 32, Gachibowli, Financial District,  
Nanakramguda, Serilingampally, Hyderabad – 500 032

Phone # +91-40-67161526, Email ID: einward.ris@karvy.com / nageswara.raop@karvy.com

**(e) Share Transfer System**

SEBI vide its Circular No. CIR/MIRSD/8/2012, dated July 5, 2012 has reduced the time-line for registering the transfer of shares to 15 days, the Physical share transfers are processed and the share certificates are returned to the shareholders within a maximum period of 15 days from the date of receipt, subject to the documents being valid and complete in all respects. In compliance with the Listing Agreement with the Stock Exchanges, a Practicing Company Secretary carries out audit of the system of transfer and a certificate to that effect is issued.

**(f) Distribution of shareholding**
**Shareholding Pattern as on 31<sup>st</sup> March, 2016:**

| Sl.No. | Category                        | No. of Shares       | % Holding     |
|--------|---------------------------------|---------------------|---------------|
| 1      | Promoters                       | 64,008,550          | 61.53         |
| 2      | Resident Individuals            | 22,080,272          | 21.23         |
| 3      | Promoters Bodies Corporate      | 13,887,345          | 13.35         |
| 4      | Bodies Corporate                | 1,294,596           | 1.24          |
| 5      | Foreign Institutional Investors | 818,001             | 0.79          |
| 6      | Non Resident Indians            | 740,801             | 0.71          |
| 7      | Foreign Portfolio Investors     | 400,000             | 0.38          |
| 8      | H U F                           | 391,848             | 0.38          |
| 9      | Overseas Corporate Bodies       | 292,500             | 0.28          |
| 10     | Mutual Funds                    | 71,000              | 0.07          |
| 11     | Banks                           | 21,000              | 0.02          |
| 12     | Clearing Members                | 14,377              | 0.00          |
| 13     | NBFC                            | 1,710               | 0.02          |
|        | <b>Total</b>                    | <b>10,40,22,000</b> | <b>100.00</b> |

**Distribution of shareholding as on 31.03.2016:**

| Shares holding of nominal value of |   |        | No. of Shareholders | No. of Shares       | % of total shares |
|------------------------------------|---|--------|---------------------|---------------------|-------------------|
| 1                                  | - | 5000   | 8,180               | 1,16,15,528         | 11.17             |
| 5001                               | - | 10000  | 280                 | 22,08,019           | 2.12              |
| 10001                              | - | 20000  | 156                 | 21,77,783           | 2.09              |
| 20001                              | - | 30000  | 55                  | 13,69,534           | 1.32              |
| 30001                              | - | 40000  | 13                  | 4,74,830            | 0.46              |
| 40001                              | - | 50000  | 20                  | 9,52,349            | 0.92              |
| 50001                              | - | 100000 | 16                  | 10,94,330           | 1.05              |
| 100001                             | & | Above  | 40                  | 8,41,29,627         | 80.88             |
| <b>Total</b>                       |   |        | <b>8,760</b>        | <b>10,40,22,000</b> | <b>100.00</b>     |



**(g) Dematerialization of Shares & Liquidity**

The Company's shares are available for dematerialization with both the Depositories, National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

9,91,37,340 equity shares were dematerialized representing 95.31% of the total paid up equity share capital of the Company as on 31.03.2016.

**(h) There are no outstanding Global Depository Receipts/ American Depository Receipts or Warrants or any convertible instruments as on the date of 31.03.2016.****(i) Commodity price risk or foreign exchange risk and hedging activities;**

The Company is not carrying on any Commodity business and has also not undertaken any hedging activities hence same are not applicable to the Company.

**(j) Plant Locations:**

|  |  |
|--|--|
| <b>Solar Power Project</b><br>Gujarat Solar Park, Charanka Village,<br>Santalpur Taluk, Patan District, Gujarat.                                       | <b>Aluminum Wire Rods</b><br>Plot No. 215/D, Phase II,<br>I.D.A., Cherlapally, Hyderabad |
| <b>Optic Fibre Cable Plant</b><br>Plot No.214, Phase II, IDA Cherlapally<br>Ghatkesar (M), Ranga Reddy District  | <b>Non- Conventional Energy (Wind)</b><br>Kapatgudda, Gadag District,<br>Karnataka       |
| <b>Solar Module Manufacturing Unit</b><br>Hard Ware Park Plot No. 21B, Sy No. 1/1<br>Kanchaimarat, Raviryala Village, Maheswaram Mandal, R.R. District |  |

**(k) Address for correspondence**

| Sl.No. | Shareholders Correspondence for   | Address  |
|--------|---|--|
| 1.     | Transfer/Dematerialization/ Consolidation /Split of shares, Issue of Duplicate Share Certificates, Non-receipt of dividend/ Bonus shares, etc., change of address of Members and Beneficial Owners and any other query relating to the shares of the Company. | <b>M/s. Karvy Computershare Pvt. Ltd.</b><br>Karvy Selenium Tower B,<br>Plot No 31 & 32, Gachibowli,<br>Financial District, Nanakramguda,<br>Serilingampally, Hyderabad – 500 032<br>Phone # +91-40-67161526<br>Email ID: einward.ris@karvy.com /<br>nageswara.raop@karvy.com<br>Website : www.karvy.com |
| 2.     | Investor Correspondence / Queries on Annual Report, Revalidation of Dividend Warrants, Sub-Division, etc.   | <b>Company Secretary</b><br>Surana Telecom and Power Limited<br>5 <sup>th</sup> Floor, Surya Towers, S.P.Road, Secunderabad – 500 003.<br>Ph Nos. 040 - 27845119/ 44665750<br>E-mail : cs@surana.com<br>Investorservices_stpl@surana.com<br>Website: www.suranatelecom.com                               |

**10. OTHER DISCLOSURES****(a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large;**

Besides the transactions mentioned elsewhere in the Annual Report, there were no materially significant related party transactions during the year conflicting with the interest of the Company.

**(b) Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years;**

None.

**(c) Details of establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel has been denied access to the audit committee;**

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and Regulation 22 of the SEBI Listing regulations, 2015, the Company has formulated Whistle Blower Policy for vigil mechanism for Directors and employees to report to the management about the unethical behavior, fraud or violation of Company's code of conduct. The mechanism

provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee. The policy is available on the Company website, [www.suranatele.com](http://www.suranatele.com). During the financial year under review, none of the Complaint has received.

**(d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements;**

The Company has complied with all the mandatory requirements of Corporate Governance as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Adoption of non-mandatory requirements pursuant to SEBI (LODR), 2015 is being reviewed by the Board from time to time.

**(e) Web link where policy for determining 'material' subsidiaries is disclosed;**

The policy for determining 'material' subsidiaries is available on the website of the Company <http://suranatele.com/policies-and-documents.html>

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

The policy on dealing with related party transactions is available on the website of the Company: <http://suranatele.com/policies-and-documents.html>

**(g) Disclosure of commodity price risks and commodity hedging activities:**

Not applicable

**11. The Company Complied with the requirements of the Schedule V Corporate Governance report sub-para(2) to(10) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

**12. Details of compliance with mandatory requirements and adoption of Discretionary Requirements**

The Company has complied with all the mandatory requirements of Corporate Governance as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Adoption of non-mandatory requirements pursuant to SEBI (LODR), 2015 is being reviewed by the Board from time to time.

**13. The Disclosures of the compliance with Corporate Governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 are as follows:**

| Regulation      | Particulars of Regulation  | Compliance Status (Yes/No) |
|-----------------|--|----------------------------|
| 17              | Board of Directors   | Yes                        |
| 18              | Audit Committee  | Yes                        |
| 19              | Nomination and Remuneration Committee  | Yes                        |
| 20              | Stake Holders Relationship Committee   | Yes                        |
| 21              | Risk Management Committee  | Yes                        |
| 22              | Vigil Mechanism  | Yes                        |
| 23              | Related Party Transactions   | Yes                        |
| 24              | Corporate Governance requirement with respect of Subsidiary of Listed entity | Yes                        |
| 25              | Obligation with respect to Independent Director                              | Yes                        |
| 26              | Obligation with respect to Directors and Senior Management                   | Yes                        |
| 27              | Other Corporate Governance Requirement                                       | Yes                        |
| 46(2)(b) to (i) | Website  | Yes                        |

**14. Code of Conduct**

The Company has in place a comprehensive Code of Conduct applicable to all the employees and Non-executive Directors including Independent Directors. The Code is applicable to Non-executive Directors including Independent Directors to such extent as may be applicable to them depending on their roles and responsibilities. The Code gives guidance and support needed for ethical conduct of business and compliance of law. A copy of the Code has been posted on the Company's website.

**15. CEO and CFO Certification**

In line with the requirements of Schedule-V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Shri Narender Surana, Managing Director, Shri Devendra Surana, Director, Shri Baunakar Shekarnath, Whole-time Director have submitted a certificate to the Board, certifying inter-alia, that the

Financial Statements and the Cash Flow Statement for the year ended March 31, 2016 were reviewed to the best of their knowledge and belief, that they do not contain any material untrue statement, do not omit any material facts, are not misleading statements, together present a true and fair view and are in compliance with the applicable laws and regulations. The certificate further confirms that the transactions entered into by the Company for establishing internal control, financial reporting, evaluation of the internal control systems and making of necessary disclosures to the Auditors and the Audit Committee have been complied with.

**16. Disclosure with respect to Demat suspense account/ unclaimed suspense account:**

Pursuant to the SEBI Circular and Regulation 39 of the SEBI Listing Regulations, 2015, during the year under review, there are no outstanding shares in the demat suspense account.

**17. Unclaimed Dividend:**

Pursuant to the provisions of Section 124 of the Companies Act, 2013, Dividends for the financial year ended 31<sup>st</sup> March, 2010 and thereafter, which remain unclaimed for a period of seven years, will be transferred to the Investor Education and Protection Fund established by the Central Government pursuant to Section 124 of the Companies Act, 2013, Information in respect of the due date for transfer of such unclaimed dividend to the said fund is given below:

| For the Financial Year | Date of Declaration | Due for transfer on | Unclaimed Dividend *<br>(Amount in Rs) |
|------------------------|---------------------|---------------------|--|
| 2008-09                | 29.09.2009          | 28.10.2016          | 4,90,279                               |
| 2009-10                | 24.09.2010          | 23.10.2017          | 3,27,242                               |
| 2010-11                | 21.09.2011          | 20.10.2018          | 3,33,996                               |
| 2011-12                | 29.09.2012          | 28.10.2019          | 3,90,876                               |
| 2012-13                | 27.09.2013          | 26.10.2020          | 4,38,257                               |
| 2013-14                | 22.09.2014          | 21.10.2021          | 4,40,921                               |
| 2014-15                | 30.09.2015          | 29.10.2022          | 4,55,452                               |
| <b>Total</b>           |                     |                     | <b>28,77,023</b>                       |

\* As on 31st March, 2016

The members are advised to send all the unencashed dividend warrants pertaining to the above years to our RTA for revalidation or issuance of Demand Draft in lieu thereof and encash them before the due dates for transfer to the IEPF. It may also be noted that once the Unclaimed Dividend is transferred to the Investor Education and Protection Fund, no claim shall lie in respect thereof.

**18. Proceeds from public issues, rights issues, preferential issues, etc.**

During the year ended March 31, 2016, there were no proceeds from public issues, rights issues, preferential issues, etc.

**19.** The Company has adopted the policy on dissemination of information on the material events to stock exchanges in accordance with the Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The said policy is available on the website of the Company <http://suranatele.com/policies-and-documents.html>

**20.** The Company has adopted the policy on preservation of documents in accordance with the Regulation 9 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Documents Preservation Policy is available on the website of the Company: <http://suranatele.com/policies-and-documents.html>

**21. Company's Policy on prevention of insider trading:**

Pursuant to the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015, and in continuation with your Company's efforts to enhance the standards of corporate governance in the Company, and to strictly monitor and prevent insider trading within the company, your company has in place a Code of Conduct which is approved by the Board.

The Managing Director is acting as Compliance Officer for the said purpose. The code is applicable to all such employees, officers, Directors and Promoters of the Company who are expected to have access to the unpublished price sensitive information relating to the Company and the same is being implemented as a self-regulatory mechanism.

The code has been circulated to all the members of the Board and Senior Management and others concerned the compliance of the same has been affirmed by them.

**22. Particulars of Directors, who are retiring by rotation, seeking re-appointment at the forthcoming Annual General Meeting pursuant to Clause 49 of the Listing Agreement:**

| <b>Name of Director</b>   | <b>SHRI BAUNAKAR SHEKARNATH</b>   | <b>SHRI. SANDEEP JAIN</b>  |
|---|---|--|
| <b>Expertise in specific functional areas</b>   | Shri. Baunakar Shekarnath is a Post Graduate in Commerce and has been associated with the Company for more than 25 years. He has a vast experience in the field of Ferrous, Telecom industry and solar modules. | Mr. Sandeep Jain is a graduate in commerce and has got expertise knowledge of plastics and its manufacturing process for more than 20 years.                                 |
| <b>Date of Birth</b>  | 15.06.1965  | 05.04.1969   |
| <b>Qualification</b>  | M.Com   | B.Com  |
| <b>List of Other Companies in which Directorship is held as on 31<sup>st</sup> March, 2016.</b>                                       | Bhagyanagar Energy & Telecom Private Limited  | <ol style="list-style-type: none"> <li>1. Liberty 21 Ventures Private Limited</li> <li>2. AVECO Technologies Private Limited</li> <li>3. Imagepro Private Limited</li> </ol> |
| <b>Chairman/ Member of the Committees of the Board of other Companies in which he is a Director as on 31<sup>st</sup> March, 2016</b> | NIL   | NIL  |

## DECLARATION OF COMPLIANCE OF CODE OF CONDUCT

As provided under Schedule-V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors and the Senior Management Personnel have confirmed compliance with the Code of Conduct and Ethics for the financial year ended March 31, 2016.

For **Surana Telecom and Power Limited**

Place : Secunderabad

Date : 10.08.2016

**Narender Surana**

**Managing Director**

## CEO AND CFO CERTIFICATION

We hereby certify that:

- a. we have reviewed financial statements and the cash flow statement for the Financial Year ended 31st March, 2016 and that to the best of our knowledge and belief:
  - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) 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 year which are fraudulent, illegal or violate of the Company's code of conduct.
- c. We accept 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 financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the Auditors and the Audit Committee that there are no:
  - (i) significant changes in internal control over financial reporting during the year;
  - (ii) significant changes in accounting policies during the year requiring disclosure in the notes to the financial statements; and
  - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the company's internal control system over financial reporting.

For **Surana Telecom and Power Limited**

Date : 10.08.2016

Place : Secunderabad

**Narender Surana**  
**Managing Director**  
**DIN:00075086**

**Devendra Surana**  
**Director**  
**DIN:00077296**

**Baunakar Shekarnath**  
**Whole-time Director**  
**DIN: 03371339**

**Auditors' Certificate on compliance with the conditions of Corporate Governance under  
Chapter IV of the Securities and Exchange Board of India  
(Listing Obligations and Disclosure Requirements) Regulations, 2015**

To  
The Members of  
**Surana Telecom and Power Limited**

We have examined the compliance of conditions of corporate governance by Surana Telecom and Power Limited ('the Company') for the year ended 31<sup>st</sup> March, 2016, as stipulated in Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Regulations").

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 the compliance of the conditions of the corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above mentioned Regulations.

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

For and on behalf of  
**M/s. Sekhar & Co**  
**Chartered Accountants**  
**(FRN - 003695S)**

Date : 10.08.2016  
Place : Secunderabad

**G.GANESH**  
**Partner**  
**M. No. 211704**

## INDEPENDENT AUDITORS' REPORT

To The Members of  
**Surana Telecom and Power Limited**

### Report on the Financial Statements

We have audited the accompanying financial statements of Surana Telecom and Power Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting 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. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, 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 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 there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) 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 disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control 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 accounting policies used and the reasonableness of the accounting estimates made by the management as well as evaluating the overall presentation of the financial statements.

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the 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 March 31, 2016, and its profit and its cash flows for the year ended on that date.

### Emphasis of Matter

We draw your attention to Note 2.23(ii) of the financial statements wherein the management has disclosed the details of Claims against the company not acknowledged as debts in respect of matters under dispute with statutory authorities.

*Our opinion is not modified in this matter.*

### Report on other Legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order, 2016 ("the Order") as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure – A" a statement on matters specified in paragraphs 3 and 4 of the Order.



2. As required by section 143(3) of the Act, we report that:
- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e. On the basis of written representations received from the directors as on 31 March, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2016, from being appointed as a director in terms of Section 164(2) of the Act;
  - f. With respect to the adequacy of the Internal Financial Controls over financial reporting of the
- Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B";
- g. With respect to the other matters included in the Auditor's Report and in accordance with Rule 11 of Companies (Audit and Auditors) Rules, 2014 and in our opinion and to the best of our information and explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 2.23(ii) to the financial statements and also included in the Emphasis of Matter paragraph above.
    - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For Sekhar & Co.,  
Chartered Accountants  
FRN: 003695-S**

**G.Ganesh  
Partner  
M.No.: 211704**

Place : Secunderabad

Date : 24-May-2016



## Annexure referred to in paragraph 1 of our report of even date

### Re: Surana Telecom and Power Limited

- i. a) The Company has maintained proper records showing full particular including quantitative details and situation of fixed assets.
- b) As explained to us, the fixed assets have been physically verified by the management in a phased manner designed to cover all the fixed assets over the year. In respect of fixed assets verified according to this program, which we consider reasonable, no material discrepancies were noticed on such verification.
- c) The title deeds of immovable properties 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. No material discrepancies were noticed on physical verification.
- iii. The Company has granted loans to one parties covered in the register maintained under section 189 of the Act.
  - a) In respect of the aforesaid loans, the terms and conditions under which such loans were granted are not prejudicial to the company's interest.
  - b) In respect of the aforesaid loans, the schedule of repayment of principle and interest has not been stipulated. Due to absence of schedule of repayment, the regularity of the same could not be commented.
  - c) In absence of specific schedule of repayment of loans, we are of the opinion of no overdue amounts.
- iv. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security.
- v. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- vi. We have broadly reviewed the cost records maintained by the Company prescribed by the Central Government of India under Section 148(1) of the Act and are of the opinion that prima facie the prescribed accounts and records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. a) According to information and explanations given to us and on the basis of our examination of the books of accounts and records, the Company has been generally regular in depositing undisputed statutory dues with appropriate authorities including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31,2016 for a period of more than six months from the date on when they become payable.
- b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax or cess were in arrears as at 31<sup>st</sup> March 2016 for a period more than six months from the date they became payable.

- c) Details of dues of Duty of Excise, Duty of Customs and Income Tax which have not been deposited as on 31<sup>st</sup> March 2016 on account of disputes are given below:

| Sl. No.  | Name of Statute             | Nature of Dues | Amount not paid/ (Amount involved in dispute) | Period to which it relates | Forum where dispute is pending |
|--|-----------------------------|----------------|---|----------------------------|--------------------------------|
| 1  | Central Excise Act, 1944    | Excise Duty    | 1,40,32,981<br>(1,40,32,981)                  | 2004-05                    | CESTAT – Mumbai                |
|  |                             |                | 17,12,827<br>(3,13,24,943)                    | 2007-08                    | Supreme Court of India         |
|  |                             |                | 1,87,495<br>(1,87,495)                        | 2007-09                    | CESTAT – Bangalore             |
| 2  | Service Tax                 | Input Credit   | 17,24,796<br>(24,63,994)                      | 2010-11                    | CESTAT – Bangalore             |
| 3  | Customs Act, 1964           | Custom Duty    | 12,75,654<br>(22,75,654)                      | 2009-10                    | CESTAT – Bangalore             |
| 4  | A. P. General Sales Tax Act | Income Tax     | 10,80,332<br>(21,60,663)                      | 1994-95                    | Commercial Tax Officer         |
| The above amounts are net of taxes paid under protest at ₹ 3,29,40,558 in Long Term Advances which are part amounts paid pending final decision of the matter under dispute. |                             |                |   |                            |                                |

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- ix. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- x. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the company or on the company by its officers or employees has been noticed or reported during the year.
- xi. Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- xii. In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- xiii. In our opinion, all transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the company and hence not commented upon.

- xv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the company and hence not commented upon.
- xvi. In our opinion, the company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the company and hence not commented upon.

For **Sekhar & Co.,**  
**Chartered Accountants**  
**FRN: 003695-S**

**G.Ganesh**  
**Partner**  
**M.No.: 211704**

Place : Secunderabad

Date : 24-May-2016

---

## **Annexure B to the Auditor's Report:**

### **Report on the Internal Financial Controls under the Clause (i) of sub section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

We have audited the internal financial controls financial reporting of Surana Telecom and Power Limited ("the Company") as of 31 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 base on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detention 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").

#### **Auditors' Responsibility:**

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

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

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

#### **Meaning of Internal Financial Controls over Financial Reporting**

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

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Sekhar & Co.,**  
**Chartered Accountants**  
**FRN: 003695-S**

Place : Secunderabad  
Date : 24-May-2016

**G.Ganesh**  
**Partner**  
**M.No.: 211704**

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2016**

(Amount in ₹)

|           | Particulars   | Note No. | As at 31.03.2016   | As at 31.03.2015   |
|-----------|---|----------|--------------------|--------------------|
| <b>I</b>  | <b>EQUITY AND LIABILITIES</b>                               |          |                    |                    |
|           | <b>(1) SHAREHOLDERS' FUNDS</b>                              |          |                    |                    |
|           | (a) Share Capital   | 2.1      | 104,022,000        | 104,022,000        |
|           | (b) Reserves and Surplus                                    | 2.2      | 507,161,265        | 494,118,537        |
|           |   |          | <b>611,183,265</b> | <b>598,140,537</b> |
|           | <b>(2) NON-CURRENT LIABILITIES</b>                          |          |                    |                    |
|           | (a) Long-Term Borrowings                                    | 2.3      | 176,898,374        | 151,853,386        |
|           | (b) Deferred Tax Liabilities (Net)                          |          | 4,099,085          | 3,384,080          |
|           |   |          | <b>180,997,459</b> | <b>155,237,466</b> |
|           | <b>(3) CURRENT LIABILITIES</b>                              |          |                    |                    |
|           | (a) Short-Term Borrowings                                   | 2.4      | 14,815,554         | 22,081,136         |
|           | (b) Trade Payables<br>(Includes due to Micro and SME- Nil ) | 2.5      | 17,441,052         | 69,080,422         |
|           | (c) Other Current Liabilities                               | 2.6      | 72,908,463         | 90,738,884         |
|           | (d) Short-Term Provisions                                   | 2.7      | 60,000             | 15,003,640         |
|           |   |          | <b>105,225,069</b> | <b>196,904,082</b> |
|           | <b>TOTAL</b>  |          | <b>897,405,793</b> | <b>950,282,085</b> |
| <b>II</b> | <b>ASSETS</b>   |          |                    |                    |
|           | <b>(1) NON-CURRENT ASSETS</b>                               |          |                    |                    |
|           | (a) Fixed Assets  |          |                    |                    |
|           | (i) Tangible Assets   | 2.8      | 440,802,240        | 492,665,255        |
|           | (b) Non-Current Investments                                 | 2.9      | 130,753,503        | 126,669,300        |
|           | (c) Long-Term Loans and Advances                            | 2.10     | 42,440,114         | 61,359,355         |
|           |   |          | <b>613,995,857</b> | <b>680,693,910</b> |
|           | <b>(2) CURRENT ASSETS</b>                                   |          |                    |                    |
|           | (a) Inventories   | 2.11     | 189,039,106        | 189,302,432        |
|           | (b) Trade Receivables                                       | 2.12     | 41,801,946         | 30,437,218         |
|           | (c) Cash and Bank Balances                                  | 2.13     | 12,656,603         | 11,284,808         |
|           | (d) Short-Term Loans and Advances                           | 2.14     | 3,520,985          | 1,987,033          |
|           | (e) Other Current Assets                                    | 2.15     | 36,391,296         | 36,576,684         |
|           |   |          | <b>283,409,936</b> | <b>269,588,175</b> |
|           | <b>TOTAL</b>  |          | <b>897,405,793</b> | <b>950,282,085</b> |
|           | Significant Accounting Policies and Notes on Accounts       | 1 & 2    |                    |                    |

As per our report of even date attached

For Surana Telecom and Power Limited

**For Sekhar & Co**  
**Chartered Accountants**  
**Firm's Registration Number : 003695-S**

**G.Ganesh**  
**Partner**  
**Membership No: 211704**

**Narender Surana**  
**Chairman**  
**DIN: 00075086**

**Devendra Surana**  
**Director**  
**DIN: 00077296**

**D. Srinivas**  
**Company Secretary**  
**ACS: 23425**

Place : Secunderabad

Date : May 24 , 2016

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016**

(Amount in ₹)

|             | Particulars  | Note No. | Year Ended 31st March 2016 | Year Ended 31st March 2015 |
|-------------|--|----------|----------------------------|----------------------------|
| <b>I</b>    | <b>INCOME FROM OPERATIONS (Net of sales tax)</b>                 | 2.16     | <b>220,489,152</b>         | 175,169,534                |
|             | Less: Exice duty   |          | <b>363,876</b>             | 546,449                    |
|             | <b>NET INCOME FROM OPERATIONS</b>                                |          | <b>220,125,276</b>         | 174,623,085                |
| <b>II</b>   | <b>OTHER INCOME</b>  | 2.17     | <b>11,051,916</b>          | 15,669,006                 |
|             | <b>TOTAL REVENUE</b>   |          | <b>231,177,192</b>         | 190,292,091                |
| <b>III</b>  | <b>EXPENSES</b>  |          |                            |                            |
|             | Cost of Materials Consumed                                       | 2.18     | <b>77,008,998</b>          | 34,310,127                 |
|             | Employee Benefit Expenses  | 2.19     | <b>4,907,127</b>           | 2,403,305                  |
|             | Finance Costs  | 2.20     | <b>30,905,463</b>          | 32,702,990                 |
|             | Depreciation and Amortisation Expenses                           | 2.21     | <b>64,708,543</b>          | 77,103,617                 |
|             | Other Expenses   | 2.22     | <b>37,639,330</b>          | 18,930,474                 |
|             | <b>TOTAL EXPENSES</b>  |          | <b>215,169,461</b>         | 165,450,513                |
| <b>IV</b>   | <b>PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX</b> |          |                            |                            |
|             |  |          | <b>16,007,731</b>          | 24,841,578                 |
| <b>V</b>    | <b>PRIOR PERIOD ADJUSTMENT</b>                                   |          | -                          | (33,838)                   |
| <b>VI</b>   | <b>PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX</b>                 |          | <b>16,007,731</b>          | 24,807,740                 |
| <b>VII</b>  | <b>PROFIT BEFORE TAX</b>   |          | <b>16,007,731</b>          | 24,807,740                 |
| <b>VIII</b> | <b>TAX EXPENSE</b>   |          |                            |                            |
|             | 1. Current tax   |          | <b>2,250,000</b>           | 4,000,000                  |
|             | 2. Deferred tax  |          | <b>715,001</b>             | 937,000                    |
| <b>IX</b>   | <b>PROFIT AFTER TAX</b>  |          | <b>13,042,730</b>          | 19,870,740                 |
| <b>X</b>    | <b>Earning Per Equity Share</b>                                  |          |                            |                            |
|             | (a) Basic  |          | <b>0.13</b>                | 0.19                       |
|             | (b) Diluted  |          | <b>0.13</b>                | 0.19                       |
|             | No. of Shares  |          | <b>104,022,000</b>         | 104,022,000                |
|             | Significant Accounting Policies and Notes on Accounts            | 1 & 2    |                            |                            |

As per our report of even date attached

**For Surana Telecom and Power Limited**

**For Sekhar & Co**  
**Chartered Accountants**  
**Firm's Registration Number : 003695-S**

**G.Ganesh**  
**Partner**  
**Membership No: 211704**

**Narender Surana**  
**Chairman**  
**DIN: 00075086**

**Devendra Surana**  
**Director**  
**DIN: 00077296**

**D. Srinivas**  
**Company Secretary**  
**ACS: 23425**

Place : Secunderabad  
 Date : May 24, 2016

CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016

(Amount in ₹)

|           | PARTICULARS  | 2015-16            | 2014-15            |
|-----------|--|--------------------|--------------------|
| <b>A.</b> | <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                   |                    |                    |
|           | Net Profit before tax as per annexed profit and loss account | 15,937,732         | 24,807,740         |
|           | <b>Adjustments for :</b>                                     |                    |                    |
|           | Depreciation & Amortisations                                 | 64,708,543         | 77,103,617         |
|           | Bad Debts Written Off & Provision for Bad Debts              | 9,102,622          | 467,665            |
|           | Balances / Provisions no longer required written back        | (5,278,128)        | (7,779)            |
|           | (Profit)/Loss on Sale of Investments(Net)                    | 3,141,386          | 3,076,920          |
|           | Interest Expense   | 30,905,463         | 32,702,990         |
|           | Interest Income  | (615,218)          | (3,703,132)        |
|           | Dividend Income  | (5,101,017)        | (5,119,503)        |
|           |  | 96,863,651         | 104,520,778        |
|           | <b>Operating Profit before Working Capital Changes</b>       | <b>112,801,383</b> | <b>129,328,518</b> |
|           | <b>Adjustments for :</b>                                     |                    |                    |
|           | Inventories  | 263,326            | (152,132,195)      |
|           | Loans and Advances   | 1,062,893          | (879,860)          |
|           | Other Current Assets   | 185,388            | 522,766            |
|           | Sundry Debtors   | (20,467,350)       | (1,164,299)        |
|           | Trade Payables and other Liabilities                         | (55,748,770)       | 31,802,714         |
|           |  | (74,704,513)       | (121,850,874)      |
|           | <b>Cash generated from Operations</b>                        | <b>38,096,870</b>  | <b>7,477,644</b>   |
|           | <b>Adjustments for :</b>                                     |                    |                    |
|           | Income Taxes (Paid) / Refund                                 | (4,930,845)        | 3,120,020          |
|           | Prior Period adjustment                                      | -                  | 33,838             |
|           |  | (4,930,845)        | 3,153,858          |
|           | <b>Net Cash from Operating Activities</b>                    | <b>33,166,025</b>  | <b>10,631,502</b>  |
| <b>B.</b> | <b>CASH FLOW FROM INVESTING ACTIVITIES</b>                   |                    |                    |
|           | Purchase of Fixed Assets & Changes in CWIP                   | (12,845,525)       | (4,340,256)        |
|           | Loans & advance to subsidiary companies                      | 18,416,472         | 64,512,092         |
|           | Investment in of Shares & Other Investments (Net)            | 524,410            | 9,834,858          |
|           | Dividend Received  | 5,101,017          | 5,119,503          |
|           | Interest Received  | 1,201,988          | 4,727,626          |
|           | <b>Net Cash (used in) / from Investing Activities</b>        | <b>12,398,362</b>  | <b>79,853,823</b>  |

**CASH FLOW STATEMENT CONTINUES.....**

(Amount in ₹)

| PARTICULARS |   | 2015-16             | 2014-15             |
|-------------|---|---------------------|---------------------|
| <b>C.</b>   | <b>CASH FLOW FROM FINANCING ACTIVITIES</b>                    |                     |                     |
|             | Increase/(Decrease) in Secured Loans                          | (47,738,416)        | (24,138,662)        |
|             | Increase/(Decrease) in Un Secured Loans                       | 48,413,617          | (18,043,194)        |
|             | Interest Paid   | (29,701,557)        | (32,841,739)        |
|             | Dividend Paid   | (15,166,237)        | (14,967,580)        |
|             | Decrease/ (Increase) in restricted deposits                   | (5,077,433)         | 5,239,162           |
|             | <b>Net Cash (used in) / from Financing Activities</b>         | <b>(49,270,026)</b> | <b>(84,752,013)</b> |
|             | <b>NET CASH GENERATED / (UTILISED)</b>                        | <b>(3,705,638)</b>  | <b>5,733,312</b>    |
|             | <b>Reconciliation : See Note 2 &amp; 3 below</b>              |                     |                     |
|             | Opening Cash and Cash Equivalent                              | 6,717,303           | 983,991             |
|             | <b>Closing Cash and Cash Equivalent</b>                       | <b>3,011,665</b>    | <b>6,717,303</b>    |
|             | <b>Net Increase/(decrease) in Cash &amp; Cash Equivalents</b> | <b>(3,705,638)</b>  | <b>5,733,312</b>    |

**Notes:**

| 1 | Components of Cash and Cash Equivalents  | 2015-16          | 2014-15          | Change Over previous Year |
|---|--|------------------|------------------|---------------------------|
|   | Cash in Hand   | 237,110          | 134,717          | 102,393                   |
|   | Balances with Banks  | 2,774,555        | 6,582,586        | (3,808,031)               |
|   | <b>Total</b>   | <b>3,011,665</b> | <b>6,717,303</b> | <b>(3,705,638)</b>        |
| 2 | Previous Figures are regrouped wherever required to make them comparable with current year |                  |                  |                           |
| 3 | Notes to Accounts form an integral part of Cash Flow Statement                             |                  |                  |                           |

As per our report of even date attached

**For Surana Telecom and Power Limited**
**For Sekhar & Co**  
**Chartered Accountants**  
**Firm's Registration Number : 003695-S**
**G.Ganesh**  
**Partner**  
**Membership No: 211704**
**Narender Surana**  
**Chairman**  
**DIN: 00075086**
**Devendra Surana**  
**Director**  
**DIN: 00077296**
**D. Srinivas**  
**Company Secretary**  
**ACS: 23425**

Place : Secunderabad

Date : May 24 , 2016



## 1. Significant Accounting Policies

### i. Company Information

Surana Telecom and Power Limited (the Company) is a public limited company domiciled in India and is listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) Company is into Manufacturing of Aluminum Rods, Generation of wind & Solar Power and trading of Solar Modules and other related products.

### ii. Basis of Preparation of Financial Statements

The financial statements of Surana Telecom and Power Limited ("the company")

have been prepared under the historical cost convention on the accrual basis

with the generally accepted accounting principles in India and the provisions of the Companies Act, 2013 ("the Act") including the accounting standard notified under the Act.

### ii. Use of Estimates

The Preparation of Financial Statements requires estimates and assumptions to be made that effect the reported amount of assets and liabilities on the date of financial statements and reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

### iii. Own Fixed Assets

Fixed Assets are stated at cost net of modvat / cenvat / value added tax, less accumulated depreciation and impairment loss, if any. Any costs, including financing costs till commencement of commercial production, net charges on foreign exchange contracts and adjustments arising from exchange rate variations to the fixed assets are capitalized.

### iv. Leased Assets

Premium Paid on Leased Assets is amortized over the lease period and the annual lease rentals are charged to Profit and Loss Account in the year it accrues.

### v. Depreciation

Depreciation is provided on Straight Line Method, except for Plant & Machinery of Gujarat Unit for which written down Value method is followed, in the manner prescribed in Schedule II of the Companies Act 2013. However, till previous year, depreciation was provided at the rate and in the manner prescribed in Schedule XIV of the Companies Act 1956. Capitalized Software Cost is amortised over a period of 3 years.

### vi. Impairment of Assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Profit and Loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

### vii. Investments

Current Investments are carried at the lower of cost and quoted / fair value, computed category wise. Long Term Investments are stated at cost less any permanent diminution in value, determined separately for each individual investment Provision for diminution in the value of long-term investments is made only if such decline is other than temporary in the opinion of the management.

### viii. Inventories

Items of Inventories are measured at lower of cost or net realizable value, after providing for obsolescence, if any. Cost of inventories comprises of all cost of purchase including duties and taxes other than credits under CENVAT and is arrived on First in First out basis. Semi Finished goods are valued at cost or net realizable value whichever is lower. Finished goods are valued at cost including excise duty payable or net releasable value whichever is lower. Cost includes Direct Material, Labour cost and appropriate overheads.

### ix. Foreign Currency Transactions

Gains and Losses on account of exchange differences existing out of reporting of long term foreign currency monetary items at rates different from those at which they were initially recorded during the period or reported in previous financial statements , in so far as they relate to the acquisition of a depreciable capital asset can be added or deducted from the cost of asset and shall be depreciated over the balance life of asset and in other cases ,it can be accumulated in a "foreign currency monetary item transaction Difference Account" in the enterprises financial statements and amortized over the balance period of such long asset/liability.

In respect of Purchases / Sales in normal course of business, the Gain / Loss is charged to Profit and Loss Account.

### x. Employee Retirement / Terminal Benefits

The employees of the company are covered under Group Gratuity Scheme of Life Insurance Corporation of India. The premium paid thereon

is charged to Profit and Loss Account. Leave Encashment liability is provided on the basis of actuarial valuation on actual entitlement of eligible employees at the end of the year.

**xi. Provision, Contingent Liabilities and Contingent Assets :**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past event and it is probable that there will be an outflow of resources. Contingent Liabilities which are not recognized are disclosed in notes. Contingent Assets are neither recognized nor disclosed in Statements.

**xii. Turnover**

Turnover includes sale of goods, services, sales tax, service tax and adjusted for discounts (net). Inter-Unit sales are excluded in the Main Profit and Loss account.

**xiii. Revenue Recognition**

Dividend income is recognized when the unconditional right to receive the income is established. Income from sale of VER is accounted as and when sold to customers.

**xiv. Government Grants**

Grants received against capital items carrying cost of asset is adjusted against the cost of the asset on actual receipt of the money from the government.

Assets received as grant free of cost are recorded at nominal value of ₹ 1 transfer of possession.

Compensation / Reimbursement of specific revenue items are adjusted in the year of receipt against the respective revenue items on receipt basis.

**xv. Segment Reporting**

Company's operating Businesses, organized & Managed unit wise, according to the nature of the products and services provided, are recognized in segments representing one or more strategic business units that offer products or services of different nature and to different Markets.

Inter-Segment transfers are done at cost.

Company's Operations could not be analyzed under geographical segments in considering the guiding factors as per Accounting Standard-17 (AS-17) issued by the Ministry of Corporate Affairs.

**xvi. Provision for Taxation**

Income taxes/ Taxation is made for Income Tax, estimated to arise on the results for the year, at the current rate of tax, in accordance with the Income Tax Act, 1961. Taxation deferred as a result of timing difference, between the accounting & taxable profits, is accounted for on the liability method, at the current rate of tax, to the extent that the timing differences are expected to crystallize. Deferred tax asset is recognized only to the extent there is reasonable certainty of realization in future. Deferred tax assets are reviewed, as at each Balance Sheet date to re-assess realization.

**xvii. Prior Period Expenses / Income**

Prior period items, if material are separately disclosed in Profit & Loss Account together with the nature and amount. Extraordinary items & changes in Accounting Policies having material impact on the financial affairs of the company are disclosed.

**xviii. Sundry Debtors, Loans and Advances**

Doubtful Debts/Advances are written off in the year in which those are considered to be irrecoverable.

**xix. Borrowing Costs**

Borrowing Costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets in accordance with Accounting Standard-16 (AS-16) prescribed under Rule 7 of Accounting Standard Rules, 2014. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Borrowing cost are ceased to be capitalized when the asset is ready for its intended use or there is cessation of development for the extended period and charged to Profit & Loss Account.

**xx. Earnings per Share**

The Company reports basic and diluted earnings per share in accordance with Accounting Standard-20 (AS-20) prescribed under Rule 7 of Accounting Standard Rules, 2014. Basic earnings per share are computed by dividing the net Profit or Loss for the year by the Weighted Average number of equity share outstanding during the year. Diluted earnings per share is computed by dividing the net profit or loss for the year by weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

## Notes to Balance Sheet

(Amount in ₹)

| Particulars   | Sub Note | As at<br>31.03.2016 | As at<br>31.03.2015 |
|---|----------|---------------------|---------------------|
| <b>Note : 2.1</b>   |          |                     |                     |
| <b>Share Capital</b>  |          |                     |                     |
| <b>a. Authorized</b>  |          |                     |                     |
| 15,00,00,000 Equity shares of ₹ 1/-each                     |          |                     |                     |
| (March 31, 2015 : 15,00,00,000 Equity shares of ₹ 1/- each) |          |                     |                     |
| <b>TOTAL</b>  |          | <b>150,000,000</b>  | 150,000,000         |
| <b>b. Issued, Subscribed and Paid-Up Capital</b>            |          |                     |                     |
| 10,40,22,000 Equity shares of ₹ 1/- each                    |          |                     |                     |
| (March 31, 2015: 10,40,22,000 Equity shares of ₹ 1/- each)  |          |                     |                     |
| <b>TOTAL</b>  |          | <b>104,022,000</b>  | 104,022,000         |

**c. Reconciliation of shares outstanding at the beginning of the Reporting period**

|                                    | No of<br>shares | As at<br>31.03.2016 | No of<br>shares | As at<br>31.03.2015 |
|------------------------------------|-----------------|---------------------|-----------------|---------------------|
| At beginning of the year           | 104,022,000     | <b>104,022,000</b>  | 20,804,400      | 104,022,000         |
| Outstanding at the end of the year | 104,022,000     | <b>104,022,000</b>  | 104,022,000     | 104,022,000         |

There were no Bonus shares, forfeited shares and buy back of shares in last five years.

**d. Equity Shareholder Holding Morethan 5% of Equity Shares are given below.**

| Name of Shareholder       | As at 31.03.2016 |                   | As at 31.03.2015 |              |
|---------------------------|------------------|-------------------|------------------|--------------|
|                           | %                | No of shares      | %                | No of shares |
| Bhagyanagar India Limited | 9.05             | 9,412,201         | 9.03             | 9,395,150    |
| Narender Surana           | 18.48            | 19,219,260        | 18.43            | 19,172,075   |
| Devendra Surana           | 14.74            | 15,328,015        | 14.73            | 15,328,015   |
| <b>TOTAL</b>              |                  | <b>43,959,476</b> |                  | 43,895,240   |

| Particulars                                 | Sub Note | As at<br>31.03.2016 | As at<br>31.03.2015 |
|---|----------|---------------------|---------------------|
| <b>Note : 2.2</b>                           |          |                     |                     |
| <b>Reserves and Surplus</b>                 |          |                     |                     |
| <b>(i) General Reserves</b>                 |          |                     |                     |
| Balance at Beginning of the Year            |          | 260,352,578         | 255,570,967         |
| Depreciation adjustment                     |          | -                   | (218,389)           |
| Add: Transferred from Profit & Loss Account |          | -                   | 5,000,000           |
| <b>Balance at the year end</b>              |          | <b>260,352,578</b>  | 260,352,578         |
| <b>(ii) Captial Redemption Reserve</b>      |          |                     |                     |
| Balance at Beginning of the Year            |          | 24,000,000          | 24,000,000          |
| <b>Balance at the year end</b>              |          | <b>24,000,000</b>   | 24,000,000          |
| <b>(iii) Revaluation Reserve</b>            |          |                     |                     |
| Balance at Beginning of the Year            |          | 19,052,742          | 26,947,382          |
| Adjusted Against Depreciation               |          | -                   | (7,894,640)         |
| <b>Balance at the year end</b>              |          | <b>19,052,742</b>   | 19,052,742          |
| <b>(iv) Central Subsidy</b>                 |          | <b>3,500,000</b>    | 3,500,000           |

(Amount in ₹)

| Particulars  | Sub Note | As at<br>31.03.2016 | As at<br>31.03.2015 |
|--|----------|---------------------|---------------------|
| <b>(v) Surplus</b>   |          |                     |                     |
| Balance of Profit and Loss account Available for Appropriation |          | 187,213,217         | 187,321,117         |
| Add: Profit During the Year                                    |          | 13,042,730          | 19,870,740          |
| Amount Available for Appropriation                             |          | 200,255,947         | 207,191,857         |
| Less : Appropriations  |          |                     |                     |
| Proposed Equity Dividend                                       |          | -                   | 12,482,640          |
| Tax on Proposed Equity Dividend                                |          | -                   | 2,496,000           |
| Transfer to General Reserve                                    |          | -                   | 5,000,000           |
| <b>Balance at the year end</b>                                 |          | <b>200,255,947</b>  | <b>187,213,217</b>  |
| <b>TOTAL</b>   |          | <b>507,161,267</b>  | <b>494,118,537</b>  |

| Particulars                  | Sub Note | As at<br>31.03.2016 | As at<br>31.03.2015 |
|------------------------------|----------|---------------------|---------------------|
| <b>Note : 2.3</b>            |          |                     |                     |
| <b>Long-Term Borrowings</b>  |          |                     |                     |
| <b>Secured</b>               |          |                     |                     |
| (a) Term Loan from Bank      | 2.3 (a)  | 76,380,553          | 116,853,386         |
| <b>Un Secured</b>            |          |                     |                     |
| (a) Loan from Body Corporate | 2.3 (b)  | 100,517,821         | 35,000,000          |
| <b>TOTAL</b>                 |          | <b>176,898,374</b>  | <b>151,853,386</b>  |

**Notes:**

**2.3 (a)** Term Loan from Indian Overseas Bank is secured by way of first charge on the Solar Power Project assets, Wind Power Turbine and second charge on fixed assets of the company presently charged to Corporation Bank and State Bank of India. Further, it has been guaranteed by the some of the directors of the company. The loan is repayable in 25 quarterly installments beginning from March 2013. Accordingly, amount due with in a Year is ₹ 4,00,00,000/- which is classified under "Other Current Liabilities".

| Name of the related party                     | Balance as on<br>31.03.2016 | Balance as on<br>31.03.2015 |
|---|-----------------------------|-----------------------------|
| <b>2.3 (b)</b> Bhagyanagar Securities Pvt Ltd | 57,867,821                  | -                           |
| Surana Infocom Private Limited                | 7,650,000                   | -                           |
| <b>Total</b>                                  | <b>65,517,821</b>           | <b>-</b>                    |

**2.3 (c)** There is no specific schedule for repayment of unsecured loan taken from Body Corporate.

| Particulars                  | Sub Note | As at<br>31.03.2016 | As at<br>31.03.2015 |
|------------------------------|----------|---------------------|---------------------|
| <b>Note: 2.4</b>             |          |                     |                     |
| <b>Short-Term Borrowings</b> |          |                     |                     |
| <b>Secured</b>               |          |                     |                     |
| (a) Cash Credit              | 2.4 (a)  | 14,815,554          | 22,081,137          |
| <b>TOTAL</b>                 |          | <b>14,815,554</b>   | <b>22,081,137</b>   |

**2.4 (a)** Cash Credit facilities from Scheduled Banks are secured against certain Fixed Assets and Current Assets of the Company on pari-passu basis. Further, it has been guaranteed by the Directors of the Company.

(Amount in ₹)

| Particulars   | Sub Note | As at<br>31.03.2016                 | As at<br>31.03.2015         |
|---|----------|-------------------------------------|-----------------------------|
| <b>Note: 2.5</b>  |          |                                     |                             |
| <b>Trade Payables</b>   |          |                                     |                             |
| Sundry Creditors  | 2.5 (a)  | 17,441,052                          | 69,080,422                  |
| <b>TOTAL</b>  |          | 17,441,052                          | 69,080,422                  |
| <b>Notes :</b>  |          |                                     |                             |
| <b>Name of the related party</b>  |          | <b>Balance as on<br/>31.03.2016</b> | Balance as on<br>31.03.2015 |
| 2.5 (a) Surana Solar Ltd (formerly Surana Ventures Ltd)   |          |                                     | 56,174,514                  |
| <b>TOTAL</b>  |          | -                                   | 56,174,514                  |
| 2.5 (b) In case of Trade Payables, Letter of confirmations of balances were sent, Hence the balances as on the date of Balance Sheet are Subject to Confirmation and Reconciliation.  |          |                                     |                             |
| 2.5 (c) As per the information available with the company about the Industry Status of the Creditors, There are no dues to Micro and Small Enterprises under the Micro, Small and Medium Enterprises development Act, 2006. |          |                                     |                             |

| Particulars                                      | Sub Note | As at<br>31.03.2016 | As at<br>31.03.2015 |
|--|----------|---------------------|---------------------|
| <b>Note: 2.6</b>                                 |          |                     |                     |
| <b>Other Current Liabilities</b>                 |          |                     |                     |
| (a) Current Maturity on Long Term Debt (Secured) |          |                     |                     |
| - Repayment of Term Loan from Bank               |          | 40,000,000          | 40,000,000          |
| - Repayment of Deferred Sales tax                | 2.6 (a)  | -                   | 9,454,204           |
| (b) Unclaimed Dividends                          |          | 2,877,023           | 3,064,620           |
| (c) Other Payables                               |          |                     |                     |
| - Other Liabilities                              |          | 10,734,189          | 4,160,858           |
| - Lease Deposits                                 |          | 8,002,395           | 6,202,395           |
| - Advance from Customers                         | 2.6 (b)  | 11,294,856          | 27,856,807          |
| <b>TOTAL</b>                                     |          | 72,908,463          | 90,738,884          |

**Notes:**

2.6 (a) Represents the interest free sales tax deferment (loan) availed from Government of Andhra Pradesh and the repayment is based on regulations specified in the eligibility certificates issued by Department of Industries. Accordingly, due for the current year, has been repaid and account has become nil.

|   | Balance as on<br>31.03.2016 | Balance as on<br>31.03.2015 |
|---|-----------------------------|-----------------------------|
| <b>2.6 (b) Name of the related party</b>        |                             |                             |
| Surana Solar Ltd (formerly Surana Ventures Ltd) | -                           | 24,131,951                  |
| Aryavaan Renewable Energy Pvt Ltd               | 9,000,000                   | -                           |
| <b>TOTAL</b>                                    | 9,000,000                   | 24,131,951                  |

| Particulars                  | Sub Note | As at<br>31.03.2016 | As at<br>31.03.2015 |
|------------------------------|----------|---------------------|---------------------|
| <b>Note: 2.7</b>             |          |                     |                     |
| <b>Short-Term Provisions</b> |          |                     |                     |
| (a) Provision for Bonus      |          | 60,000              | 25,000              |
| (b) Proposed Dividend        |          | -                   | 12,482,640          |
| (c) Tax on Dividend          |          | -                   | 2,496,000           |
| <b>TOTAL</b>                 |          | 60,000              | 15,003,640          |



**Annexure: 2.8 Fixed Assets**

(Amount in ₹)

| Particulars                | Freehold Land     | Leasehold Land    | Factory Buildings | P & M- Others      | P & M- Solar Power | P & M- wind Power | Office Equipment  | Vehicles         | Furniture & Fixtures | Computer         | Com-puter software | Grand Total          |
|----------------------------|-------------------|-------------------|-------------------|--------------------|--------------------|-------------------|-------------------|------------------|----------------------|------------------|--------------------|----------------------|
| <b>A. Gross Block</b>      |                   |                   |                   |                    |                    |                   |                   |                  |                      |                  |                    |                      |
| At 1st April, 2014         | 35,998,049        | 48,451,366        | 76,316,482        | 352,858,664        | 517,658,568        | 63,550,092        | 19,037,115        | 6,020,186        | 11,392,177           | 3,282,624        | -                  | 1,134,565,323        |
| Additions                  | -                 | 2,414,994         | -                 | -                  | -                  | -                 | 164,948           | -                | 1,617,094            | -                | 143,220            | 4,340,262            |
| Disposals                  | -                 | -                 | -                 | -                  | -                  | -                 | (575,056)         | (661,184)        | (358,281)            | (853,803)        | -                  | (2,448,324)          |
| At 31st March, 2015        | 35,998,049        | 50,866,360        | 76,316,482        | 352,858,664        | 517,658,568        | 63,550,092        | 18,627,007        | 5,359,002        | 12,650,990           | 2,428,821        | 143,220            | 1,136,457,261        |
| Additions                  | -                 | 1,578,540         | -                 | 11,266,985         | -                  | -                 | -                 | -                | -                    | -                | -                  | 12,845,525           |
| Disposals                  | -                 | -                 | -                 | -                  | -                  | -                 | -                 | -                | -                    | -                | -                  | -                    |
| <b>At 31st March, 2016</b> | <b>35,998,049</b> | <b>52,444,900</b> | <b>76,316,482</b> | <b>364,125,649</b> | <b>517,658,568</b> | <b>63,550,092</b> | <b>18,627,007</b> | <b>5,359,002</b> | <b>12,650,990</b>    | <b>2,428,821</b> | <b>143,220</b>     | <b>1,149,302,786</b> |
| <b>B. Depreciation</b>     |                   |                   |                   |                    |                    |                   |                   |                  |                      |                  |                    |                      |
| At 1st April, 2014         | -                 | 3,875,340         | 42,249,219        | 311,939,498        | 151,172,545        | 23,497,294        | 13,075,835        | 3,966,450        | 7,829,298            | 3,232,855        | -                  | 560,838,334          |
| Charge for the Year        | -                 | 1,900,537         | 1,233,048         | 2,429,641          | 67,580,023         | 2,458,353         | 411,129           | 304,458          | 772,958              | -                | 13,472             | 77,103,617           |
| Disposals                  | -                 | -                 | -                 | -                  | -                  | -                 | (459,387)         | (640,578)        | (328,988)            | (834,026)        | -                  | (2,262,976)          |
| Adjustment                 | -                 | -                 | -                 | 4,300,289          | -                  | -                 | 3,812,739         | -                | -                    | -                | -                  | 8,113,024            |
| At 31st March, 2015        | -                 | 5,775,877         | 43,482,267        | 318,669,428        | 218,752,568        | 25,955,647        | 16,840,316        | 3,630,330        | 8,273,268            | 2,398,829        | 13,472             | 643,792,001          |
| Charge for the period      | -                 | 1,917,283         | 1,233,050         | 2,465,257          | 55,139,333         | 2,458,353         | 319,529           | 303,834          | 824,166              | -                | 47,740             | 64,708,543           |
| Disposals                  | -                 | -                 | -                 | -                  | -                  | -                 | -                 | -                | -                    | -                | -                  | -                    |
| Adjustment                 | -                 | -                 | -                 | -                  | -                  | -                 | -                 | -                | -                    | -                | -                  | -                    |
| <b>At 31st March, 2016</b> | <b>-</b>          | <b>7,693,160</b>  | <b>44,715,317</b> | <b>321,134,685</b> | <b>273,891,901</b> | <b>28,414,000</b> | <b>17,159,845</b> | <b>3,934,164</b> | <b>9,097,434</b>     | <b>2,398,829</b> | <b>61,212</b>      | <b>708,500,544</b>   |
| <b>C. Net Block (A-B)</b>  |                   |                   |                   |                    |                    |                   |                   |                  |                      |                  |                    |                      |
| At 31st March, 2015        | 35,998,049        | 45,090,483        | 32,834,215        | 34,189,236         | 298,906,000        | 37,594,445        | 1,786,691         | 1,728,672        | 4,377,722            | 29,992           | 129,748            | 492,665,260          |
| At 31st March, 2016        | 35,998,049        | 44,751,740        | 31,601,165        | 42,990,964         | 243,766,667        | 35,136,092        | 1,467,162         | 1,424,838        | 3,553,556            | 29,992           | 82,008             | 440,802,242          |

(Amount in ₹)

| Particulars  | Sub Note | As at<br>31.03.2016 | As at<br>31.03.2015 |
|--|----------|---------------------|---------------------|
| <b>Note: 2.9</b>   |          |                     |                     |
| <b>Non-Current Investments</b>   |          |                     |                     |
| (Long Term at Cost, Unless Otherwise Specified)  |          |                     |                     |
| <b>A) Unquoted Investments (At Cost)</b>   |          |                     |                     |
| <b>a) In Subsidiary Companies</b>  |          |                     |                     |
| 9990 (March 31, 2015: Nil) Equity Shares of ₹ 10/- each of Aryavaan Renewable Energy Pvt Ltd ).  |          | 99,900              | -                   |
| 50,000 (March 31, 2015: 50,000) Equity Shares of ₹ 10/- each of Globecom Infotech Private Ltd Partly Paid Up @ 2/- each.                                 |          | 100,000             | 100,000             |
| 5100 (March 31, 2015: 10,000) Equity Shares of ₹ 10/- each of Celestial Solar Solutions Private Limited Fully Paid Up @ 10/- each.                       |          | 51,000              | 51,000              |
| 33,15,000 (March 31, 2015: 25,50,000 ) Equity Shares of ₹ 10/- each of Surana Solar Systems Private Limited Fully Paid Up @ 10/- each.                   |          | 33,150,000          | 25,500,000          |
| 5100 (March 31, 2015: Nil) Equity Shares of ₹ 10/- each of Tejas India Solar Energy Private Limited  |          | 51,000              | -                   |
| <b>b) In Companies under the same management</b>   |          |                     |                     |
| 1,50,000 (March 31, 2015: 1,50,000) Equity Shares of ₹ 10/- each of Bhagyanagar Securities Pvt Ltd   |          | 18,000,000          | 18,000,000          |
| <b>SUB TOTAL</b>   |          | <b>51,451,900</b>   | <b>43,651,000</b>   |
| <b>B) Quoted Investments (At Cost)</b>   |          |                     |                     |
| <b>a) In Companies under the Same Management</b>   |          |                     |                     |
| 22,90,331 (March 31, 2015: 22,90,331) Equity Shares of ₹ 2/- each of Bhagyanagar India Ltd 88,20,000 (March 31, 2014: 44,10,000 Equity Shares of ₹ 10/-) |          | 35,201,302          | 35,201,302          |
| Equity shares of ₹ 5/- each of Surana Solar Ltd (formerly Surana Ventures Ltd)   |          | 44,100,000          | 44,100,000          |
| <b>SUB TOTAL</b>   |          | <b>79,301,302</b>   | <b>79,301,302</b>   |
| <b>b) In Other Companies (At Cost)</b>   |          |                     |                     |
| Nil (March 31, 2015: 200 ) Equity Shares of ₹ 10/- each of Linde India Ltd (Formerly BOC India Ltd)  |          | -                   | 45,510              |
| Nil (March 31, 2015: 50,000 ) Equity Shares of ₹ 10/- each of Dolphin Medical Services Limited   |          | -                   | 600,000             |
| Nil (March 31, 2015: 300 ) Equity Shares of ₹ 10/- each of Parys Sugar Industries Ltd  |          | -                   | 25,482              |
| Nil (March 31, 2015: 100 ) Equity Shares of ₹ 10/- each of Indswift Laboratories Limited   |          | -                   | 14,700              |
| Nil (March 31, 2015: 17,315) Equity Shares of ₹ 10/- each of Megasoft Limited  |          | -                   | 2,407,415           |
| Nil (March 31, 2015: 45) Equity Shares of ₹ 10/- each of Mahindra Lifespace Developers Limited   |          | -                   | 23,307              |
| Nil (March 31, 2015: 610) Equity Shares of ₹ 10/- each of Mahanagar Telephone Nigam Limited  |          | -                   | 85,368              |
| Prithvi Information Solutions Limited  |          | 301                 | 301                 |
| Nil (March 31, 2015: 10,000) Equity Shares of ₹ 10/- each of Sree Shakti Paper Mills Limited   |          | -                   | 300,000             |
| Nil (March 31, 2015: 2,107) Equity Shares of ₹ 10/- each of Talbors Automotive Components Limited  |          | -                   | 214,915             |
| <b>SUB TOTAL</b>   |          | <b>301</b>          | <b>3,716,998</b>    |
| <b>GRAND TOTAL</b>   |          | <b>130,753,503</b>  | <b>126,669,300</b>  |
| Aggregate Market Value of Quoted Investments   |          | <b>233,501,967</b>  | <b>618,554,534</b>  |

(Amount in ₹)

| Particulars                              | Sub Note | As at<br>31.03.2016 | As at<br>31.03.2015 |
|--|----------|---------------------|---------------------|
| <b>Note: 2.10</b>                        |          |                     |                     |
| <b>Long Term Loans and Advances</b>      |          |                     |                     |
| (Unsecured, Considered Good)             |          |                     |                     |
| a) Loans and advances to related parties |          |                     |                     |
| Loan to Subsidiary Companies             | 2.10 (a) | 5,558,454           | 24,561,695          |
| b) <b>Security Deposits</b>              |          |                     |                     |
| Deposits                                 |          | 3,941,102           | 3,857,102           |
| c) <b>Taxes paid under protest</b>       |          | 32,940,558          | 32,940,558          |
| <b>TOTAL</b>                             |          | <b>42,440,114</b>   | <b>61,359,355</b>   |

**Notes:****2.10 (a) Name of the subsidiary Company**

| Name of the Company                       | Balance as<br>31.03.2016 | Balance as<br>on 31.03.2015 |
|---|--------------------------|-----------------------------|
| Globecom Infotech Private Limited         | -                        | 8,202,057                   |
| Surana Solar Systems Private Limited      | -                        | 14,574,242                  |
| Celestial Solar Solutions Private Limited | -                        | 1,785,396                   |
| Tejas India Solar Energy Private Limited  | 5,558,454                | -                           |
| <b>TOTAL</b>                              | <b>5,558,454</b>         | <b>24,561,695</b>           |

| Particulars  | Sub Note | As at<br>31.03.2016 | As at<br>31.03.2015 |
|--|----------|---------------------|---------------------|
| <b>Note: 2.11</b>                                  |          |                     |                     |
| <b>Inventories</b>                                 |          |                     |                     |
| (Valued at Lower of Cost and Net Realizable Value) |          |                     |                     |
| a) Raw Materials                                   |          | -                   | 182,000             |
| b) Traded Goods                                    |          | 189,039,106         | 189,120,432         |
| <b>TOTAL</b>                                       |          | <b>189,039,106</b>  | <b>189,302,432</b>  |

| Particulars   | Sub Note | As at<br>31.03.2016 | As at<br>31.03.2015 |
|---|----------|---------------------|---------------------|
| <b>Note: 2.12</b>   |          |                     |                     |
| <b>Trade Receivables</b>  |          |                     |                     |
| (Unsecured, considered good unless stated otherwise)  |          |                     |                     |
| (i) Aggregate amount of Trade Receivables Outstanding for a Period Less Than Six Months       | 2.12(a)  | 41,170,850          | 22,046,913          |
| (ii) Aggregate amount of Trade Receivables Outstanding for a Period Exceeding Than Six Months |          | 631,096             | 8,390,305           |
| <b>TOTAL</b>  |          | <b>41,801,946</b>   | <b>30,437,218</b>   |

**Notes:****2.12 (a) Due from Related Party**

| Name of the Company                      | Balance as<br>on 31.03.2016 | Balance as<br>on 31.03.2015 |
|--|-----------------------------|-----------------------------|
| Bhagyanagar Green Energy Ltd             | -                           | 2,700,267                   |
| Tejas India Solar Energy Private Limited | 18,802,500                  | -                           |
| Surana Solar Ltd                         | 8,045,522                   |                             |
| <b>TOTAL</b>                             | <b>26,848,022</b>           | <b>2,700,267</b>            |

**2.12 (b)** In case of Trade Receivables, Letter of confirmations of balances were sent, Hence the balances as on the date of Balance Sheet are Subject to Confirmation and Reconciliation.



(Amount in ₹)

| Particulars                                | Sub Note | As at<br>31.03.2016 | As at<br>31.03.2015 |
|--|----------|---------------------|---------------------|
| <b>Note: 2.13</b>                          |          |                     |                     |
| <b>Cash and Bank Balances</b>              |          |                     |                     |
| <b>(a) Cash and Cash Equivalents</b>       |          |                     |                     |
| Current Account with Bank                  |          | 2,774,555           | 6,582,586           |
| Cash on hand                               |          | 237,110             | 134,717             |
| <b>Sub-Total (A)</b>                       |          | <b>3,011,665</b>    | <b>6,717,303</b>    |
| <b>(b) Other Balances</b>                  |          |                     |                     |
| Dividend Account                           |          | 2,877,023           | 3,064,620           |
| Deposit Held to the Extent of Margin Money |          | 6,713,684           | 1,384,049           |
| Accrued interest on deposits with banks    |          | 54,231              | 118,836             |
| <b>Sub-Total (B)</b>                       |          | <b>9,644,938</b>    | <b>4,567,505</b>    |
| <b>TOTAL (A+B)</b>                         |          | <b>12,656,603</b>   | <b>11,284,808</b>   |

**Note:**

**2.13 (a)** Section 125 of the companies Act, 2013 mandates that companies transfer dividend that has been unclaimed for a period of seven years from unpaid dividend account to the Investor Education and Protection Fund (IEPF). Accordingly, dividend pertaining to the year 2007-08 at ₹ 6,31,557/- has been transferred to IEPF.

| Particulars                               | Sub Note | As at<br>31.03.2016 | As at<br>31.03.2015 |
|---|----------|---------------------|---------------------|
| <b>Note: 2.14</b>                         |          |                     |                     |
| <b>Short-Term Loans and Advances</b>      |          |                     |                     |
| <b>(Unsecured, Considered Good)</b>       |          |                     |                     |
| (a) Advance Tax & TDS (Net of Provisions) |          | 3,242,614           | 561,769             |
| (b) Other Advances                        |          | 278,371             | 425,264             |
| (c) Deposits                              |          |                     |                     |
| E.M.D                                     |          | -                   | 1,000,000           |
| <b>TOTAL</b>                              |          | <b>3,520,985</b>    | <b>1,987,033</b>    |

| Particulars                             | Sub Note | As at<br>31.03.2016 | As at<br>31.03.2015 |
|---|----------|---------------------|---------------------|
| <b>Note: 2.15</b>                       |          |                     |                     |
| <b>Other Current Assets</b>             |          |                     |                     |
| <b>(Un Secured and considered good)</b> |          |                     |                     |
| (a) Loan against pledge of securities   |          | 18,394,171          | 18,394,171          |
| (b) Balances with Statutory Authorities |          | 17,997,125          | 18,182,513          |
| <b>TOTAL</b>                            |          | <b>36,391,296</b>   | <b>36,576,684</b>   |

**NOTES TO PROFIT & LOSS ACCOUNT**

(Amount in ₹)

| Particulars                       | Sub Note | For the Year<br>31.03.2016 | For the Year<br>31.03.2015 |
|-----------------------------------|----------|----------------------------|----------------------------|
| <b>Note: 2.16</b>                 |          |                            |                            |
| <b>Revenue from Operations</b>    |          |                            |                            |
| <b>(a) Sale of products</b>       |          |                            |                            |
| Solar Power                       |          | 108,723,783                | 116,332,275                |
| Wind Power                        |          | 4,786,255                  | 5,616,573                  |
| Electric Power Cable / Components |          | 3,131,335                  | 4,820,284                  |
| Traded Goods/ Solar Modules       |          | 90,708,356                 | 34,520,267                 |
| <b>Gross Sales</b>                |          | <b>207,349,729</b>         | <b>161,289,399</b>         |
| Lesss: sales tax                  |          | 2,089,759                  | 243,246                    |
| <b>Net Sales</b>                  |          | <b>205,259,970</b>         | <b>161,046,153</b>         |
| <b>(b) Infrastructure Leasing</b> |          | <b>15,229,182</b>          | <b>14,123,381</b>          |
| <b>TOTAL</b>                      |          | <b>220,489,152</b>         | <b>175,169,534</b>         |

| Particulars   | Sub Note | For the Year<br>31.03.2016 | For the Year<br>31.03.2015 |
|---|----------|----------------------------|----------------------------|
| <b>Note: 2.17</b>                                   |          |                            |                            |
| <b>Other Income</b>                                 |          |                            |                            |
| <b>(a) Interest Income</b>                          |          |                            |                            |
| Interest on Loans, Deposits and Others (Gross)      |          | 615,218                    | 3,703,132                  |
| <b>(b) Dividend Income</b>                          |          | <b>5,101,017</b>           | <b>5,119,503</b>           |
| <b>(c) Other Non-Operating Income</b>               |          |                            |                            |
| Miscellaneous Income                                |          | 57,553                     | 432,825                    |
| Gain on Foreign Exchange Fluctuation                |          | -                          | 6,307,229                  |
| Balances no Longer Payable Written Back             |          | 5,278,128                  | -                          |
| Balances Written off in Earlier Years Received Back |          | -                          | 106,317                    |
| <b>TOTAL</b>  |          | <b>11,051,916</b>          | <b>15,669,006</b>          |

| Particulars                                  | Sub Note | For the Year<br>31.03.2016 | For the Year<br>31.03.2015 |
|--|----------|----------------------------|----------------------------|
| <b>Note: 2.18</b>                            |          |                            |                            |
| <b>Cost of Raw Material and Traded Goods</b> |          |                            |                            |
| Opening Stock - Raw Materials                |          | 182,000                    | 1,306,675                  |
| Opening Stock - Traded Goods                 |          | 189,120,432                | 35,863,562                 |
| Add: Purchase of Traded goods                |          | 76,745,672                 | 186,442,322                |
| Less: Closing Stock- Raw Materials           |          | -                          | 182,000                    |
| Less: Closing Stock - Traded Goods           |          | 189,039,106                | 189,120,432                |
| <b>TOTAL</b>                                 |          | <b>77,008,998</b>          | <b>34,310,127</b>          |

| Particulars                               | Sub Note | For the Year<br>31.03.2016 | For the Year<br>31.03.2015 |
|---|----------|----------------------------|----------------------------|
| <b>Note: 2.19</b>                         |          |                            |                            |
| <b>Employee Benefits Expense</b>          |          |                            |                            |
| Salaries, Wages and Other Benefits        |          | 4,635,801                  | 2,276,277                  |
| Contribution to Provident and Other Funds |          | 271,326                    | 127,028                    |
| <b>TOTAL</b>                              |          | <b>4,907,127</b>           | <b>2,403,305</b>           |

| Particulars             | Sub Note | For the Year<br>31.03.2016 | For the Year<br>31.03.2015 |
|-------------------------|----------|----------------------------|----------------------------|
| <b>Note: 2.20</b>       |          |                            |                            |
| <b>Finance Costs</b>    |          |                            |                            |
| Interest Expense        |          |                            |                            |
| On Cash Credit & Others |          | 11,039,982                 | 7,157,451                  |
| On Term Loan            |          | 17,026,604                 | 22,771,593                 |
| Financial Charges       |          | 2,838,877                  | 2,773,946                  |
| <b>TOTAL</b>            |          | <b>30,905,463</b>          | 32,702,990                 |

| Particulars                                   | Sub Note | For the Year<br>31.03.2016 | For the Year<br>31.03.2015 |
|---|----------|----------------------------|----------------------------|
| <b>Note: 2.21</b>                             |          |                            |                            |
| <b>Depreciation and Amortisation Expenses</b> |          |                            |                            |
| Depreciation                                  |          | 62,743,520                 | 75,189,608                 |
| Amortisation Expenses - Lease Premium/ Rent   |          | 1,965,023                  | 1,914,009                  |
| <b>TOTAL</b>                                  |          | <b>64,708,543</b>          | 77,103,617                 |

| Particulars                                    | Sub Note        | For the Year<br>31.03.2016 | For the Year<br>31.03.2015 |
|--|-----------------|----------------------------|----------------------------|
| <b>Note: 2.22</b>                              |                 |                            |                            |
| <b>Other Expenses</b>                          |                 |                            |                            |
| Consumption of Stores and Spare Parts          |                 | 56,758                     | 1,078,624                  |
| Travelling & Conveyance                        |                 | 2,524,678                  | 371,667                    |
| Advertisement & Business Promotion             |                 | 804,273                    | 303,783                    |
| Director's Remuneration                        |                 | 1,960,000                  | -                          |
| Director's Sitting fees                        |                 | 108,000                    | 90,270                     |
| Watch & ward                                   |                 | 1,355,770                  | 959,752                    |
| Power and Fuel                                 |                 | 1,909,352                  | 2,704,881                  |
| Lease and other Rental charges                 | <b>Note-(a)</b> | 2,968,342                  | 263,298                    |
| Professional & Consultancy Charges             |                 | 2,179,428                  | 1,705,126                  |
| Repairs & Maintenance                          |                 | -                          | -                          |
| Buildings                                      |                 | -                          | 1,094,292                  |
| Machinery                                      | <b>Note-(b)</b> | 5,521,986                  | 3,380,068                  |
| Others   |                 | 175,730                    | 11,905                     |
| Insurance                                      |                 | 659,487                    | 607,585                    |
| Rates and Taxes                                |                 | 715,486                    | 511,589                    |
| Packing & Forwarding                           |                 | 167,150                    | 28,157                     |
| Loss on Foreign Exchange Fluctuation           |                 | 1,269,166                  | -                          |
| Loss on sale of Investments (Net of gains)     |                 | 3,141,386                  | 3,076,920                  |
| Sundry Balances Written Off/Assets written off | <b>Note-(c)</b> | 9,002,623                  | 442,665                    |
| Miscellaneous Expenses                         |                 | 3,005,215                  | 2,187,532                  |
| Payments to the Auditor                        |                 |                            |                            |
| for Statutory Audit                            |                 | 80,150                     | 78,652                     |
| for Tax Audit                                  |                 | 34,350                     | 33,708                     |
| <b>TOTAL</b>                                   |                 | <b>37,639,330</b>          | 18,930,474                 |

**Note :**

- (a) Lease and other Rental Charges includes ₹ 12,30,342/- in respect of Rent on transformers taken for Gujarat Unit.
- (b) R & M to Machinery includes ₹ 22,18,540/- incurred for rectification of transformer at Gujarat Unit.
- (c) The subsidiary company (M/s Globecom Infotech Pvt. Ltd) has surrendered the Land allotted by MIDC in the IT/ITES Park at Pune. MIDC has repaid substantial part of amount after deducting ₹ 75,91,308/-. Due to low possibility of recovery of abovesaid amount, The Company has written off the amount of ₹ 82,02,057/- given to subsidiary Company .

(All amounts in Rupees except Share Data and Unless Otherwise Stated)

**Merger of Solar Power Unit of M/s Bhagyanagar India Limited with the Company.**

Persuant to Scheme of Arrangement under section 391 to 394 of the Companies Act, 1956, According to the scheme, the Solar power unit of M/s Bhagyanagar India Limited would merge and vest in to the Company, on going concern basis. The scheme has been approved by The Board of Directors at their meeting held on 12th October 2015, and subject to necessary consents and other approvals as may be required including that of shareholders of the Company.

Company has filed an application with Bomabay Stock Exchange Limited and National Stock Exchange of India Limited seeking approval in terms of the provisions of Clause 24(f) of the Listing Agreement and with Securities Exchange Board of India. The application has been accorded by them.

The Proposed Scheme of Arrangement is between M/s Bhagyanagar India Limited(BIL)and M/s Surana Telecom and Power Limited (STPL). The scheme is subject to approval of the Hon'ble High Court of Judicature of Telanagana and Andhra Pradesh at Hyderabad and regulators, the share holders, and creditors, if any, of BIL and STPL and any others, as may be directed by the Hon'ble High Court of Judicature of Telanagana and Andhra Pradesh at Hyderabad. The approval is awaited.

| Particulars  | As at<br>31.03.2016 | As at<br>31.03.2015 |
|--|---------------------|---------------------|
| <b>Note: 2.23</b>  |                     |                     |
| <b>Contingent Liabilities and Guarantees</b>                                 |                     |                     |
| <b>i Guarantees</b>  |                     |                     |
| a Unexpired Letters of Credit  | -                   | -                   |
| b Counter Guarantees given to the Bankers                                    | 15,000,000          | 10,000,000          |
| <b>Sub Total (A)</b>   | <b>15,000,000</b>   | 10,000,000          |
| <b>ii Claims against the company not acknowledged as debts in respect of</b> |                     |                     |
| a Excise Matters, under Dispute  | 51,541,068          | 51,541,068          |
| b Sales Tax Matters, under Dispute   | 1,080,332           | 1,080,332           |
| <b>Sub Total (A)</b> (see note below)  | <b>52,621,400</b>   | 52,621,400          |
| <b>Grand Total (A+B)</b>   | <b>67,621,400</b>   | 62,621,400          |

**Note:** Out of the Total demand of ₹ 5,26,21,400/-, a sum of ₹ 3,29,40,558/- has been paid and the same is shown in note 2.10 of the Balance Sheet under the Head " Taxes paid under Protest".

iii Balance in Trade Receivables, Trade Payables, loans against shares and dues from statutory authorities are subject to reconciliation and confirmations. Changes if any will be recognised in the financial statements of repective years as and when they arise.

| Particulars                                   | for the year<br>ended<br>31.03.2016 | for the year<br>ended<br>31.03.2015 |
|---|-------------------------------------|-------------------------------------|
|   | Basic and<br>diluted                | Basic and<br>diluted                |
| <b>Note: 2.24</b>                             |                                     |                                     |
| <b>Earnings Per Share (EPS)</b>               |                                     |                                     |
| Net Profit After Tax                          | 13,042,730                          | 19,870,740                          |
| Net Profit available for Equity Share-Holders | 13,042,730                          | 19,870,740                          |
| No of Equity Shares- Basic                    | 104,022,000                         | 104,022,000                         |
| Nominal Value of each Equity Share (₹)        | 1.00                                | 1.00                                |
| Basic Earning per Share                       | 0.13                                | 0.19                                |

| Particulars  | As at<br>31.03.2016 | As at<br>31.03.2015 |
|--|---------------------|---------------------|
| <b>Note: 2.25</b>  |                     |                     |
| <b>Deferred Tax Liability</b>  |                     |                     |
| Deferred Tax adjustments recognised in the Financial Statements are as under |                     |                     |
| Deferred Tax Liability as at the beginning of the year                       | 3,384,080           | 2,447,080           |
| Liability / (Asset) arising during the year                                  | 715,001             | 937,000             |
| Deferred Tax Liability as at the end of the year                             | 4,099,081           | 3,384,080           |

**Note:** The above Liability is only on account of timing difference of Depreciation

**Note: 2.26**

**Related Party Disclosure**

**a Related parties where significant influence exists and with whom transactions have taken place during the year**

|                                     |   |
|-------------------------------------|---|
| 1 Surana Infocom Private Limited    | 6 Bhagyanagar Green Energy Systems Pvt Ltd  |
| 2 Innova Technologies Ltd           | 7 Bhagyanagar Securities Private Ltd        |
| 3 Surana Solar Ltd                  | 8 Globecom Infotech Private Ltd             |
| 4 Surana Solar Systems Private Ltd  | 9 Celestial Solar Solutions Private Limited |
| 5 Aryavaan Renewable Energy Pvt Ltd | 10 Tejas India Solar Energy Private Ltd     |

**b Subsidiary Company**

|   |                    |
|---|--------------------|
| Globecom Infotech Private Limited         | Narender Surana    |
| Celestial Solar Solutions Private Limited | Devendra Surana    |
| Surana Solar Systems Private Limited      | Vinita Surana      |
| Aryavaan Renewable Energy Pvt Ltd         | D.Srinivas-CS      |
| Tejas India Solar Energy Private Ltd      | Archit Agarwal-CFO |

**c Key Managerial Personnel**

**d Joint Venture Company**

|                          |               |
|--------------------------|---------------|
| Radiant Alliance Limited | GM Surana     |
|                          | ChandKanwar   |
|                          | Manish Surana |
|                          | Sresha Surana |

**e Relatives of Key Managerial Personnel**

| Particulars   | for the year ended<br>2015-16 | for the year ended<br>2014-15 |
|---|-------------------------------|-------------------------------|
| <b>f The following is the summary of Related Party Transactions</b> |                               |                               |
| i Sale of Goods   | 58,080,882                    | 39,340,551                    |
| ii Purchase of Goods  | 8,164,080                     | 56,174,514                    |
| iii Interest Paid   | 2,945,623                     | -                             |
| iv Interest Received Dividend Income                                | 104,351                       | 3,088,014                     |
| v Dividend Income   | 5,097,100                     | 5,097,100                     |
| vi Loans/ advances taken by the company                             | 123,261,060                   | -                             |
| vii Loans/ advances given by the company                            | 11,534,058                    | 135,138,475                   |
| viii Loans Repaid by the company                                    | 57,743,239                    | -                             |
| ix Loans Repaid to the company                                      | 20,549,846                    | 199,741,501                   |
| x Advance from Customers  | 9,000,000                     | 24,131,951                    |
| xi Remuneration to Key Managerial Personnel                         | 3,220,000                     | 563,199                       |
| xii Purchase of shares  | 7,800,900                     | -                             |

**The following are the significant related parties transactions**

| Particulars                                       | for the year ended<br>2015-16 | for the year ended<br>2014-15 |
|---|-------------------------------|-------------------------------|
| <b>i Sales of goods</b>                           |                               |                               |
| Surana Solar Limited                              | 39,278,382                    | 4,820,284                     |
| Bhagyanagar Green Energy Limited                  | -                             | 34,520,267                    |
| Tejas India Solar Energy Private Limited          | 18,802,500                    | -                             |
| <b>Total</b>                                      | <b>58,080,882</b>             | <b>39,340,551</b>             |
| <b>ii Purchases of goods</b>                      |                               |                               |
| Surana Solar Ltd                                  | 8,164,080                     | 56,174,514                    |
| <b>Total</b>                                      | <b>8,164,080</b>              | <b>56,174,514</b>             |
| <b>iii Interest Paid</b>                          |                               |                               |
| Bhagyanagar Securities Private Limited            | 2,886,416                     | -                             |
| Surana Infocom Private Limited                    | 59,207                        | -                             |
| <b>Total</b>                                      | <b>2,945,623</b>              | <b>-</b>                      |
| <b>iv Interest Received</b>                       |                               |                               |
| Surana Solar Ltd                                  | -                             | 1,560,991                     |
| Surana Solar Systems Pvt Ltd                      | 104,351                       | 1,515,307                     |
| Celestial Solar Solutions Private Ltd             | -                             | 11,716                        |
| <b>Total</b>                                      | <b>104,351</b>                | <b>3,088,014</b>              |
| <b>v Loans/ Advances Taken by the company</b>     |                               |                               |
| Bhagyanagar Securities Private Limited            | 108,847,774                   |                               |
| Surana Infocom Private Limited                    | 14,413,286                    |                               |
| <b>Total</b>                                      | <b>123,261,060</b>            | <b>-</b>                      |
| <b>vi Loans/ Advances Given by the company</b>    |                               |                               |
| Surana Solar Ltd                                  | -                             | 91,200,000                    |
| Surana Solar Systems Private Ltd                  | 5,975,604                     | 42,068,623                    |
| Celestial Solar Solutions Private Ltd             | -                             | 1,869,852                     |
| Tejas India Solar Energy Private Ltd              | 5,558,454                     | -                             |
| <b>Total</b>                                      | <b>11,534,058</b>             | <b>135,138,475</b>            |
| <b>vii Loans/ Advances Repaid by company</b>      |                               |                               |
| Bhagyanagar Securities Private Limited            | 50,979,953                    | -                             |
| Surana Infocom Private Limited                    | 6,763,286                     | -                             |
| <b>Total</b>                                      | <b>57,743,239</b>             | <b>-</b>                      |
| <b>viii Loans/ Advances Repaid to the company</b> |                               |                               |
| Surana Solar Ltd                                  | -                             | 91,200,000                    |
| Celestial Solar Solutions Private Limited         | -                             | 95,000                        |
| Surana Solar Systems Private Limited              | 20,549,846                    | 79,346,501                    |
| Globecom Infotech Private Limited                 | -                             | 29,100,000                    |
| <b>Total</b>                                      | <b>20,549,846</b>             | <b>199,741,501</b>            |
| <b>ix Advance from Customers</b>                  |                               |                               |
| Aryavaan Renewable Energy Private Limited         | 9,000,000                     | -                             |
| Surana Solar Ltd                                  | -                             | 24,131,951                    |
| <b>Total</b>                                      | <b>9,000,000</b>              | <b>24,131,951</b>             |
| <b>x Remuneration to Key Managerial Personnel</b> |                               |                               |
| Vinita Surana-Director                            | 1,960,000                     | -                             |
| D.Srinivas -CS                                    | 840,000                       | 249,167                       |
| Archit agarwal-CFO/ Laxman Raju (Previous year)   | 420,000                       | 314,032                       |
| <b>Total</b>                                      | <b>3,220,000</b>              | <b>563,199</b>                |

| Particulars                               | for the year ended<br>2015-16 | for the year ended<br>2014-15 |
|---|-------------------------------|-------------------------------|
| <b>xi Purchase of shares</b>              |                               |                               |
| Surana Infocom Private Limited            | 7,650,000                     |                               |
| Aryavaan Renewable Energy Private Limited | 99,900                        |                               |
| Tejas India Solar Energy Private Ltd      | 51,000                        |                               |
| <b>Total</b>                              | <b>7,800,900</b>              | -                             |

**The company has the following amounts due to/ from related parties**

| Particulars                               | As at<br>31.03.2016 | As at<br>31.03.2015 |
|---|---------------------|---------------------|
| <b>i Due to Related Parties</b>           |                     |                     |
| Surana solar Limited                      | -                   | 80,306,465          |
| Aryavaan Renewable Energy Private Limited | 9,000,000           | -                   |
| Bhagyanagar Securities Private Limited    | 57,867,821          |                     |
| Surana Infocom Private Limited            | 7,650,000           |                     |
| <b>Total</b>                              | <b>74,517,821</b>   | 80,306,465          |
| <b>ii Due from Related Parties</b>        |                     |                     |
| Celestial Solar Solutions Private Limited | -                   | 1,785,396           |
| Globecom Infotech Private Limited         | -                   | 8,202,057           |
| Surana Solar Systems Private Limited      | -                   | 14,574,242          |
| Bhagyanagar Green Energy Limited          | -                   | 2,700,267           |
| Surana solar Limited                      | 8,045,522           | -                   |
| Tejas India Solar Energy Private Limited  | 24,360,954          | -                   |
| <b>Total</b>                              | <b>32,406,476</b>   | 27,261,962          |

**Note: 2.27**

**Particulars of Loans and Advances in the nature of loans as required by Clause 32 of the listing Agreement.**

(Value in ₹)

| Sl.No.    | Name of the Company                       | Balance as at |            | Maximum Outstanding during |            |
|-----------|---|---------------|------------|----------------------------|------------|
|           |   | 31.03.2016    | 31.03.2015 | 31.03.2016                 | 31.03.2015 |
| <b>A.</b> | <b>Subsidiaries</b>                       |               |            |                            |            |
|           | Globecom Infotech Private Limited         | -             | 8,202,057  | 8,202,057                  | 37,302,057 |
|           | Celestial Solar Solutions Private Limited | -             | 1,785,396  | 1,796,632                  | 1,785,396  |
|           | Surana Solar Systems Private Limited      | -             | 14,574,242 | 20,549,846                 | 55,181,067 |
|           | Tejas India Solar Energy Private Limited  | 5,558,454     | -          |                            | -          |

**Note: 2.28**

**Raw Material and Traded goods Consumed during the year**

| Particulars                             | for the year ended<br>2015-16 | for the year ended<br>2014-15 |
|---|-------------------------------|-------------------------------|
| <b>Traded Goods</b>                     |                               |                               |
| i Aluminium Scrap                       | 1,353,446                     | 1,124,675                     |
| ii Solar related Products               | 72,821,839                    | 31,076,531                    |
| iii Others including incidental charges | 2,833,713                     | 2,108,921                     |
| <b>Total</b>                            | <b>77,008,998</b>             | 34,310,127                    |

**Note :** Others include items which do not individually exceed 10 % of total Consumption

**Note: 2.29**
**Detailed of Imported and indigenous raw material, traded goods, spares and packing materials consumed**

| Particulars         | for the year ended 2015-16 |                        | for the year ended 2014-15 |                        |
|---------------------|----------------------------|------------------------|----------------------------|------------------------|
|                     | Value                      | % of total Consumption | Value                      | % of total Consumption |
| <b>Traded Goods</b> |                            |                        |                            |                        |
| Imported            | 75,417,983                 | 97.93                  | 33,015,950                 | 96.23                  |
| Indigenous          | 1,591,015                  | 2.07                   | 1,294,177                  | 3.77                   |
| <b>Total</b>        | <b>77,008,998</b>          | <b>100.00</b>          | <b>34,310,127</b>          | <b>100.00</b>          |

| Particulars                 | for the year ended 2015-16 | for the year ended 2014-15 |
|-----------------------------|----------------------------|----------------------------|
| <b>Note: 2.30</b>           |                            |                            |
| <b>CIF Value of imports</b> |                            |                            |
| Traded Goods                | 75,514,607                 | 186,346,320                |
| <b>Total</b>                | <b>75,514,607</b>          | <b>186,346,320</b>         |

| Particulars                            | for the year ended 2015-16 | for the year ended 2014-15 |
|--|----------------------------|----------------------------|
| <b>Note: 2.31</b>                      |                            |                            |
| <b>Expenditure in foreign Currency</b> |                            |                            |
| Traded Goods                           | 75,514,607                 | 186,346,320                |
| Travelling                             | 2,474,915                  | -                          |
| <b>Total</b>                           | <b>77,989,522</b>          | <b>186,346,320</b>         |

**Note: 2.32**
**Retirement and Other Employees Benefits**

The Company's employee benefits primarily cover provident fund, gratuity and leave encashment

Provident fund is a defined contribution scheme and the company has no further obligation beyond the contribution made to the fund. Contributions are charged to the Profit & Loss account in the year in which they accrue.

Gratuity liability is a defined benefit obligation and is based on the actuarial valuation done. The gratuity liability and the net periodic gratuity cost is actually determined after considering discounting rates, expected long term return on plan assets and increase in compensation level. All actuarial gain/ losses are immediately charged to the Profit & Loss account and are not deferred.

The following table summarises the components of Net Benefit expenses recognised in the Profit & Loss account and amount recognised in the Balance Sheet for the respective plans.

| Particulars   | Gratuity |          |
|---|----------|----------|
|   | 2015-16  | 2014-15  |
| <b>a Expenses recognised in the Profit &amp; Loss Account</b>                         |          |          |
| Current Service Cost  |          | 22,340   |
| Interest Cost   |          | 5,368    |
| Expected Return on Planned Assets   |          | (9,766)  |
| Net Actuarial (Gain) / Loss recognised in the year                                    |          | (74,997) |
| Expenses recognised in Statement of Profit and loss                                   |          | (57,055) |
| <b>b Change in Present value of obligation during the year ended 31st March, 2016</b> |          |          |
| Present Value of obligation as at beginning of the year                               |          | 67,103   |
| Interest cost   |          | 5,368    |
| Current service cost  |          | 22,340   |
| Benefits Paid-Actuals   |          | -        |
| Actuarial (gain) /loss  |          | (74,997) |



| Particulars   | Gratuity |          |
|---|----------|----------|
|   | 2015-16  | 2014-15  |
| Present Value of obligation as at end of the year                                   | -        | 19,814   |
| <b>c Change in fair value of Plan Assets during the year ended 31st March, 2016</b> |          |          |
| Fair value of Plan Assets as at the beginning of the year                           |          | 108,506  |
| Expected return on Plan Assets  |          | 9,766    |
| Contributions   |          | -        |
| Benefits Paid   |          | -        |
| Fair value of Plan Assets as at the end of the year                                 |          | 118,272  |
| <b>d Actuarial Gain/ loss recognized</b>  |          |          |
| Actuarial (gain) / loss for the year -Obligation                                    |          | 74,997   |
| Actuarial (gain) / loss for the year -Plan Assets                                   |          | -        |
| Total (gain)/ Loss for the Year   |          | (74,997) |
| Actuarial (gain) / loss recognized in the year                                      |          | (74,997) |
| <b>e Actuarial assumption</b>   |          |          |
| Discount rate used  |          | 8%       |
| Salary escalation   |          | 4%       |

**Note: 2.33**

As per Accounting Standard (AS)17 on "Segment Reporting" segment information has been provided under the notes to Consolidated Financial Statements.

As per our report of even date attached

**For Surana Telecom and Power Limited**

**For Sekhar & Co**  
**Chartered Accountants**  
**Firm's Registration Number : 003695-S**

**G.Ganesh**  
**Partner**  
**Membership No: 211704**

**Narender Surana**  
**Chairman**  
**DIN: 00075086**

**Devendra Surana**  
**Director**  
**DIN: 00077296**

**D. Srinivas**  
**Company Secretary**  
**ACS: 23425**

Place : Secunderabad

Date : May 24 , 2016

## INDEPENDENT AUDITORS' REPORT

To The Members of  
**Surana Telecom and Power Limited**

### **Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of Surana Telecom and Power Limited ("hereinafter referred to as "the Holding Company"), its subsidiaries, (the Holding company and its subsidiaries together referred as the Group") which comprise the Consolidated Balance Sheet as at 31 March 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

### **Management's Responsibility for the Financial Statements**

The Holding Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group 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") (particularly Accounting Standard 21 - Consolidated Financial Statements). The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these 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 there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) 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 disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control 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 accounting policies used and the reasonableness of the accounting estimates made by the management as well as evaluating the overall presentation of the financial statements.

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

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the 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 March 31, 2016, and its profit and its cash flows for the year ended on that date.

## Emphasis of Matter

We draw your attention to Note 2.23 of the financial statements wherein the management has disclosed the details of Claims against the company not acknowledged as debt in respect of matters under dispute with statutory authorities.

*Our opinion is not modified in this matter.*

## Report on other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The consolidated Balance Sheet, the consolidated Statement of Profit and Loss, and consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of consolidated financial statements.
  - d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of written representations received from the directors as on 31st March, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2016, from being appointed as a director in terms of Section 164(2) of the Act.
  - f. With respect to the adequacy of the Internal Financial Controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
  - g. With respect to the other matters included in the Auditor's Report and in accordance with Rule 11 of Companies (Audit and Auditors) Rules, 2014 and in our opinion and to the best of our information and explanations given to us:
    - i. The holding Company has disclosed the impact of pending litigations on its consolidated financial position in its consolidated financial statements – Refer **Note 2.23** to the consolidated financial statements and also included in the Emphasis of matter paragraph above;
    - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiaries.

For **Sekhar & Co.,**  
**Chartered Accountants**  
 FRN: 003695-S

**G. Ganesh**  
**Partner**

**M.No.: 211704**

Place : Secunderabad

Date : 24-May-2016

## **Annexure A to the Auditor's Report:**

### **Report on the Internal Financial Controls under the Clause (i) of sub section 3 of Section 143 of the Companies Act, 2013('the Act)**

In conjunction with our audit of the consolidated financial statements of Surana Telecom and Power Limited ("the Holding Company") as of and for the year ended 31 March 2016, we have audited the internal financial controls over financial reporting of the Holding Company and its subsidiary companies incorporated in India as of that date.

#### **Management's responsibility for Internal Financial Controls**

The respective Board of Directors of the Holding Company and its subsidiary companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Holding Company and its subsidiary companies incorporated in India 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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditors' Responsibility:**

Our responsibility is to express an opinion on the Holding Company and its subsidiary companies incorporated in India, 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") issued by the ICAI 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 issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

We believe that the audit evidence we have obtained and audit evidence obtained by other auditor in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company and its subsidiary company incorporated in India, internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

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

that receipts and expenditures of the company are being made only in accordance with authorizations of the Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

#### **Opinion**

In our opinion, the holding Company and its subsidiary companies incorporated in India, has in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Sekhar & Co.,**  
**Chartered Accountants**  
**FRN: 003695-S**

Place : Secunderabad  
Date : 24-May-2016

**G. Ganesh**  
**Partner**  
**M.No.: 211704**

**CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2016**

(Amount in ₹)

| Particulars |   | Note No. | As at 31.03.2016     |                      | As at 31.03.2015 |               |
|-------------|---|----------|----------------------|----------------------|------------------|---------------|
| <b>I</b>    | <b>EQUITY AND LIABILITIES</b>                               |          |                      |                      |                  |               |
|             | <b>(1) SHAREHOLDERS' FUNDS</b>                              |          |                      |                      |                  |               |
|             | (a) Share Capital   | 2.1      | <b>104,022,000</b>   |                      | 104,022,000      |               |
|             | (b) Reserves and Surplus                                    | 2.2      | <b>505,083,171</b>   |                      | 491,494,697      |               |
|             |   |          |                      | <b>609,105,171</b>   |                  | 595,516,697   |
|             | <b>(2) MINORITY INTEREST</b>                                | 2.2 (a)  |                      | <b>29,308,138</b>    |                  | 21,973,471    |
|             | <b>(3) NON-CURRENT LIABILITIES</b>                          |          |                      |                      |                  |               |
|             | (a) Long-Term Borrowings                                    | 2.3      | <b>1,118,808,097</b> |                      | 1,048,373,623    |               |
|             | (b) Deferred Tax Liabilities (Net)                          |          | <b>2,581,781</b>     |                      | 1,876,253        |               |
|             |   |          |                      | <b>1,121,389,878</b> |                  | 1,050,249,876 |
|             | <b>(4) CURRENT LIABILITIES</b>                              |          |                      |                      |                  |               |
|             | (a) Short-Term Borrowings                                   | 2.4      | <b>14,815,554</b>    |                      | 22,081,136       |               |
|             | (b) Trade Payables<br>(Includes due to Micro and SME- Nil ) | 2.5      | <b>140,437,888</b>   |                      | 70,069,403       |               |
|             | (c) Other Current Liabilities                               | 2.6      | <b>94,696,565</b>    |                      | 124,558,051      |               |
|             | (d) Short-Term Provisions                                   | 2.7      | <b>60,000</b>        |                      | 15,003,640       |               |
|             |   |          |                      | <b>250,010,007</b>   |                  | 231,712,231   |
|             | <b>TOTAL</b>  |          |                      | <b>2,009,813,194</b> |                  | 1,899,452,275 |
| <b>II</b>   | <b>ASSETS</b>   |          |                      |                      |                  |               |
|             | <b>(1) NON-CURRENT ASSETS</b>                               |          |                      |                      |                  |               |
|             | (a) Fixed Assets  |          |                      |                      |                  |               |
|             | (i) Tangible Assets   | 2.8      | <b>690,517,273</b>   |                      | 753,457,098      |               |
|             | (ii) Capital work-in-Progress                               |          | <b>861,409,727</b>   |                      | 1,162,981        |               |
|             | (b) Non-Current Investments                                 | 2.9      | <b>97,301,603</b>    |                      | 101,018,300      |               |
|             | (c) Long-Term Loans and Advances                            | 2.10     | <b>36,881,660</b>    |                      | 44,388,968       |               |
|             |   |          |                      | <b>1,686,110,263</b> |                  | 900,027,347   |
|             | <b>(2) CURRENT ASSETS</b>                                   |          |                      |                      |                  |               |
|             | (a) Inventories   | 2.11     | <b>189,039,106</b>   |                      | 189,302,432      |               |
|             | (b) Trade Receivables                                       | 2.12     | <b>41,801,946</b>    |                      | 30,437,218       |               |
|             | (c) Cash and Bank Balances                                  | 2.13     | <b>27,555,963</b>    |                      | 18,652,322       |               |
|             | (d) Short-Term Loans and Advances                           | 2.14     | <b>28,914,620</b>    |                      | 724,456,272      |               |
|             | (e) Other Current Assets                                    | 2.15     | <b>36,391,296</b>    |                      | 36,576,684       |               |
|             |   |          |                      | <b>323,702,931</b>   |                  | 999,424,928   |
|             | <b>TOTAL</b>  |          |                      | <b>2,009,813,194</b> |                  | 1,899,452,275 |
|             | Significant Accounting Policies and Notes on Accounts       | 1 & 2    |                      |                      |                  |               |

As per our report of even date attached

**For Surana Telecom and Power Limited**
**For Sekhar & Co**
**Chartered Accountants**
**Firm's Registration Number : 003695-S**
**G.Ganesh**  
**Partner**  
**Membership No: 211704**
**Narender Surana**  
**Chairman**  
**DIN: 00075086**
**Devendra Surana**  
**Director**  
**DIN: 00077296**
**D. Srinivas**  
**Company Secretary**  
**ACS: 23425**

Place : Secunderabad

Date : May 24 , 2016

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016** (Amount in ₹)

|             | Particulars  | Note No. | Year Ended 31st March 2016 | Year Ended 31st March 2015 |
|-------------|--|----------|----------------------------|----------------------------|
| <b>I</b>    | <b>INCOME FROM OPERATIONS (Net of sales tax)</b>                 | 2.16     | <b>254,930,168</b>         | 179,919,447                |
|             | Less: Excise duty  |          | <b>363,876</b>             | 546,449                    |
|             | <b>NET INCOME FROM OPERATIONS</b>                                |          | <b>254,566,292</b>         | 179,372,998                |
| <b>II</b>   | <b>OTHER INCOME</b>  | 2.17     | <b>11,207,590</b>          | 16,027,942                 |
|             | <b>TOTAL REVENUE</b>   |          | <b>265,773,882</b>         | 195,400,940                |
| <b>III</b>  | <b>EXPENSES</b>  |          |                            |                            |
|             | Cost of Materials Consumed                                       | 2.18     | <b>77,008,998</b>          | 34,310,127                 |
|             | Employee Benefit Expenses  | 2.19     | <b>5,549,363</b>           | 2,860,447                  |
|             | Finance Costs  | 2.20     | <b>46,178,960</b>          | 37,595,768                 |
|             | Depreciation and Amortisation Expenses                           | 2.21     | <b>80,875,920</b>          | 81,048,076                 |
|             | Other Expenses   | 2.22     | <b>40,375,851</b>          | 20,780,776                 |
|             | <b>TOTAL EXPENSES</b>  |          | <b>249,989,092</b>         | 176,595,194                |
| <b>IV</b>   | <b>PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX</b> |          | <b>15,784,790</b>          | 18,805,746                 |
| <b>V</b>    | <b>PRIOR PERIOD ADJUSTMENT</b>                                   |          | <b>64,637</b>              | (33,838)                   |
| <b>VI</b>   | <b>PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX</b>                 |          | <b>15,849,427</b>          | 18,771,908                 |
| <b>VII</b>  | <b>PROFIT BEFORE TAX</b>   |          | <b>15,849,427</b>          | 18,771,908                 |
| <b>VIII</b> | <b>TAX EXPENSE</b>   |          |                            |                            |
|             | 1. Current tax   |          | <b>2,250,000</b>           | 4,000,000                  |
|             | 2. Deferred tax  |          | <b>705,426</b>             | (570,828)                  |
|             | 3. Tax for earlier years   |          | <b>(19,390)</b>            | 26,064                     |
| <b>IX</b>   | <b>PROFIT AFTER TAX</b>  |          | <b>12,913,391</b>          | 15,316,672                 |
| <b>X</b>    | <b>Earning Per Equity Share</b>                                  |          |                            |                            |
|             | (a) Basic  |          | <b>0.12</b>                | 0.15                       |
|             | (b) Diluted  |          | <b>0.12</b>                | 0.15                       |
|             | No. of Shares  |          | <b>104,022,000</b>         | 104,022,000                |
|             | Significant Accounting Policies and Notes on Accounts            | 1 & 2    |                            |                            |

As per our report of even date attached

For Surana Telecom and Power Limited

For Sekhar & Co  
Chartered Accountants  
Firm's Registration Number : 003695-S

G.Ganesh  
Partner  
Membership No: 211704

Narender Surana  
Chairman  
DIN: 00075086

Devendra Surana  
Director  
DIN: 00077296

D. Srinivas  
Company Secretary  
ACS: 23425

Place : Secunderabad  
Date : May 24 , 2016

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016** (Amount in ₹)

| Particulars   | 2015-16              | 2014-15              |
|---|----------------------|----------------------|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>                       |                      |                      |
| <b>Net Profit before tax as per annexed profit and loss account</b> | <b>15,849,427</b>    | <b>18,771,907</b>    |
| <b>Adjustments for :</b>  |                      |                      |
| Depreciation & Amortisations  | 80,875,920           | 81,048,076           |
| Bad Debts Written Off & Provision for Bad Debts                     | 9,002,623            | 714,366              |
| Balances / Provisions no longer required written back               | (5,278,128)          | (7,779)              |
| (Profit)/Loss on Sale of Investments(Net)                           | 3,141,386            | 3,076,920            |
| Profit / Loss on surrender of Land                                  | 610,749              | 31,100               |
| Interest Expense  | 46,178,960           | 37,595,768           |
| Interest Income   | (770,892)            | (4,062,068)          |
| Dividend Income   | (5,101,017)          | (5,119,503)          |
|   | <b>128,659,601</b>   | <b>113,276,880</b>   |
| <b>Operating Profit before Working Capital Changes</b>              | <b>144,509,028</b>   | <b>132,048,787</b>   |
| <b>Adjustments for :</b>  |                      |                      |
| Inventories   | 263,326              | (152,132,195)        |
| Loans and Advances  | 714,817,246          | (727,160,520)        |
| Other Current Assets  | 185,388              | 522,766              |
| Sundry Debtors  | (20,367,351)         | (1,164,298)          |
| Trade Payables and other Liabilities                                | 45,258,022           | 27,349,925           |
|   | <b>740,156,631</b>   | <b>(852,584,322)</b> |
| <b>Cash generated from Operations</b>                               | <b>884,665,659</b>   | <b>(720,535,535)</b> |
| <b>Adjustments for :</b>  |                      |                      |
| Income Taxes (Paid) / Refund  | (4,873,675)          | 3,123,701            |
| Prior Period adjustment   |                      | 33,838               |
|   | <b>(4,873,675)</b>   | <b>3,157,539</b>     |
| <b>Net Cash from Operating Activities</b>                           | <b>879,791,984</b>   | <b>(717,377,996)</b> |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>                       |                      |                      |
| Purchase of Fixed Assets & Changes in CWIP                          | (878,182,841)        | (38,625,789)         |
| Net cash on acquisition of New Subsidiary                           | -                    | -                    |
| Investment in of Shares & Other Investments (Net)                   | 575,414              | 9,785,858            |
| Dividend Received   | 5,101,017            | 5,119,503            |
| Interest Received   | 645,672              | 4,203,624            |
| <b>Net Cash (used in) / from Investing Activities</b>               | <b>(871,860,738)</b> | <b>(19,516,804)</b>  |



**CASH FLOW STATEMENT CONTINUES.....**

(Amount in ₹)

| Particulars   | 2015-16             | 2014-15      |
|---|---------------------|--------------|
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>                 |                     |              |
| Proceeds from issue of Shares to Minority                     | 7,399,000           | -            |
| Increase/(Decrease) in Secured Loans                          | (69,432,860)        | 85,884,934   |
| Increase/(Decrease) in Un Secured Loans                       | 123,147,546         | 700,050,467  |
| Interest Paid   | (44,975,054)        | (37,826,102) |
| Dividend Paid   | (15,166,237)        | (14,967,580) |
| Decrease/ (Increase) in restricted deposits                   | (14,006,084)        | 13,267,602   |
| <b>Net Cash (used in) / from Financing Activities</b>         | <b>(13,033,689)</b> | 746,409,321  |
| <b>NET CASH GENERATED / (UTILISED)</b>                        | <b>(5,102,443)</b>  | 9,514,521    |
| <b>Reconciliation : See Note 2 &amp; 3 below</b>              |                     |              |
| Opening Cash and Cash Equivalent                              | 11,462,480          | 1,947,959    |
| <b>Closing Cash and Cash Equivalent</b>                       | <b>6,360,037</b>    | 11,462,480   |
| <b>Net Increase/(decrease) in Cash &amp; Cash Equivalents</b> | <b>(5,102,443)</b>  | 9,514,521    |

**Notes:**

| 1 Components of Cash and Cash Equivalents | 2015-16          | 2014-15    | Change Over previous Year |
|---|------------------|------------|---------------------------|
| Cash in Hand                              | 947,344          | 225,273    | 722,071                   |
| Balances with Banks                       | 5,412,693        | 11,237,207 | (5,824,514)               |
| <b>Total</b>                              | <b>6,360,037</b> | 11,462,480 | (5,102,443)               |

2 Previous Figures are regrouped wherever required to make them comparable with current year

3 Notes to Accounts form an integral part of Cash Flow Statement

As per our report of even date attached

For Surana Telecom and Power Limited

**For Sekhar & Co**  
Chartered Accountants  
Firm's Registration Number : 003695-S

**G.Ganesh**  
Partner  
Membership No: 211704

**Narender Surana**  
Chairman  
DIN: 00075086

**Devendra Surana**  
Director  
DIN: 00077296

**D. Srinivas**  
Company Secretary  
ACS: 23425

Place : Secunderabad

Date : May 24 , 2016

## 1. Significant Accounting Policies

- i. The Financial Statements of the Company and its Subsidiary companies are combined on line by line basis by adding together the book value of like items of Assets, Liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses in accordance with Accounting Standard-21-“ consolidated Financial Statements” issued by Ministry of Corporate Affairs .
- ii. In case of consolidation of Associate Company's Accounts, the Financial Statements are combined on equity basis by adjusting post acquisition changes in the investor's share of net assets of the investee after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses in accordance with Accounting Standard-23-“Accounting for Investments in Associates in consolidated Financial Statements” issued by Ministry of Corporate Affairs.
- iii. The consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the company's separate financial statements.
- iv. Investments other than in subsidiary and associates has been accounted as per AS-13 “Accounting for Investments” issued by Ministry of Corporate Affairs.
- v. Other significant Accounting Policies:

These are set out under significant accounting policies as given in the standalone financial statements of Surana Telecom and Power Limited.

## Notes To Consolidated Balance Sheet

(Amount in ₹)

| Particulars  | Sub Note | As at<br>31.03.2016 | As at<br>31.03.2015 |
|--|----------|---------------------|---------------------|
| <b>Note : 2.1</b>  |          |                     |                     |
| <b>Share Capital</b>   |          |                     |                     |
| <b>a. Authorized</b>   |          |                     |                     |
| 15,00,00,000 Equity shares of ₹ 1/-each (March 31, 2015 :<br>15,00,00,000 Equity shares of ₹ 1/- each) |          |                     |                     |
| <b>TOTAL</b>   |          | <b>150,000,000</b>  | 150,000,000         |
| <b>b. Issued, Subscribed and Paid-Up Capital</b>   |          |                     |                     |
| 10,40,22,000 Equity shares of ₹ 1/- each (March 31, 2015:<br>10,40,22,000 Equity shares of ₹ 1/- each) |          |                     |                     |
| <b>TOTAL</b>   |          | <b>104,022,000</b>  | 104,022,000         |

**c. Reconciliation of shares outstanding at the beginning of the Reporting period**

|  | No of<br>shares | As at<br>31.03.2016 | No of<br>shares | As at<br>31.03.2015 |
|--|-----------------|---------------------|-----------------|---------------------|
| At beginning of the year   | 104,022,000     | <b>104,022,000</b>  | 20,804,400      | 104,022,000         |
| Outstanding at the end of the year   | 104,022,000     | <b>104,022,000</b>  | 104,022,000     | 104,022,000         |
| There were no Bonus shares, forfeited shares<br>and buy back of shares in last five years. |                 |                     |                 |                     |

**d. Equity Shareholder Holding Morethan 5% of Equity Shares are given below.**

| Name of Shareholder       | As at 31.03.2016 |                   | As at 31.03.2015 |              |
|---------------------------|------------------|-------------------|------------------|--------------|
|                           | %                | No of shares      | %                | No of shares |
| Bhagyanagar India Limited | <b>9.05</b>      | <b>9,412,201</b>  | 9.03             | 9,395,150    |
| Narender Surana           | <b>18.48</b>     | <b>19,219,260</b> | 18.43            | 19,172,075   |
| Devendra Surana           | <b>14.74</b>     | <b>15,328,015</b> | 14.73            | 15,328,015   |
| <b>TOTAL</b>              |                  | <b>43,959,476</b> |                  | 43,895,240   |

| Particulars                                 | Sub Note | As at<br>31.03.2016 | As at<br>31.03.2015 |
|---|----------|---------------------|---------------------|
| <b>Note : 2.2</b>                           |          |                     |                     |
| <b>Reserves and Surplus</b>                 |          |                     |                     |
| <b>(i) General Reserves</b>                 |          |                     |                     |
| Balance at Beginning of the Year            |          | <b>260,352,578</b>  | 255,570,967         |
| Depreciation adjustment                     |          | -                   | (218,389)           |
| surplus on account of abandonment of asset  |          | -                   | -                   |
| Add: Transferred from Profit & Loss Account |          | -                   | 5,000,000           |
| <b>Balance at the year end</b>              |          | <b>260,352,578</b>  | 260,352,578         |
| <b>(ii) Captial Redemption Reserve</b>      |          |                     |                     |
| Balance at Beginning of the Year            |          | <b>24,000,000</b>   | 24,000,000          |
| <b>Balance at the year end</b>              |          | <b>24,000,000</b>   | 24,000,000          |
| <b>(iii) Captial Reserve</b>                |          |                     |                     |
| Balance at Beginning of the Year            |          | -                   | -                   |
| Capital account surplus                     |          | <b>610,749</b>      | -                   |
| <b>Balance at the year end</b>              |          | <b>610,749</b>      | -                   |
| <b>(iv) Revaluation Reserve</b>             |          |                     |                     |
| Balance at Beginning of the Year            |          | <b>19,052,742</b>   | 26,947,382          |
| Adjusted Against Depreciation               |          | -                   | (7,894,640)         |
| <b>Balance at the year end</b>              |          | <b>19,052,742</b>   | 19,052,742          |
| <b>(v) Central Subsidy</b>                  |          | <b>3,500,000</b>    | 3,500,000           |

(Amount in ₹)

| Particulars  | Sub Note | As at<br>31.03.2016 | As at<br>31.03.2015 |
|--|----------|---------------------|---------------------|
| <b>(vi) Surplus</b>  |          |                     |                     |
| Balance of Profit and Loss account Available for Appropriation |          | <b>184,589,378</b>  | 186,790,114         |
| Add: Profit During the Year                                    |          | <b>12,913,391</b>   | 15,316,671          |
| Add: Minority Interest (Current Year's Profit                  |          | <b>64,333</b>       | 2,461,232           |
| Amount Available for Appropriation                             |          | <b>197,567,102</b>  | 204,568,017         |
| Less : Appropriations  |          |                     |                     |
| Proposed Equity Dividend                                       |          | -                   | 12,482,640          |
| Tax on Proposed Equity Dividend                                |          | -                   | 2,496,000           |
| Transfer to General Reserve                                    |          | -                   | 5,000,000           |
| <b>Balance at the year end</b>                                 |          | <b>197,567,102</b>  | 184,589,377         |
| <b>TOTAL</b>   |          | <b>505,083,171</b>  | 491,494,697         |

| Particulars                                  | Sub Note | As at<br>31.03.2016 | As at<br>31.03.2015 |
|--|----------|---------------------|---------------------|
| <b>Note: 2.2(a)</b>                          |          |                     |                     |
| Minority Interest                            |          |                     |                     |
| Opening Balance                              |          | <b>21,973,471</b>   | 24,385,703          |
| Add: Minority interest of Subsidiary Company |          | <b>7,399,000</b>    | 49,000              |
| Current year's Profit & Loss account         |          | <b>(64,333)</b>     | (2,461,232)         |
| <b>TOTAL</b>                                 |          | <b>29,308,138</b>   | 21,973,471          |

| Particulars                  | Sub Note | As at<br>31.03.2016  | As at<br>31.03.2015 |
|------------------------------|----------|----------------------|---------------------|
| <b>Note : 2.3</b>            |          |                      |                     |
| <b>Long-Term Borrowings</b>  |          |                      |                     |
| <b>Secured</b>               |          |                      |                     |
| (a) Term Loan from Bank      | 2.3 (a)  | <b>160,385,212</b>   | 222,552,489         |
| <b>Un Secured</b>            |          |                      |                     |
| (a) Loan from Body Corporate | 2.3 (b)  | <b>187,062,885</b>   | 100,821,135         |
| (b) Loan from Director       | 2.3 (c)  | <b>771,360,000</b>   | 725,000,000         |
| <b>TOTAL</b>                 |          | <b>1,118,808,097</b> | 1,048,373,624       |

**Notes:**

**2.3 (a)** Term Loan from Indian Overseas Bank is secured by way of first charge on the Solar Power Project assets, Wind Power Turbine and second charge on fixed assets of the company presently charged to Corporation Bank and State Bank of India. Further, it has been guaranteed by the some of the directors of the company. The loan is repayable in 25 quarterly installments beginning from March 2013. Accordingly, amount due with in a Year is ₹ 4,00,00,000/- which is classified under "Other Current Liabilities" .

| 2.3 (b) Name of the related party   | Balance as on<br>31.03.2016 | Balance as on<br>31.03.2015 |
|-------------------------------------|-----------------------------|-----------------------------|
| Bhagyanagar Securities Pvt Ltd      | <b>97,547,381</b>           | 64,310,060                  |
| Surana Infocom Private Limited      | <b>20,815,504</b>           | 1,501,075                   |
| Innova Technologies Private Limited | <b>18,700,000</b>           | -                           |
| <b>Total</b>                        | <b>137,062,885</b>          | 65,811,135                  |

**2.3 (c)** There is no specific schedule for repayment of unsecured loan taken from Body Corporate.

(Amount in ₹)

| 2.3 (d) | Name of the related party | Balance as on<br>31.03.2016 | Balance as on<br>31.03.2015 |
|---------|---------------------------|-----------------------------|-----------------------------|
|         | Narender Surana           | 11,700,000                  | -                           |
|         | Vishal Atha               | 638,150,000                 | 620,000,000                 |
|         | Bharat Atha               | 111,500,000                 | 105,000,000                 |
|         | Arun Kumar Kedia          | 10,000,000                  | -                           |
|         | <b>TOTAL</b>              | <b>771,350,000</b>          | <b>725,000,000</b>          |

| Particulars                  | Sub Note | As at<br>31.03.2016 | As at<br>31.03.2015 |
|------------------------------|----------|---------------------|---------------------|
| <b>Note: 2.4</b>             |          |                     |                     |
| <b>Short-Term Borrowings</b> |          |                     |                     |
| <b>Secured</b>               |          |                     |                     |
| (a) Cash Credit              | 2.4 (a)  | 14,815,554          | 22,081,137          |
| <b>TOTAL</b>                 |          | <b>14,815,554</b>   | <b>22,081,137</b>   |

**Notes:**

**2.4 (a)** Cash Credit facilities from Scheduled Banks are secured against certain Fixed Assets and Current Assets of the Company on pari-passu basis. Further, it has been guaranteed by the Directors of the Company.

| Particulars           | Sub Note | As at<br>31.03.2016 | As at<br>31.03.2015 |
|-----------------------|----------|---------------------|---------------------|
| <b>Note: 2.5</b>      |          |                     |                     |
| <b>Trade Payables</b> |          |                     |                     |
| Sundry Creditors      | 2.5 (a)  | 140,437,888         | 70,069,403          |
| <b>TOTAL</b>          |          | <b>140,437,888</b>  | <b>70,069,403</b>   |

**Notes:**

| 2.5 (a) | Name of the related party                       | Balance as on<br>31.03.2016 | Balance as on<br>31.03.2015 |
|---------|---|-----------------------------|-----------------------------|
|         | Surana Solar Ltd (formerly Surana Ventures Ltd) | 96,679,144                  | 56,174,514                  |
|         | <b>TOTAL</b>                                    | <b>96,679,144</b>           | <b>56,174,514</b>           |

**2.5 (b)** In case of Trade Payables, Letter of confirmations of balances were sent, Hence the balances as on the date of Balance Sheet are Subject to Confirmation and Reconciliation.

**2.5 (c)** As per the information available with the company about the Industry Status of the Creditors, There are no dues to Micro and Small Enterprises under the Micro, Small and Medium Enterprises development Act, 2006.

| Particulars                                      | Sub Note | As at<br>31.03.2016 | As at<br>31.03.2015 |
|--|----------|---------------------|---------------------|
| <b>Note: 2.6</b>                                 |          |                     |                     |
| <b>Other Current Liabilities</b>                 |          |                     |                     |
| (a) Current Maturity on Long Term Debt (Secured) |          |                     |                     |
| - Repayment of Term Loan from Bank               |          | 61,000,000          | 61,000,000          |
| - Repayment of Deferred Sales tax                | 2.6 (a)  | -                   | 9,454,204           |
| (b) Unclaimed Dividends                          |          | 2,877,023           | 3,064,620           |
| (c) Other Payables                               |          |                     |                     |
| - Other Liabilities                              |          | 11,067,647          | 9,447,498           |
| - Lease Deposits                                 |          | 8,002,395           | 6,202,395           |
| - Advance from Customers                         | 2.6 (b)  | 11,749,500          | 35,389,334          |
| <b>TOTAL</b>                                     |          | <b>94,696,565</b>   | <b>124,558,051</b>  |

**Notes:**

**2.6 (a)** Represents the interest free sales tax deferment (loan) availed from Government of Andhra Pradesh and the repayment is based on regulations specified in the eligibility certificates issued by Department of Industries. Accordingly, due for the current year, has been repaid and account has become nil.

| <b>2.6 (b)</b> | <b>Name of the related party</b>                | <b>Balance as on<br/>31.03.2016</b> | <b>Balance as on<br/>31.03.2015</b> |
|----------------|---|-------------------------------------|-------------------------------------|
|                | Surana Solar Ltd (formerly Surana Ventures Ltd) | -                                   | 24,131,951                          |
|                | Bhagyanagar India Limited                       | <b>454,644</b>                      | 7,532,527                           |
|                | <b>Total</b>                                    | <b>454,644</b>                      | 31,664,478                          |

| <b>Particulars</b>           | <b>Sub Note</b> | <b>As at<br/>31.03.2016</b> | <b>As at<br/>31.03.2015</b> |
|------------------------------|-----------------|-----------------------------|-----------------------------|
| <b>Note: 2.7</b>             |                 |                             |                             |
| <b>Short-Term Provisions</b> |                 |                             |                             |
| (a) Provision for Bonus      |                 | <b>60,000</b>               | 25,000                      |
| (b) Proposed Dividend        |                 | -                           | 12,482,640                  |
| (c) Tax on Dividend          |                 | -                           | 2,496,000                   |
|                              |                 | -                           |                             |
| <b>TOTAL</b>                 |                 | <b>60,000</b>               | 15,003,640                  |

(Amount in ₹)

## Annexure : 2.8 Fixed Assets

| Particulars                | Freehold Land     | Leasehold Land    | Factory Buildings | P & M- Others      | P & M- Solar Power | P & M- wind Power | Office Equipment  | Vehicles         | Furniture & Fixtures | Computer         | Computer software | Grand Total          |
|----------------------------|-------------------|-------------------|-------------------|--------------------|--------------------|-------------------|-------------------|------------------|----------------------|------------------|-------------------|----------------------|
| <b>A. Gross Block</b>      |                   |                   |                   |                    |                    |                   |                   |                  |                      |                  |                   |                      |
| At 1st April, 2014         | 82,508,081        | 48,451,366        | 76,316,482        | 352,858,664        | 517,658,568        | 63,550,092        | 19,037,115        | 6,020,186        | 11,392,177           | 3,282,616        | -                 | 1,181,075,347        |
| Additions                  | 65,000            | 2,414,994         | 60,000            | -                  | 254,974,372        | -                 | 164,948           | -                | 1,617,094            | -                | 143,220           | 259,439,634          |
| Disposals                  | (36,873,100)      | -                 | -                 | -                  | -                  | -                 | (575,056)         | (661,184)        | (358,281)            | (853,803)        | -                 | (99,321,424)         |
| At 31st March, 2015        | 45,699,981        | 50,866,360        | 76,376,482        | 352,858,664        | 772,632,940        | 63,550,092        | 18,627,007        | 5,359,002        | 12,650,990           | 2,428,813        | 143,220           | 1,401,193,557        |
| Additions                  | 5,090,565         | 1,578,540         | -                 | 11,266,985         | -                  | -                 | -                 | -                | -                    | -                | -                 | 17,936,090           |
| Disposals                  | -                 | -                 | -                 | -                  | -                  | -                 | -                 | -                | -                    | -                | -                 | -                    |
| <b>At 31st March, 2016</b> | <b>50,790,546</b> | <b>52,444,900</b> | <b>76,376,482</b> | <b>364,125,649</b> | <b>772,632,940</b> | <b>63,550,092</b> | <b>18,627,007</b> | <b>5,359,002</b> | <b>12,650,990</b>    | <b>2,428,813</b> | <b>143,220</b>    | <b>1,419,129,647</b> |
| <b>B. Depreciation</b>     |                   |                   |                   |                    |                    |                   |                   |                  |                      |                  |                   |                      |
| At 1st April, 2014         | -                 | 3,875,340         | 42,249,219        | 311,939,498        | 151,172,545        | 23,497,294        | 13,075,835        | 3,966,450        | 7,829,298            | 3,232,855        | -                 | 560,838,334          |
| Charge for the Year        | -                 | 1,900,537         | 1,233,048         | 2,429,641          | 71,524,476         | 2,458,353         | 411,129           | 304,458          | 772,958              | -                | 13,472            | 81,048,070           |
| Disposals                  | -                 | -                 | -                 | -                  | -                  | -                 | (459,387)         | (640,578)        | (328,988)            | (834,026)        | -                 | (2,262,976)          |
| Adjustment                 | -                 | -                 | -                 | 4,300,289          | -                  | -                 | 3,812,739         | -                | -                    | -                | -                 | 8,113,024            |
| At 31st March, 2015        | -                 | 5,775,877         | 43,482,267        | 318,669,428        | 222,697,021        | 25,955,647        | 16,840,316        | 3,630,330        | 8,273,268            | 2,398,829        | 13,472            | 647,736,454          |
| Charge for the period      | -                 | 1,917,283         | 1,252,050         | 2,465,257          | 71,287,710         | 2,458,353         | 319,529           | 303,834          | 824,166              | -                | 47,740            | 80,875,920           |
| Disposals                  | -                 | -                 | -                 | -                  | -                  | -                 | -                 | -                | -                    | -                | -                 | -                    |
| Adjustment                 | -                 | -                 | -                 | -                  | -                  | -                 | -                 | -                | -                    | -                | -                 | -                    |
| <b>At 31st March, 2016</b> | <b>-</b>          | <b>7,693,160</b>  | <b>44,734,317</b> | <b>321,134,685</b> | <b>293,984,731</b> | <b>28,414,000</b> | <b>17,159,845</b> | <b>3,934,164</b> | <b>9,097,434</b>     | <b>2,398,829</b> | <b>61,212</b>     | <b>728,612,374</b>   |
| <b>C. Net Block (A-B)</b>  |                   |                   |                   |                    |                    |                   |                   |                  |                      |                  |                   |                      |
| At 31st March, 2015        | 45,699,981        | 45,090,483        | 32,894,215        | 34,189,236         | 549,935,919        | 37,594,445        | 1,786,691         | 1,728,672        | 4,377,722            | 29,984           | 129,748           | 753,457,098          |
| At 31st March, 2016        | 50,790,546        | 44,751,740        | 31,642,165        | 42,990,964         | 478,648,209        | 35,136,092        | 1,467,162         | 1,424,838        | 3,553,556            | 29,984           | 82,008            | 690,517,273          |

(Amount in ₹)

| Particulars  | Sub Note | As at<br>31.03.2016 | As at<br>31.03.2015 |
|--|----------|---------------------|---------------------|
| <b>Note: 2.9</b>   |          |                     |                     |
| <b>Non-Current Investments</b>   |          |                     |                     |
| (Long Term at Cost, Unless Otherwise Specified)  |          |                     |                     |
| <b>A) Unquoted Investments (At Cost)</b>   |          |                     |                     |
| <b>a) In Companies under the same management</b>   |          |                     |                     |
| 1,50,000 (March 31, 2015: 1,50,000) Equity Shares of ₹ 10/- each of Bhagyanagar Securities Pvt Ltd   |          | <b>18,000,000</b>   | 18,000,000          |
| <b>SUB TOTAL</b>   |          | <b>18,000,000</b>   | 18,000,000          |
| <b>B) Quoted Investments (At Cost)</b>   |          |                     |                     |
| <b>a) In Companies under the Same Management</b>   |          |                     |                     |
| 22,90,331 (March 31, 2015: 22,90,331) Equity Shares of ₹ 2/- each of Bhagyanagar India Ltd   |          | <b>35,201,302</b>   | 35,201,302          |
| 88,20,000 (March 31, 2014: 44,10,000 Equity Shares of ₹ 10/-) Equity shares of ₹ 5/- each of Surana Solar Ltd (formerly Surana Ventures Ltd) |          | <b>44,100,000</b>   | 44,100,000          |
| <b>SUB TOTAL</b>   |          | <b>79,301,302</b>   | 79,301,302          |
| <b>b) In Other Companies (At Cost)</b>   |          |                     |                     |
| Nil (March 31, 2015: 200 ) Equity Shares of ₹ 10/- each of Linde India Ltd (Formerly BOC India Ltd)  |          | -                   | 45,510              |
| Nil (March 31, 2015: 50,000 ) Equity Shares of ₹ 10/- each of Dolphin Medical Services Limited   |          | -                   | 600,000             |
| Nil (March 31, 2015: 300 ) Equity Shares of ₹ 10/- each of Paryys Sugar Industries Ltd   |          | -                   | 25,482              |
| Nil (March 31, 2015: 100 ) Equity Shares of ₹ 10/- each of Indswift Laboratories Limited   |          | -                   | 14,700              |
| Nil (March 31, 2015: 17,315) Equity Shares of ₹ 10/- each of Megasoft Limited  |          | -                   | 2,407,415           |
| Nil (March 31, 2015: 45) Equity Shares of ₹ 10/- each of Mahindra Lifespace Developers Limited   |          | -                   | 23,307              |
| Nil (March 31, 2015: 610) Equity Shares of ₹ 10/- each of Mahanagar Telephone Nigam Limited  |          | -                   | 85,368              |
| 6 (March 31, 2015: 6) Equity Shares of ₹ 10/- each of Prithvi Information Solutions Limited  |          | <b>301</b>          | 301                 |
| Nil (March 31, 2015: 10,000) Equity Shares of ₹ 10/- each of Sree Shakti Paper Mills Limited   |          | -                   | 300,000             |
| Nil (March 31, 2015: 2,107) Equity Shares of ₹ 10/- each of Talbors Automotive Components Limited  |          | -                   | 214,915             |
| <b>SUB TOTAL</b>   |          | <b>301</b>          | 3,716,998           |
| <b>GRAND TOTAL</b>   |          | <b>97,301,603</b>   | 101,018,300         |
| Aggregate Market Value of Quoted Investments   |          | <b>233,501,967</b>  | 618,554,534         |



(Amount in ₹)

| Particulars                                     | Sub Note | As at<br>31.03.2016 | As at<br>31.03.2015 |
|---|----------|---------------------|---------------------|
| <b>Note: 2.10</b>                               |          |                     |                     |
| <b>Long Term Loans and Advances</b>             |          |                     |                     |
| (Unsecured, Considered Good)                    |          |                     |                     |
| <b>a) Loans and advances to related parties</b> |          |                     |                     |
| Other receivables                               | 2.10 (a) | -                   | 7,591,308           |
| <b>b) Security Deposits</b>                     |          |                     |                     |
| Deposits  |          | 3,941,102           | 3,857,102           |
| <b>c) Taxes paid under protest</b>              |          |                     |                     |
|   |          | 32,940,558          | 32,940,558          |
| <b>TOTAL</b>                                    |          | <b>36,881,660</b>   | 44,388,968          |

**Note:**

**2.10 (a)** The company has surrendered the Land allotted to it by MIDC in the IT/ITES Park at Pune. MIDC has repaid substantial part of amount after deducting ₹ 75,91,308/- Due to low possibility of recovery of the aforesaid amount, the company has written off the same. The Company has also filed a legal suit in appropriate court to recover the same. The realization of the amount is subject to outcome of court judgement.

| Particulars  | Sub Note | As at<br>31.03.2016 | As at<br>31.03.2015 |
|--|----------|---------------------|---------------------|
| <b>Note: 2.11</b>                                  |          |                     |                     |
| <b>Inventories</b>                                 |          |                     |                     |
| (Valued at Lower of Cost and Net Realizable Value) |          |                     |                     |
| a) Raw Materials                                   |          | -                   | 182,000             |
| b) Traded Goods                                    |          | 189,039,106         | 189,120,432         |
| <b>TOTAL</b>                                       |          | <b>189,039,106</b>  | 189,302,432         |

| Particulars   | Sub Note | As at<br>31.03.2016 | As at<br>31.03.2015 |
|---|----------|---------------------|---------------------|
| <b>Note: 2.12</b>   |          |                     |                     |
| <b>Trade Receivables</b>  |          |                     |                     |
| (Unsecured, considered good unless stated otherwise)  |          |                     |                     |
| (i) Aggregate amount of Trade Receivables Outstanding for a Period Less Than Six Months       | 2.12(a)  | 41,170,850          | 22,046,913          |
| (ii) Aggregate amount of Trade Receivables Outstanding for a Period Exceeding Than Six Months |          | 631,096             | 8,390,305           |
| <b>TOTAL</b>  |          | <b>41,801,946</b>   | 30,437,218          |

**Notes: Due from Related Party**

| 2.12 (a) | Name of the Company                      | Balance as on<br>31.03.2016 | Balance as on<br>31.03.2015 |
|----------|--|-----------------------------|-----------------------------|
|          | Bhagyanagar Green Energy Ltd             | -                           | 2,700,267                   |
|          | Tejas India Solar Energy Private Limited | 18,802,500                  | -                           |
|          | Surana Solar Ltd                         | 8,045,522                   |                             |
|          | <b>TOTAL</b>                             | <b>26,848,022</b>           | 2,700,267                   |

**2.12 (b)** In case of Trade Receivables, Letter of confirmations of balances were sent, Hence the balances as on the date of Balance Sheet are Subject to Confirmation and Reconciliation.

(Amount in ₹)

| Particulars                                | Sub Note | As at<br>31.03.2016 | As at<br>31.03.2015 |
|--|----------|---------------------|---------------------|
| <b>Note: 2.13</b>                          |          |                     |                     |
| <b>Cash and Bank Balances</b>              |          |                     |                     |
| <b>(a) Cash and Cash Equivalents</b>       |          |                     |                     |
| Current Account with Bank                  |          | 5,412,693           | 11,237,207          |
| Cash on hand                               |          | 947,344             | 225,273             |
| <b>Sub-Total (A)</b>                       |          | <b>6,360,037</b>    | <b>11,462,480</b>   |
| <b>(b) Other Balances</b>                  |          |                     |                     |
| Dividend Account                           |          | 2,877,023           | 3,064,620           |
| Deposit Held to the Extent of Margin Money |          | 18,013,684          | 3,834,049           |
| Accrued interest on deposits with banks    |          | 305,219             | 291,173             |
| <b>Sub-Total (B)</b>                       |          | <b>21,195,926</b>   | <b>7,189,842</b>    |
| <b>TOTAL (A+B)</b>                         |          | <b>27,555,963</b>   | <b>18,652,322</b>   |

**Note:**

**2.13 (a)** Section 125 of the companies Act, 2013 mandates that companies transfer dividend that has been unclaimed for a period of seven years from unpaid dividend account to the Investor Education and Protection Fund (IEPF). Accordingly, dividend pertaining to the year 2007-08 at ₹ 6,31,557/- has been transferred to IEPF.

| Particulars                                       | Sub Note | As at<br>31.03.2016 | As at<br>31.03.2015 |
|---|----------|---------------------|---------------------|
| <b>Note: 2.14</b>                                 |          |                     |                     |
| <b>Short-Term Loans and Advances</b>              |          |                     |                     |
| (Unsecured, Considered Good)                      |          |                     |                     |
| (a) Advance for machinery and other Capital goods |          | 3,700,000           | 720,700,000         |
| (b) Advance Tax & TDS (Net of Provisions)         |          | 3,246,343           | 603,278             |
| (c) Advance to Suppliers                          | 2.14(a)  | 17,900,000          | 1,727,730           |
| (d) Other Advances / receivables                  |          | 4,058,277           | 425,264             |
| (d) Deposits                                      |          | -                   | -                   |
| Other deposits                                    |          | 10,000              | -                   |
| E.M.D   |          | -                   | 1,000,000           |
| <b>TOTAL</b>                                      |          | <b>28,914,620</b>   | <b>724,456,272</b>  |

**Note:****2.14 (a) Due from Related Party**

| Name of the Company                    | Balance as on<br>31.03.2016 | Balance as on<br>31.03.2015 |
|--|-----------------------------|-----------------------------|
| Surana Solar Ltd (Surana Ventures Ltd) | 8,900,000                   | -                           |
| <b>Total</b>                           | <b>8,900,000</b>            | <b>-</b>                    |

| Particulars                             | Sub Note | As at<br>31.03.2016 | As at<br>31.03.2015 |
|---|----------|---------------------|---------------------|
| <b>Note: 2.15</b>                       |          |                     |                     |
| <b>Other Current Assets</b>             |          |                     |                     |
| (Un Secured and considered good)        |          |                     |                     |
| (a) Loan against pledge of securities   |          | 18,394,171          | 18,394,171          |
| (b) Balances with Statutory Authorities |          | 17,997,125          | 18,182,513          |
| <b>TOTAL</b>                            |          | <b>36,391,296</b>   | <b>36,576,684</b>   |

(Amount in ₹)

| Particulars                       | Sub Note | For the year ended<br>31st March 2016 | For the year ended<br>31st March 2015 |
|-----------------------------------|----------|---------------------------------------|---------------------------------------|
| <b>Note: 2.16</b>                 |          |                                       |                                       |
| <b>Revenue from Operations</b>    |          |                                       |                                       |
| (a) Sale of products              |          |                                       |                                       |
| Solar Power                       |          | 142,977,037                           | 121,082,188                           |
| Wind Power                        |          | 4,786,255                             | 5,616,573                             |
| Electric Power Cable / Components |          | 3,131,335                             | 4,820,284                             |
| Traded Goods/ Solar Modules       |          | 90,708,356                            | 34,520,267                            |
| Sale of REC                       |          | 187,762                               | -                                     |
| <b>Gross Sales</b>                |          | <b>241,790,745</b>                    | 166,039,312                           |
| Lesss: sales tax                  |          | 2,089,759                             | 243,246                               |
| <b>Net Sales</b>                  |          | <b>239,700,986</b>                    | 165,796,066                           |
| (b) Infrastructure Leasing        |          | 15,229,182                            | 14,123,381                            |
| <b>TOTAL</b>                      |          | <b>254,930,168</b>                    | 179,919,447                           |

| Particulars   | Sub Note | For the year ended<br>31st March 2016 | For the year ended<br>31st March 2015 |
|---|----------|---------------------------------------|---------------------------------------|
| <b>Note: 2.17</b>                                   |          |                                       |                                       |
| <b>Other Income</b>                                 |          |                                       |                                       |
| (a) Interest Income                                 |          |                                       |                                       |
| Interest on Loans, Deposits and Others (Gross)      |          | 770,892                               | 4,062,068                             |
| (b) Dividend Income                                 |          | 5,101,017                             | 5,119,503                             |
| (c) Other Non-Operating Income                      |          | -                                     |                                       |
| Miscellaneous Income                                |          | 57,553                                | 432,825                               |
| Gain on Foreign Exchange Fluctuation                |          | -                                     | 6,307,229                             |
| Balances no Longer Payable Written Back             |          | 5,278,128                             | -                                     |
| Balances Written off in Earlier Years Received Back |          | -                                     | 106,317                               |
| <b>TOTAL</b>  |          | <b>11,207,590</b>                     | 16,027,942                            |

| Particulars                                  | Sub Note | For the year ended<br>31st March 2016 | For the year ended<br>31st March 2015 |
|--|----------|---------------------------------------|---------------------------------------|
| <b>Note: 2.18</b>                            |          |                                       |                                       |
| <b>Cost of Raw Material and Traded Goods</b> |          |                                       |                                       |
| Opening Stock - Raw Materials                |          | 182,000                               | 1,306,675                             |
| Opening Stock - Traded Goods                 |          | 189,120,432                           | 35,863,562                            |
| Add: Purchase of Traded goods                |          | 76,745,672                            | 186,442,322                           |
| Less: Closing Stock- Raw Materials           |          | -                                     | 182,000                               |
| Less: Closing Stock - Traded Goods           |          | 189,039,106                           | 189,120,432                           |
| <b>TOTAL</b>                                 |          | <b>77,008,998</b>                     | 34,310,127                            |

| Particulars                               | Sub Note | For the year ended<br>31st March 2016 | For the year ended<br>31st March 2015 |
|---|----------|---------------------------------------|---------------------------------------|
| <b>Note: 2.19</b>                         |          |                                       |                                       |
| Employee Benefits Expense                 |          |                                       |                                       |
| Salaries, Wages and Other Benefits        |          | 5,208,841                             | 2,733,419                             |
| Contribution to Provident and Other Funds |          | 340,522                               | 127,028                               |
| <b>TOTAL</b>                              |          | <b>5,549,363</b>                      | 2,860,447                             |

(Amount in ₹)

| Particulars             | Sub Note | For the year ended<br>31st March 2016 | For the year ended<br>31st March 2015 |
|-------------------------|----------|---------------------------------------|---------------------------------------|
| <b>Note: 2.20</b>       |          |                                       |                                       |
| <b>Finance Costs</b>    |          |                                       |                                       |
| Interest Expense        |          |                                       |                                       |
| On Cash Credit & Others |          | 11,160,724                            | 11,988,361                            |
| On Term Loan            |          | 32,171,599                            | 22,771,593                            |
| Financial Charges       |          | 2,846,637                             | 2,835,814                             |
| <b>TOTAL</b>            |          | <b>46,178,960</b>                     | <b>37,595,768</b>                     |

| Particulars                                   | Sub Note | For the year ended<br>31st March 2016 | For the year ended<br>31st March 2015 |
|---|----------|---------------------------------------|---------------------------------------|
| <b>Note: 2.21</b>                             |          |                                       |                                       |
| <b>Depreciation and Amortisation Expenses</b> |          |                                       |                                       |
| Depreciation                                  |          | 78,910,897                            | 79,134,067                            |
| Amortisation Expenses - Lease Premium/ Rent   |          | 1,965,023                             | 1,914,009                             |
| <b>TOTAL</b>                                  |          | <b>80,875,920</b>                     | <b>81,048,076</b>                     |

| Particulars                                    | Sub Note | For the year ended<br>31st March 2016 | For the year ended<br>31st March 2015 |
|--|----------|---------------------------------------|---------------------------------------|
| <b>Note: 2.22</b>                              |          |                                       |                                       |
| <b>Other Expenses</b>                          |          |                                       |                                       |
| Consumption of Stores and Spare Parts          |          | 56,758                                | 1,078,624                             |
| Travelling & Conveyance                        |          | 2,771,044                             | 448,220                               |
| Advertisement & Business Promotion             |          | 804,273                               | 303,783                               |
| Director's Remuneration                        |          | 1,960,000                             | -                                     |
| Director's Sitting fees                        |          | 108,000                               | 90,270                                |
| Watch & ward                                   |          | 1,355,770                             | 959,752                               |
| Power and Fuel                                 |          | 2,849,526                             | 2,806,290                             |
| Lease and other Rental charges                 | Note-(a) | 2,998,342                             | 263,298                               |
| Professional & Consultancy Charges             |          | 2,326,289                             | 1,715,138                             |
| Repairs & Maintenance                          |          | -                                     | -                                     |
| Buildings                                      |          | -                                     | 1,094,292                             |
| Machinery                                      | Note-(b) | 5,606,403                             | 3,808,242                             |
| Others   |          | 175,730                               | 11,905                                |
| Insurance                                      |          | 857,487                               | 613,630                               |
| Rates and Taxes                                |          | 769,328                               | 514,089                               |
| Packing & Forwarding                           |          | 399,582                               | 115,159                               |
| Loss on Foreign Exchange Fluctuation           |          | 1,269,166                             | -                                     |
| Loss on sale of Investments (Net of gains)     | Note-(c) | 3,141,386                             | 3,076,920                             |
| Sundry Balances Written Off/Assets written off |          | 9,002,623                             | 442,665                               |
| Miscellaneous Expenses                         |          | 3,751,248                             | 3,292,431                             |
| Payments to the Auditor                        |          | -                                     | -                                     |
| for Statutory Audit                            |          | 131,676                               | 112,360                               |
| for Tax Audit                                  |          | 41,220                                | 33,708                                |
| <b>TOTAL</b>                                   |          | <b>40,375,851</b>                     | <b>20,780,776</b>                     |

**Notes:**

- Lease and other Rental Charges includes ₹ 12,30,342/- in respect of Rent on transformers taken for Gujarat Unit.
- R & M to Machinery includes ₹ 22,18,540/- incurred for rectification of transformer at Gujarat Unit.
- The subsidiary company (M/s Globecom Infotech Pvt. Ltd) has surrendered the Land allotted by MIDC in the IT/ITES Park at Pune. MIDC has repaid substantial part of amount after deducting ₹ 75,91,308/-. Due to low possibility of recovery of abovesaid amount, The Company has written off the amount of ₹ 82,02,057/- given to subsidiary Company .

**(All amounts in Rupees except Share Data and Unless Otherwise Stated)****Merger of Solar Power Unit of M/s Bhagyanagar India Limited with the Company.**

Persuant to Scheme of Arrangement under section 391 to 394 of the Companies Act, 1956, According to the scheme, the Solar power unit of M/s Bhagyanagar India Limited would merge and vest in to the Company, on going concern basis. The scheme has been approved by The Board of Directors at their meeting held on 12th October 2015, and subject to necessary consents and other approvals as may be required including that of shareholders of the Company.

Company has filed an application with Bomabay Stock Exchange Limited and National Stock Exchange of India Limited seeking approval in terms of the provisions of Clause 24(f) of the Listing Agreement and with Securities Exchange Board of India. The application has been accorded by them.

The Proposed Scheme of Arrangement is between M/s Bhagyanagar India Limited(BIL)and M/s Surana Telecom and Power Limited (STPL). The scheme is subject to approval of the Hon'ble High Court of Judicature of Telanagana and Andhra Pradesh at Hyderabad and regulators, the share holders, and creditors, if any, of BIL and STPL and any others, as may be directed by the Hon'ble High Court of Judicature of Telanagana and Andhra Pradesh at Hyderabad. The approval is awaited.

| Particulars                                  |   | As at<br>31.03.2016 | As at<br>31.03.2015 |
|--|---|---------------------|---------------------|
| <b>Note: 2.23</b>                            |   |                     |                     |
| <b>Contingent Liabilities and Guarantees</b> |   |                     |                     |
| <b>i</b>                                     | <b>Guarantees</b>   |                     |                     |
|  | a Unexpired Letters of Credit   | -                   | 1,443,200           |
|  | b Counter Guarantees given to the Bankers                                 | 27,200,000          | 11,000,000          |
|  | <b>Sub Total (A)</b>  | 27,200,000          | 12,443,200          |
| <b>ii</b>                                    | <b>Claims against the company not acknowledged as debts in respect of</b> |                     |                     |
|  | a Excise Matters, under Dispute   | 51,541,068          | 52,621,400          |
|  | b Sales Tax Matters, under Dispute  | 1,080,332           | 1,080,332           |
|  | <b>Sub Total (A) (see note below)</b>                                     | 52,621,400          | 53,701,732          |
|  | <b>Grand Total (A+B)</b>  | 79,821,400          | 66,144,932          |

**Note:** Out of the Total demand of ₹ 5,26,21,400/-, a sum of ₹ 3,29,40,558/- has been paid and the same is shown in note 2.10 of the Balance Sheet under the Head " Taxes paid under Protest".

iii Balance in Trade Receivables, Trade Payables, loans against shares and dues from statutory authorities are subject to reconciliation and confirmations. Changes if any will be recognised in the financial statements of repective years as and when they arise.

| Particulars                                   | for the year<br>ended<br>31.03.2016 | for the year<br>ended<br>31.03.2015 |
|---|-------------------------------------|-------------------------------------|
|   | Basic and<br>diluted                | Basic and<br>diluted                |
| <b>Note: 2.24</b>                             |                                     |                                     |
| <b>Earnings Per Share (EPS)</b>               |                                     |                                     |
| Net Profit After Tax                          | 12,913,391                          | 15,316,672                          |
| Net Profit available for Equity Share-Holders | 12,913,391                          | 15,316,672                          |
| No of Equity Shares- Basic                    | 104,022,000                         | 104,022,000                         |
| Nominal Value of each Equity Share (₹)        | 1.00                                | 1.00                                |
| Basic Earning per Share                       | 0.12                                | 0.15                                |

| Particulars  | As at<br>31.03.2016 | As at<br>31.03.2015 |
|--|---------------------|---------------------|
| <b>Note: 2.25</b>  |                     |                     |
| <b>Deferred Tax Liability</b>  |                     |                     |
| Deferred Tax adjustments recognised in the Financial Statements are as under |                     |                     |
| Deferred Tax Laibility as at the beginning of the year                       | 1,876,252           | 2,447,080           |
| Liability / (Asset) arising during the year                                  | 705,530             | (570,828)           |
| Deferred Tax Laibility as at the end of the year                             | 2,581,782           | 1,876,252           |

**Note:** The above Liability is only on account of timing difference of Depreciation

**Note: 2.26****Related Party Disclosure****a Related parties where significant influence exists and with whom transactions have taken place during the year**

|                                  |  |
|----------------------------------|--|
| 1 Surana Infocom Private Limited | 4 Bhagyanagar Green Energy Systems Pvt Ltd |
| 2 Innova Technologies Ltd        | 5 Bhagyanagar Securities Private Ltd       |
| 3 Surana Solar Ltd               | 6 Bhagyanagar Energy & Telecom Private Ltd |

**b Key Managerial Personnel**

|                    |               |
|--------------------|---------------|
| Narender Surana    | GM Surana     |
| Devendra Surana    | ChandKanwar   |
| Vinita Surana      | Manish Surana |
| D.Srinivas-CS      | Sresha Surana |
| Archit Agarwal-CFO |               |

**c Relatives of Key Managerial Personnel**

| Particulars   | For the year ended 2015-16 | For the year ended 2014-15 |
|---|----------------------------|----------------------------|
| <b>d The following is the summary of Related Party Transactions</b> |                            |                            |
| i Sale of Goods   | 73,631,636                 | 44,090,464                 |
| ii Purchase of Goods  | 104,843,224                | 56,174,514                 |
| iii Interest Paid   | 2,945,623                  | 1,667,861                  |
| iv Interest Received  | 104,351                    | 1,660,938                  |
| v Dividend Income   | 5,097,100                  | 5,097,100                  |
| vi Loans/ advances taken by the company                             | 232,835,489                | 809,943,480                |
| vii Loans/ advances given by the company                            | -                          | 158,362,379                |
| viii Loans Repaid by the company                                    | 115,233,739                | 69,350,894                 |
| ix Loans Repaid to the company                                      | -                          | 158,362,379                |
| x Advance from Customers  | 454,644                    | 31,664,478                 |
| xi Advance to Suppliers   | 8,900,000                  | -                          |
| xii Remuneration to Key Managerial Personnel                        | 3,220,000                  | 563,199                    |
| xiii Purchase of shares   | 7,650,000                  | -                          |

**e. The following are the significant related parties transactions**

| Particulars                            | For the year ended 2015-16 | For the year ended 2014-15 |
|--|----------------------------|----------------------------|
| <b>i Sales of goods</b>                |                            |                            |
| Surana Solar Limited                   | 39,278,382                 | 4,820,284                  |
| Bhagyanagar Green Energy Limited       | -                          | 34,520,267                 |
| Bhagyanagar India Limited              | 34,353,254                 | 4,749,913                  |
| <b>Total</b>                           | <b>73,631,636</b>          | <b>44,090,464</b>          |
| <b>ii Purchases of goods</b>           |                            |                            |
| Surana Solar Ltd                       | 104,843,224                | 56,174,514                 |
| <b>Total</b>                           | <b>104,843,224</b>         | <b>56,174,514</b>          |
| <b>iii Interest Paid</b>               |                            |                            |
| Bhagyanagar Securities Private Limited | 2,886,416                  | -                          |
| Surana Infocom Private Limited         | 59,207                     | 1,667,861                  |
| <b>Total</b>                           | <b>2,945,623</b>           | <b>1,667,861</b>           |

(Amount in ₹)

| Particulars |   | For the year ended<br>2015-16 | For the year ended<br>2014-15 |
|-------------|---|-------------------------------|-------------------------------|
| <b>iv</b>   | <b>Interest Received</b>                        |                               |                               |
|             | Surana Solar Ltd                                | -                             | 1,660,938                     |
|             | Surana Solar Systems Pvt Ltd                    | 104,351                       | -                             |
|             | <b>Total</b>                                    | <b>104,351</b>                | <b>1,660,938</b>              |
| <b>v</b>    | <b>Loans/ Advances Taken by the company</b>     |                               |                               |
|             | Bhagyanagar Securities Private Limited          | 134,907,774                   | 71,084,480                    |
|             | Surana Infocom Private Limited                  | 26,077,715                    | 13,859,000                    |
|             | Innvo Technologies Private Limited              | 22,100,000                    | -                             |
|             | Vishal Atha                                     | 18,150,000                    | 620,000,000                   |
|             | Bharat Atha                                     | 6,500,000                     | 105,000,000                   |
|             | Arun Kumar Kedia                                | 10,000,000                    | -                             |
|             | Narender Surana                                 | 15,100,000                    | -                             |
|             | <b>Total</b>                                    | <b>232,835,489</b>            | <b>809,943,480</b>            |
| <b>vi</b>   | <b>Loans/ Advances Given by the company</b>     |                               |                               |
|             | Surana Solar Ltd                                | -                             | 158,362,379                   |
|             | <b>Total</b>                                    | <b>-</b>                      | <b>158,362,379</b>            |
| <b>vii</b>  | <b>Loans/ Advances Repaid by company</b>        |                               |                               |
|             | Bhagyanagar Securities Private Limited          | 101,670,453                   | 54,150,894                    |
|             | Surana Infocom Private Limited                  | 6,763,286                     | 12,400,000                    |
|             | Innvo Technologies Private Limited              | 3,400,000                     | -                             |
|             | Narender Surana                                 | 3,400,000                     | -                             |
|             | Manish Surana                                   | -                             | 2,800,000                     |
|             | <b>Total</b>                                    | <b>115,233,739</b>            | <b>69,350,894</b>             |
| <b>viii</b> | <b>Loans/ Advances Repaid to the company</b>    |                               |                               |
|             | Surana Solar Ltd                                | -                             | 158,362,379                   |
|             | <b>Total</b>                                    | <b>-</b>                      | <b>158,362,379</b>            |
| <b>ix</b>   | <b>Advance from Customers</b>                   |                               |                               |
|             | Surana Solar Ltd                                | -                             | 24,131,951                    |
|             | Bhagyanagar India Ltd                           | 454,644                       | 7,532,527                     |
|             | <b>Total</b>                                    | <b>454,644</b>                | <b>31,664,478</b>             |
| <b>x</b>    | <b>Advance to Suppliers</b>                     |                               |                               |
|             | Surana Solar Ltd                                | 8,900,000                     | -                             |
|             | <b>Total</b>                                    | <b>8,900,000</b>              | <b>-</b>                      |
| <b>xi</b>   | <b>Remuneration to Key Managerial Personnel</b> |                               |                               |
|             | Vinita Surana-Director                          | 1,960,000                     | -                             |
|             | D.Srinivas -CS                                  | 840,000                       | 249,167                       |
|             | Archit agarwal-CFO/ Laxman Raju (Previous year) | 420,000                       | 314,032                       |
|             | <b>Total</b>                                    | <b>3,220,000</b>              | <b>563,199</b>                |
| <b>xii</b>  | <b>Purchase of shares</b>                       |                               |                               |
|             | Surana Infocom Private Limited                  | 7,650,000                     | -                             |
|             | <b>Total</b>                                    | <b>7,650,000</b>              | <b>-</b>                      |

| f The company has the following amounts due to/ from related parties |  | As at<br>31.03.2016  | As at<br>31.03.2015 |
|--|--|----------------------|---------------------|
| <b>i</b>   | <b>Due to Related Parties</b>          |                      |                     |
|  | Surana solar Limited                   | 96,679,144           | 80,306,465          |
|  | Bhagyanagar Securities Private Limited | 97,547,381           | 64,310,060          |
|  | Surana Infocom Private Limited         | 20,815,504           | 1,501,075           |
|  | Innvo Technologies Private Limited     | 18,700,000           | -                   |
|  | Bhagyanagar India Ltd                  | 454,644              | 7,532,527           |
|  | Narender Surana                        | 11,700,000           | -                   |
|  | Vishal Atha                            | 638,150,000          | 620,000,000         |
|  | Bharat Atha                            | 111,500,000          | 105,000,000         |
|  | Arun Kumar Kedia                       | 10,000,000           | -                   |
|  | <b>Total</b>                           | <b>1,005,546,673</b> | <b>878,650,127</b>  |
| <b>ii</b>  | <b>Due from Related Parties</b>        |                      |                     |
|  | Bhagyanagar Green Energy Limited       | -                    | 2,700,267           |
|  | Surana solar Limited                   | 16,945,522           | -                   |
|  | <b>Total</b>                           | <b>16,945,522</b>    | <b>2,700,267</b>    |

**Note: 2.27****Raw Material and Traded goods Consumed during the year**

| Particulars         |                                     | for the year ended<br>2015-16 | for the year ended<br>2014-15 |
|---------------------|-------------------------------------|-------------------------------|-------------------------------|
| <b>Traded Goods</b> |                                     |                               |                               |
| i                   | Alluminium Scrap                    | 1,353,446                     | 1,124,675                     |
| ii                  | Solar related Products              | 72,821,839                    | 31,076,531                    |
| iii                 | Others including incidental charges | 2,833,713                     | 2,108,921                     |
|                     | <b>Total</b>                        | <b>77,008,998</b>             | <b>34,310,127</b>             |

**Note :** Others include items which do not individually exceed 10 % of total Consumption

**Note: 2.28****Detailed of Imported and indigenous raw material, traded goods, spares and packing materials consumed**

| Particulars  | for the year ended 2015-16 |                           | for the year ended 2014-15 |                           |
|--------------|----------------------------|---------------------------|----------------------------|---------------------------|
|              | Value                      | % of total<br>Consumption | Value                      | % of total<br>Consumption |
| Imported     | 75,417,983                 | 97.93                     | 33,015,950                 | 96.23                     |
| Indigenous   | 1,591,015                  | 2.07                      | 1,294,177                  | 3.77                      |
| <b>Total</b> | <b>77,008,998</b>          | <b>100.00</b>             | <b>34,310,127</b>          | <b>100.00</b>             |

| Particulars                 | for the year ended<br>2015-16 | for the year ended<br>2014-15 |
|-----------------------------|-------------------------------|-------------------------------|
| <b>Note: 2.29</b>           |                               |                               |
| <b>CIF Value of imports</b> |                               |                               |
| Traded Goods                | 75,514,607                    | 186,346,320                   |
| <b>Total</b>                | <b>75,514,607</b>             | <b>186,346,320</b>            |



(Amount in ₹)

| Particulars                            | for the year ended<br>2015-16 | for the year ended<br>2014-15 |
|--|-------------------------------|-------------------------------|
| <b>Note: 2.30</b>                      |                               |                               |
| <b>Expenditure in foreign Currency</b> |                               |                               |
| Traded Goods                           | 75,514,607                    | 186,346,320                   |
| Travelling                             | 2,474,915                     | -                             |
| <b>Total</b>                           | <b>77,989,522</b>             | 186,346,320                   |

**Note: 2.31****Retirement and Other Employees Benefits**

The Company's employee benefits primarily cover provident fund, gratuity and leave encashment

Provident fund is a defined contribution scheme and the company has no further obligation beyond the contribution made to the fund. Contributions are charged to the Profit & Loss account in the year in which they accrue.

Gratuity liability is a defined benefit obligation and is based on the actuarial valuation done. The gratuity liability and the net periodic gratuity cost is actually determined after considering discounting rates, expected long term return on plan assets and increase in compensation level. All actuarial gain/ losses are immediately charged to the Profit & Loss account and are not deferred.

The following table summarises the components of Net Benefit expenses recognised in the Profit & Loss account and amount recognised in the Balance Sheet for the respective plans.

| Particulars   | Gratuity |          |
|---|----------|----------|
|   | 2015-16  | 2014-15  |
| <b>a Expenses recognised in the Profit &amp; Loss Account</b>                         |          |          |
| Current Service Cost  |          | 22,340   |
| Interest Cost   |          | 5,368    |
| Expected Return on Planned Assets   |          | (9,766)  |
| Net Actuarial (Gain) / Loss recognised in the year                                    |          | (74,997) |
| Expenses recognised in Statement of Profit and loss                                   |          | (57,055) |
| <b>b Change in Present value of obligation during the year ended 31st March, 2016</b> |          |          |
| Present Value of obligation as at beginning of the year                               |          | 67,103   |
| Interest cost   |          | 5,368    |
| Current service cost  |          | 22,340   |
| Benefits Paid-Actuals   |          | -        |
| Actuarial (gain) /loss  |          | (74,997) |
| Present Value of obligation as at end of the year                                     | -        | 19,814   |
| <b>c Change in fair value of Plan Assets during the year ended 31st March, 2016</b>   |          |          |
| Fair value of Plan Assets as at the beginning of the year                             |          | 108,506  |
| Expected return on Plan Assets  |          | 9,766    |
| Contributions   |          | -        |
| Benefits Paid   |          | -        |
| Fair value of Plan Assets as at the end of the year                                   |          | 118,272  |
| <b>d Actuarial Gain/ loss recognized</b>  |          |          |
| Actuarial (gain) / loss for the year -Obligation                                      |          | 74,997   |
| Actuarial (gain) / loss for the year -Plan Assets                                     |          | -        |
| Total (gain)/ Loss for the Year   |          | (74,997) |
| Actuarial (gain) / loss recognized in the year  |          | (74,997) |
| <b>e Actuarial assumption</b>   |          |          |
| Discount rate used  |          | 8%       |
| Salary escalation   |          | 4%       |



## Note: 2.32 Segemnt information

| Sl. No.  | Particulars                      | Solar Products       |                      | Wind Power        |                   | Others             |                    | (Amount in ₹)        |                      |
|----------|----------------------------------|----------------------|----------------------|-------------------|-------------------|--------------------|--------------------|----------------------|----------------------|
|          |                                  | 31.03.2016           | 31.03.2015           | 31.03.2016        | 31.03.2015        | 31.03.2016         | 31.03.2015         | 31.03.2016           | Total                |
| <b>1</b> | <b>REVENUE</b>                   |                      |                      |                   |                   |                    |                    |                      |                      |
|          | External sales                   | 143,164,799          | 121,082,188          | 4,786,255         | 5,616,573         | 91,386,056         | 38,550,856         | 239,337,110          | 165,249,617          |
|          | Other operating income           | -                    | -                    | -                 | -                 | 15,229,182         | 14,123,381         | 15,229,182           | 14,123,381           |
|          | <b>Total revenue</b>             | <b>143,164,799</b>   | <b>121,082,188</b>   | <b>4,786,255</b>  | <b>5,616,573</b>  | <b>106,615,238</b> | <b>52,674,237</b>  | <b>254,566,292</b>   | <b>179,372,998</b>   |
| <b>2</b> | <b>RESULTS</b>                   |                      |                      |                   |                   |                    |                    |                      |                      |
|          | Segment results                  | 57,683,270           | 39,291,757           | 769,581           | 1,667,727         | 23,834,261         | 15,620,978         | 82,287,112           | 56,580,462           |
|          | Unallocable income/ (Expenses)   |                      |                      |                   |                   |                    |                    | (20,258,725)         | (212,785)            |
|          | Operating profit                 |                      |                      |                   |                   |                    |                    | 62,028,387           | 56,367,677           |
|          | Interest expenses                |                      |                      |                   |                   |                    |                    | 46,178,960           | 37,595,768           |
|          | Income taxes                     |                      |                      |                   |                   |                    |                    | 2,936,036            | 3,455,236            |
|          | Profit from ordinary activities  |                      |                      |                   |                   |                    |                    | 12,913,391           | 15,316,673           |
|          | <b>Net profit</b>                |                      |                      |                   |                   |                    |                    | <b>12,913,391</b>    | <b>15,316,673</b>    |
| <b>3</b> | <b>Other information</b>         |                      |                      |                   |                   |                    |                    |                      |                      |
|          | Segment assets                   | 1,461,885,401        | 1,358,421,724        | 36,271,101        | 38,696,628        | 376,784,910        | 365,308,189        | 1,874,941,412        | 1,762,426,541        |
|          | Unallocable assets               |                      |                      |                   |                   |                    |                    | 134,871,782          | 137,025,735          |
|          | <b>Total assets</b>              | <b>1,461,885,401</b> | <b>1,358,421,724</b> | <b>36,271,101</b> | <b>38,696,628</b> | <b>376,784,910</b> | <b>365,308,189</b> | <b>2,009,813,194</b> | <b>1,899,452,276</b> |
|          | Segment liabilities              | 897,099,733          | 761,930,819          | 6,382             |                   | 38,529,076         | 86,351,947         | 935,635,191          | 848,282,766          |
|          | Unallocable liabilities          |                      |                      |                   |                   |                    |                    | 64,024,816           | 108,429,465          |
|          | <b>Total liabilities</b>         | <b>897,099,733</b>   | <b>761,930,819</b>   | <b>6,382</b>      | <b>-</b>          | <b>38,529,076</b>  | <b>86,351,947</b>  | <b>999,660,007</b>   | <b>956,712,231</b>   |
|          | Capital expenditure              | 876,386,995          | 73,738,575           | -                 | -                 | 1,795,841          | 1,617,094          | 878,182,836          | 75,355,669           |
|          | Unallocable capital expenditure  |                      |                      |                   |                   |                    |                    | -                    | 143,220              |
|          | <b>Total capital expenditure</b> | <b>876,386,995</b>   | <b>73,738,575</b>    | <b>-</b>          | <b>-</b>          | <b>1,795,841</b>   | <b>1,617,094</b>   | <b>878,182,836</b>   | <b>75,498,889</b>    |
|          | Depreciation & Amortisation      | 73,273,696           | 73,471,458           | 2,533,353         | 2,533,353         | 4,769,964          | 4,778,625          | 80,577,013           | 80,783,436           |
|          | Unallocable depreciation         | -                    | -                    | -                 | -                 |                    |                    | 298,907              | 264,640              |
|          | <b>Total depreciation</b>        | <b>73,273,696</b>    | <b>73,471,458</b>    | <b>2,533,353</b>  | <b>2,533,353</b>  | <b>4,769,964</b>   | <b>4,778,625</b>   | <b>80,875,920</b>    | <b>81,048,076</b>    |

For Surana Telecom and Power Limited

As per our report of even date attached

For Sekhar &amp; Co

Chartered Accountants

Firm's Registration Number : 003695-S

G.Ganesh

Partner

Membership No: 211704

Place : Secunderabad

Date : May 24 , 2016

Narender Surana

Chairman

DIN: 00075086

Devendra Surana

Director

DIN: 00077296

D. Srinivas

Company Secretary

ACS: 23425

## Form AOC - 1

(Pursuant to First proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statement of subsidiaries/associate companies / joint ventures

## Part "A": Subsidiaries

| 1  | SI.No.  | 1  | 2  |  |  | 3   |
|----|---|--|--|--|--|---|
| 2  | Name of the Subsidiary  | <b>Globecom Infotech Private Limited</b> | <b>Celestial Solar Solutions Private Limited</b> | <b>Aryavaan Renewable Energy Private Limited</b> | <b>TejasIndia Solar Energy Private Limited</b> | <b>Surana Solar Systems Private Limited</b> |
| 3  | Reporting period for the subsidiary concerned, if different from the holding company's reporting period                     | Same as holding Company                  | Same as holding Company                          | Same as holding Company                          | Same as holding Company                        | Same as holding Company                     |
| 4  | Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries | N/A                                      | N/A  | N/A  | N/A  | N/A   |
| 5  | Share Capital   | 100,000                                  | 100,000  | 100,000  | 100,000  | 65,000,000                                  |
| 6  | Reserves & Surplus  | 6,578                                    | (825,375)  | (10,028)   | (6,306)  | (3,882,826)                                 |
| 7  | Total Assets  | 128,028                                  | 755,549,155                                      | 20,098,560                                       | 90,411,326                                     | 286,748,089                                 |
| 8  | Total Liabilities   | 128,028                                  | 755,549,155                                      | 20,098,560                                       | 90,411,326                                     | 286,748,089                                 |
| 9  | Investments   | -  | -  | -  | -  | -   |
| 10 | Turnover  | -  | -  | -  | -  | 34,441,016                                  |
| 11 | Profit before taxation  | (16,985)                                 | (93,067)   | (10,028)   | (6,306)  | (31,918)                                    |
| 12 | Provision for taxation  | -  | -  | -  | -  | 28,965                                      |
| 13 | Profit after taxation   | (16,985)                                 | (93,067)   | (10,028)   | (6,306)  | (2,953)                                     |
| 14 | Proposed Dividend   | -  | -  | -  | -  | -   |
| 15 | % of shareholding   | 100                                      | 51   | 100  | 51   | 51  |
| 1  | Names of subsidiaries which are yet to commence operations  |  |  |  |  |   |
| 2  | Names of subsidiaries which have been liquidated or sold during the year  |  |  |  |  |   |

## Part "B": Associates and Joint Ventures

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

| Name of Associates/Joint Ventures |  | NA  | NA  | NA  |
|-----------------------------------|--|-----|-----|-----|
| 1                                 | Latest Audited Balance Sheet Date  |     |     |     |
| 2                                 | Shares of Associates/Joint Ventures held by the company on the year end    | NIL | NIL | NIL |
|                                   | Amount of Investment in Associates/Joint Venture                           | NIL | NIL | NIL |
|                                   | Extend of Holding %  | NIL | NIL | NIL |
| 3                                 | Description of how there is significant influence                          | NIL | NIL | NIL |
| 4                                 | Reason why the associate/joint venture is not consolidated                 | NIL | NIL | NIL |
| 5                                 | Net worth attributable to shareholding as per latest audited Balance Sheet | NIL | NIL | NIL |
| 6                                 | Profit / Loss for the year   | NIL | NIL | NIL |
| i.                                | Considered in Consolidation  | NIL | NIL | NIL |
| ii.                               | Not Considered in Consolidation  | NIL | NIL | NIL |

This page has been intentionally left blank

 **Surana Telecom and Power Limited**

Regd. Office: 5<sup>th</sup> Floor, Surya Towers, Sardar Patel Road, Secunderabad - 500 003.

(CIN: L23209TG1989PLC010336) Ph: 040-44665700, Fax : 040-27818868,

E-mail: investorservices\_stl@surana.com ; URL: www.suranatele.com

**27<sup>TH</sup> ANNUAL REPORT 2015-16****Attendance Slip**

Folio No./DP ID and Client ID:

No. of Shares:

Name and address of

First/Sole Member :

I certify that I am a member/proxy for a member of the Company. I hereby record my presence at the 27<sup>th</sup> Annual General Meeting of the Company, at Grand Solitaire Hotel, 1-240, 41 & 43, S.D.Road, Parklane, Secunderabad, Telangana - 500003 at 12.00 Noon on Friday, the 30th September, 2016.

\_\_\_\_\_  
Name of the Member/Proxy  
(Block Letters)

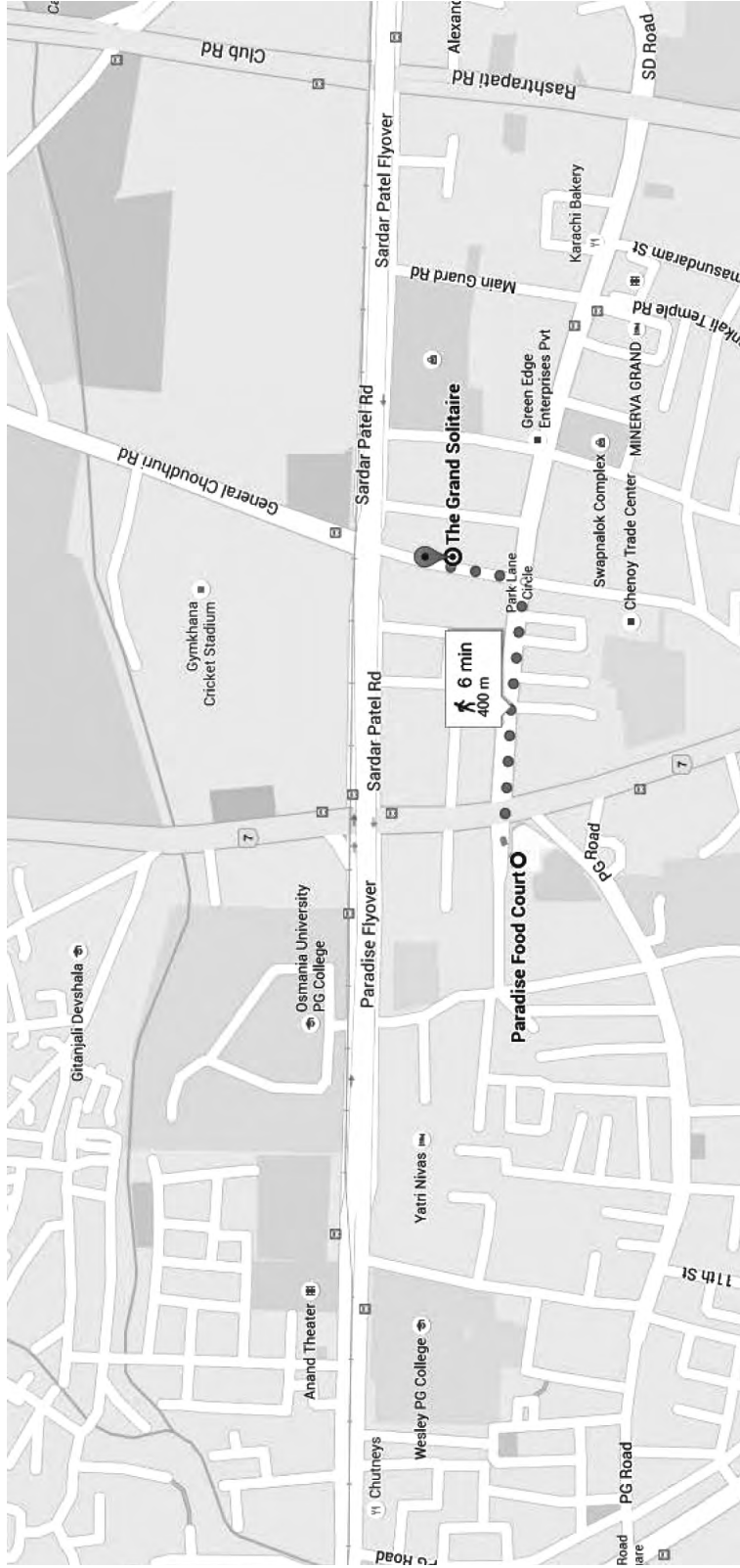
\_\_\_\_\_  
Signature of the Member/Proxy

**Note:**

1. Member/Proxy must bring the Attendance Slip to the Meeting and hand it over, duly signed at the registration counter.
2. No gifts will be given.
3. Applicable for Investors holding shares in electronic form.
4. Strike out whichever is not applicable.

## AGM VENUE :

The Grand Solitaire Hotel,  
1-240, 41 & 43, S.D.Road, Parklane, Secunderabad, Telangana 500003



# Surana Telecom and Power Limited

Regd. Office: 5<sup>th</sup> Floor, Surya Towers, Sardar Patel Road, Secunderabad - 500 003.

(CIN: L23209TG1989PLC010336) Ph: 040-44665700, Fax : 040-27818868,

E-mail: investorservices\_stl@surana.com ; URL: www.suranatele.com

## 27<sup>TH</sup> ANNUAL REPORT 2015-16

### Proxy Form

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

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

Registered Address: \_\_\_\_\_

E-mail ID: \_\_\_\_\_ Folio No./Client Id: \_\_\_\_\_ DP ID: \_\_\_\_\_

I/We, being member(s) of Surana Telecom and Power Limited, holding \_\_\_\_\_ shares of the Company, hereby appoint:

A Name : \_\_\_\_\_

Address : \_\_\_\_\_

E-mail Id : \_\_\_\_\_ Signature: \_\_\_\_\_

Or failing him/her

B Name : \_\_\_\_\_

Address : \_\_\_\_\_

E-mail Id : \_\_\_\_\_ Signature: \_\_\_\_\_

Or failing him/her

I/We hereby exercise my/our vote in respect of the Resolution(s) to be passed for the business stated in the notice dated 10<sup>th</sup> August, 2016, convening the 27<sup>th</sup> Annual General Meeting of the Company to be held on 30<sup>th</sup> September, 2016, by conveying my/our assent or dissent to the said Resolution(s) by placing the tick (✓) mark at the appropriate box below:

| Item Nos. | Resolutions  |                     | Vote (see note d.)<br>(Please mention no. of shares) |         |         |
|-----------|--|---------------------|--|---------|---------|
|           |  |                     | For  | Against | Abstain |
| 1.        | Adoption of standalone and consolidated financial statements of the Company for the year ended 31st March, 2016 including the audited balance sheet as at 31st March, 2016 and the Statement of Profit and Loss of the Company for the year ended on that date, along with the Auditors' Report & Directors' Report thereon. | Ordinary Resolution |  |         |         |
| 2.        | Re-Appointment of Director in place of Shri. Baunakar Shekarnath (DIN -03371339) who retires by rotation and, being eligible, offers himself for re-appointment.   | Ordinary Resolution |  |         |         |
| 3.        | Ratification of the Appointment of M/s Sekhar & Co (Firm Registration No. 003695S) as Statutory Auditors of the Company and to fix their remuneration.   | Ordinary Resolution |  |         |         |
| 4.        | Appointment of Shri. Sandeep Jain (DIN-00125124) as Non-Executive Independent Director.  | Ordinary Resolution |  |         |         |
| 5.        | Appointment of Shri. Narender Surana (DIN-00075086) as Managing Director   | Special Resolution  |  |         |         |
| 6.        | Raise Funds through Issue of Convertible Securities/GDR's/ADR's/ FCCB's/ECB's etc  | Special Resolution  |  |         |         |
| 7.        | To approve the Remuneration to be paid to M/s. BVR & Associates, Cost Auditors of the Company  | Ordinary Resolution |  |         |         |

Place :

Date :

Revenue  
Stamp

Signature of the Shareholder

**Notes:**

- a) Proxy need not be a member of the Company.
- b) The Proxy Form in order to be effective shall be duly filled in and signed by the member(s) across Revenue Stamp and should reach the Company's Registered Office: 5<sup>th</sup> Floor, Surya Towers, Sardar Patel Road, Secunderabad - 500 003 at least 48 hours before the commencement of the meeting.
- c) Corporate members intending to send their authorised representative(s) to attend the meeting are requested to send a certified copy of the Board resolution authorizing their representative(s) to attend and vote on their behalf at the meeting.
- d) It is optional to indicate your preference. If you leave the for, against or abstain column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may think appropriate.











If undelivered please return to:  
Secretarial Department

## **SURANA TELECOM AND POWER LIMITED**

**REGISTERED OFFICE:**

5th Floor, Surya Towers  
Sardar Patel Road, Secunderabad - 500 003, India  
Tel: +91-040-27845119, 44665700, 27841198  
Fax: +91-040-27818868

CIN: L23209TG1989PLC010336

E-mail: [surana@surana.com](mailto:surana@surana.com)

Investor Complaints: [cs@surana.com](mailto:cs@surana.com), [investorservices\\_stl@surana.com](mailto:investorservices_stl@surana.com)

Website: [www.surana.com](http://www.surana.com), [www.suranatele.com](http://www.suranatele.com)