



# BHAGYANAGAR INDIA LIMITED

30<sup>th</sup> Annual Report 2014 - 15



- ◆ Auto and Electrical Components
- ◆ Copper Products
- ◆ Renewable Energy

# COPPER PRODUCT RANGE

## ETP/OFC/SILVER BEARING COPPER PRODUCTS

**Copper Flats / Bus Bars**  
 Min.Size 15mm X 3mm  
 Max.Size 150mm X 20mm



**Traction Motors, Earthing**  
 Heavy Electrical Machines,  
 Panel Boards

**Annealed Bare Copper Strips**  
 WITH DIFF.RADIUS  
 Sizes: Max. 18X3mm  
 Min.2.67x1.14



**Armature Pins in Starter Motors**  
 Connectors in Heavy Electrical  
 Machines etc.,

**Paper Insulated Copper  
 Conductors (Strip & Wire)**



**Power & Distribution Transformers**

**Continuous Copper Rod**  
 Sizes:8mm to 40 mm



### Applications

Telecommunication  
 Power & Distribution Transformers  
 terminals, Battery Connectors  
 Electrodes in Wire Cutting Machine &  
 Other Power Engineering Publications

**Copper Tubes**  
 Sizes: 3/16", 1/4", 5/16", 3/8, 7/16  
 1/2", 9/16", 5/8, 11/16", 15/16, 1"  
 1 1/8", 1.1/4, 1.1/2" and  
 Thickness 16 SWG to 25 SWG



### Refrigeration

Air Conditioning  
 Heat Exchangers  
 commutators & Slip rings in  
 Automobile Industry

**Copper Sheets**  
 Sizes: Max Width 190mm  
 Min.Thickness 0.05mm



**Switchgears & Low Range Transformers**  
 Automobile Radiators Lightning  
 Arresters, Solar Energy Collectors &  
 Copper Gaskets & Power Cables.

**Cotton Tape Insulated  
 Copper Coils**  
 (Field Coils)



**All Kinds of Starter Motors for  
 Automobile Engines.**

**Nalsun Solar Copper Fins  
 &  
 Solar Water Heater**



**Solar Water Heater Manufacturing**

## BOARD OF DIRECTORS

G Mangilal Surana	- Chairman
O Swaminatha Reddy	- Director
R Surender Reddy	- Director
Kamlesh Gandhi	- Director
Dr. R.N. Sreenath	- Director
D Venkatasubbiah	- Director
Madhumathi Suresh	- Director
Narender Surana	- Managing Director
Devendra Surana	- Managing Director
Narender Munoth	- Whole-time Director
N Krupakar Reddy	- Whole-time Director

### STATUTORY COMMITTEES

#### AUDIT COMMITTEE

O Swaminatha Reddy	Chairman
G Mangilal Surana	Member
R Surender Reddy	Member
Kamlesh Gandhi	Member

#### NOMINATION & REMUNERATION COMMITTEE:

R Surender Reddy	Chairman
O Swaminatha Reddy	Member
D Venkatasubbiah	Member

#### STAKEHOLDERS RELATIONSHIP COMMITTEE:

G Mangilal Surana	Chairman
Narender Surana	Member
Devendra Surana	Member

#### RISK MANAGEMENT COMMITTEE:

Narender Surana	Chairman
Devendra Surana	Member
N.Krupakar Reddy	Member

#### CHIEF FINANCIAL OFFICER

Surendra Bhutoria

#### BANKERS

- State Bank of India
- Corporation Bank
- HDFC Bank Limited
- ICICI Bank Limited
- Ratnakar Bank Limited

#### 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

M/s. Rakhi Agarwal & Associates  
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](mailto:einward.ris@karvy.com) Web Site : [www.karvy.com](http://www.karvy.com)

Regd.Office : Karvy House 46, Avenue 4, Street No.1, Banjara  
Hills, Hyderabad - 500 034.

#### WORKS

##### Copper Division

##### (Auto Electric, Electrical & Solar Components)

##### i. Bhagyanagar India Limited

Plot No. P-9/13(1) & P-9/14,  
IDA Nacharam, Hyderabad-500076.

##### ii. Harinam Wires

Plot No. P 9/13 (A),(B),(C), Industrial Development Area,  
Nacharam, Hyderabad – 500076.

##### iii. Hardware Park

Plot No. 228, Raviyal Village,  
Maheshwaram Mandal  
R.R Dist, Hyderabad – 532 409.

#### Non-Conventional Energy

##### Wind Power

Kapatgudda, Gadag District,  
Karnataka – 582 101

##### Solar Power

Sy. No. 468-470, 477 & 478  
Munipally (V & M),  
Medak District, Telangana.

#### REGISTERED OFFICE:

##### Bhagyanagar India Limited

5<sup>th</sup> Floor, Surya Towers,S.P. Road  
Secunderabad, India- 500 003.

Tel: +91 40 27845119, 44665750

Fax : +91 40 27818868

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

Investor Complaints: [cs@surana.com](mailto:cs@surana.com),

[investorservices\\_bil@surana.com](mailto:investorservices_bil@surana.com)

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

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## Financial Highlights - 10 Years' Record

(₹ in Lakhs)

	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06
Turnover	25175	22576	20676	19796	18603	17453	18963	19,995	23,843	17,233
Total Income	26135	23386	21490	21,410	19235	18461	20149	22,073	24,833	18,264
Profit Before tax	240	300	457	107	1360	1459	1523	4,258	8,041	3,145
Profit After tax	205	263	412.62	55.25	1019	1335	1104	3,741	7,017	2,596
Equity dividend %	15%	15%	20%	20%	20%	20%	20%	30%	30%	30%
Equity Share Capital	1279	1279	1279	1279	1368	1379	1490	1,490	1,490	740
Reserve & Surplus	19594	19542	19888	20094	21703	21127	20614	20,380	17,161	11,448
Net Worth	20874	20822	21168	21374	23071	22506	22104	21,870	18,651	12,188
Gross Fixed Assets	13192	13062	11493	12754	12633	12554	12683	12,176	12,798	7,098
Net Fixed Assets	7922	8303	6759	8486	8623	8970	7433	7,341	8,252	2,602
Total Assets	33227	32199	30283	31124	30846	29499	31894	34,981	29,006	13,005
Contribution to National Exchequer	3600	3710	3442	2557	2884	2128	3498	3,998	4,791	4,008

## Key Indicators

	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-2008	2006-2007	2005-06
Earning per share- Basic	0.32	0.41	0.64	0.08	1.49	1.82	1.48	5.02	9.42	7.02
Book Value Per Share	32.62	32.58	33.08	33.4	33.73	32.64	29.67	29.36	25.03	32.94
Debt Equity Ratio	0.30:1	0.38:1	0.32:1	0.33:1	0.05:1	0.11:1	0.06:1	0.26:1	0.20:1	0.07:1

**Note:** For calculating Basic EPS and Book Value per share face value of equity share is taken as Rs 2 per share for the entire period to make it comparable

## NOTICE OF 30<sup>th</sup> ANNUAL GENERAL MEETING

NOTICE is hereby given that the **30<sup>th</sup> Annual General Meeting** of the members of **BHAGYANAGAR INDIA LIMITED** will be held on Wednesday the 30<sup>th</sup> September, 2015 at 10.00 AM 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 Audited Balance Sheet as at 31<sup>st</sup> March, 2015 and the Statement of Profit & Loss for the year ended 31<sup>st</sup> March, 2015 along with the Auditors' Report & Directors' Report thereon.
2. To declare Dividend for the year ended 31<sup>st</sup> March, 2015.
3. To appoint a Director in place of Shri Narender Munoth who retires by rotation and being eligible offers himself for re-appointment.
4. 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 139-142 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 29<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 32<sup>nd</sup> Annual General Meeting of the Company, be ratified by the members on a remuneration as may be decided by the Board of Directors.

### SPECIAL BUSINESS:

5. 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, 152 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 and Clause 49 of the Listing Agreement, **Smt. Madhumathi Suresh (DIN-07124113)** who was appointed as Additional Director w.e.f 23.03.2015 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** Smt. Madhumathi Suresh has submitted a declaration that she meets the criteria of Independence 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, 2015 up to 29<sup>th</sup> September, 2020 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."

6. 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 for the time being in force), read with Schedule V to the Companies Act, 2013, the Company be and is hereby approved and ratified the re-appointment of Shri Narender Surana as Managing Director of the company for a period of 3 years w.e.f 18.01.2015 to 17.01.2018 on the same remuneration as mentioned below:

1. **Salary:** ₹ 6,00,000 – ₹ 50,000 – ₹ 7,00,000 per month
2. **Housing:** Shri Narender Surana shall be entitled to house rent allowance equal to 50% (fifty percent) of the salary. In case accommodation for Shri Narender Surana is provided by the Company, the expenditure incurred by the Company on hiring accommodation will be subject to a ceiling of 50% (Fifty percent) of the salary of Shri Narender Surana. Expenditure on furnishing, electricity, water, gas at actuals shall in addition be payable by the Company to Shri Narender Surana.

**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."

7. 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 for the time being in force), read with Schedule V to the Companies Act, 2013, the Company be and is hereby approved and ratified the re-appointment of Shri Devendra Surana as Managing Director of the company for a period of 3 years w.e.f 18.01.2015 to 17.01.2018 on the same remuneration as mentioned below:

1. **Salary:** ₹ 6,00,000 – ₹ 50,000 – ₹ 7,00,000 per month
2. **Housing:** Shri Devendra Surana shall be entitled to house rent allowance equal to 50% (fifty percent) of the salary. In case accommodation for Shri Devendra Surana is provided by the Company, the expenditure incurred by the Company on hiring accommodation will be subject to a ceiling of 50% (Fifty percent) of the salary of Shri Devendra Surana. Expenditure on furnishing, electricity, water, gas at actuals shall

in addition be payable by the Company to Shri Devendra Surana.

**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.”

8. To consider and if thought fit, to pass with or without modification, the following Resolution as **SPECIAL RESOLUTION**:

“**RESOLVED THAT** pursuant to the provisions of Section 14 and all other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the existing Articles of Association of the company be and is hereby replaced with the new set of Articles of Association and the said new Articles of Association be and is hereby approved and adopted as the Articles of Association of the company in place of, in substitution and to the entire exclusion of the existing Articles of Association of the company.

**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”.

9. 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 ₹ 2/- 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, upto an aggregate of **US\$ 50 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.”

10. 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 authorized to pay an amount of ₹ 25,000/- (Rupees Twenty Five 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 2015-16”.

“**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 **BHAGYANAGAR INDIA LIMITED**

Place : Secunderabad  
Date : 06.08.2015

**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 authorising 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 25.09.2015 to 30.09.2015 (both days inclusive).
4. Dividend on shares @ 15 % as recommended by the Board of Directors, if declared by the Company at the meeting, will be paid subject to the provisions of Section 123 of the Companies Act, 2013 to those shareholders whose names appear on the Register of Members of the Company as on 30.09.2015 or to their mandates, to the extent eligible, and also to the beneficial owners of equity shares held in electronic form on the same date as per the details furnished by the Depositories for this purpose.
5. The Securities and Exchange Board of India (SEBI) and the Ministry of Corporate Affairs have made it mandatory for all the Listed Companies to offer Electronic Clearing Service (ECS) facilities for payment of dividend, wherever applicable. This facility offers various benefits like timely credit of dividend to the shareholders' account, elimination of loss of instruments in transit or fraudulent encashment etc. Currently, the facility is available at locations specified by Reserve Bank of India. In case of shareholders staying at locations not currently covered by ECS, the bank account details will be used for suffixing along with the name of the shareholder on the Dividend Warrant. In view of the above:
  - i. Shareholders holding shares in Physical Form and desirous of availing the facility are requested to complete the ECS Form attached to this Annual Report and forward the same to the Company at its registered address.
  - ii. Shareholders holding shares in Dematerialised Form are requested to provide the Bank details to their Depository participants for incorporation in their records. The Depository in turn would also forward the required information to the Company.
6. 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.
7. 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.
8. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, 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
9. 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.
10. 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.
11. 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.
12. Clause 32 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.

13. 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 made available to the Company shall be the registered email IDs unless communication is received to the contrary.
14. 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.
15. 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.
16. The members whose names appear on the Register of Members/ list of beneficial owners as on 23<sup>rd</sup> September, 2015 are eligible to participate in e-voting on the resolutions set forth in this notice.
17. 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, 2015 and will end at 5:00 P.M. (IST) on 29<sup>th</sup> September, 2015. 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.
18. 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.
19. 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.
20. The Company has appointed M/s Rakhi Agarwal & Associates, Practicing Company Secretaries, 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.
21. 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.
22. 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-500032. 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.
23. 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, 2015, 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.
24. 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.
25. 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 **BHAGYANAGAR INDIA LIMITED**

Place : Secunderabad  
Date : 06.08.2015

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

## EXPLANATORY STATEMENT

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

### Item No. 5

The Board of Directors of the Company appointed Smt. Madhumathi Suresh as an Additional Director of the Company with effect from 23.03.2015. In accordance with the provisions of Section 161 of Companies Act, 2013, Smt. Madhumathi Suresh 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 Smt. Madhumathi Suresh. In the opinion of the Board, Smt. Madhumathi Suresh fulfills the conditions specified in the Companies Act, 2013 and the Equity Listing Agreement, for appointment as Independent Director of the Company. A brief profile of Smt. Madhumathi Suresh 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. 6

Shri Narender Surana is serving as Managing Director on the Board of the Company since 12.03.1991. The Board of Directors at its meeting held on 11<sup>th</sup> November, 2014 on the recommendations of the Nomination and Remuneration Committee re-appointed as Managing Director of the Company for a further period of 3 years w.e.f. 18.01.2015 on the existing monthly remuneration, subject to concurrence of shareholders and compliance of all applicable provisions of the Companies Act, 2013. A brief profile of Shri. Narender Surana is annexed in the Annual Report.

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

None of the Directors of the Company other than Shri G M Surana and Shri Devendra Surana are concerned or interested in the resolution.

### Item No. 7

Shri Devendra Surana is serving as Managing Director on the Board of the Company since 12.03.1991. The Board of Directors at its meeting held on 11<sup>th</sup> November, 2014 on the recommendations of the Nomination and Remuneration Committee re-appointed as Managing Director of the Company for a further period of 3 years w.e.f. 18.01.2015 on the existing monthly remuneration, subject to concurrence of shareholders and compliance of all applicable provisions of the Companies Act, 2013. A brief profile of Shri. Devendra Surana is annexed in the Annual Report.

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

None of the Directors of the Company other than Shri G M Surana and Shri Narender Surana are concerned or interested in the resolution.

### Item No. 8

The existing Articles of Association ("AoA") is based on the Companies Act, 1956 and several regulations in the existing AoA contain reference to specific sections of the Companies Act, 1956 and some articles in the existing AoA are no longer in conformity with the Act. With the enactment of the Companies Act, 2013 and substantive sections of the Act which deal with the general working of the Companies stand notified, several regulations in the existing AoA of the company require alteration and/or deletion.

Given this position it is considered expedient to wholly replace the existing AoA by a new set of Articles. The new set of AoA to be replaced in place of the existing AoA is based on Table F of Schedule I of the Companies Act, 2013 which sets out the model AoA for a company limited by shares and also carries forward certain provisions from the existing AoA suitably rephrased and which are not in conflict with the provisions of the Companies Act, 2013.

The proposed new draft of AoA is available for inspection to the shareholders at the registered office of the company on all working days (except Saturdays, Sundays and Public Holidays) between 11.00 A.M and 1.00 P.M till the date of the meeting.

The Board of Directors recommends the Special 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. 9

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\$ 50 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 listing agreements executed by the Company with the Stock Exchanges where the Equity Shares of the Company are listed i.e. BSE Limited and National Stock Exchange of India Limited. 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. 10**

The Board of Directors, on recommendation of the Audit committee, at their meeting held on 30.05.2015 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 31.03.2016 on a remuneration of ₹ 25,000/- (Twenty Five 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. 10 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31.03.2016.

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 **BHAGYANAGAR INDIA LIMITED**

Place : Secunderabad  
Date : 06.08.2015

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

## DIRECTORS' REPORT

To The Members of  
**Bhayanagar India Limited**

The Directors have pleasure in presenting the **30<sup>th</sup> Annual Report** of your Company and the Audited financial statements for the financial year ended 31<sup>st</sup> March 2015 together with Auditors' Report thereon.

### FINANCIAL RESULTS:

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

(Amount in ₹)

Particulars	Standalone Results		Consolidated Results	
	2015	2014	2015	2014
Sales and other Income	2,613,462,675	2,338,644,223	2,756,006,154	2,409,847,538
Profit before Depreciation and Interest	156,883,374	175,597,029	163,991,689	184,952,841
<b>LESS :</b>				
Depreciation	49,656,585	68,027,104	62,240,975	74,753,622
Interest	83,275,219	77,562,598	83,609,238	77,766,134
Profit for the year	23,951,570	30,007,327	18,141,532	32,433,085
Prior period Adjustments	--	--	--	--
Profit before Taxation	23,951,570	30,007,327	18,141,532	32,433,085
Provision for Taxation : Current Tax	3,276,970	4,165,188	3,276,970	4,165,188
Deferred Tax	171,757	(1,654,313)	(6,934,369)	(4,629,401)
MAT Entitlement Credit	--	1,150,052	--	115,0052
Income Tax in respect of earlier years	--	--	--	--
Profit after Tax	20,502,843	26,346,400	21,798,931	31,747,246
Less: Minority Interest	--	-	(384,221)	(652,721)
Less: Change in Interest of Associate Companies	--	-	13,026,626	135,549
Surplus brought forward from previous year	753,996,847	770,109,947	751,608,986	762,838,412
Balance available for appropriation	774,499,690	796,456,347	786,050,322	794,068,486
<b>APPROPRIATION:</b>				
Dividend	19,197,000	19,197,000	19,197,000	19,197,000
Tax on Dividend	3,838,400	3,262,500	3,838,400	3,262,500
Transfer to General Reserves	20,000,000	20,000,000	20,000,000	20,000,000
Balance c/f to Balance Sheet	731,464,290	753,996,847	743,014,922	751,608,986
<b>TOTAL</b>	<b>774,499,690</b>	<b>796,456,347</b>	<b>786,050,322</b>	<b>794,068,486</b>

### PERFORMANCE:

In the year 2014-15, the Company focused on its core business Copper, its allied products and Solar & Wind Power Generation. The Copper, its allied products segment turnover grew by 11.75% compared to previous year. The operation of 5 MW solar power project at Mupally Village, Medak District, Telangana State has been stabilized during the year and the Company has made a revenue of ₹ 35,527,153/-.

The income from operations is ₹ 2,517,467,311 as against ₹ 2,257,636,472 for the corresponding previous year. The profit before tax stood at ₹ 23,951,570 as against ₹ 30,007,327 for the previous year. The profit after tax stood at ₹ 20,502,843 as against ₹ 26,346,400 for the corresponding period. The Basic Earnings Per Share for the year-ended 31.03.2015 is ₹ 0.32 as against ₹ 0.41 for the corresponding previous year ended 31.03.2014.

### SUBSIDIARIES/ ASSOCIATES:

Your company has the following Subsidiary and Associate companies as mentioned below. Further there has been no material change in the nature of business of the Subsidiaries and Associates:

Sl. No.	Name of the Company	Percentage (%)
<b>Subsidiary Companies:</b>		
1.	Bhayanagar Metals Limited	100.00
2.	Bhayanagar Properties Private Limited	100.00
3.	Scientia Infocom India Private Limited	76.00
4.	Metropolitan Ventures India Limited	100.00
5.	Solar Dynamics Private Limited	72.00
<b>Associate Companies:</b>		
1	Globecom infra Ventures India Private Limited	50.00
2	GMS Realtors Private Limited	50.00
3	Bhayanagar Entertainment & Infra Development Company Private Limited	47.00
4	Bhayanagar Infrastructure Limited	43.40
5	Surana Solar Limited	23.53

In terms of proviso to sub section (3) of Section 129 of the Act, the salient features of the financial statement of the

subsidiaries and Associates 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.

#### **CONSOLIDATED FINANCIAL STATEMENTS:**

In accordance with the Companies Act, 2013 and Accounting Standard (AS)-21 on Consolidated Financial Statements read with AS-23 and AS-27 issued by the Institute of Chartered Accountants of India, the audited consolidated financial statements are provided in the Annual Report.

#### **DIVIDEND:**

Your Directors are pleased to recommend for approval of the members a dividend @15% (₹ 0.30 per equity share of face value of ₹ 2/- each) for the financial year 2014-15. The total cash outflow on account of dividend on equity shares for the financial year 2014-15 would aggregate ₹ 2,30,35,400 (inclusive of tax thereon).

#### **RESERVES:**

During the year the Company has transferred an amount of ₹ 20,000,000 to General Reserves.

#### **FIXED DEPOSITS:**

The Company has not accepted or invited any Deposits and consequently no deposit has matured / become due for repayment as on 31<sup>st</sup> March 2015.

#### **OPERATIONS:**

**Copper:** The strategy for financial year 2015-16 will be to have continued focus on copper business with addition of new products. Your Company plans to achieve a growth of 10% in this segment with emphasis on value added products.

**Real Estate & Infra:** The Land situated at Gachibowli which is held through subsidiaries, the applicability of G.O.111 is still under review by Hon'ble High Court of A.P. Further action on the property will be considered only after decision in this matter is taken by the Hon'ble High Court/State Govt. In respect of Uppal land, the Company is looking for joint development.

**Wind Power:** The Company currently has an overall installed capacity of 9 MW comprising of 7 wind turbines in state of Karnataka and 6.4 MW comprising 5 wind turbines in Tamilnadu through its Subsidiary viz., Solar Dynamics Private Limited. The said project is giving steady income.

**Solar Power:** The Company successfully set up 5MW Solar Power project at Muniapally, Medak District, Telangana State. Further, the Company has obtained all the approvals for accreditation of REC and sale of REC in the exchanges. The Company is generating steady revenue from the project.

#### **DIRECTORS:**

In terms of the provisions of Section 149 of Companies Act, 2013 and clause 49 of the Listing Agreement, Smt. Madhumathi Suresh has been appointed as Additional Director of the Company in the category of Independent Woman Director w.e.f 23.03.2015 based on the recommendation of Nomination and Remuneration Committee.

Pursuant to Section 161(1) of the Act, Smt. Madhumathi Suresh holds office up to the date of forthcoming Annual General Meeting of the Company and is eligible for

appointment as Director. The Board recommends their appointment and accordingly resolution seeking approval of the members for their appointments has been included in the Notice of forthcoming Annual General Meeting of the Company along with their brief profile.

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

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement. Further, there has been no change in the circumstances which may affect their status as independent director during the year.

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 and Shri Devendra Surana, Managing Directors and Shri Narender Munoth and Shri N. Krupkar Reddy, Whole-time Directors, Shri. Surendra Bhutoria, Chief Financial Officer were formalized as the Key Managerial Personnel of the Company.

#### **BOARD EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out performance evaluation taking into consideration of various aspects of the Board's functioning, composition of Board, and its Committees, execution, and performance of specific duties, obligations and governance. The Performance of evaluation of Independent Directors was completed. The Performance evaluation of Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with evaluation process.

#### **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 Remuneration Policy is stated in the Corporate Governance Report.

#### **MEETINGS**

During the year 5 (five) Board Meetings and 4 (four) 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 Clause 49 of the Listing Agreement.

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

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

#### **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 and 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.

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

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

#### **AUDITORS**

##### **Statutory Auditors**

Pursuant to the provisions of Section 139 of the Act and the rules framed there under, M/s Sekhar & Co, Chartered Accountants, were appointed as statutory auditors of the Company from the conclusion of the 29<sup>th</sup> Annual General Meeting of the Company held on 22<sup>nd</sup> September, 2014 till the conclusion of the 32<sup>nd</sup> Annual General Meeting to be held in the year 2017, subject to ratification of their appointment at every AGM.

##### **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 2015-16. 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.

##### **Secretarial Auditors**

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 M/s. Rakhi Agarwal & Associates, Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the Financial Year 2014-15. The Report of the Secretarial Audit Report is annexed herewith as "Annexure-V".

##### **Internal Auditors**

M/s Luharuka & Associates, Chartered Accountants performs the duties of internal auditors of the Company and their report is reviewed by the Audit Committee from time to time.

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

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

#### **CORPORATE SOCIAL RESPONSIBILITY (CSR):**

The Company is not covered under the criteria mentioned in the provisions of Companies Act, 2013. The Company, however over the years, is pursuing as part of its Corporate Social Responsibility for welfare and aspirations of the Community. The CSR activities of the Surana Group are guided by the vision and philosophy of its Founding Father, Shri G Mangilal Surana, who embodied the value of trusteeship in business and laid the Foundation for its ethical and value-based functioning. The core elements of CSR activities include ethical functioning, respect for all stake-holders, protection of human rights, and care for the environment. The G.M. Surana Foundation is established purely for the purpose of providing medical relief to the people who are in below poverty line. It is being run by qualified and registered doctors. As part of the Corporate Social Responsibility (CSR) activity, the Company has contributed ₹ 3 Lakhs during the year.

#### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Management Discussion and Analysis Report for the year under review as stipulated under Clause 49 of the Listing Agreement with the stock exchanges, is presented in a separate section forms part of the Annual Report as Annexure-II.

#### **CORPORATE GOVERNANCE:**

The Company has implemented the procedures and adopted practices in conformity with the Code of Corporate Governance enunciated in Clause 49 of the Listing Agreement with the Stock Exchanges.

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.

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

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as "Annexure-IV".

#### **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.

#### **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.

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

In order to ensure that the activities of the Company and its employees are conducted in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behaviour the company has adopted a vigil mechanism policy.

#### **HUMAN RESOURCES:**

Many initiatives have been taken to support business through organizational efficiency, process change support and various employee engagement programmes which has helped the Organization achieve higher productivity levels. A significant effort has also been undertaken to develop leadership as well as technical/ functional capabilities in order to meet future talent requirement.

#### **DIRECTORS' RESPONSIBILITY STATEMENT:**

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- a) That in the preparation of the accounts for the financial year ended 31<sup>st</sup> March, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the State of Affairs of the Company at the end of the Financial Year and of the Profit or Loss of the Company for the year under review;
- c) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) That the Directors have prepared the accounts for the financial year ended 31<sup>st</sup> March 2015 on a 'going concern' basis;
- e) That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively; and
- f) That devised proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

#### **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.

#### **DISCLOSURE AS PER SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed there under.

During the financial year 2014-15, the Company received no complaints on sexual harassment.

#### **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**

Disclosures with respect to the remuneration of Directors and employees as required under Section 197(12) of Companies Act, 2013 and Rule 5 (1) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided as follows:

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

<b>Name of the Director</b>	<b>Ratio to Median Remuneration</b>
Shri Narender Surana, MD	60
Shri Devendra Surana, MD	60
Shri Narender Munoth, WTD	20
Shri N. Krupakar Reddy, WTD	2.33

- (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;

<b>Name of Person</b>	<b>% increase in remuneration</b>
Shri Narender Surana, MD	125.00
Shri Devendra Surana, MD	125.00
Shri Narender Munoth, WTD	0.00
Shri N. Krupakar Reddy, WTD	9.38
Shri Surendra Bhutoria, CFO	13.42

- (iii) The percentage increase in the median remuneration of employees in the financial year – 11.13%
- (iv) The number of permanent employees on the rolls of company – 123.
- (v) The explanation on the relationship between average increase in remuneration and company performance;

On an average, employees received an increase of 14.05%. The increase in remuneration is in line with the market trends.

- (vi) Comparison of the remuneration of the Key Managerial Personnel against the performance of the company;

Particulars	₹/ Lac
Remuneration of Key Managerial Personnel (KMP) during financial year 2014-15 (aggregated)	266.34
Total Revenue	26134.63
Remuneration (as % of Total Revenue)	1.02%

(vii) variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year;

Particulars	Unit	As at 31.03.2015	As at 31.03.2014
Closing rate of share at BSE	₹	16.75	14.20
EPS (Consolidated)	₹	0.32	0.41
Market Capitalization	₹/ Lac	10718.33	9086.58
Price Earnings ratio	Ratio	52.34	34.63

(viii) 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 2014-15 was 12.29%. Percentage increase in the managerial remuneration for the year was 83.96%.

(ix) Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company;

Name of Person	Remuneration (₹/ Lac)	Total Revenue (₹/ Lac)	Remuneration as % of Total Revenue
Shri Narender Surana, MD	108.00	26134.63	0.41
Shri Devendra Surana, MD	108.00	26134.63	0.41
Shri Narender Munoth, WTD	36.00	26134.63	0.14
Shri N. Krupakar Reddy, WTD	4.20	26134.63	0.02
Shri Surendra Bhutoria, CFO	10.14	26134.63	0.04

(x) The key parameters for any variable component of remuneration availed by the directors - No.

(xi) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year - Nil.

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

#### 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 Board desires to place on record its sincere appreciation for the support and co-operation that the Company received from the suppliers, customers, strategic partners, Bankers, Auditors, Registrar and Transfer Agents and all others associated with the Company. The Company has always looked upon them as partners in its progress and has happily shared with them rewards of growth. It will be the Company's endeavor to build and nurture strong links with trade based on mutuality, respect and co-operation with each other.

For and on behalf of the Board of Directors

Place : Secunderabad  
Date : 06.08.2015

**NARENDER SURANA**  
MANAGING DIRECTOR

**DEVENDRA SURANA**  
MANAGING DIRECTOR

**PARTICULARS IN RESPECT OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND 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)*

**FORM A**

**1. CONSERVATION OF ENERGY:**

- |                                  |   |   |
|----------------------------------|---|---|
| (i) Energy Conservation measures | : | More introduction of Variable Frequency Drive (VFD) to reduce the Power Consumption |
| (ii) Total energy consumption    | : | N.A.  |

**2. TECHNOLOGY ABSORPTION**

:

**FORM 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                                       | : | The Company plans to develop thinner Copper foils and commutator segments         |
| 4. Expenditure on R & D  | : | As no significant amount has been spent, the same has not being shown separately. |

**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 used and earned   |   |                 |
| Used   | : | ₹ 1,059,522,150 |
| Earned   | : | Nil             |

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

Place : Secunderabad  
Date : 06.08.2015

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

**DEVENDRA SURANA**  
**MANAGING DIRECTOR**

## MANAGEMENT DISCUSSION AND ANALYSIS

### COMPANY'S OVERVIEW

**Bhagyanagar India Ltd (BIL)** was incorporated in the year 1985, a flagship Company of Surana Group. BIL is one of the oldest industrial houses in India which has diverse business streams such as manufacturing of various Copper products, Real Estate & Infrastructure, Non conventional energy (Wind and Solar). Empowered by a professional team of visionaries, with an experience of over four decades BIL has steadily grown over the years with a continued focus on customer satisfaction, evolving itself into country's one of the most promising mid cap Companies.

### PERFORMANCE OF KEY INDUSTRY SEGMENTS

#### 1. Copper products

##### Introduction

Copper was one of the first metals ever extracted and used by humans, and it has made vital contributions to sustaining and improving society since the dawn of civilization. Copper was first used in coins and ornaments starting about 8000 B.C., and at about 5500 B.C., copper tools helped civilization emerge from the Stone Age. Copper is easily stretched, molded, and shaped; is resistant to corrosion; and good conductor of electricity and transfers heat exceptionally well. Today, copper's uses have expanded to include in building construction, power generation and transmission, electronic components such as semiconductor chips, and the production of industrial machinery and transportation vehicles. Copper wiring and plumbing are integral to the appliances, heating and cooling systems, and telecommunications links used every day in homes and businesses. Copper is vital for the environment and it provides reliable, efficient and cost-effective service for decades, and at the end of life, is 100 percent recyclable without loss of its properties. 9 millions tonnes of copper is recycled each year and 35% of the global copper demand is met by recycled metal. Today, renewable sources provide nearly one-quarter of the world's power and copper plays an important role in making it as efficient as possible, with minimal impact on the environment. Copper is essential for use in sustainable energy systems that harness wind, hydro, thermal and solar power. Energy efficiency improvements to these systems have reduced global energy demand by over 25%.

##### Industry Analysis:

Copper prices are likely to remain subdued this year on rising production and falling demand from consumer industries, due to economic uncertainty across the world. China's uncertain economic situation is likely to hang heavy over the non-ferrous metals sector in 2015. The country is one of the largest consumers and producers of non-ferrous metals and its decision to re-balance economic growth from an investment focused one to a consumption oriented one has upset demand-supply balances. China's crackdown on financing transactions using metal as collateral was also said to be a reason for copper's fall from grace. The metal has fallen by around 14% since the start of the 2014. Copper currently rests in the middle of a bearish channel below the year's average. The year 2014 concluded with refined copper demand exceeding production, while 2015 will find a supply surplus as demand lags production growth. With few suitable substitutes, the supply-side may face considerable obstacles

as demand continues to expand. China drives the global copper metal market, accounting for more than two-fifths of world demand. The country's massive building construction and electrical and electronic sectors consume huge volumes of copper. Strong domestic output of motor vehicles, industrial machinery, and household appliances further boosts copper demand in China. As per ICSG, Copper usage increased 12% in 2014 while mine production increased just 3%, Production capacity to increase by 7% through 2017 while demand in China slows to 5% next year. The global copper markets to move in to a surplus of 394,000 tons during next year from a projected deficit of 307,000 tons during 2014. Supply during 2014 is projected to grow by 9.7%, while demand is estimated to grow by 7.1%. For 2015, refined production and demand is forecasted to expand by 4.3% and 1.1% respectively.

##### Indian Copper Industry:

Unparallel combination of properties offered by copper and its large family of alloys have made them indispensable for several industrial usages - power sector, transport industry, process industry, building construction or consumer durable sector, the domestic copper demand has registered substantial growth in the recent past. This growth rate is sustainable mainly due to increased domestic market potential. It is, however, obvious that the real growth in usage will depend upon the performance of the ultimate end use sectors, which in turn depends on economic climate guided mostly by investment in key infrastructure segment and development in socio-economic scenario. The primary refined copper producers increased their capacity substantially over a period of 10 years starting from mid 1990s. In fact during the past 15 years, the refined copper production capacity in India increased by 20 times and the production grew by 18 times during this period. As a whole the Indian copper industry has geared up to meet the domestic demand growth.

##### Demand Outlook India:

The annual domestic demand growth percentage for copper is much higher than the world average which is likely to be the future trend as well. The main reason for higher annual copper demand growth percentage in India is low per capita copper consumption. The present estimated per capita consumption is only about 0.5 kg - may be 0.65 kg if both refined copper and recycled copper is taken into account. The world average per capita copper consumption is around 2.7 kg. The Indian figure will definitely go up despite certain constraints and challenges. The key drivers for the growth prospect include: growing domestic market extending to rural areas; government's priority for infrastructure development; indispensability of copper in many end-use sectors - some of which are on fast growth track; increased quality consciousness; improved life style; newer opportunities, etc. The 12th Five-Year Plan which proposes development of several sectors where substantial quantity of copper base components are in use.

##### Business Outlook:

With the prospect of economy moving forward and the possibility of exchange rate remaining stable the performance of the division looks stable during the current Financial Year.

#### 2. Real Estate/ Infrastructure Business:

A key driver of the economy, Infrastructure is highly responsible for propelling India's overall development. The

Indian Government is taking every possible initiative to boost the infrastructure sector and initiating policies that would ensure time-bound creation of world class infrastructure in the country. The Government's focus on "fast tracking" infrastructure development is expected to drive the demand for the construction industry in coming years. This sector includes power, bridges, dams, roads and urban infrastructure development. According to the Economic Survey 2014-15, the real estate sector constituted 7.8 per cent of India's GDP in 2013-14. Both domestic and global slowdown affected the sector, with growth decelerating from 7.6 per cent in 2012-13 to 6 per cent in 2013-14. The government announced in union budget 2015 'Housing for All by 2022' by targeting construction of six crore housing units, four crore in rural areas and two crore in urban areas, increased allocation to Infrastructure by INR70,000 crore, setting up of National Investment and Infrastructure Fund (NIIF) to be funded by INR20,000 crore annually, PPP mode of infrastructure development to be revisited and revitalised. The Indian power sector has an investment potential of US\$ 250 billion in the next 4-5 years, providing immense opportunities in power generation, distribution, transmission and equipment.

Foreign direct Investment (FDI) received in construction development sector from April 2000 to January 2015 stood at US\$ 24,028.19 million, according to the Department of Industrial Policy and Promotion (DIPP). The Reserve Bank of India (RBI) has notified 100 per cent foreign direct investment (FDI) under automatic route in the construction development sector. Recently, the Government has relaxed rules for FDI in the construction sector by reducing minimum built-up area as well as capital requirement and liberalised the exit norms. USD 1,000 Billion investments for infrastructure sector projected in 12th five year plan (2012-17). USD 650 Billion investments in urban infrastructure estimated over next 20 years. 10% of India's GDP is based on construction activity. India's infrastructure sector is poised to grow at 7-8 percent this year following the forward looking plans and policies of the new government. The strong mandate will stimulate economic growth, positive surge by implementing desired policies, removal of barriers to foreign investment and other initiatives being taken that will boost infrastructure development and the outlook for the sector appears positive.

#### **Business Outlook:**

The government tends to put its primary focus on infrastructure development and may continue with the estimated \$1 trillion spent on infrastructure till 2017 as per 12<sup>th</sup> Five year plan. India's rate of urbanization is high and the ambitious 100 smart cities project is about to take off that will require a number of infrastructure planning and development efforts. The future of sector is bright.

#### **Non-Conventional Energy Division:**

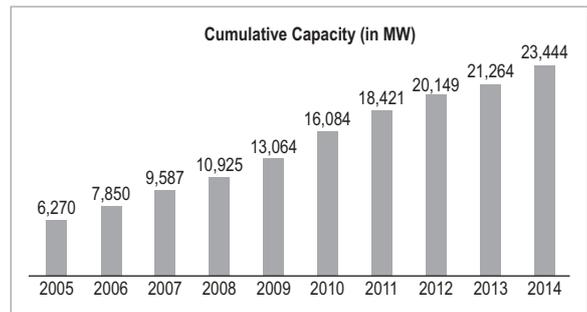
##### **a) Wind Power:**

In 2014, the Indian wind sector experienced moderate annual growth, with 2.21 GW of new installations. India ranks fifth in terms of global installed capacity and third in annual capacity growth. However, the Challenges for India mainly are 79 million households yet to be electrified, Per capita consumption is ¼ of world average, Estimated demand of India 900 GW by 2032 i.e., 4X that of now. To address the above challenges, the Indian power system is expected to grow 8-10% p.a for next several decades. Developing countries like India need to invest in both strengthening the electrical network as well as adding communications, IT and automation systems to build a strong and smart grid. Wind energy is the fastest growing renewable energy sector in India. With the capacity

of 23,444 MW as on April 30, 2015, it accounts for nearly 65% of the installed capacity in the renewable energy sector in the Country. Wind energy market of India is expected to attract about Rs 20,000 crore (US\$ 3.16 billion) of investments next year, as companies across sectors plan to add 3,000 MW of capacity powered by wind energy. Tamil Nadu is at leading position in terms of installed wind capacity but attention is quickly shifting to states such as Maharashtra, Gujarat, Andhra Pradesh, Karnataka and Rajasthan where the gap between the available potential and installed capacities are much higher than those for Tamil Nadu.

#### **Installed Wind Power Capacity**

Wind power accounts nearly 8.5% of India's total installed power generation capacity and generated 28,214 million Kwh (MU) in the fiscal year 2014-15 which is nearly 2.6% of total electricity generation. (Source NLDC Report).



With an ambitious target of 60 GW by 2022 set by Government of India, the wind energy sector is poised to achieve 6 GW per annum installation in the next 5 years. The wind power industry is confident of achieving this ambitious target on the back of Hon'ble Prime Minister's "Make in India" campaign. The confidence was evident throughout the first renewable energy global investors meet and Expo organised by the MNRE – "RE INVEST 2015". The Government has also given assurance in helping to sorting out the issues and challenges the sector is grappling with. The Government has put in place fiscal and promotional incentives like GBI, concessional import duty, AD, Excise duty relief, cheaper loans through IREDA, etc. Incentives could make India an attractive location for manufacturers both for the Indian markets as well as for exports. India and the United States of America signed a Memorandum of Understanding (MoU) on Cooperation to Establish the PACE Setter Fund – A fund to support the Promoting Energy Access Through Clean Energy (PEACE) track of the U.S.-India Partnership to Advance Clean Energy (PACE) to accelerate the commercialization of off-grid clean energy through early-stage grant funding grants to develop and test innovative products, systems, and business models.

A robust grid infrastructure is one of the key important factors in ensuring off-take of wind energy generated. Most of the wind farms in India are located in remote areas that are located far away from load centres. Due to inadequate or weak grid infrastructure, it is difficult to transmit the power from wind farms to the load centres. Grid constraint has emerged as the biggest impediment for scaling-up RE capacity in India. Wind projects are forced to back down for want of evacuation infrastructure. Inadequate management of variable generation, ambiguity surrounding responsibility of sharing for forecasting of RE generation remains a concern. Addressing these issues assumes immense significance in the present scenario wherein the grid penetration level is expected to grow exponentially. Further, the targeted capacity

of 60 GW by 2022 translates to annual wind power capacity addition target of 6GW to 8 GW every year from now on.

#### **Opportunities:**

The renewable energy sector in India is full of opportunities and merits careful consideration by market participants. The Indian renewable energy market is highly attractive as it has the potential to reduce India's rising demand supply gap, hence becoming a key cog in the wheel for India's energy security strategy. The government in India has placed an encouraging policy & regulatory framework with a combination of feed-in tariffs, renewable procurement obligations, and Renewable Energy Certificates. The most dominant asset classes, wind and solar, have attracted considerable supplier interest and hence equipment and EPC is available at increasing competitive rates thus boosting margins. The Jawahar Lal Nehru National Solar Mission (JNNSM) and several state-level solar policies are helping develop solar energy market. Recent budgetary allocation for generation based incentives and reintroduction for accelerated depreciation for wind power will spur investments in wind energy. The size of the renewable energy market will see further growth as the application of Renewable Purchase Obligation expands to cover open access and captive consumers.

#### **Solar Power:**

The Government has set a mammoth new goal 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. Government 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. The Government has rolled out a scheme for setting up and development of at least 25 Solar Parks and Ultra Mega Solar Power Projects targeting over 20,000 MW of solar power installed capacity within a span of 5 years starting from 2014-15 at various locations in the country with a view to create required infrastructure for setting up of Solar Power Projects besides CFA and grants concessional customs duty/ excise duty exemption for setting up of solar power plants, Accelerated Depreciation and Tax Holidays.

A Green Energy Corridor project is under implementation for evacuation of renewable energy from generation points to the load centers 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. The Reserve Bank of India (RBI) added renewable energy under priority lending but with a cap of INR150 million (US\$2.5 million) for renewable energy generators and INR1 million (US\$16,393) per borrower for residential customers.

India is endowed with vast solar energy potential. About 5,000 trillion kWh per year energy is incident over India's land area with most parts receiving 4-7 kWh per sq. m per day. Hence both technology routes for conversion of solar radiation into heat and electricity, namely, solar thermal and solar photovoltaics, can effectively be harnessed providing huge scalability for solar in India. Solar also provides the ability

to generate power on a distributed basis and enables rapid capacity addition with short lead times. Off-grid decentralized and low-temperature applications will be advantageous from a rural electrification perspective and meeting other energy needs for power and heating and cooling in both rural and urban areas. From an energy security perspective, solar is the most secure of all sources, since it is abundantly available. Theoretically, a small fraction of the total incident solar energy (if captured effectively) can meet the entire country's power requirements. It is also clear that given the large proportion of poor and energy un-served population in the country, every effort needs to be made to exploit the relatively abundant sources of energy available to the country. While, today, domestic coal based power generation is the cheapest electricity source, future scenarios suggest that this could well change.

#### **Business Outlook:**

The Government's vision of providing power 24x7 to each household has ignited new optimism in the power industry, especially with the exploration of renewable energy sources which offer excellent opportunities amid challenges for the industry. The RE-INVEST 2015 concluded that the green energy commitments worth 2,66,000 MW. Gol has announced a massive renewable power production target of 175,000 MW by 2022, comprising 100,000 MW from solar power, 60,000 MW from wind energy, 10,000 MW from biomass and 5,000 MW from small hydro power projects. Further due to reduction in floor price of solar REC and recent judgments by various courts and strict compliance of REC obligation, the off take of REC has also shown improvement which will help in improving the financial viability of the project.

#### **RISKS AND CONCERNS**

Inadequate risk management is a primary cause of concern indicated by most organizations in India. To be in a position to have fully identified all risks associated with a project and have a response plan for each; that is clearly a benchmark most organizations acknowledge, nevertheless, do little about it. Risk Management by its very nature is flawed because it only identifies the things project managers know; it fails to appreciate the "unknown", "unknowns", the "un-controllable". That said, the more risks identified and planned for, the better position the project team is in to deliver a successful project. Risk Management has been identified as a best practice by most respondents. Moreover, there is a growing concern among Organizations about inaccurate risk identification. The project will yield continuous flow of revenue for the Company.

#### **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 designs and maintains accounting and internal control systems to provide reasonable assurance at reasonable cost that assets are safeguarded against loss from unauthorized use or disposition, and that the financial records are reliable for preparing financial statements and maintaining accountability for assets. These systems are augmented by written policies, an organizational structure providing division of responsibilities, careful selection and training of qualified

personnel, and a program of internal audits. 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:

### A. FINANCIAL CONDITION:

#### Capital Structure:

The Equity Share Capital of the Company is ₹ 127,980,000/- comprising of 63,990,000 Equity Shares of ₹ 2/- each fully paid.

#### Reserves and Surplus:

The Reserves and Surplus of the Company as on 31.03.2015 stand at ₹ 1,959,478,884/- as compared to ₹ 1,954,199,798/- in the previous year.

#### Fixed Assets:

During the year, the Company has added Fixed Assets amounting to ₹ 14,151,490 making the gross fixed assets as on 31.03.2015 to ₹ 1,319,257,701.

#### Inventories:

Inventories, as on 31<sup>st</sup> March, 2015, increased to ₹ 417,611,302/- as against ₹ 114,842,472/- in the previous year.

#### Sundry Debtors:

Sundry debtors reduced to ₹ 300,878,481/- as on 31<sup>st</sup> March, 2015 as against ₹ 321,399,026/- in the previous year. These debtors are considered good and realizable.

#### Cash and Bank Balances:

Cash and Bank balances with Scheduled Banks stood to ₹ 84,747,720/- as against ₹ 263,940,775/- in the previous year which include amounts deposited with banks as Security.

#### Loans and Advances:

Long Term Loans and Advances increased to ₹ 1,166,382,563/- as against ₹ 1,153,813,029/- in the previous year.

Short Long Term Loans and Advances reduced to ₹ 142,060,895/- as against ₹ 149,680,137/- in the previous year.

#### Current Liabilities:

Current liabilities for the F.Y. 2014-15 is ₹ 605,676,876/- as against ₹ 347,998,555/- in the previous Year.

### B. OPERATIONAL RESULTS :

#### Turnover:

During the year 2014-2015, the turnover of the Company was ₹ 2,517,467,311/- as compared to ₹ 2,257,636,472/- in the previous year.

The Income from other sources as on 31<sup>st</sup> March, 2015 was ₹ 95,995,364/- as compared to ₹ 81,007,751/- in the previous year

#### Depreciation:

The Company has provided a sum of ₹ 49,656,585/- towards depreciation for the year as against ₹ 68,027,104/- in the previous year.

#### Provision for Tax:

The Company has provided a current tax of ₹ 3,276,970/- as against ₹ 41,65,188/- in the previous year.

#### Net Profit:

The Net Profit of the Company after tax is ₹ 20,502,843/- as against ₹ 26,346,400/- in the previous year.

#### Earnings Per Share:

The Earnings Per Share of the Company as on 31<sup>st</sup> March, 2015 is ₹ 0.32 per share for Face Value of ₹ 2/- as against ₹ 0.41 per share for Face Value of ₹ 2/- in the previous year

## HUMAN RESOURCE DEVELOPMENT AND INDUSTRIAL RELATIONS:

The Company believes that the Company's growth and future success depend largely on the skills of the Company's workforce, including executives and officers, as well as the designers and engineers and the attraction of critical skills. The loss of the services of one or more of these employees could impair the Company's ability to continue to implement its business strategy. The Company's success also depends, on its continued ability to attract and retain experienced and qualified employees. The Company is committed to building the competencies of its employees and improving their performance through training and development. The Company focus is on identifying gaps in its employees' competencies and preparing employees for changes in competitive environments, as well as to meet organizational challenges.

Some of the focus areas in training in the last year centered on leadership, innovation management and internationalization besides other training programmes to drive a change in the Company's employees' outlook as it continue to develop as a global competitor.

#### CAUTIONARY STATEMENT:

Statements in the Management Discussion and Analysis describing the Company's objective, projections, estimates, 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, among others, economic conditions affecting demand / supply and price conditions in the domestic and overseas markets in which the Company operates changes in the Government regulations, tax laws and other statutes and 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) Name(s) of the related party and nature of relationship	(b) Nature of contracts/ arrangements/ transactions	(c) Duration of the contracts/ arrangements/ transactions	(d) Salient terms of the contracts or arrangements or Transactions including the value, if any:	(e) Date(s) of approval by the Board, if any:	(f) Amount paid as advances, if any:
1	<b>Bhagyanagar Ventures Private Limited</b> (Director is a member of the Company)	Lease of Property	01.04.2014 to 31.03.2015	Lease of 5 <sup>th</sup> Floor, Surya Towers, S.P.Road, Sec-bad. ₹ 68,460/- per month.	12.05.2014	-
2	<b>Devendra Surana</b> (Director of the Company)	Lease of property	01.04.2014 to 31.03.2015	Lease of 2 <sup>nd</sup> Floor, Surya Towers, S.P. Road, Sec-bad. ₹ 20,000/- per month.	12.05.2014	-

**EXTRACT OF ANNUAL RETURN**

as on the financial year ended 31.03.2015

*[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	L27201AP1991PLC012449
Registration Date	2 <sup>nd</sup> September, 1985
Name of the Company	<b>BHAGYANAGAR INDIA LIMITED</b>
Category / Sub-Category of the Company	Company limited by shares/ Indian-Non Government Company
Address of the Registered Office and contact details	5 <sup>th</sup> Floor, Surya Towers, Sardar Patel Road, Secunderabad-500 003. Ph.No: 040-44665700
Whether listed company	Yes
Name, address and contact details of Registrar and Transfer Agent, if any	Karvy Computershare Pvt. Ltd Karvy Selenium Tower B, Plot No 31 & 32 Gachibowli, Financial District, Nanakramguda, Serilingampally Hyderabad – 500 008 Phone # +91-40-67162222, Fax # 91-40-23420814, Email ID: einward.ris@karvy.com 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
Manufacture of Copper and other copper products and alloys	27201	96.66

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

Name and address of the Company	CIN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
Bhagyanagar Properties Private Limited	U70102TG2006PTC050010	Subsidiary	99.99	2(87)
Metropolitan Ventures India Limited	U45200TG2007PLC053036	Subsidiary	99.99	2(87)
Bhagyanagar Metals Limited	U27310TG2006PLC051252	Subsidiary	99.88	2(87)
Solar Dynamics Private Limited	U40108TG2010PTC070419	Subsidiary	72.37	2(87)
Scientia Infocom India Private Limited	U72200TG2005PTC047966	Subsidiary	76.00	2(87)
Globecom Infra Ventures India Private Limited	U45400TG2007PTC054705	Associate	50.00	2(6)
GMS Realtors Private Limited	U70102TG2006PTC049511	Associate	50.00	2(6)
Bhagyanagar Entertainment & Infra Development Company Private Limited	U45209TG2007PTC055313	Associate	47.00	2(6)
Bhagyanagar Infrastructure Limited	U70109TG2006PLC050560	Associate	43.40	2(6)

## 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 (as on 01.04.2014)				No. of Shares held at the end of the year (as on 31.03.2015)				%
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>A. PROMOTERS</b>									
(1) Indian									
a) Individual / HUF	35680559	-	35680559	55.76	36431808	-	36431808	56.93	1.17
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	10930178	-	10930178	17.08	10972221	-	10972221	17.15	0.07
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-Total (A)(1):</b>	<b>46610737</b>	<b>-</b>	<b>46610737</b>	<b>72.84</b>	<b>47404029</b>	<b>-</b>	<b>47404029</b>	<b>74.08</b>	<b>1.24</b>
(2) Foreign									
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>46610737</b>	<b>-</b>	<b>46610737</b>	<b>72.84</b>	<b>47404029</b>	<b>-</b>	<b>47404029</b>	<b>74.08</b>	<b>1.24</b>
<b>B. PUBLIC SHAREHOLDING</b>									
(1) Institutions									
a) Mutual Funds / UTI	-	10500	10500	0.02	-	10500	10500	0.02	-
b) Banks / FI	1496171	-	1496171	2.34	1496171	-	1496171	2.34	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	176700	-	176700	0.28	176700	-	176700	0.28	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-Total (B)(1):</b>	<b>1672871</b>	<b>10500</b>	<b>1683371</b>	<b>2.63</b>	<b>1672871</b>	<b>10500</b>	<b>1683371</b>	<b>2.63</b>	<b>-</b>
(2) Non-Institutions									
a) Bodies Corporate	1215053	12195	1227248	1.92	1125203	12195	1137398	1.78	0.14
b) Individuals									
i) Individual Shareholders holding nominal share capital upto ₹ 1 lakh	7019653	801489	7821142	12.22	7022601	777625	7800226	12.19	0.03
ii) Individual Shareholders holding nominal share capital in excess of ₹ 1 lakh	4466289	-	4466289	6.98	4813625	-	4813625	7.52	0.54
c) Others									
i) Non Resident Indians	2169727	-	2169727	3.39	1128820	-	1128820	1.76	1.63
Clearing Members	10986	-	10986	0.02	22031	-	22031	0.03	0.01
Trusts	500	-	500	0.00	500	-	500	0.00	-
Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
Sub-Total B(2) :	14882208	813684	15695892	24.53	14112780	789820	14902600	23.29	1.24
Total B=B(1)+B(2):	16555079	824184	17379263	27.16	15785651	800320	16585971	25.92	1.24
<b>C. Shares held by Custodians, against which Depository Receipts have been issued</b>									
<b>GRAND TOTAL (A+B+C) :</b>	<b>63165816</b>	<b>824184</b>	<b>63990000</b>	<b>100.00</b>	<b>63189680</b>	<b>800320</b>	<b>63990000</b>	<b>100.00</b>	<b>-</b>

**ii) Shareholding of Promoters:**

Sl. No	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Advait Surana	254082	0.40	-	323082	0.50	-	0.10
2	Chand Kanwar	3366010	5.26	-	3366010	5.26	-	-
3	Devendra Surana	4170828	6.52	-	4170828	6.52	-	-
4	Devendra Surana (HUF)	135000	0.21	-	135000	0.21	-	-
5	Devendra Surana	24255	0.04	-	332149	0.52	-	0.48
6	G M Surana (HUF)	357550	0.56	-	357550	0.56	-	-
7	G M Surana (MHUF)	332760	0.52	-	332760	0.52	-	-
8	GM Surana	3421980	5.35	-	3421980	5.35	-	-
9	Manish Surana	4891701	7.64	-	4938433	7.72	-	0.08
10	Mitali Surana	600000	0.94	-	600000	0.94	-	-
11	Namrata Surana	3723766	5.82	--	3730166	5.83	-	0.01
12	Narender Surana	3632474	5.68	-	3632474	5.68	-	-
13	Narender Surana	1360566	2.13	-	1539436	2.41	-	0.28
14	Narender Surana (HUF)	213000	0.33	-	213000	0.33	-	-
15	Nivruthi Surana	695000	1.09	-	695000	1.09	-	-
16	Rahul Surana	2809000	4.39	-	2809000	4.39	-	-
17	Shresha Surana	550474	0.86	-	595227	0.93	-	0.07
18	Sresha Surana	564000	0.88	-	564000	0.88	-	-
19	Sunita Surana	3254671	5.09	-	3266671	5.10	-	0.01
20	Surana Infocom Private Limited	7941543	12.41	-	7941543	12.41	-	-
21	Surana Infocom Private Limited	698304	1.09	-	740347	1.16	-	0.07
22	Surana Telecom and Power Limited	2251457	3.52	-	2251457	3.52	-	-
23	Surana Telecom and Power Limited	38874	0.06	-	38874	0.06	-	-
24	Vinita Surana	1220732	1.91	-	1306332	2.04	-	0.13
25	Vinita Surana	102710	0.16	-	102710	0.16	-	-
	<b>Total</b>	<b>46610737</b>	<b>72.84</b>	<b>-</b>	<b>47404029</b>	<b>74.08</b>	<b>-</b>	<b>1.24</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 shareholding			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	Surana Infocom Private Limited	7941543	12.41	01/04/2014			7941543	12.41
				31/03/2015			7941543	12.41
2	Manish Surana	4891701	7.64	01/04/2014			4891701	7.64
				06/06/2014	800	Purchase	4892501	7.65
				30/06/2014	19000	Purchase	4911501	7.68
				04/07/2014	35	Purchase	4911536	7.68
				11/07/2014	23001	Purchase	4934537	7.71
				29/08/2014	2000	Purchase	4936537	7.71
				19/09/2014	101	Purchase	4936638	7.71
				12/12/2014	700	Purchase	4937338	7.72
				09/01/2015	1000	Purchase	4938338	7.72
				16/01/2015	45	Purchase	4938383	7.72
				23/01/2015	50	Purchase	4938433	7.72
				31/03/2015			4938433	7.72
3	Devendra Surana	4170828	6.52	01/04/2014			4170828	6.52
				31/03/2015			4170828	6.52
4	Namrata Surana	3723766	5.82	01/04/2014			3723766	5.82
				02/05/2014	1400	Purchase	3725166	5.82
				23/05/2014	1000	Purchase	3726166	5.82
				11/07/2014	4000	Purchase	3730166	5.83
31/03/2015			3730166	5.83				
5	Narender Surana	3632474	5.68	01/04/2014			3632474	5.68
				31/03/2015			3632474	5.68
6	GM Surana	3421980	5.35	01/04/2014			3421980	5.35
				31/03/2015			3421980	5.35
7	Chand Kanwar	3366010	5.26	01/04/2014			3366010	5.26
				31/03/2015			3366010	5.26
8	Sunita Surana	3254671	5.09	01/04/2014			3254671	5.09
				11/04/2014	3000	Purchase	3257671	5.09
				11/07/2014	9000	Purchase	3266671	5.10
				31/03/2015			3266671	5.10
9	Rahul Surana	2809000	4.39	01/04/2014			2809000	4.39
				31/03/2015			2809000	4.39
10	Surana Telecom and Power Limited	2251457	3.52	01/04/2014			2251457	3.52
				31/03/2015			2251457	3.52

Sl. No	Name of the Share Holder	Shareholding at the beginning of the Year		Increase / Decrease in shareholding			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	Narender Surana	1360566	2.13	01/04/2014			1360566	2.13
				04/04/2014	13918	Purchase	1374484	2.15
				11/04/2014	5400	Purchase	1379884	2.16
				18/04/2014	7122	Purchase	1387006	2.17
				25/04/2014	7389	Purchase	1394395	2.18
				02/05/2014	8370	Purchase	1402765	2.19
				09/05/2014	4902	Purchase	1407667	2.20
				16/05/2014	1000	Purchase	1408667	2.20
				23/05/2014	2300	Purchase	1410967	2.20
				30/05/2014	4200	Purchase	1415167	2.21
				06/06/2014	3710	Purchase	1418877	2.22
				20/06/2014	4052	Purchase	1422929	2.22
				30/06/2014	1044	Purchase	1423973	2.23
				04/07/2014	3854	Purchase	1427827	2.23
				11/07/2014	20500	Purchase	1448327	2.26
				18/07/2014	13401	Purchase	1461728	2.28
				25/07/2014	3722	Purchase	1465450	2.29
				01/08/2014	19730	Purchase	1485180	2.32
				15/08/2014	347	Purchase	1485527	2.32
				22/08/2014	1500	Purchase	1487027	2.32
				29/08/2014	2542	Purchase	1489569	2.33
				05/09/2014	50	Purchase	1489619	2.33
				19/09/2014	4415	Purchase	1494034	2.33
				30/09/2014	1691	Purchase	1495725	2.34
				10/10/2014	103	Purchase	1495828	2.34
				17/10/2014	2083	Purchase	1497911	2.34
				24/10/2014	200	Purchase	1498111	2.34
				31/10/2014	2917	Purchase	1501028	2.35
				12/12/2014	1928	Purchase	1502956	2.35
				19/12/2014	814	Purchase	1503770	2.35
				31/12/2014	400	Purchase	1504170	2.35
02/01/2015	1	Purchase	1504171	2.35				
09/01/2015	2590	Purchase	1506761	2.35				
16/01/2015	3644	Purchase	1510405	2.36				
06/02/2015	3890	Purchase	1514295	2.37				
06/03/2015	750	Purchase	1515045	2.37				
13/03/2015	1885	Purchase	1516930	2.37				
20/03/2015	20856	Purchase	1537786	2.40				
27/03/2015	1650	Purchase	1539436	2.41				
31/03/2015			1539436	2.41				

Sl. No	Name of the Share Holder	Shareholding at the beginning of the Year		Increase / Decrease in shareholding			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
12	Vinita Surana	1220732	1.91	01/04/2014			1220732	1.91
				23/05/2014	1000	Purchase	1221732	1.91
				11/07/2014	80000	Purchase	1301732	2.03
				12/09/2014	1000	Purchase	1302732	2.04
				12/12/2014	3000	Purchase	1305732	2.04
				19/12/2014	600	Purchase	1306332	2.04
				31/03/2015			1306332	2.04
13	Surana Infocom Private Limited	698304	1.09	01/04/2014			698304	1.09
				11/07/2014	31500	Purchase	729804	1.14
				05/09/2014	10543	Purchase	740347	1.16
				31/03/2015			740347	1.16
14	Nivruthi Surana	695000	1.09	01/04/2014			695000	1.09
				31/03/2015			695000	1.09
15	Mitali Surana	600000	0.94	01/04/2014			600000	0.94
				31/03/2015			600000	0.94
16	Sresha Surana	564000	0.88	01/04/2014			564000	0.88
				31/03/2015			564000	0.88
17	Shresha Surana	550474	0.86	01/04/2014			550474	0.86
				11/07/2014	23178	Purchase	573652	0.90
				30/09/2014	12461	Purchase	586113	0.92
				31/10/2014	52	Purchase	586165	0.92
				28/11/2014	1400	Purchase	587565	0.92
				05/12/2014	255	Purchase	587820	0.92
				31/12/2014	801	Purchase	588621	0.92
				20/02/2015	2815	Purchase	591436	0.92
				06/03/2015	3791	Purchase	595227	0.93
				31/03/2015			595227	0.93
18	G M Surana	357550	0.56	01/04/2014			357550	0.56
				31/03/2015			357550	0.56
19	G M Surana	332760	0.52	01/04/2014			332760	0.52
				31/03/2015			332760	0.52
20	Advait Surana	254082	0.40	01/04/2014			254082	0.40
				11/07/2014	69000	Purchase	323082	0.50
				31/03/2015			323082	0.50
21	Narender Surana	213000	0.33	01/04/2014			213000	0.33
				31/03/2015			213000	0.33
22	Devendra Surana	135000	0.21	01/04/2014			135000	0.21
				31/03/2015			135000	0.21
23	Vinita Surana	102710	0.16	01/04/2014			102710	0.16
				31/03/2015			102710	0.16
24	Surana Telecom and Power Limited	38874	0.06	01/04/2014			38874	0.06
				31/03/2015			38874	0.06

Sl. No	Name of the Share Holder	Shareholding at the beginning of the Year		Increase / Decrease in shareholding			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
25	Devendra Surana	24255	0.04	01/04/2014			24255	0.04
				04/04/2014	4000	Purchase	28255	0.04
				11/04/2014	7499	Purchase	35754	0.06
				18/04/2014	3650	Purchase	39404	0.06
				25/04/2014	2789	Purchase	42193	0.07
				02/05/2014	7650	Purchase	49843	0.08
				09/05/2014	2000	Purchase	51843	0.08
				16/05/2014	11800	Purchase	63643	0.10
				23/05/2014	12271	Purchase	75914	0.12
				30/05/2014	5833	Purchase	81747	0.13
				06/06/2014	2055	Purchase	83802	0.13
				30/06/2014	20911	Purchase	104713	0.16
				04/07/2014	1000	Purchase	105713	0.17
				11/07/2014	33291	Purchase	139004	0.22
				18/07/2014	4900	Purchase	143904	0.22
				25/07/2014	3399	Purchase	147303	0.23
				01/08/2014	11905	Purchase	159208	0.25
				08/08/2014	1500	Purchase	160708	0.25
				05/09/2014	695	Purchase	161403	0.25
				30/09/2014	16352	Purchase	177755	0.28
				10/10/2014	1161	Purchase	178916	0.28
				17/10/2014	50	Purchase	178966	0.28
				24/10/2014	3242	Purchase	182208	0.28
				31/10/2014	1401	Purchase	183609	0.29
				07/11/2014	6000	Purchase	189609	0.30
				21/11/2014	9773	Purchase	199382	0.31
				28/11/2014	17024	Purchase	216406	0.34
				05/12/2014	11210	Purchase	227616	0.36
				12/12/2014	30880	Purchase	258496	0.40
				19/12/2014	5431	Purchase	263927	0.41
				31/12/2014	11964	Purchase	275891	0.43
09/01/2015	530	Purchase	276421	0.43				
30/01/2015	4316	Purchase	280737	0.44				
27/02/2015	1	Purchase	280738	0.44				
06/03/2015	9773	Purchase	290511	0.45				
13/03/2015	6619	Purchase	297130	0.46				
20/03/2015	21996	Purchase	319126	0.50				
27/03/2015	7368	Purchase	326494	0.51				
31/03/2015	5655	Purchase	332149	0.52				
31/03/2015			332149	0.52				

## 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 shareholding			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	Sambhav Munoth	1646000	2.57	01/04/2014			1646000	2.57
				31/03/2015			1646000	2.57
2	United India Insurance Company Limited	950213	1.48	01/04/2014			950213	1.48
				31/03/2015			950213	1.48
3	Satpal Khattar	1907405	2.98	01/04/2014			1907405	2.98
				30/06/2014	-15103	Transfer	1892302	2.96
				04/07/2014	-644458	Transfer	1247844	1.95
				11/07/2014	-352242	Transfer	895602	1.40
				31/03/2015			895602	1.40
4	General Insurance Corporation Of India	545418	0.85	01/04/2014			545418	0.85
				31/03/2015			545418	0.85
5	Arun Kumar Jain	530744	0.83	01/04/2014			530744	0.83
				31/03/2015			530744	0.83
6	Vaibhav Mutha	500000	0.78	01/04/2014			500000	0.78
				31/03/2015			500000	0.78
7	Times Publishing House Limited	0	0.00	01/04/2014			0	0.00
				22/08/2014	450000	Purchase	450000	0.70
				31/03/2015			450000	0.70
8	Andhra Pradesh Industrial Development Corporation	176700	0.28	01/04/2014			176700	0.28
				31/03/2015			176700	0.28
9	Sidhartha Premchand Gupta	166000	0.26	01/04/2014			166000	0.26
				31/03/2015			166000	0.26
10	Ankit Luharuka	0	0.00	01/04/2014			0	0.00
				11/07/2014	141886	Purchase	141886	0.22
				18/07/2014	32324	Purchase	174210	0.27
				25/07/2014	800	Purchase	175010	0.27
				08/08/2014	20627	Purchase	195637	0.31
				15/08/2014	1326	Purchase	196963	0.31
				22/08/2014	9966	Purchase	206929	0.32
				19/09/2014	-24417	Transfer	182512	0.29
				30/09/2014	-569	Transfer	181943	0.28
				31/10/2014	-10000	Transfer	171943	0.27
				14/11/2014	-7000	Transfer	164943	0.26
				16/01/2015	-7000	Transfer	157943	0.25
				27/03/2015	-100	Transfer	157843	0.25
				31/03/2015			157843	0.25

**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	G. M. Surana	3421980	5.35	-	-	3421980	5.35
2	Narender Surana	4993040	7.80	178870	-	5171910	8.08
3	Devendra Surana	4195083	6.56	307894	-	4502977	7.04
4	R. Surender Reddy	-	-	-	-	-	-
5	O. Swaminatha Reddy	-	-	-	-	-	-
6	D. Venkatasubbiah	-	-	-	-	-	-
7	Narender Munoth	736872	1.15	-	-	736872	1.15
8	N. Krupakar Reddy	-	-	-	-	-	-
9	Kamlesh Gandhi	-	-	-	-	-	-
10	Dr. R.N Sreenath	-	-	-	-	-	-
11	Madhumati Suresh*	-	-	-	-	-	-

Sl. No.	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.	Surendra Bhutoria Chief Financial Officer	-	-	-	-	-	-

\* has been appointed as Independent Director w.e.f. 23.03.2015.

**V. INDEBTEDNESS:**

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

(Amount in ₹)

Particulars	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	1,022,318,562	26,745,476	-	1,049,064,038
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	11,803,836	-	-	11,803,836
<b>Total (i+ii+iii)</b>	<b>1,034,122,398</b>	<b>26,745,476</b>	<b>-</b>	<b>1,060,867,874</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	250,093,185	-	-	250,093,185
Reduction	(118,518,578)	(10,154,410)	-	(128,672,988)
Net Change	131,574,607	(10,154,410)	-	121,420,197
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	1,155,484,195	16,591,066	-	1,172,075,261
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	10,212,810	-	-	10,212,810
<b>Total (i+ii+iii)</b>	<b>1,165,697,005</b>	<b>16,591,066</b>	<b>-</b>	<b>1,182,288,071</b>

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

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Narender Surana, Managing Director	Devendra Surana, Managing Director	Narender Munooh, Whole Time Director	N Krupakar Reddy Whole Time Director	Total Amount
1	Gross Salary					
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	72,00,000	72,00,000	25,20,000	4,20,000	1,73,40,000
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	36,00,000	36,00,000	10,80,000	-	82,80,000
	(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 (A)</b>	<b>108,00,000</b>	<b>108,00,000</b>	<b>36,00,000</b>	<b>4,20,000</b>	<b>2,56,20,000</b>

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

(Amount in ₹)

Sl. No.	Particulars of remuneration	Name of Director					*Madhumati Suresh	Total Amount
		R.Surender Reddy	O.Swaminatha Reddy	D. Venkatasubbiah	Kamlesh Gandhi	Dr. R.N Sreenath		
1	Fee for attending Board/ Committee Meetings	60000	90000	40000	90000	50000	-	330000
2	Commission	-	-	-	-	-	-	-
3	Others, please specify	-	-	-	-	-	-	-
	<b>Total (B)(1)</b>	<b>60000</b>	<b>90000</b>	<b>40000</b>	<b>90000</b>	<b>50000</b>	<b>-</b>	<b>330000</b>

\* has been appointed as Independent Director w.e.f 23.03.2015

**2. Other Non Executive Directors:**

(Amount in ₹)

Particulars of remuneration	G M Surana, Director	Total Amount
-Fee for attending Board/Committee Meetings	40,000	40,000
- Commission	-	-
- Others, please specify	-	-
<b>Total</b>	<b>40,000</b>	<b>40,000</b>

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

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Surendra Bhutoria Chief Financial Officer	Total Amount
1	Gross Salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	1,014,000	1,014,000
	(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>	1,014,000	1,014,000

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

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
<b>A. COMPANY</b>					
Penalty					
Punishment			None		
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment			None		
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment			None		
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, 2015**

To  
The members of  
**Bhayanagar India Limited**

1. 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. Bhayanagar India 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.
2. 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 31st March, 2015 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.
3. 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 31st March, 2015 ("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, 1992;
    - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
    - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
    - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
    - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
    - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
    - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
  - vi) The Listing Agreements entered into by the Company with Stock Exchange(s),
4. The Company's main business is into manufacture of Copper and non-ferrous metals, Non-conventional energy (wind and solar). Accordingly, the following Industry specific major Acts are applicable to the Company:
  - i) The Electricity Act, 2003
  - ii) Hazardous Wastes (Management and Handling) Rules, 1989

- iii) Environment Protection Act, 1986
5. I, further report that the Company has, in my opinion, complied with the provisions of Companies Act, 2013 and rules made there under, as notified by the Ministry of Corporate Affairs and the Memorandum and Articles of Association of the Company.
6. I further report that, during the period under review, provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company under the financial year under report:
- (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (b) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (d) 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;
  - (e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - (f) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
7. I, further report that:
- (a) The Company has complied with the clauses of Equity Listing Agreements entered into with stock exchanges.
  - (b) Secretarial Standards were not considered in the Audit, as the same were not notified during the period considered for Audit.
8. 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.
  - (b) 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.
  - (c) 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.
  - (d) 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.
  - (e) Majority decision is carried through and there were no instances of dissenting members in the Board of Directors.
  - (f) It is also noted that the Company has an Internal Audit System to constantly monitor the process for efficient compliances.
9. I, further report that there exist adequate systems and processes in the Company that commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
10. I further report that during the year under report, the Company has not undertaken any event / action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

**For RAKHI AGARWAL & ASSOCIATES**

Place : Hyderabad  
Date : 06.08.2015

**RAKHI AGARWAL**  
Company Secretary  
FCS NO.7047  
CP NO.627

## REPORT ON CORPORATE GOVERNANCE

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

Bhagyanagar India Limited to set the highest standards of Corporate Governance right from its inception benchmarked with the best class practices across the globe. Effective Corporate Governance is the manifestation of professional beliefs and values, which configures the organizational values, credo and actions of its employees. The aim of "Good Corporate Governance" is to ensure commitment of the board in managing the company in a transparent manner for maximizing long-term value of the company for its shareholders and all other partners. It integrates all the participants involved in a process, which is economic, and at the same time social.

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.

### 2. BOARD OF DIRECTORS:

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

In terms of compliance with the requirement of clause 49(I)(A) of Listing Agreement, 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 on 31<sup>st</sup> March, 2015, the Board consist of the following:

- 6 Independent Non-executive Directors;
- 4 Executive Directors;
- 1 Non-Executive Director.

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

The particulars of attendance of Board Meetings and Annual General Meeting by Directors for the financial year ended 31.03.2015 has been set out here below:

Sl. No	Name of Director	Category	Meetings attended	Attendance at last AGM on 22.09.2014
1	Shri. G Mangilal Surana	Non-executive	2	Absent
2	Shri. O Swaminatha Reddy	Non executive - Independent	5	Present
3	Shri. R Surender Reddy	Non executive - Independent	3	Absent
4	Shri. Kamlesh Gandhi	Non executive - Independent	5	Present
5	Dr R. N. Sreenath	Non executive - Independent	5	Present
6	Shri. D VenkataSubbaiah	Non executive - Independent	4	Present
7	*Smt. Madhumathi Suresh	Non executive - Independent	-	-
8	Shri. Narender Surana	Executive	5	Present
9	Shri. Devendra Surana	Executive	5	Present
10	Shri. Narender Munoth	Executive	5	Present
11	Shri. N Krupakar Reddy	Executive	5	Present

\*Smt. Madhumathi Suresh has been appointed as Independent Director w.e.f 23.03.2015.

#### c) Number of other Directorships, Committee Membership(s) & Chairmanship(s):

Sl. No.	Name of the Director	Other Directorships	Committee Membership	Committee Chairmanship
1	Shri. G Mangilal Surana	4	2	2
2	Shri. O Swaminatha Reddy	10	5	5
3	Shri. R Surender Reddy	7	7	4
4	Shri. Kamlesh Gandhi	4	2	-
5	Dr. R.N. Sreenath	6	2	-
6	Shri. D Venkata Subbaiah	2	4	3
7	Shri. Narender Surana	19	3	3
8	Shri. Devendra Surana	18	3	-
9	Shri. Narender Munoth	0	-	-
10	Shri. N Krupakar Reddy	8	-	-
11	Smt. Madhumathi Suresh*	2	-	-

\*Smt Madhumathi Suresh has been appointed as Additional Director w.e.f 23.03.2015.

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

In terms of compliance with the requirement of clause 49(I) (C) of Listing Agreement, 5 (Five) Board Meetings were held during the financial year ended 31.03.2015. The maximum gap between any two Board Meetings was not more than 120 days at any time.

The dates on which the Board meetings were held are:

12.05.2014	08.08.2014	22.09.2014	11.11.2014	11.02.2015
------------	------------	------------	------------	------------

**BOARD COMMITTEES:**

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

**3. AUDIT COMMITTEE:**

**(i) Brief description of terms of reference:**

The terms of reference stipulated by the Board to the Audit Committee includes review of the following:

- Management Discussion and Analysis of financial condition and results of operations;
- Statement of significant related party transactions submitted by Management;
- Management letters / letters of internal control weaknesses issued by the Statutory Auditors;
- Internal Audit Reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the Chief Internal Auditor.
- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the Statutory Auditor and the fixation of Audit fees.
- Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
- The annual financial statements before submission to the Board for approval, with particular reference to following with the Management:
  - i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Clause (3C) of Section 134 of the Companies Act, 2013
  - ii. Changes, if any, in accounting policies and practices and reasons for the same.
  - iii. Major accounting entries involving estimates based on the exercise of judgment by Management
  - iv. Significant adjustments made in the financial statements arising out of Audit findings
  - v. Compliance with listing and other legal requirements relating to financial statements
  - vi. Disclosure of any related party transactions
  - vii. Qualifications in the draft Audit Report.
    - Reviewing, with the Management, the quarterly financial statements before submission to the Board for approval.
    - Reviewing, with the Management, performance of Statutory and Internal Auditors, adequacy of the internal control systems.
    - Reviewing the adequacy of internal audit function, if any, including the structure of the Internal Audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
    - Discussion with Internal Auditors any significant findings and follow up there on.
    - Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
    - Discussion with Statutory Auditors before the Audit commences, about the nature and scope of Audit as well as post-Audit discussion to ascertain any area of concern.
    - To review the functioning of the Whistle Blower Mechanism.
    - To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

**(ii) Composition:**

The Company's Audit Committee comprises of the following Directors all of whom are Non-Executive, the majority being Independent Directors:

Sl.No	Name of Director	Designation
1	Shri. O Swaminatha Reddy	Chairman
2	Shri. G Mangilal Surana	Member
3	Shri. R Surender Reddy	Member
4	Shri. Kamlesh Gandhi	Member

The Company continued to derive immense benefit from the deliberation of the Audit Committee comprising of three Non-Executive Independent Directors and one Non-Executive Director. As Shri O. Swaminatha Reddy who is heading the Audit Committee as Chairman having rich experience and professional knowledge in Finance, Accounts and Company Law, the members always added the value for the Company. Minutes of each Audit Committee are placed before the Board and discussed in the meeting.

**(iii) Meeting and attendance during the year:**

In terms of compliance with the requirement of clause 49(II)(B) of Listing Agreement, the Audit Committee met 4 (Four) times during the financial year under review, on 12.05.2014, 08.08.2014, 11.11.2014 and 11.02.2015 and the attendance of the members of the Audit Committee as recorded is as under:

SI No	Name of the Director	No. of Meetings Attended
1.	Shri O Swaminatha Reddy	4
2.	Shri G Mangilal Surana	2
3.	Shri R Surender Reddy	3
4.	Shri Kamlesh Gandhi	4

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:****(i) Brief description of terms of reference:**

During the year at a meeting of the Board of Directors of the Company held on 12<sup>th</sup> May, 2014 in compliance with the provisions of the Companies Act, 2013 and the listing agreement, the Board has renamed its "Remuneration Committee" as the "Nomination and Remuneration Committee". The brief terms of reference of the Nomination and Remuneration Committee, inter alia, include the following:

- Identifying and selection of persons for appointment as directors and senior management in accordance with the criteria laid down and to recommend to the Board their appointment.
- Formulate the criteria for determining qualifications, positive attributes and independence of a Director.
- Recommend/review remuneration of the Managing Director and Whole time Director(s) based on performance and defined assessment criteria.
- Recommend to the Board a policy for selection and appointment of Directors, Key Managerial Personnel and other senior management positions.
- Formulate and review criteria for evaluation of performance of the Board of Directors
- Devise a policy on Board diversity.
- Succession planning for the Board level and key management positions.
- Carry out any other function as mandated by the Board from time to time and/or enforced by any statutory notification/amendment.

**(ii) Composition:**

Sl.No	Name of Director	Designation
1.	Shri. R Surender Reddy	Chairman
2.	Shri. O Swaminatha Reddy	Member
3.	Shri. D Venkata Subbaiah	Member

**(iii) Attendance during the year:**

The Remuneration Committee met 4 (Four) times, during the financial year under review, on 08.08.2014, 11.11.2014, 11.02.2015 and 23.03.2015. The attendance of the meeting by the members of the Committee as recorded is as under:

S. No	Name of the Director	No. of Meetings Attended
1.	Shri. R Surender Reddy	3
2.	Shri. O Swaminatha Reddy	4
3.	Shri. D Venkata Subbaiah	3

**(iv) REMUNERATION POLICY:**

The nomination and remuneration committee has adopted a Nomination and Remuneration Policy which, interalia, deals with the manner of selection of Board of Directors, KMP & other senior management and their remuneration. The extract of the same is as follows:

**a) Remuneration to Executive Director and KMP:**

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.

**b) Remuneration to Non-Executive Directors:**

The Non- Executive / Independent Director may receive remuneration by way of sitting fees for attending meetings of Board or Committees thereof.

**(i) Details of Remuneration of Non – Executive Directors:**

The Company pays Sitting fees to all the Non-executive Directors at the rate of ₹ 10,000/- 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 2014-15 are as follows:

S. No.	Name of Director	Sitting Fees paid (₹)
1.	Shri G Mangilal Surana	40,000
2.	Shri O Swaminatha Reddy	90,000
3.	Shri R Surender Reddy	60,000
4.	Dr. R.N. Sreenath	50,000
5.	Shri Kamlesh Gandhi	90,000
6.	Shri D.Venkata Subbaiah	40,000
7.	Smt. Madhumathi Suresh*	-
<b>Total</b>		<b>3,70,000</b>

*\*Smt Madhumathi Suresh has been appointed as Additional Director w.e.f 23.03.2015.*

**(ii) Pecuniary relationship or transactions of Non-Executive Director:**

Apart from receiving sitting fees for attending the Board and Audit Committee Meetings, the Non-Executive Independent Directors do not have any other material pecuniary relationship or transactions with the Company, its promoters or its Management, which in the opinion of the Board may affect independence of judgment of such Directors.

**c) Remuneration to Executive Directors:**

(Amount in ₹)

Name of Director	Salary	H R A	Commission	Perks	Total
Shri. Narender Surana	72,00,000	36,00,000	Nil	Nil	1,08,00,000
Shri.Devendra Surana	72,00,000	36,00,000	Nil	Nil	1,08,00,000
Shri.Narender Munoth	25,20,000	10,80,000	Nil	Nil	36,00,000
Shri.N.Krupakar Reddy	4,20,000	Nil	Nil	Nil	4,20,000
<b>TOTAL</b>	<b>1,73,40,000</b>	<b>82,80,000</b>	<b>Nil</b>	<b>Nil</b>	<b>2,56,20,000</b>

**FAMILIARISATION PROGRAMMES FOR BOARD MEMBERS:**

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 have been posted in the website of the Company.

**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.

**INDEPENDENT DIRECTORS' MEETING:**

During the year, meeting of Independent Directors was held 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.

**PERFORMANCE EVALUATION:**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Board Committees. A structured questionnaire was prepared after circulating the draft forms, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

The Performance evaluation of the Chairman and Managing Director and the Non-Independent Directors was carried out by the Independent Directors. The Directors express their satisfaction with the evaluation process.

**5. STAKEHOLDERS RELATIONSHIP COMMITTEE:****(i) Brief description of terms of reference:**

During the year at a meeting of the Board of Directors of the Company held on 12<sup>th</sup> May, 2014 in compliance with the provisions of the Companies Act, 2013 and the listing agreement, the Board has renamed its "Shareholders Grievance Committee" as the "Stakeholders Relationship Committee". The Stakeholders Relationship Committee constituted by the Board of Directors interalia approves transfer of shares and redresses shareholders / investor's grievances and complaints regarding non-receipt of Dividends, Annual Reports, etc.

**(ii) Composition:**

Sl.No.	Name of Director	Designation
1.	Shri. G M Surana	Chairman
2.	Shri. Narender Surana	Member
3.	Shri. Devendra Surana	Member

Shri Narender Surana, Managing Director is acting as Compliance Officer of the Company.

The total number of complaints received and replied to the satisfaction of shareholder during the year was 9. There are no outstanding complaints as on 31.03.2015.

**6. RISK MANAGEMENT COMMITTEE:**

The Company has constituted a Risk Management Committee which has laid down procedures to inform the Board of Directors about the Risk Management and its minimization procedures. The Board of Directors review these procedures periodically.

**7. GENERAL BODY MEETINGS:**
**i) Location and time for the last 3 years General Meetings were:**

Year	Locations	Date	Time
29 <sup>th</sup> AGM (2013-14)	Kamat Lingapur Hotel, 1-10-44/2, Chikoti Gardens, Begumpet, Hyderabad – 500 016	22 <sup>nd</sup> September, 2014	12.00 NOON
28 <sup>th</sup> AGM (2012-13)	Kamat Lingapur Hotel, 1-10-44/2, Chikoti Gardens, Begumpet, Hyderabad – 500 016	27 <sup>th</sup> September, 2013	10.30 A.M.
27 <sup>th</sup> AGM (2011-12)	Taj Tristar, 1-1-40, Seven Hills, Sarojini Devi Road, Secunderabad-500 003	29 <sup>th</sup> September, 2012	10.30 A.M.

**ii. Whether any special resolutions passed in the previous 3 AGMs**

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

- i) To approve the Remuneration to be paid to Shri Narender Surana, Managing Director of the Company.
- ii) To approve the Remuneration to be paid to Shri Devendra Surana, Managing Director of the Company.
- iii) Re-appointment of Shri. N. Krupakar Reddy as Whole Time Director of the Company for a period of 3 years.
- iv) 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.
- v) To authorize the Board to sell, Lease or dispose the undertaking under section 180(1)(a) of Companies Act, 2013.
- vi) 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.

**2011-12:** In the AGM held on 29<sup>th</sup> September, 2012 the company has passed Special Resolutions as follows:

- i) Re-appointment of Shri. Narender Surana as Managing Director for a period of 3 years.
- ii) Re-appointment of Shri. Devendra Surana as Managing Director for a period of 3 years.

**ii) Postal Ballot passed in last year i.e., 2014-15:**

During the year 2014-15 your Company has not passed any resolution through Postal Ballots as per the provisions of Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014.

**8. DISCLOSURES:**
**(i) Disclosures on materially significant related party transactions i.e., transactions of the company of material nature, with its promoter, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of company 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.

**(ii) Details of non-compliance by the company, penalties, strictures imposed on the company by Stock Exchange, SEBI or any statutory authority, on any matter related to capital markets, during the last three years:**

None.

**(iii) Whistle Blower policy:**

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and Clause 49 of the Listing Agreement, 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.bhagyanagarindia.com](http://www.bhagyanagarindia.com).

**(iv) Non Mandatory Requirements:**

Adoption of non-mandatory requirements of Clause 49 of the Listing Agreement is being reviewed by the Board from time to time.

**9. MEANS OF COMMUNICATION:****i. Financial / Quarterly Results:**

The Company intimates un-audited as well as audited financial results to the Stock Exchanges, immediately after the Board meetings at which they are approved. The results of the Company are also published in at least one prominent national and one regional newspaper having wide circulation. Normally the results are published in Business Standard (English) and Suryaa (Telugu). The financial results are also displayed on the Company's website [www.surana.com](http://www.surana.com) and [www.bhagyanagarindia.com](http://www.bhagyanagarindia.com).

**ii. Newspapers wherein results normally published**

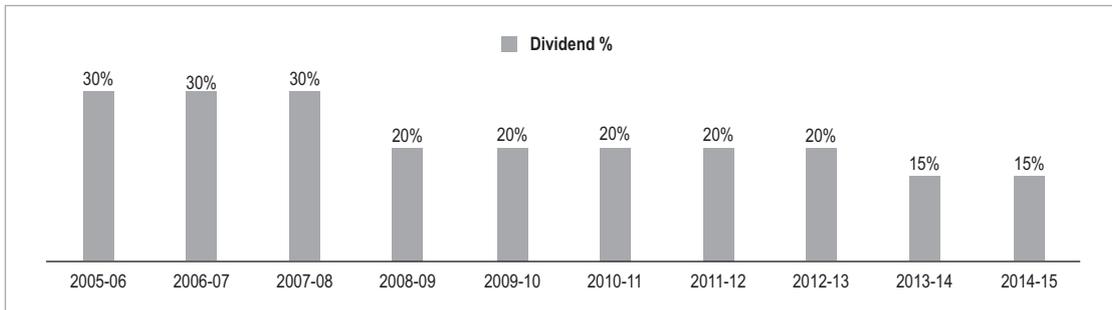
The official news releases are published in Business Standard and Surya (Telugu) Newspapers, Detailed presentations made to institutional investors, financial analyst, etc. are displayed on the Company's website [www.surana.com](http://www.surana.com) and [www.bhagyanagarindia.com](http://www.bhagyanagarindia.com).

**Website:**

The website [www.bhagyanagarindia.com](http://www.bhagyanagarindia.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.

**CEO/ CFO Certification**

In line with the requirements of Clause 49 (V) of the Listing Agreement, Shri Narender Surana, Shri Devendra Surana, Managing Directors, Shri Surendra Bhutoria, Chief Finance Officer 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, 2015 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.

**Dividend History of the Company:****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, 2009 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
2008-09	29.09.2009	28.10.2016
2009-10	24.09.2010	23.10.2017
2010-11	21.09.2011	20.10.2018
2011-12	29.09.2012	28.10.2019
2012-13	27.09.2013	26.10.2020
2013-14	22.09.2014	21.10.2021

The members are advised to send all the uncashed 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.

**The Management Discussion and Analysis Report:**

A Report of the Management Discussion and Analysis is attached as part of the Annual Report.

**10. GENERAL SHAREHOLDER INFORMATION:**

<b>Annual General Meeting</b>	Date : 30 <sup>th</sup> September, 2015 Time : 10.00 AM Venue : 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>	25.09.2015 to 30.09.2015 (both days inclusive)
<b>Dividend Payment Date</b>	07.10.2015
<b>Listing on Stock Exchanges</b>	BSE Ltd National Stock Exchange of India Limited
<b>Stock Code</b>	512296 on BSE BHAGYNAGAR on NSE
<b>ISIN Number for NSDL &amp; CDSL</b>	INE458B01028

**i) MARKET PRICE DATA:**

Month	NSE		BSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
Apr- 2014	16.60	13.25	15.96	13.21
May- 2014	18.95	13.35	18.44	14.31
Jun- 2014	19.25	14.65	18.80	15.70
Jul- 2014	19.25	16.45	19.25	16.55
Aug- 2014	19.85	16.35	18.95	16.50
Sep- 2014	23.80	15.30	23.00	16.50
Oct -2014	21.15	16.75	20.25	17.25
Nov- 2014	18.75	16.70	18.50	16.60
Dec-2014	18.70	16.50	18.50	16.50
Jan- 2015	19.45	15.10	19.45	16.90
Feb - 2015	18.30	16.80	18.60	16.90
Mar - 2015	18.85	16.25	18.05	16.50

**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, 2014	31 March, 2015	% Change
Company Share Price (closing)	13.66	16.75	22.62
SENSEX (closing)	22446.44	27957.49	24.55

**ii) Registrar and Transfer Agents**

Share Transfers & Communication regarding Share Certificates, Dividends & Change of Address may be sent to

<p><b>M/s KARVY COMPUTERSHARE PRIVATE LIMITED</b>                  Karvy Selenium Tower B, Plot No 31 &amp; 32, Gachibowli,                  Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032                  Phone # +91-40-67162222                  Fax # 91-40-23420814, Toll Free No.1800-3454-001                  Email ID: <a href="mailto:einward.ris@karvy.com">einward.ris@karvy.com</a>                  Website : <a href="http://www.karvy.com">http://www.karvy.com</a></p>
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**iii) Share Transfer System**

The Transfer of shares in physical form is processed and completed by Registrar & Transfer Agents within a maximum period of 30 days from the date of receipt, provided all the documents are in order. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through respective Depository Participants. 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.

**iv) Reconciliation of share Capital Audit:**

As stipulated by the SEBI, a qualified Practicing Company Secretary carries out the Share Capital Audit to reconcile the total admitted Capital with NSDL and CDSL and the total issued and listed capital. The Audit is carried out every quarter and the Report thereon is submitted to the Stock Exchanges and is also placed before the Board of Directors. The Report inter-alia confirms the total listed and paid up share capital of the Company is in agreement with the aggregate of the total dematerialised shares and those in the physical mode.

**v) Distribution of shareholding Pattern as on 31<sup>st</sup> March, 2015.**

Category (Amount)	No. of Cases	% of Cases
1 - 5000	10674	94.21
5001 - 10000	339	2.99
10001 - 20000	154	1.36
20001 - 30000	42	0.37
30001 - 40000	23	0.20
40001 - 50000	21	0.19
50001 - 100000	28	0.25
100001 & Above	49	0.43
<b>Total</b>	<b>11330</b>	<b>100%</b>

**vi) Shareholding Pattern as on 31<sup>st</sup> March, 2015:**

Category	No. of Shares	% Holding
Promoters	36431808	56.93
Promoters Bodies Corporate	10972221	17.15
Resident Individuals	12142558	18.20
Bodies Corporate	1137398	1.78
Indian Financial Institutions	1495631	2.34
Non Resident Indians	1128820	1.76
Government	176700	0.28
Trusts	500	0.00
Clearing Members	22031	0.03
Mutual Funds	10500	0.02
Banks	540	0.00
HUF	471293	0.74
<b>Total</b>	<b>6,39,90,000</b>	<b>100.00</b>

**vii) Dematerialisation of Shares & Liquidity**

The trading in Company's shares is permitted only on dematerialized form. In order to enable the shareholders to hold their shares in electronic form and to facilitate scrip-less trading, the Company has enlisted its shares with NSDL and CDSL.

**viii) Plant Locations:**

<p><b>Copper Division</b></p> <p><b>i) Bhagyanagar India Limited</b> Plot No. P-9/13(1) &amp; P-9/14 IDA, Nacharam, Hyderabad – 500 076</p> <p><b>ii) Harinam Wires (Copper Unit)</b> Plot No. P-9/13, (A), (B), (C), Industrial Development Area Nacharam, Hyderabad - 500 076.</p>	<p><b>iii. Hardware Park</b> Plot No. 22B, Raviryal Village, Maheshwaram Mandal, R. R Dist, Hyderabad – 532 409</p> <p><b>Wind Power Division</b> Kapatguda, Gadag District, Karnataka (9MW)</p> <p><b>Solar Power Division (5 MW)</b> Sy. No. 468-470, 477 &amp; 478 Munipally (V &amp; M), Medak District, Telangana.</p>
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**ix) 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> Karvy Selenium Tower B, Plot No 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally Hyderabad – 500 032 Phone # +91-40- 67162222 Fax # 91-40- 23001153, Toll Free No.1800-3451-001 Email ID: <a href="mailto:einward.ris@karvy.com">einward.ris@karvy.com</a> Website : <a href="http://www.karvy.com">www.karvy.com</a>
2.	Investor Correspondence / Queries on Annual Report, Revalidation of Dividend Warrants, Sub-Division, etc.	<b>Narender Surana</b> Managing Director <b>Bhagyanagar India Limited</b> 5 <sup>th</sup> Floor, Surya Towers, S.P.Road, Secunderabad – 500 003. Ph Nos. 040 - 27845119/ 44665750 E-mail : <a href="mailto:cs@surana.com">cs@surana.com</a> <a href="mailto:Investorservices_bil@surana.com">Investorservices_bil@surana.com</a> Website : <a href="http://www.surana.com">www.surana.com</a> <a href="http://www.bhagyanagarindia.com">www.bhagyanagarindia.com</a>

**11. Depository Services:**

For guidance on Depository Services, Shareholders may write to the Company or to the respective Depositories:

<p><b>National Securities Depository Ltd</b> Trade World, 4<sup>th</sup> Floor, Kamala Mills Compound, Lower Parel, Mumbai – 400 013 Tel : 091-022-24972964-70 Fax : 091-022-24972993 / 24976351 Email : <a href="mailto:info@nsdl.co.in">info@nsdl.co.in</a>.</p>	<p><b>Central Depository Services (India) Ltd</b> Phiroze Jeejeebhoy Towers, 17<sup>th</sup> Floor, Dalal Street, Mumbai – 400 023 Tel : 091-022-22723333/22723224 Fax: 091-022-22723199 Email : <a href="mailto:investors@cdslindia.com">investors@cdslindia.com</a></p>
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**12. 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.

13. 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:-

Name of Director	SHRI. NAREN- DER MUNOTH	SHRI. NARENDER SURANA	SHRI. DEVENDRA SURANA	SMT. MADHUMATHI SURESH
<b>Expertise in specific functional areas</b>	Shri. Narender Munoth has got about 26 years of experience in the industry and presently he is the Executive Director of the Company handling the Purchases, Material Procurement and looking after Factory Operations of India Extrusion, one of the divisions of the Company.	Shri. Narender Surana is a Chemical Engineer. He has been in the field of Metals, Telecom industry for more than 30 years and in the field of Renewable Energy Industry for more than 10 years. He has also been the Past President of Federation of Andhra Pradesh Chambers of Commerce and Industry (FAPCCI) 1996-97 and Chairman of the Federation of Indian Chambers of Commerce and Industry (FICCI) A.P. State Council 2004-06 and 2008-10. He was also Chapter Chairman of Young President's Organization (Y.P.O), Hyderabad Chapter 2009. He is the recipient of Andhra Pradesh Best Entrepreneur Award.	Shri. Devendra Surana is a graduate in Mechanical Engineer and holds a Post Graduate Diploma in Management from IIM, Bangalore and chosen as the Brain of the Batch. He has been in the field of Ferrous & Non Ferrous, Telecom Industry for more than Thirty Years and in the field of Renewable Energy Industry for more than 10 years. He was the Past President of Federation of Andhra Pradesh Chambers of Commerce and Industry (FAPCCI) in 2012-13 and Member of National Executive Committee of the Federation of Indian Chambers of Commerce and Industry (FICCI) 2013-14. He was also the Founder President of Young Entrepreneurs Organisation (YEO) of Hyderabad Chapter.	Smt. Madhumathi Suresh is a Fellow member of ICAI and Practicing as Chartered Account for past 21 years. She is Associated as a Partner with M/s. Sekhar & Suresh (Chartered Accountants) and has vast experience in Bank, Corporate and Tax Audits. She also holds a Diploma in Information Systems Audit awarded by ICAI. Further she was a Former President of Rotary Club, Secunderabad.
<b>Date of Birth</b>	03.05.1953	06.07.1960	08.02.1965	25.06.1966
<b>Qualification</b>	B.Com	B.E.(Chemical)	B.E.(Mechanical)	Chartered Accountant
<b>List of Other Companies in which Directorship is held as on 31<sup>st</sup> March, 2015.</b>	Nil	<ol style="list-style-type: none"> <li>1. Surana Solar Ltd</li> <li>2. Surana Telecom And Power Ltd</li> <li>3. Surana Infocom Pvt Ltd</li> <li>4. Bhagyanagar Securities Pvt Ltd</li> <li>5. Bhagyanagar Energy And Telecom Pvt Ltd</li> <li>6. Innova Technologies Pvt Ltd</li> <li>7. Scientia Infocom India Pvt Ltd</li> <li>8. Royal Skyscrapers India Pvt Ltd</li> <li>9. Bhagyanagar Properties Pvt Ltd</li> <li>10. Bhagyanagar Infrastructure Ltd</li> <li>11. Sapthagiri Infrastructure &amp; Developers Pvt Ltd</li> <li>12. AP Golden Apparels Pvt Ltd</li> <li>13. Genten Infra Projects Pvt Ltd</li> <li>14. Bhagyanagar Industrial Park</li> <li>15. Surana Solar Systems Pvt Ltd</li> <li>16. Celestial Solar Solutions Pvt Ltd</li> <li>17. Indian Solar Power Producers Association</li> <li>18. Tejas India Solar Energy Pvt Ltd</li> <li>19. Arhyama Energy Pvt Ltd</li> </ol>	<ol style="list-style-type: none"> <li>1. Surana Solar Limited</li> <li>2. Surana Telecom and Power Limited</li> <li>3. Bhagyanagar Infrastructure Limited</li> <li>4. Metropolitan Ventures India Limited</li> <li>5. Bhagyanagar Green Energy Limited</li> <li>6. Surana Infocom Private Limited</li> <li>7. Every time Foods Industries Private Limited</li> <li>8. Scientia Infocom India Private Limited</li> <li>9. AP Golden Apparels Private Limited</li> <li>10. Globecom Infraventures India Private Limited</li> <li>11. Bhagyanagar Properties Private Limited</li> <li>12. Bhagyanagar Securities Private Limited</li> <li>13. Value Infrastructure and Properties Pvt.Ltd</li> <li>14. Shah Sons Pvt Ltd</li> <li>15. Surana Solar Systems Private Limited</li> <li>16. Solar Dynamics Private Limited</li> <li>17. Celestial Solar Solutions Private Limited</li> <li>18. Tejas India Solar Energy Private Limited</li> </ol>	

Name of Director	SHRI. NARENDER SURANA	SHRI. NARENDER SURANA	SHRI. DEVENDRA SURANA	SMT. MADHUMATHI SURESH
<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, 2015</b>	NIL	<ol style="list-style-type: none"> <li>1. Bhagyanagar India Ltd (Member of Stakeholders Relationship Committee)</li> <li>2. Bhagyanagar India Ltd (Member of Risk Management Committee)</li> <li>3. Surana Solar Ltd (Member of Stakeholders Relationship Committee)</li> <li>4. Surana Solar Ltd (Member of Risk Management Committee)</li> <li>5. Surana Solar Ltd (Member of CSR Committee)</li> <li>6. Surana Telecom and Power Ltd (Member of Stakeholders Relationship Committee)</li> <li>7. Surana Telecom and Power Ltd (Member of Risk Management Committee)</li> </ol>	<ol style="list-style-type: none"> <li>1. Bhagyanagar India Ltd (Member of Stakeholders Relationship Committee)</li> <li>2. Bhagyanagar India Ltd (Member of Risk Management Committee)</li> <li>3. Surana Solar Ltd (Member of Stakeholders Relationship Committee)</li> <li>4. Surana Solar Ltd (Member of Risk Management Committee)</li> <li>5. Surana Solar Ltd (Member of CSR Committee)</li> <li>6. Surana Telecom And Power Ltd (Member of Stakeholders Relationship Committee)</li> <li>7. Surana Telecom And Power Ltd (Member of Risk Management Committee)</li> </ol>	NIL

**DECLARATION OF COMPLIANCE OF CODE OF CONDUCT**

Pursuant to the Circular No. SEBI/CFD/DIL/CG/1/2004/12/10 dated 29<sup>th</sup> Oct' 2004, it is hereby declared that the Company has obtained confirmation from all the Board Members and Senior Management Personnel of the Company for the compliance of the Code of Conduct of the Company for the year 2014-15.

Place : Secunderabad  
Date : 06.08.2015

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

**AUDITORS' CERTIFICATE REGARDING CORPORATE GOVERNANCE**

To  
The Members of  
**Bhagyanagar India Limited**

We have examined the compliance of conditions of Corporate Governance by **M/s Bhagyanagar India Limited** for the year ended 31<sup>st</sup> March 2015, as stipulated in Clause 49 of the Listing Agreement with BSE Limited and National Stock Exchange of India Limited.

The compliance of these conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of 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 Listing Agreement.

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

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

Date : 06.08.2015  
Place : Secunderabad

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

To The Members of  
**Bhagyanagar India Limited**  
**Report on the Financial Statements**

We have audited the accompanying financial statements of Bhagyanagar India Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2015, 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 thereunder.

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 but not for the purpose of expressing an opinion on whether the Company has in place an adequate

internal financial control system over financial reporting and the operating effectiveness of such controls. 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, 2015, and its profit and its cash flows for the year ended on that date.

**Emphasis of Matter**

We draw your attention to Note 2.26 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 the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in Annexure a statement on matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
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 31st March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
  - f. We are not required to report on clause (i) with respect to Internal Financial Controls over financial reporting and the operating effectiveness of the same

for the Financial Year ending 31<sup>st</sup> March 2015, based on the Government of India notification dated October 14, 2014 on the same matter.

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 2.26** 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 : 30-May-2015

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

Re: Bhagyanagar India 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 according to the phased program 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.
- ii. a) As explained to us, inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- b) The procedures explained to us, which are followed by the management for physical verification of inventories, are in our opinion reasonable and adequate in relation to the size of the company and nature of its business.
- c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- iii. The Company has granted loans to **six** parties covered in the register maintained under section 189 of the Act. The maximum amount involved during the year is ₹ 1,316,999,108 and year end outstanding is ₹ 1,242,149,177.
- a) In our opinion and as per the records examined by us, the payment of principal amount and interest thereon is regular. In respect of Interest due from subsidiaries the company has added the same to the principal since the sanction of loan to the subsidiary.
- b) There are no overdue amounts in excess of ₹ 1 lakh in respect of loans granted to companies, firms or other parties listed in register maintained under section 189 of the Act.
- iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchase of inventory and fixed assets and for sale of goods and power. We have not observed any major weakness in the internal control system during the course of the audit.
- v. The Company has not accepted any deposits from the public within the meaning of sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder.
- 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) The Company is regular in depositing undisputed statutory dues with appropriate authorities including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it.
- 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 2015 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 2015 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	25,69,007 (25,69,007)	2008-09	Appellate Additional Commissioner – Hyd
			NIL (20,00,000)	Various Years	
2	Customs Act, 1964	Custom Duty	1,00,00,000 (2,40,07,856)	2008-09	Supreme Court of India
3	Income Tax Act, 1961	Income Tax	13,91,515 (26,20,804)	2008-09	ITAT – Hyd
			8,79,93,920 (8,79,93,920)	2012-13	CIT Appeals

Figures in brackets are the amounts involved in dispute. The taxes paid against the above disputes at ₹ 1,63,53,076 are shown under heads Taxes paid under protest in Long Term Advances and Income Tax Receivable under other current assets.

- d) In our opinion, the amount required to be transferred to the investor education and protection fund in accordance with relevant provisions of the Companies Act, 1956 and rules made thereunder has been transferred to such fund within time.
- viii. The Company has no accumulated losses at the end of the financial year and it has not incurred cash loss during the year covered by audit and in the immediately preceding financial year.
- ix. According to the records of the Company examined by us and the information and explanations given to us, the company has not defaulted in repayment of dues to any financial institution or bank or debenture holders, as applicable, as at the Balance sheet date.
- x. The Company has not given any guarantee for loans taken by others from bank or financial institutions.
- xi. In our opinion and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.
- xii. During the course of our examination of the books and records of the Company, carried out in accordance with the Generally Accepted Accounting Practice in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company noticed or reported during the year, nor have we been informed of such case by the management.

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

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

Place : Secunderabad  
Date : 30-May-2015

**BALANCE SHEET AS AT 31<sup>st</sup> MARCH,2015**

(Amount in ₹)

Particulars	Note No.	As at 31.03.2015	As at 31.03.2014
<b>I EQUITY AND LIABILITIES</b>			
<b>(1) SHAREHOLDERS' FUNDS</b>			
(a) Share Capital	2.1	127,980,000	127,980,000
(b) Reserves and Surplus	2.2	1,959,478,884	1,954,199,798
		<b>2,087,458,884</b>	2,082,179,798
<b>(2) NON-CURRENT LIABILITIES</b>			
(a) Long-Term Borrowings	2.3	629,624,155	789,688,253
<b>(3) CURRENT LIABILITIES</b>			
(a) Short-Term Borrowings	2.4	409,407,830	158,622,972
(b) Trade Payables	2.5	7,668,422	22,805,626
(c) Other Current Liabilities	2.6	164,965,224	143,510,457
(d) Short-Term Provisions	2.7	23,635,400	23,059,500
		<b>605,676,876</b>	347,998,555
<b>TOTAL</b>		<b>3,322,759,915</b>	<b>3,219,866,596</b>
<b>II ASSETS</b>			
<b>(1) NON-CURRENT ASSETS</b>			
(a) Fixed Assets			
(1) Tangible Assets	2.8	792,207,881	830,297,732
(2) Capital Work-in-Progress		9,195,040	7,144,772
(b) Non-Current Investments	2.9	270,844,392	270,371,463
(c) Deferred Tax Assets (Net)	2.10	5,238,615	5,410,372
(d) Long-Term Loans and Advances	2.11	1,166,382,563	1,153,813,029
		<b>2,243,868,491</b>	2,267,037,368
<b>(2) CURRENT ASSETS</b>			
(a) Current Investments	2.12	-	3,500,000
(b) Inventories	2.13	417,611,302	114,842,472
(c) Trade Receivables	2.14	300,878,481	321,399,026
(d) Cash and Cash Equivalents	2.15	84,747,720	263,940,775
(e) Short-Term Loans and Advances	2.16	142,060,895	149,680,137
(f) Other Current Assets	2.17	133,593,026	99,466,818
		<b>1,078,891,424</b>	952,829,228
<b>TOTAL</b>		<b>3,322,759,915</b>	<b>3,219,866,596</b>
Significant Accounting Policies and Notes to Accounts	1 & 2		

As per our report of even date attached

**For Sekhar & Co**  
Chartered Accountants  
Firm Regn No: 003695-S

For Bhagyanagar India Limited

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

**Narender Surana**  
Managing Director

**Devendra Surana**  
Managing Director

Place : Secunderabad  
Date : May 30, 2015

**Surendra Bhutoria**  
Chief Financial Officer

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2015** (Amount in ₹)

Particulars	Note No.	For the year 31.03.2015	For the year 31.03.2014
<b>I REVENUE FROM OPERATIONS</b>			
Sale of Products (Net of Sales Tax)		2,773,748,520	2,518,109,167
Infrastructure Leasing and Sales		1,518,739	5,442,885
		2,775,267,259	2,523,552,052
Less: Excise Duty		257,799,948	265,915,580
<b>NET REVENUE FROM OPERATIONS</b>	2.18	2,517,467,311	2,257,636,472
<b>II OTHER INCOME</b>	2.19	95,995,364	81,007,751
<b>TOTAL REVENUE</b>		2,613,462,675	2,338,644,223
<b>III EXPENSES</b>			
Cost of Materials Consumed	2.20	2,424,257,588	1,883,660,048
Changes in Inventories of Finished Goods,			
Work-in-Progress and Stock in Trade	2.21	(258,919,375)	13,680,900
Employee Benefit Expenses	2.22	51,358,259	48,465,303
Finance Costs	2.23	83,275,219	77,562,598
Depreciation and Amortisation Expenses	2.24	49,656,585	68,027,104
Other Expenses	2.25	220,129,112	195,394,382
<b>TOTAL EXPENSES</b>		2,569,757,388	2,286,790,335
<b>IV PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX</b>		43,705,287	51,853,888
<b>V AMORTISATION OF FCMITD RESERVE</b>		(19,753,717)	(21,846,561)
<b>VI PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX</b>		23,951,570	30,007,327
<b>VII PROFIT BEFORE TAX</b>		23,951,570	30,007,327
<b>VIII TAX EXPENSE</b>			
1. Current Tax		3,276,970	4,165,188
2. Deferred Tax		171,757	(1,654,313)
3. MAT Entitlement Credit		-	1,150,052
<b>IX PROFIT AFTER TAX</b>		20,502,843	26,346,400
<b>X EARNINGS PER EQUITY SHARE</b>			
1. Basic		0.32	0.41
2. Diluted		0.32	0.41
Significant Accounting Policies and Notes to Accounts	1 & 2		

As per our report of even date attached

**For Sekhar & Co**  
Chartered Accountants  
Firm Regn No: 003695-S

For Bhagyanagar India Limited

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

**Narender Surana**  
Managing Director

**Devendra Surana**  
Managing Director

Place : Secunderabad  
Date : May 30, 2015

**Surendra Bhutoria**  
Chief Financial Officer

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015**

(Amount in ₹)

Particulars	2014-15		2013-14	
<b>A. Cash Flow From Operating Activities</b>				
<b>Net Profit before tax as per annexed profit and loss account</b>		<b>23,951,570</b>		<b>30,007,327</b>
Adjustments for :				
Depreciation	<b>49,143,955</b>		67,514,474	
Foreign Exchange Reserve Amortised	<b>19,753,717</b>		21,846,561	
Lease Rents Amortised	<b>512,630</b>		512,630	
Bad Debts Written Off & Provision for Bad Debts	<b>747,098</b>		2,883,955	
Balances / Provisions no longer required written back	<b>(6,238,074)</b>		(278,382)	
Deferred Revenue Expenditure	-		5,520,653	
(Profit)/Loss on Sale of Investments	<b>(168,996)</b>		(22,568)	
Profit & Loss on Sale of Assets	<b>1,626</b>		(1,445,436)	
Interest Paid	<b>83,275,219</b>		72,041,945	
Interest Received	<b>(78,810,129)</b>		(55,274,525)	
Dividends Received	<b>(7,573,065)</b>	<b>60,643,981</b>	(9,189,454)	104,109,853
Operating Profit before working Capital Changes		<b>84,595,551</b>		134,117,180
<b>(Less)/ Add Adjustments for Working Capital Changes</b>				
Inventories	<b>(302,768,830)</b>		165,389,647	
Loans and Advances	<b>23,085,862</b>		45,132,030	
Other Current Assets	<b>(42,625,741)</b>		31,815,528	
Sundry Debtors	<b>19,773,447</b>		(59,915,406)	
Trade Payables and Other Liabilities	<b>(21,940,992)</b>		(11,768,537)	
Advance from Customers	<b>3,937,174</b>	<b>(320,539,080)</b>	5,264,431	175,917,693
<b>Cash Generated from Operations</b>		<b>(235,943,529)</b>		310,034,873
Direct Taxes Paid for Current Year (Net)	<b>5,222,563</b>		(18,331,345)	
Taxes of Earlier Years			-	
		<b>5,222,563</b>		(18,331,345)
<b>Net Cash (used in)/from operating Activities (A)</b>		<b>(230,720,966)</b>		<b>291,703,528</b>
<b>B. Cash Flow From Investing Activities</b>				
Purchase of Fixed Assets & Changes in CWIP	<b>(16,201,758)</b>		(123,838,499)	
Sale of Fixed Assets	<b>543,506</b>		67,591,983	
Investment in of Shares & Other Investments (Net)	<b>(11,529,933)</b>		(90,897,379)	
Dividend Received	<b>7,573,065</b>		9,189,454	
Interest Received	<b>82,093,623</b>		58,930,403	
Loans to Joint Ventures and Subsidiaries	<b>(16,593,561)</b>		(123,342,754)	
<b>Net Cash (used in)/from Investing Activities (B)</b>		<b>45,884,942</b>		<b>(202,366,793)</b>

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015**

(Amount in ₹)

Particulars	2014-15	2013-14
<b>C. Cash Flow From Financing Activities</b>		
Proceeds from borrowings (net of re-payments)	113,108,694	179,051,469
Interest Paid	(84,866,245)	(71,155,068)
Dividend Paid	(22,599,482)	(29,796,498)
Decrease (increase) in restricted deposits	113,753,175	(141,909,755)
<b>Net Cash (used in)/from Financing Activities (C)</b>	<b>119,396,142</b>	<b>(63,809,853)</b>
<b>Net Increase /(Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>(65,439,882)</b>	<b>25,526,883</b>
<b>Reconciliation- See Note 2 below</b>		
Cash and Cash Equivalents Opening Balance	76,335,956	50,809,073
Cash and Cash Equivalents Closing Balance	10,896,076	76,335,956
<b>Net Increase /(Decrease) in Cash and Cash Equivalents</b>	<b>(65,439,880)</b>	<b>25,526,883</b>

**Notes:**

1 Components of Cash and Cash Equivalents	2014-2015	2013-2014	Change Over previous Year
Cash in Hand	1,425,182	972,900	452,282
Balances with Bank	9,470,894	75,363,056	(65,892,162)
<b>Total</b>	<b>10,896,076</b>	<b>76,335,956</b>	<b>(65,439,880)</b>

2 Previous Year Figures are regrouped wherever required to make 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 Sekhar & Co**

Chartered Accountants  
Firm Regn No: 003695-S

**For Bhagyanagar India Limited**

**G.Ganesh**

Partner  
Membership No : 211704

**Narender Surana**  
Managing Director

**Devendra Surana**  
Managing Director

Place : Secunderabad  
Date : May 30, 2015

**Surendra Bhutoria**  
Chief Financial Officer

## 1. Significant Accounting Policies

### i. Basis of Preparation of Financial Statements

The financial statements of Bhagyanagar India 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.

### 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. Deferred Revenue Expenditure

Expenses which in the opinion of the management will give a benefit beyond three years are Deferred Revenue Expenditure and amortized over 3 to 5 years.

### vi. Depreciation

With effect from 01.04.2014, in accordance with part A of schedule II of the Companies Act 2013, the Company has reassessed the remaining life of the fixed assets and charged the depreciation under SLM Method. Accordingly, adjustments have been made in the fixed assets schedule.

### vii. 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.

### viii. 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.

### ix. 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.

### x. 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.

### xi. 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.

### xii. 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.

### xiii. 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.

### xiv. 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.

### xv. 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.

#### **xvi. 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.

#### **xvii. Provision for Taxation**

Provision 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.

#### **xviii. 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.

#### **xix. Sundry Debtors, Loans and Advances**

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

#### **xx. 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.

#### **xxi. 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.

**A. NOTES TO BALANCE SHEET**

(Amount in ₹)

Particulars	Sub note	As at 31.03.2015	As at 31.03.2014
<b>Note : 2.1</b>			
<b>Share Capital</b>			
(a) Authorized Capital :125,000,000 Equity Shares of ₹ 2/- each		250,000,000	250,000,000
(b) Issued, Subscribed and Paid Up 63,990,000 Equity Shares (Previous year 63,990,000 shares) of ₹ 2 each at par fully paid carrying equal rights and obligations		127,980,000	127,980,000
(Options, contracts and commitments outstanding -Nil)			
		<b>No.of shares</b>	<b>No.of shares</b>
Buy Back of shares in Past five years : 2009-2010		5,573,386	5,573,386
2010-2011		526,614	526,614
2011-2012		4,410,000	4,410,000
c) Particulars of Shareholders holding more than 5% of issued sharecapital (5% of 63,990,000 (PY 63,990,000)) = 3,199,500(PY 3,199,500)			

Name of Shareholder	%	(PY %)	No.of shares	No.of shares
Surana Infocom Private Limited	13.57	(13.43)	8,681,890	8,639,847
Narender Surana	8.08	(7.81)	5,171,910	4,993,040
Manish Surana	7.71	(7.64)	4,938,433	4,891,701
Devendra Surana	7.04	(6.56)	4,502,977	4,195,083
Namrata Surana	5.83	(5.82)	3,730,166	3,723,766
G.M.Surana	5.35	(5.35)	3,421,980	3,421,980
Chand Kanwar Surana	5.26	(5.26)	3,366,010	3,366,010
Sunita Surana	5.10	(5.09)	3,266,671	3,254,671

**Reconciliation of shares outstanding at the beginning & at the end of the Reporting Period**

	No	As at 31.03.2015	No.	As at 31.03.2014
At the beginning of the year	63,990,000	127,980,000	63,990,000	127,980,000
outstanding at the end of the year	63,990,000	127,980,000	63,990,000	127,980,000

Particulars	Sub note	As at 31.03.2015	As at 31.03.2014
<b>Note : 2.2</b>			
<b>Reserves and Surplus</b>			
<b>General Reserves</b>			
Balance as per Last Account		1,260,815,951	1,240,815,951
Add: Transferred from Profit & Loss Account		20,000,000	20,000,000
Less: Depreciation Adjustment		(2,039,544)	-
		1,278,776,407	1,260,815,951
<b>Foreign Currency Monetary Item Translation Difference Account</b>	<b>2.2(a)</b>		
Balance as per Last Account		98,309,523	59,823,359
Add/(Less): Foreign Currency Monetary Item Translation Difference During the Year		27,747,218	75,009,011
Less: Amortisation during the year		(19,753,717)	(21,846,561)
Less: Loss on repayments during the year during the year		(17,844,689)	(14,676,286)
<b>Balance at the year end</b>		<b>88,458,335</b>	<b>98,309,523</b>
<b>Balance at the year end</b>		<b>1,190,318,072</b>	<b>1,162,506,428</b>

Particulars	Sub note	As at 31.03.2015	As at 31.03.2014
<b>Capital Reserves</b>			
Balance as per Last Account		16,676,523	16,676,523
<b>Balance at the year end</b>		<b>16,676,523</b>	16,676,523
<b>Capital Redemption Reserve</b>			
Balance as per Last Account		21,020,000	21,020,000
<b>Balance at the year end</b>		<b>21,020,000</b>	21,020,000
<b>Surplus</b>			
<b>Balance of Profit &amp; Loss account available for appropriation</b>		<b>753,996,847</b>	770,109,947
Add: Profit during the year/period		20,502,843	26,346,400
Amount available for Appropriation		774,499,690	796,456,347
Proposed Dividend		19,197,000	19,197,000
Tax on dividend		3,838,400	3,262,500
Transfer to General Reserve		20,000,000	20,000,000
<b>Balance at the year end</b>		<b>731,464,290</b>	753,996,847
<b>TOTAL</b>		<b>1,959,478,884</b>	1,954,199,798

**Notes:****2.2(a) Foreign Currency Monetary Item Translation Difference Account**

Increase in liability of ECB from ICICI Bank due to Foreign Exchange Fluctuation, being a loss on transaction (i.e. ₹ 62.59 per USD. as on 31st March, 2015 from Rs 60.10 per USD. as on 31st March, 2014) is debited to Foreign Currency Monetary Item Translation Difference Account as per the notification no.GSR.225(E) dated 31st March, 2009 further amended by Notification no.GSR.913(E)/914(E) dated 31st December, 2011 issued by the Ministry of Corporate Affairs.

(Amount in ₹)

Particulars	Sub note	As at 31.03.2015	As at 31.03.2014
<b>Note : 2.3</b>			
<b>Long-Term Borrowings</b>			
(a) Term loan			
from ICICI Bank	2.3(a)	545,514,564	628,440,928
from SBI		83,678,839	144,440,995
(b) Car loan			
from Axis Bank		-	215,263
(c) Deferred Sales Tax	2.3(b)	430,752	16,591,067
<b>TOTAL</b>		<b>629,624,155</b>	789,688,253

**Notes:****2.3(a) Term Loan From ICICI Bank: Long Term Foreign Currency Monetary Item**

- ICICI Bank provided ECB amounting to USD 13,560,000 carrying a fixed interest rate of 6.96%. ECB is secured by first charge on certain fixed assets of the company and personal guarantee of Managing Directors. Long Term ECB liability as at 31.03.2015 amounting to USD 8,706,875 is valued at ₹ 62.59 per USD as on 31st March, 2015 against ₹ 60.10 per USD. as on 31st March, 2014.
- The principal is repayable in 28 quarterly instalments. The company has repaid 9 quarterly instalments, 4 instalments being repaid during the current Financial Year amounting to ₹ 89,037,639. Total amount repayable towards principal during the financial year 2014-2015 is USD 1,741,104 (₹ 108,975,699 on conversion @ ₹ 62.59 per USD as on 31st March, 2015) and the same has been classified under Other Current Liabilities.

**2.3(b) Deferred Sales Tax**

- 1 Deferred Sales Tax Loan is interest free , repayment of which started from Financial Year 2013-14 . An amount of ₹ 10,154,409/- is repaid during the current Financial Year. Accordingly due with in a Year is ₹ 16,160,314/- which is classified under Other Current Liabilities.

(Amount in ₹)

Particulars	Sub note	As at 31.03.2015	As at 31.03.2014
<b>Note: 2.4</b>			
<b>Short-Term Borrowings</b>			
Buyers Credit from Bank	2.4 (a)	409,407,830	158,622,972
<b>TOTAL</b>		<b>409,407,830</b>	158,622,972

**Notes:**
**2.4 (a) (i) Buyer's credit from banks**

Buyers Credit is secured by hypothecation of stocks, Debtors and first charge on pari-passu basis on specific fixed assets of the company respectively and personal guarantee of the Managing Directors.

Particulars	Sub note	As at 31.03.2015	As at 31.03.2014
<b>Note: 2.5</b>			
<b>Trade Payables</b>			
Sundry Creditors	2.5(a)	7,668,422	22,805,626
<b>TOTAL</b>		<b>7,668,422</b>	22,805,626

**Notes:**

- 2.5(a)** As per the information about the industrial status of the Creditor there are no dues to any micro and small enterprises under the micro small and medium enterprises development act 2006

Particulars	Sub note	As at 31.03.2015	As at 31.03.2014
<b>Note: 2.6</b>			
<b>Other Current Liabilities</b>			
<b>(a) Current Maturities on Long Term Debt</b>			
(i) Term loan - ICICI Bank	2.6(a)	108,975,699	88,015,248
(ii) Term loan - SBI		7,692,000	-
(iii) Car loan - Axis Bank	2.6(b)	215,263	2,583,156
(iii) Deferred Sales Tax	2.6(c)	16,160,314	10,154,409
(b) Provision for Interest on Term Loan	2.6(d)	9,481,647	10,381,000
(c) Provision for Interest on Buyers Credit from Banks		731,163	1,422,836
(d) Unclaimed Dividends		1,808,161	1,948,143
(e) Lease Deposits		1,026,000	3,126,000
(f) Other Liabilities		3,870,141	14,812,003
(g) Advance from Customers		15,004,836	11,067,662
<b>TOTAL</b>		<b>164,965,224</b>	143,510,457

**Notes:**
**2.6(a) Current maturities on long term debt**

The principal amount of ECB from ICICI Bank repayable during the Financial Year 2015-2016 is grouped under the head Current Liabilities (Also See Note.2.3(a))

- 2.6(b)** Car loan from Axis Bank Ltd is secured against hyphotation of Car. The loan was taken during the Financial Year 2012-13 and is repayable in monthly installment of ₹ 215,263/- each. The final instalment repayable in 2015-16 is classified under Other Current Liabilities.

**2.6(c)** The amount of Deferred Sales Tax repayable during the Financial Year 2015-2016 is grouped under the head Current Liabilities (Also See Note.2.3 (c))

**Provision for Interest on Term Loan**

**2.6(d)** Provision for interest on ECB from ICICI Bank has been made till 31.03.2015. Payment of interest is due on 15th April, 2015

		(Amount in ₹)	
Particulars	Sub note	As at 31.03.2015	As at 31.03.2014
<b>Note: 2.7</b>			
<b>Short-Term Provisions</b>			
(a) Provision for Employee Benefits-Bonus		<b>600,000</b>	600,000
(b) Proposed Dividend	<b>2.7(a)</b>	<b>19,197,000</b>	19,197,000
(c) Tax on Dividend		<b>3,838,400</b>	3,262,500
<b>TOTAL</b>		<b>23,635,400</b>	23,059,500

**Notes:**

**2.7(a)** The Board of Directors have recommended a dividend of ₹ 0.30/-per share for the year ended 31st March, 2015 (Previous Year ₹ 0.30/- per share).

**Note :2.8 Tangible Assets**

Particulars	(Amount in ₹)										
	Free Hold Land	Lease Hold Land	Buildings	Plant & Machinery	Electrical Installations	Office Equipment	Vehicles	Furniture & Fixtures	Computers	Library	Total
<b>Gross Block</b>											
As at 1-Apr-2013	159,318,712	11,072,464	58,617,569	814,328,358	31,519,078	14,204,985	37,702,562	15,905,843	6,660,382	2,010	1,149,331,963
Additions	921,538	-	308,694	283,358,878	313,631	1,011,404	2,571,544	-	99,300	-	288,584,989
Disposals	(1,900,000)	(512,630)	-	(124,965,955)	-	-	(4,336,038)	-	-	-	(131,714,623)
<b>As at 31-Mar-2014</b>	<b>158,340,250</b>	<b>10,559,834</b>	<b>58,926,263</b>	<b>972,721,281</b>	<b>31,832,709</b>	<b>15,216,389</b>	<b>35,938,068</b>	<b>15,905,843</b>	<b>6,759,682</b>	<b>2,010</b>	<b>1,306,202,329</b>
Additions	-	-	-	9,971,899	1,727,432	442,809	1,520,734	152,116	336,500	-	14,151,490
Disposals	(531,545)	(512,630)	-	-	-	-	(51,943)	-	-	-	(1,096,118)
<b>As at 31-Mar-2015</b>	<b>157,808,705</b>	<b>10,047,204</b>	<b>58,926,263</b>	<b>982,693,180</b>	<b>33,560,141</b>	<b>15,659,198</b>	<b>37,406,859</b>	<b>16,057,959</b>	<b>7,096,182</b>	<b>2,010</b>	<b>1,319,257,701</b>
<b>Accumulated Depreciation</b>											
As at 1-Apr-2013	-	-	26,715,007	355,743,537	24,927,737	9,366,880	23,905,957	10,381,243	6,314,677	2,010	457,357,048
Charge for the year	-	-	1,906,487	53,751,205	1,869,938	758,398	3,916,561	999,953	156,891	-	63,359,433
Disposals	-	-	-	(41,293,950)	-	-	(3,517,913)	-	-	-	(44,811,863)
<b>As at 31-Mar-2014</b>	<b>-</b>	<b>-</b>	<b>28,621,495</b>	<b>368,200,792</b>	<b>26,797,675</b>	<b>10,125,278</b>	<b>24,304,605</b>	<b>11,381,196</b>	<b>6,471,568</b>	<b>2,010</b>	<b>475,904,618</b>
Charge for the year	-	-	1,270,748	43,118,994	626,202	1,264,113	2,038,242	739,434	86,222	-	49,143,955
Disposals	-	-	-	-	-	-	(38,298)	-	-	-	(38,298)
Adjustment to General Reserve	-	-	-	-	-	1,675,033	77,347	198,206	88,959	-	2,039,545
<b>As at 31-Mar-2015</b>	<b>-</b>	<b>-</b>	<b>29,892,243</b>	<b>411,319,786</b>	<b>27,423,877</b>	<b>13,064,424</b>	<b>26,381,896</b>	<b>12,318,836</b>	<b>6,646,749</b>	<b>2,010</b>	<b>527,049,820</b>
<b>Net Block</b>											
As at 31-Mar-2014	158,340,250	10,559,834	30,304,768	604,520,489	5,035,034	5,091,111	11,633,463	4,524,647	288,114	-	830,297,711
<b>As at 31-Mar-2015</b>	<b>157,808,705</b>	<b>10,047,204</b>	<b>29,034,020</b>	<b>571,373,394</b>	<b>6,136,264</b>	<b>2,594,774</b>	<b>11,024,963</b>	<b>3,739,123</b>	<b>449,433</b>	<b>-</b>	<b>792,207,881</b>

**Note:**

With effect from 01-04-2014, in accordance with part A of schedule II to the Companies Act, 2013, the company has re-assessed the remaining life of the fixed assets and charged the depreciation. Accordingly adjustments have been made in the above schedule.

Depreciation Expenses for the year ended 31st March 2015, are lower by ₹ 3,91,68,731 due to the implementation of new method pursuant to the requirement of Companies Act, 2013

(Amount in ₹)

Particulars	Sub note	As at 31.03.2015	As at 31.03.2014
<b>Note: 2.9</b>			
<b>Non-Current Investments</b>			
<b>A) Unquoted Securities</b>			
<b>1) In Equity Instruments</b>			
<b>a) In companies under the same management</b>			
Bhagyanagar Infrastructure Limited		18,330,000	18,330,000
2,750,000 Equity share of Rs 10 each fully paid up - (P Y 2,750,000)			
Surana Infocom Private Limited		100,500,000	100,500,000
125,000 Equity share of Rs 10 each fully paid up (P Y 125,000)			
<b>SUB - TOTAL</b>		<b>118,830,000</b>	<b>118,830,000</b>
<b>b) In Subsidiary Companies</b>			
Bhagyanagar Properties Pvt. Limited		40,000,000	40,000,000
4,000,000 Equity shares of Rs 10each fully paid up (P Y 4,000,000)			
Bhagyanagar Metals Limited		500,000	500,000
50,000 Equity shares of Rs 10each fully paid up (P Y 50,000)			
Scientia Infocom India Pvt. Limited		30,400,000	30,400,000
3,004,000 Equity shares of Rs 10each fully paid up (P Y 3,004,000)			
Metropolitan Ventures India Limited		5,649,910	5,649,910
500,000 Equity shares of Rs 10each fully paid up (P Y 370,000)			
Solar Dynamics Private Limited		14,800,000	14,800,000
1,480,000 Equity shares of Rs 10 each fully paid up (P Y 7,400)			
<b>SUB - TOTAL</b>		<b>91,349,910</b>	<b>91,349,910</b>
<b>c) In Associate Companies</b>			
Bhagyanagar Entertainment and Infra Development Co. Pvt. Ltd.		235,000	235,000
23,500 Equity share of Rs 10 each fully paid up (P Y 23,500)			
Globecom Infraventures India Pvt Ltd		50,000	50,000
5,000 Equity share of Rs 10 each fully paid up (P Y 5,000)			
GMS Realtors Pvt. Limited		50,000	50,000
5,000 Equity share of Rs 10 each fully paid up (P Y 5,000)			
<b>SUB - TOTAL</b>		<b>335,000</b>	<b>335,000</b>
<b>d) In other Companies</b>			
Mana Effluent Treatment Plant		200,000	200,000
200 Equity share of Rs 1,000 each fully paid up (P Y NIL)			
<b>SUB - TOTAL</b>		<b>200,000</b>	<b>200,000</b>
<b>B) Quoted securities</b>			
<b>1) In Equity Instruments</b>			
<b>a) In companies under the same management</b>			
Surana Telecom and Power Limited		15,210,914	15,037,235
9,395,150 Equity share of Rs 1 each fully paid up (P Y 1,856,462 of ₹ 5 each)			
Surana Solar Limited		44,100,000	44,100,000
11,575,892 Equity share of Rs 5 each fully paid up (P Y 5,787,946 of ₹ 10 each)			
<b>SUB - TOTAL</b>		<b>59,310,914</b>	<b>59,137,235</b>

Particulars	Sub note	As at 31.03.2015	As at 31.03.2014
<b>b) In other Companies</b>			
Indosolar Limited		106,258	106,258
5,000 Equity share of Rs 10 each fully paid up ( P Y 5,000)			
Megasoft Limited		71,385	71,385
1,500 Equity share of Rs 10 each fully paid up ( P Y 1,500)			
Sree Sakthi Paper Mills Limited		30,000	30,000
1,000 Equity share of Rs 10 each fully paid up ( P Y 1,000)			
Shree Vasavi Industries Ltd		45,175	45,175
14,000 Equity share of Rs 10 each fully paid up ( P Y 14,000)			
Sampre Nutrition Ltd		266,500	266,500
26,650 Equity share of Rs 10 each fully paid up ( P Y 26,650)			
Viceroy Hotels Ltd		299,250	-
15,000 Equity share of Rs 10 each fully paid up ( P Y NIL)			
<b>SUB - TOTAL</b>		<b>818,568</b>	<b>519,318</b>
<b>Aggregate Market value of quoted investments Rs 88,48,20,110/-</b>			
<b>GRAND TOTAL</b>		<b>270,844,392</b>	<b>270,371,463</b>

Particulars	Sub note	As at 31.03.2015	As at 31.03.2014
<b>Note: 2.10</b>			
<b>Deferred Tax Assets (Net)</b>			
Deferred Tax Asset at the beginning of the year		5,410,372	3,756,059
Less:Deferred Tax Asset (Liability) for the year-on account of timing difference.		(171,757)	1,654,313
<b>TOTAL</b>		<b>5,238,615</b>	<b>5,410,372</b>

Particulars	Sub note	As at 31.03.2015	As at 31.03.2014
<b>Note: 2.11</b>			
<b>Long-Term Loans and Advances</b>			
(a) Statutory Advances			
(i) Taxes Paid Under Protest		16,353,076	16,353,076
(b) Security Deposits			
(i) Deposits		12,813,527	11,723,652
(c) Loans and Advances to Related Parties			
(i) Advances to Subsidiary Co's	2.11(a)	1,129,466,325	1,117,986,666
(d) Others			
(i) MAT Credit Entitlement		7,749,635	7,749,635
<b>TOTAL</b>		<b>1,166,382,563</b>	<b>1,153,813,029</b>

**Notes:**
**2.11(a) Advances to Subsidiary Co's: It includes**

Name of the Company	Balance as on 31.03.2015	Balance as on 31.03.2014
Scientia Infocom India Pvt. Ltd	258,796,484	235,834,332
Bhagyanagar Properties Pvt. Ltd (Wholly Owned)	555,424,048	563,924,048
Metropolitan Ventures India Pvt. Ltd (Wholly Owned)	65,339,773	65,339,773
Bhagyanagar Metals Ltd (Wholly Owned)	5,700,000	5,700,000
Solar Dynamics Pvt.Limited	244,206,020	247,188,513
	<b>1,129,466,325</b>	<b>1,117,986,666</b>

(Amount in ₹)

Particulars	Sub note	As at 31.03.2015	As at 31.03.2014
<b>Note: 2.12</b>			
<b>Current Investments</b>			
(a) Investment in Mutual Funds			
UTI Floating Rate Plan		-	3,500,000
<b>TOTAL</b>		-	3,500,000

Particulars	Sub note	As at 31.03.2015	As at 31.03.2014
<b>Note: 2.13</b>			
<b>Inventories</b>			
<b>(At cost or net realisable value whichever is lower)</b>			
<b>As taken, valued and certified by the management</b>			
Raw Materials		124,054,255	106,501,344
Work-in-Progress		283,538,444	-
Finished Goods		4,518,700	4,483,910
Closing Stock - Stores & Spares		5,499,903	3,857,218
<b>TOTAL</b>		417,611,302	114,842,472

Particulars	Sub note	As at 31.03.2015	As at 31.03.2014
<b>Note: 2.14</b>			
<b>Trade Receivables</b>			
(a) Aggregate amount of Trade Receivables outstanding for a period less than six months Unsecured, considered good		298,526,262	319,249,811
(b) Aggregate amount of Trade Receivables outstanding for a period exceeding than six months Unsecured, considered good		2,352,219	2,149,215
<b>TOTAL</b>		300,878,481	321,399,026

Particulars	Sub note	As at 31.03.2015	As at 31.03.2014
<b>Note: 2.15</b>			
<b>Cash and cash Equivalents</b>			
(a) Cash & Cash Equivalents			
(i) Balances in current account		9,470,894	75,363,056
(ii) Cash On Hand		1,425,182	972,900
<b>Sub -Total (a)</b>		10,896,076	76,335,956
(b) Other Balances			
(i) In Dividend account		1,808,162	1,948,144
(ii) Deposit held to the extent of margin money		71,027,128	184,640,081
(iii) Accrued interest on Fixed Deposits with Banks		1,016,354	1,016,594
<b>Sub -Total (b)</b>		73,851,644	187,604,819
<b>TOTAL (a+b)</b>		84,747,720	263,940,775

(Amount in ₹)

Particulars	Sub note	As at 31.03.2015	As at 31.03.2014
<b>Note: 2.16</b>			
<b>Short-Term Loans and Advances</b>			
(i) Loans And Advances To Related Parties - Associates & Others	<b>2.16(a)</b>	<b>112,682,852</b>	96,126,444
(ii) Advances To Suppliers		<b>18,585,640</b>	39,508,698
(iii) Sundry Advances		<b>10,792,403</b>	14,044,995
<b>TOTAL</b>		<b>142,060,895</b>	149,680,137

**Notes:****2.16(a) Loans to Associate & Others: It includes**

Name of the Company	Balance as on 31.03.2015	Balance as on 31.03.2014
Surana Ventures Limited	<b>112,682,852</b>	96,126,444
	<b>112,682,852</b>	96,126,444

Particulars	Sub note	As at 31.03.2015	As at 31.03.2014
<b>Note: 2.17</b>			
<b>Other Current Assets</b>			
(i) Loans Against pledge of Securities			
Unsecured, considered good	<b>2.17(a)</b>	<b>51,734,211</b>	63,159,700
(ii) Balances with Statutory Authorities		<b>69,355,066</b>	15,303,836
(iii) Income tax Receivable(TDS and Advance Tax)		<b>12,503,749</b>	21,003,282
<b>TOTAL</b>		<b>133,593,026</b>	99,466,818

**Notes:**

**2.17(a)** Loan against pledge of securities is partly secured and repayable on demand without any end-use specification.

**B. Notes to Profit & Loss Account**

(Amount in ₹)

Particulars	Sub note	For the Year 31.03.2015	For the Year 31.03.2014
<b>Note: 2.18</b>			
<b>Revenue from Operations</b>			
(a) Sale of Products			
Copper Products		2,755,115,071	2,531,713,456
Sale of Wind Power		57,203,413	70,239,872
Sale of Solar Power		35,527,153	6,069,714
Sale of Traded Goods		27,887,485	14,330,184
Scrap & Misc Sales		313,416	606,775
<b>SUB - TOTAL</b>		<b>2,876,046,538</b>	2,622,960,001
Less: Inter-Unit Sales		548,660	282,642
<b>GROSS SALES</b>		<b>2,875,497,878</b>	2,622,677,359
Less: Sales Tax		101,749,358	104,568,192
<b>NET SALES</b>		<b>2,773,748,520</b>	2,518,109,167
(b) Infrastructure Leasing and Sales		1,518,739	5,442,885
<b>TOTAL</b>		<b>2,775,267,259</b>	2,523,552,052

Particulars	Sub note	For the Year 31.03.2015	For the Year 31.03.2014
<b>Note: 2.19</b>			
<b>Other Income</b>			
(a) Interest Income			
Interest on Loans, Deposits and Others	2.19(a)	78,810,129	55,274,525
Interest from Trade Debtors and Creditors		1,595,604	1,450,856
(b) Dividend Income		7,573,065	9,189,454
(c) Profit on Sale of Sundry Assets		-	1,445,436
(d) Profit on sale of Investments		168,996	22,568
(e) Income from REC		1,159,184	-
(f) Other Non-Operating Income			
Miscellaneous Income		309,512	250,000
Rental Income		140,800	106,000
Balances no Longer Payable Written Back		6,238,074	278,382
Balances Written Off now recovered		-	12,990,530
<b>TOTAL</b>		<b>95,995,364</b>	81,007,751

**Notes:****2.19(a) Interest on Loans, Deposits and Others**

Interest amounting to ₹ 23,219,595/- has been Debited to Subsidiary Companies and is reflected in Advances to Subsidiary Companies

(Amount in ₹)

Particulars	Sub note	For the Year 31.03.2015	For the Year 31.03.2014
<b>Note: 2.20</b>			
<b>Cost of Raw Material Consumed</b>			
Opening Stock Raw Materials		106,501,344	274,416,529
Opening Stock Material - In - Transit		-	4,085,938
Add:Purchases net of Modvat		2,442,359,159	1,711,941,567
Less:Closing Stock Raw Materials		124,054,255	106,501,344
Less:Inter-Unit Purchases		548,660	282,642
<b>Raw Material Consumed</b>		<b>2,424,257,588</b>	<b>1,883,660,048</b>

Particulars	Sub note	For the Year 31.03.2015	For the Year 31.03.2014
<b>Note: 2.21</b>			
<b>Changes in Inventories</b>			
Opening Stock Finished Goods		1,345,256	1,729,652
Opening Stock Traded Goods		3,138,654	
Opening Stock Stores and Spares		3,857,218	
Add:Purchases of Traded Goods		26,296,544	16,435,158
Less: :Closing Stock WIP		283,538,444	
Less: :Closing Stock Stores and Spares		5,499,903	-
Less: Closing Stock Finished Goods		4,518,700	4,483,910
<b>(Increase)/Decrease in Stock</b>		<b>(258,919,375)</b>	<b>13,680,900</b>

Particulars	Sub note	For the Year 31.03.2015	For the Year 31.03.2014
<b>Note: 2.22</b>			
<b>Employee Benefits Expense</b>			
Salaries, Wages and Other Employee Benefits		48,779,942	46,255,537
Contribution To Provident And Other Funds		2,578,317	2,209,766
<b>TOTAL</b>		<b>51,358,259</b>	<b>48,465,303</b>

Particulars	Sub note	For the Year 31.03.2015	For the Year 31.03.2014
<b>Note: 2.23</b>			
<b>Finance Costs</b>			
Interest Expense			
Cash Credit & Others		6,721,727	5,130,222
Other Borrowing Costs		-	
Long Term Loan		64,319,706	58,802,106
Financial Charges		12,233,786	13,630,270
<b>TOTAL</b>		<b>83,275,219</b>	<b>77,562,598</b>

(Amount in ₹)

Particulars	Sub note	For the Year 31.03.2015	For the Year 31.03.2014
<b>Note: 2.24</b>			
<b>Depreciation and Amortisation Expenses</b>			
Depreciation		49,143,955	67,514,474
Amortisation Expenses - Lease Rent		512,630	512,630
<b>TOTAL</b>		<b>49,656,585</b>	<b>68,027,104</b>

Particulars	Sub note	For the Year 31.03.2015	For the Year 31.03.2014
<b>Note: 2.25</b>			
<b>Other Expenses</b>			
Consumption Of Stores And Spare Parts		8,682,074	7,468,796
Power And Fuel		72,597,419	70,353,306
Rent		2,790,513	2,881,920
Repairs			
Buildings		840,978	2,145,579
Machinery		30,409,447	28,326,331
Others		2,920,966	3,394,347
Insurance		1,735,663	1,714,569
Rates And Taxes		1,412,683	2,592,145
Packing And Forwarding		17,626,479	17,073,383
Remuneration To Directors		23,900,000	12,540,000
Loss on			
Sale Of Fixed Asset		1,626	-
Foreign Exchange Fluctuation		23,392,199	15,194,582
Taxes Paid			
Service Tax		505,311	549,422
Other Miscellaneous Expenses		32,520,355	30,355,103
Sitting Fees To Directors		353,399	364,899
Payments To The Auditor			
for Statutory Audit		260,000	260,000
for Tax Audit		70,000	70,000
for Taxation/Other Matters		70,000	70,000
for Reimbursement Of Expenses		40,000	40,000
<b>TOTAL</b>		<b>220,129,112</b>	<b>195,394,382</b>

(Amount in ₹)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>Note: 2.26</b>		
<b>Commitments and Contingent Liabilities</b>		
<b>Commitments/Contingent Liabilities</b>		
(i) Counter Guarantees given to the Banks against Guarantee issued by them	26,197,829	33,600,000
(ii) Letters of Credit opened by Banks	3,727,548	44,884,679
<b>Sub Total (A)</b>	<b>29,925,377</b>	<b>78,484,679</b>
<b>Claims against the company not acknowledged as debts in respect of</b>		
(iii) Customs Duty/Excise Duty matters under Dispute (See Note 2.26(a))	2,85,76,863	2,85,76,863

(Amount in ₹)

Particulars	As at 31.03.2015	As at 31.03.2014
(iv) Demand raised by Income-Tax Authorities contested by the Company (See Note 2.26(b))		
	90,614,721	13,733,766
<b>Sub Total (B)</b>	<b>119,191,584</b>	<b>42,310,629</b>
<b>Grand Total (A+B)</b>	<b>149,116,961</b>	<b>120,795,308</b>

**Note: 2.26(a)** Out of the Total demand of ₹ 28,576,863/-, a sum of ₹ 16,053,076/- has been paid and the same is shown in note 2.11 of the Balance Sheet under the Head “ Taxes Paid Under Protest”.

**Note: 2.26(b)** Management has preferred an appeal against the above demand before the CIT(Appeals).

Particulars	As at 31.03.2015	As at 31.03.2014
<b>Note: 2.27</b>		
<b>Earnings Per Share (EPS)</b>		
<b>Earnings</b>		
Net profit after tax for the period	20,502,843	26,346,400
<b>Shares</b>		
Number of shares at the beginning of the year	63,990,000	63,990,000
<b>Less:</b> Shares bought back during the year.	-	-
Number of shares at the end of the year.	63,990,000	63,990,000
Weighted average no. of Equity shares - <b>Basic</b>	63,990,000	63,990,000
<b>Add:</b> Undiluted effect of potential equity shares on conversion of FCCB	-	-
Weighted average no. of Equity shares - <b>Diluted</b>	63,990,000	63,990,000
Nominal Value of each equity share ( ₹ )	2	2
Earnings Per Share (EPS) - <b>Basic</b> ( ₹ )	0.32	0.41
Earnings Per Share (EPS) - <b>Diluted</b> ( ₹ )	0.32	0.41

**Note: 2.28**

#### Related Party Disclosures

##### A. Relationship

Entities in which significant influence exists and with whom transactions have taken place during the year	Subsidiary Companies	Associates	Key Management Personnel	Relatives of Key Management Personnel
Surana Telecom and Power Limited	Metropolitan Ventures India Limited.	BEIDCPL	G M Surana	Namrata Surana
Surana Solar Systems Private Limited	Bhagyanagar Properties Private Limited	Globecom Infra-Ventures Private Limited	Narender Surana	Nivriti Surana
Bhagyanagar Ventures Private Limited	Scientia Infocom India Private Limited	Surana Solar Limited	Devendra Surana	
	Bhagyanagar Metals Limited	GMS Realtors Pvt Ltd	Narender Munoth	
	Solar Dynamics Private Limited	Bhagyanagar Infrastructure Limited	Surendra Bhutoria	

Nature of Transaction	Entities in which Significant influence exists		Subsidiary companies	Associates	Key Management Personnel	Relatives of key management personnel
	FY 2014-2015	FY 2013-2014				
<b>Sale of Goods</b>	-	14,330,184	-	-	4,686,226	-
Surana Telecom & Power Limited	-	14,330,184	-	-	-	-
Surana Solar Limited	-	-	-	-	4,686,226	-
<b>Sale of Wind Mill Unit</b>						
Solar Dynamics Private Limited	-	67,896,987	-	-	-	-
<b>Purchase of Solar Power</b>	4,749,913	-	-	-	-	-
Surana Solar Systems Private Limited	4,749,913	-	-	-	-	-
<b>Interest Received</b>	-	-	51,868,018	18,705,597	2,666,486	-
Surana Telecom & Power Limited	-	-	-	-	-	-
Surana Solar Limited	-	-	-	18,705,597	2,586,080	-
Bhayanagar Infrastructure Limited	-	-	-	-	80,406	-
Scientia Infocom India Private Limited	-	22,452,908	20,465,679	-	-	-
Metropolitan Ventures India Limited	-	766,687	766,687	-	-	-
Solar Dynamics Private Limited	-	28,648,423	14,535,517	-	-	-
<b>Advances Given</b>	7,532,527	-	62,677,439	103,298,586	132,977,872	-
Surana Telecom & Power Limited	-	-	-	-	-	-
Surana Solar Limited	-	-	-	103,298,586	132,919,739	-
Bhayanagar Infrastructure Limited	-	-	-	-	58,133	-
Scientia Infocom India Private Limited	-	-	520,472	-	-	-
Metropolitan Ventures India Limited	-	-	-	226,646	-	-
Bhayanagar Metals Limited	-	-	-	-	-	-

## B. Summary of Significant Related Party Transactions

(Amount in ₹)

(Amount in ₹)

**B. Summary of Significant Related Party Transactions**

Nature of Transaction	Entities in which Significant influence exists		Subsidiary companies		Associates		Key Management Personnel		Relatives of key management personnel	
	FY 2014-2015	FY 2013-2014	FY 2014-2015	FY 2013-2014	FY 2014-2015	FY 2013-2014	FY 2014-2015	FY 2013-2014	FY 2014-2015	FY 2013-2014
Solar Dynamics Private Limited	-	-	62,156,967	169,881,662	-	-	-	-	-	-
Surana Solar Systems Private Limited	7,532,527	-	-	-	-	-	-	-	-	-
<b>Advances Received Back</b>	-	-	<b>93,773,575</b>	<b>70,544,268</b>	<b>88,934,312</b>	<b>41,798,517</b>	-	-	-	-
Surana Telecom & Power Limited	-	-	-	-	-	-	-	-	-	-
Surana Solar Limited	-	-	-	-	88,934,312	38,296,965	-	-	-	-
Bhagyanagar Infrastructure Limited	-	-	-	-	-	3,501,552	-	-	-	-
Solar Dynamics Private Limited	-	-	93,773,575	70,544,268	-	-	-	-	-	-
<b>Remuneration</b>	-	-	-	-	-	-	<b>25,328,676</b>	<b>13,759,129</b>	<b>1,080,000</b>	<b>1,080,000</b>
Narender Surana	-	-	-	-	-	-	10,150,000	4,800,000	-	-
Devendra Surana	-	-	-	-	-	-	10,150,000	4,800,000	-	-
Narender Munoth	-	-	-	-	-	-	3,600,000	2,940,000	-	-
N.K.Reddy	-	-	-	-	-	-	414,676	378,000	-	-
Surendra Bhutoria	-	-	-	-	-	-	1,014,000	841,129	-	-
Namrata Surana	-	-	-	-	-	-	-	-	<b>600,000</b>	600,000
Nivriti Surana	-	-	-	-	-	-	-	-	<b>480,000</b>	480,000
<b>Rent Paid</b>	<b>821,520</b>	<b>821,520</b>	-	-	-	-	<b>240,000</b>	<b>240,000</b>	-	-
Bhagyanagar Ventures Limited	821,520	821,520	-	-	-	-	240,000	240,000	-	-
Devendra Surana	-	-	-	-	-	-	-	-	-	-
Figures in Bold represents the total figures in each case.	-	-	-	-	-	-	-	-	-	-

**Note: 2.29**

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

(Amount in ₹)

Name of the Company	Balance as at		Maximum Outstanding during	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
<b>A. Subsidiaries</b>				
Bhagyanagar Properties Private Limited	555,424,048	563,924,048	555,424,048	585,414,048
Scientia Infocom India Private Limited	258,796,484	235,834,332	258,796,484	235,834,332
Metropolitan Ventures India Limited	65,339,773	65,339,773	65,339,773	65,339,773
Bhagyanagar Metals Limited	5,700,000	5,700,000	5,700,000	5,700,000
Solar Dynamics Private Limited	244,206,020	247,188,513	259,008,541	247,188,513
<b>B. Associates</b>				
Bhagyanagar Entertainment & Infra Development Co. Pvt.Ltd.	-	-	-	53,909
Globecom Infra-Ventures Pvt.Ltd.	-	-	-	-
GMS Realtors Pvt. Ltd.	-	-	-	-
Bhagyanagar Infrastructure Limited	-	-	-	3,492,908
<b>C. Advances in the nature of Loans where there is no repayment schedule</b>				
Bhagyanagar Properties Private Limited	555,424,048	563,924,048	555,424,048	585,414,048
Scientia Infocom India Private Limited	258,796,484	235,834,332	258,796,484	258,796,484
Metropolitan Ventures India Limited	65,339,773	65,339,773	65,339,773	65,339,773
Bhagyanagar Metals Limited	5,700,000	5,700,000	5,700,000	5,700,000
Solar Dynamics Private Limited	244,206,020	247,188,513	259,008,541	247,188,513
<b>D. Advances in the nature of Loans where interest is below section 186 of Companies Act, 2013</b>	NIL	NIL	NIL	NIL
<b>E. Advances in the nature of Loans to Firms/ Companies in which directors are interested</b>	NIL	NIL	NIL	NIL

**Note: 2.30****Retirement and other Employee 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 by the Life Insurance Corporation. The gratuity liability and the net periodic gratuity cost is actually determined after considering discount 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 company has an overfunded position for its gratuity plans and accordingly, no provision has been made as at 31.03.2015

The following Table sets out the status of the gratuity plan as required under AS-15.

**A. Expenses recognised in the Profit & Loss Account**

(Amount in ₹)

Particulars	Gratuity	
	2014-15	2013-14
Current service cost	594,577	548,871
Interest Cost	582,742	480,492
Expected Return on Planned Assets	771,745	623,403
Net actuarial loss / (gain) on obligation	603,946	474,016

**B. Change in Defined Benefit obligation during the year ended 31<sup>st</sup> March,2015**

(Amount in ₹)

Particulars	Gratuity	
	2014-15	2013-14
<b>Opening Present value of obligation</b>	<b>7,284,279</b>	6,006,151
Interest Cost	<b>582,742</b>	480,492
Current service cost	<b>594,577</b>	548,871
Benefits Paid	<b>(193,483)</b>	225,251
Expected liability at the year end	-	474,016
<b>Closing Present value of obligation</b>	<b>8872061</b>	7,284,279

**C. Change in Fair Value of Plan Assets during the year ended 31<sup>st</sup> March,2015**

Particulars	Gratuity	
	2014-15	2013-14
<b>Opening Fair value of Plan Assets</b>	<b>8,463,305</b>	7,080,343
Expected Return on Planned assets	<b>771,745</b>	623,403
Contribution made during the year	<b>1,197,419</b>	984,810
Benefits Paid	<b>(193,483)</b>	225,251
Actuarial gain on planned Assets	-	-
<b>Closing Fair value of Plan Assets</b>	<b>10,238,986</b>	8,463,305

**D. Actuarial assumption**

Particulars	Gratuity	
	2014-15	2013-14
Discount rate used	8%	8%
Salary escalation	4%	4%

**Note: 2.31**
**Unhedged Foreign Currency Exposure**

The Company has the following un-hedged exposure in foreign currency at the year end:

Particulars	2014-2015		2013-2014	
	USD	₹	USD	₹
Buyers Credit	<b>6,541,106</b>	<b>409,407,830</b>	2,639,317	158,622,972
Secured Loans	<b>10,447,980</b>	<b>653,939,068</b>	11,912,460	715,938,846
<b>TOTAL</b>	<b>16,989,086</b>	<b>1,063,346,898</b>	14,551,777	874,561,818

**Note: 2.32**
**Raw Material Consumed during the year**
**A Rawmaterial**

Particulars	Unit	Quantity		(Amount in ₹)	
		2014-15	2013-14	2014-15	2013-14
Copper	MTs	<b>4,206</b>	2,961	<b>1,800,002,788</b>	1,355,460,048
Scrap	MTs	<b>1,499</b>	1,222	<b>562,599,600</b>	470,996,200
Others		-	-	<b>61,655,200</b>	57,203,800
Inter Unit Transfers					
(a) Copper Rod / Wires	MTs	-	-	-	-
(b) Others				<b>548,660</b>	282,642
<b>SUB - TOTAL</b>		<b>5,705</b>	4,183	<b>2,424,806,248</b>	1,883,942,690
Less: Inter Unit Purchases				<b>548,660</b>	282,642
<b>TOTAL</b>		<b>5,705</b>	4,183	<b>2,424,257,588</b>	1,883,660,048

**B VALUE OF RAW MATERIALS, STORES & SPARE PARTS CONSUMED:**

Particulars	2014-2015		2013-2014	
	(Amount in ₹)	Percentage	(Amount in ₹)	Percentage
Raw Materials & Components				
(a) Imported	1,023,278,800	42	318,180,155	17
(b) Indigenous	1,401,527,448	58	1,565,762,535	83
<b>TOTAL</b>	<b>2,424,806,248</b>	<b>100</b>	<b>1,883,942,690</b>	<b>100</b>
Stores & Spare Parts (including Consumed for Repair)				
(a) Imported	7,961,135	30	3,321,402	24
(b) Indigenous	18,231,589	70	10,630,353	76
<b>TOTAL</b>	<b>26,192,724</b>	<b>100</b>	<b>13,951,755</b>	<b>100</b>

**C TRANSACTIONS IN FOREIGN EXCHANGE:**

Particulars	2014-15 (Amount in ₹)	2013-14 (Amount in ₹)
Imports (on CIF Basis)		
(a) Raw Materials/Traded Goods	1,049,575,800	318,180,155
(b) Stores & Spares	9,603,820	7,178,620
Expenditure in Foreign Currency (Travelling)	342,530	1,118,284
Expenditure in Foreign Currency (Interest on ECB)	47,959,669	42,885,887
Expenditure in Foreign Currency (Repayment of ECB)	89,037,639	78,218,608

**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 Sekhar & Co**

Chartered Accountants

Firm Regn No: 003695-S

For Bhagyanagar India Limited

**G.Ganesh**

Partner

Membership No : 211704

**Narender Surana**  
Managing Director

**Devendra Surana**  
Managing Director

Place : Secunderabad

Date : May 30, 2015

**Surendra Bhutoria**  
Chief Financial Officer

## INDEPENDENT AUDITORS' REPORT

To The Members of  
**Bhagyanagar India Limited**

### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Bhagyanagar India Limited ("the Holding Company"), its subsidiaries (holding company and subsidiaries together referred to as "the Group"), and its associates, which comprise the Consolidated Balance Sheet as at 31 March 2015, 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.

### Management's Responsibility for the Consolidated 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 including its associates 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 respective Board of Directors of the Companies included in the Group and of its associates are responsible for the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Group 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, which have been used for the purpose of the preparation of consolidated financial statements by the directors of Holding Company, as aforesaid.

### Auditor's Responsibility

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

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

We conducted our audit in accordance with the Standards on Auditing specified under 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the

consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and audit evidence obtained by other auditors, in terms of their reports referred to in **sub paragraph (1) of the "Other Matters" paragraph below**, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements, give the information required by the 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 consolidated state of affairs of the Group, and its associates as at March 31, 2015, and its consolidated profit and its consolidated cash flows for the year ended on that date.

### Emphasis of Matter

We draw your attention to Note 2.29 of the consolidated financial statements wherein the management has disclosed the details of Claims against the Group not acknowledged as debt in respect of matters under dispute with statutory authorities and others.

*Our opinion is not modified in this matter.*

### Other Matters

1. The consolidated financial statements also include the Group's share of net loss of ₹ 24,191 in the year ended 31<sup>st</sup> March, 2015, as considered in the consolidated financial statements, in respect of three associates, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, insofar as it relates to the amounts and disclosures included in respect of these associates and our report in terms of sub-section 3 and 11 of section 143 of the Act, insofar as it related to the aforesaid associates is based solely on the reports of the other auditors.

2. Our opinion on the consolidated financial statements, and our report on other legal and regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements.

#### Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on the comments in the auditor's reports of the Holding Company, Subsidiary Companies and Associate Companies, we give in Annexure a statement on matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by section 143(3) of the Act, we report, to the extent applicable, that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b. In our opinion, proper books of account as required by law relating to the preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - 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 of the Holding Company as on 31 March, 2015, taken on record by the Board of Directors of the Holding Company and the Subsidiary Companies and reports of the Associate Companies, none of the directors of the Group Companies, its Associate Companies is disqualified as on 31 March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
- f. We are not required to report on clause (i) with respect to Internal Financial Controls over financial reporting and the operating effectiveness of the same for the Financial Year ending 31<sup>st</sup> March 2015, based on the Government of India notification dated October 14, 2014 on the same matter.
- 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 2.29** to the consolidated financial statements;
  - ii. The Group and its associates did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and its associates.

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

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

Place : Secunderabad  
Date : 30-May-2015

## **Annexure referred to in paragraph 1 of 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the Independent Auditors' Report on the Consolidated Financial Statements**

Our reporting on the Order includes the Holding Company, Subsidiary Companies and two Associate Companies, to which the Order is applicable, which have been audited by us. This report does not cover three Associate Companies, to which the Order is not applicable, which have been audited by other auditors and our report in respect of these companies is based solely on the reports of the other auditors, to the extent considered applicable for reporting under the Order in the case of the consolidated financial statements.

- i. In respect of the fixed assets of the Holding Company, subsidiary companies and associate companies:
  - 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 according to the phased program 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.
- ii. In respect of the inventories of the Holding Company, subsidiary companies and associate companies:
  - a) As explained to us, inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
  - b) The procedures explained to us, which are followed by the management for physical verification of inventories, are in our opinion reasonable and adequate in relation to the size of the company and nature of its business.
  - c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- iii. The Holding Company has granted loan to an associate and to five subsidiaries covered in the register maintained under section 189 of the Act. The loans granted to the aforementioned subsidiaries have been set off in the consolidated financial statements. The maximum amount involved during the year is ₹ 1,316,999,108 and year end outstanding is ₹ 1,242,149,177.
  - a) In our opinion and as per the records examined by us, the payment of principal amount and interest thereon is regular. In respect of Interest due from subsidiaries the company has added the same to the principal since the sanction of loan to the subsidiary.
  - b) There are no overdue amounts in excess of ₹ 1 lakh in respect of loans granted to companies, firms or other parties listed in register maintained under section 189 of the Act.
- iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system in the Holding Company, subsidiary companies and associate companies, commensurate with the size of the respective companies and the nature of their business with regard to purchase of inventory and fixed assets and for sale of goods and power. We have not observed any major weakness in the internal control system during the course of the audit.
- v. The Holding Company, Subsidiary Companies and Associate Companies have not accepted any deposits from the public within the meaning of sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder.
- vi. We have broadly reviewed the cost records maintained by the Holding Company and one of its associate, 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. Maintenance of Cost Records under Section 148(1) of the Act, is not required for the activity carried out by the Subsidiary Companies and the other Associate Company.
- vii. According to the information and explanations given to us, in respect of statutory dues of the Holding Company, Subsidiary Companies and Associated Companies:
  - a) The respective companies have been regular in depositing undisputed statutory dues with appropriate authorities including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to them.
  - 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 2015 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 2015 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	25,69,007 (25,69,007)	2008-09	Appellate Additional Commissioner – Hyd
			NIL (20,00,000)	Various Years	
2	Customs Act, 1964	Custom Duty	1,00,00,000 (2,40,07,856)	2008-09	Supreme Court of India
3	Income Tax Act, 1961	Income Tax	13,91,515 (26,20,804)	2008-09	ITAT – Hyd
			8,79,93,920 (8,79,93,920)	2012-13	CIT Appeals

Figures in brackets are the amounts involved in dispute. The taxes paid against the above disputes at ₹ 1,63,53,076 are shown under heads Taxes paid under protest in Long Term Advances and Income Tax Receivable under other current assets.

- d) In our opinion, the amount required to be transferred to the investor education and protection fund in accordance with relevant provisions of the Companies Act, 1956 and rules made thereunder has been transferred to such fund within time.
- viii. The Group and its associate companies have no accumulated losses at the end of the financial year on a consolidated basis and the Group and its associate companies have not incurred cash losses on a consolidated basis during the year covered by audit and in the immediately preceding financial year.
- ix. According to the records of the Holding Company, subsidiary companies and associate companies, examined by us and the information and explanations given to us, the company has not defaulted in repayment of dues to any financial institution or bank or debenture holders, as applicable, as at the Balance sheet date.
- x. The Holding Company, subsidiary companies and associate companies have not given any guarantee for loans taken by others from bank or financial institutions.
- xi. In our opinion and according to the information and explanations given to us, the term loans have been applied by the Holding Company during the year for the purposes for which they were obtained.
- xii. During the course of our examination of the books and records of the Holding Company, subsidiary companies and associate companies, carried out in accordance with the Generally Accepted Accounting Practice in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Holding Company, subsidiary companies and associate companies noticed or reported during the year, nor have we been informed of such case by the management.

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

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

Place : Secunderabad  
Date : 30-May-2015

**CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2015**
*(Amount in ₹)*

Particulars	Note No.	As at 31.03.2015		As at 31.03.2014	
<b>I EQUITY AND LIABILITIES</b>					
<b>(1) SHAREHOLDERS' FUNDS</b>					
(a) Share Capital	2.1	<b>127,980,000</b>		127,980,000	
(b) Reserves and Surplus	2.2	<b>2,069,227,619</b>	<b>2,197,207,619</b>	2,050,010,039	2,177,990,039
<b>(2) MINORITY INTEREST</b>	2.3		<b>14,200,287</b>		13,366,067
<b>(3) NON-CURRENT LIABILITIES</b>					
(a) Long-Term Borrowings	2.4		<b>683,674,149</b>		838,454,376
<b>(4) CURRENT LIABILITIES</b>					
(a) Short-Term Borrowings	2.5	<b>409,407,830</b>		158,622,972	
(b) Trade Payables	2.6	<b>11,501,008</b>		22,805,626	
(c) Other Current Liabilities	2.7	<b>165,592,086</b>		145,092,423	
(d) Short-Term Provisions	2.8	<b>23,635,400</b>		23,059,500	
			<b>610,136,324</b>		349,580,521
<b>TOTAL</b>			<b>3,505,218,379</b>		<b>3,379,391,003</b>
<b>II ASSETS</b>					
<b>(1) NON-CURRENT ASSETS</b>					
(a) Fixed Assets					
(1) Tangible Assets	2.9	<b>2,054,957,823</b>		2,055,858,477	
(2) Capital Work-in-Progress		<b>9,195,040</b>		7,144,772	
(b) Non-Current Investments	2.10	<b>290,547,451</b>		277,047,896	
(c) Deferred Tax Assets (Net)	2.11	<b>15,319,829</b>		8,385,460	
(d) Long-Term Loans and Advances	2.12	<b>36,916,238</b>		35,826,363	
			<b>2,406,936,381</b>		2,384,262,968
<b>(2) CURRENT ASSETS</b>					
(a) Current Investments	2.13	-		3,500,000	
(b) Inventories	2.14	<b>417,611,302</b>		114,842,472	
(c) Trade Receivables	2.15	<b>318,792,661</b>		339,615,525	
(d) Cash and Cash Equivalents	2.16	<b>86,224,114</b>		265,938,084	
(e) Short-Term Loans and Advances	2.17	<b>142,060,895</b>		171,765,137	
(f) Other Current Assets	2.18	<b>133,593,026</b>		99,466,818	
			<b>1,098,281,998</b>		995,128,036
<b>TOTAL</b>			<b>3,505,218,379</b>		<b>3,379,391,004</b>
Significant Accounting Policies and Notes to Accounts	1 & 2				

As per our report of even date attached

**For Sekhar & Co**  
 Chartered Accountants  
 Firm Regn No: 003695-S

**For Bhagyanagar India Limited**
**G.Ganesh**  
 Partner  
 Membership No : 211704

**Narender Surana**  
 Managing Director

**Devendra Surana**  
 Managing Director

 Place : Secunderabad  
 Date : May 30, 2015

**Surendra Bhutoria**  
 Chief Financial Officer

## STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED

31<sup>ST</sup> MARCH, 2015

(Amount in ₹)

Particulars	Note No.	For the year 31.03.2015	For the year 31.03.2014
<b>I REVENUE FROM OPERATIONS</b>			
Sale of Products (Net of Sales Tax)		2,944,940,422	2,603,434,519
Infrastructure Leasing and Sales		1,518,739	5,442,885
		2,946,459,161	2,608,877,404
Less: Excise Duty		257,799,948	265,915,580
<b>NET REVENUE FROM OPERATIONS</b>	2.19	<b>2,688,659,213</b>	2,342,961,824
<b>II OTHER INCOME</b>	2.20	<b>67,346,941</b>	66,885,714
<b>TOTAL REVENUE</b>		<b>2,756,006,154</b>	2,409,847,538
<b>III EXPENSES</b>			
Cost of Materials Consumed	2.21	2,424,257,588	1,883,660,048
Changes in Inventories of Finished Goods,			
Work-in-Progress and Stock in Trade	2.22	(136,670,008)	70,146,723
Employee Benefit Expenses	2.23	54,017,426	48,465,303
Finance Costs	2.24	83,609,238	77,766,134
Depreciation and Amortisation Expenses	2.25	62,240,975	74,753,622
Other Expenses	2.26	230,655,742	200,776,343
<b>TOTAL EXPENSES</b>		<b>2,718,110,961</b>	2,355,568,173
<b>IV PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX</b>		<b>37,895,193</b>	54,279,365
<b>V AMORTISATION OF FCMITD RESERVE</b>		<b>(19,753,717)</b>	(21,846,561)
<b>VI PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX</b>		<b>18,141,532</b>	32,433,085
<b>VII PROFIT BEFORE TAX</b>		<b>18,141,532</b>	32,433,085
<b>VIII TAX EXPENSES</b>			
1. Current Tax		3,276,970	4,165,188
2. Deferred Tax		(6,934,369)	(4,629,401)
3. MAT Entitlement Credit		-	1,150,052
<b>IX PROFIT AFTER TAX</b>		<b>21,798,931</b>	31,747,246
<b>X EARNINGS PER EQUITY SHARE</b>			
<b>Basic &amp; Diluted</b>	2.30	<b>0.54</b>	0.49
Significant Accounting Policies and Notes to Accounts	1 & 2		

As per our report of even date attached

For Sekhar &amp; Co

Chartered Accountants

Firm Regn No: 003695-S

For Bhagyanagar India Limited

G.Ganesh

Partner

Membership No : 211704

Narender Surana  
Managing DirectorDevendra Surana  
Managing Director

Place : Secunderabad

Date : May 30, 2015

Surendra Bhutoria  
Chief Financial Officer

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015

(Amount in ₹)

Particulars	2014-15		2013-14	
<b>A. Cash Flow From Operating Activities</b>				
<b>Net Profit before tax as per annexed profit and loss account</b>		<b>18,141,532</b>		<b>32,433,085</b>
Adjustments for:				
Depreciation	<b>61,728,345</b>		74,240,992	
Preliminary Expenses Written Off	-		7,349	
Foreign Exchange Reserve Amortised	<b>19,753,717</b>		21,846,561	
Lease rents Amortised	<b>512,630</b>		512,630	
Bad Debts Written Off & Provision for Bad Debts	<b>747,098</b>		2,884,727	
Balances / Provisions no longer required written back	<b>(6,238,074)</b>		(278,382)	
Deferred Revenue Expenditure	-		5,520,653	
(Profit)/Loss on Sale of Investments(Net)	<b>(168,996)</b>		(22,568)	
Profit & Loss on Sale of Assets	<b>1,626</b>		(1,445,436)	
Interest Paid	<b>83,609,238</b>		72,245,481	
Interest Received	<b>(50,161,706)</b>		(40,739,007)	
Dividends Received	<b>(7,573,065)</b>	<b>102,210,813</b>	(9,601,845)	125,171,155
Operating Profit before working Capital Changes		<b>120,352,345</b>		<b>157,604,240</b>
<b>(Less)/ Add Adjustments for Working Capital Changes</b>				
Inventories	<b>(302,768,830)</b>		167,264,418	
Loans and Advances	<b>45,170,480</b>		53,047,030	
Other Current Assets	<b>(42,625,741)</b>		31,815,528	
Sundry Debtors	<b>20,075,766</b>		(59,740,174)	
Trade Payables and other Liabilities	<b>(19,063,511)</b>		(11,174,009)	
Advance from Customers	<b>3,937,174</b>	<b>(295,274,662)</b>	5,264,431	186,477,225
<b>Cash Generated from Operations</b>		<b>(174,922,317)</b>		<b>344,081,465</b>
Income Tax & Fringe Benefit Tax Paid	<b>5,222,563</b>		(18,331,337)	
		<b>5,222,563</b>		<b>(18,331,337)</b>
<b>Net Cash (used in)/from operating Activities (A)</b>		<b>(169,699,754)</b>		<b>325,750,128</b>
<b>B. Cash Flow From Investing Activities</b>				
Purchase of Fixed Assets & Changes in CWIP	<b>(42,755,750)</b>		(189,385,764)	
Sale of Fixed Assets	<b>543,506</b>		4,138,976	
Investment in of Shares & Other Investments (Net)	<b>3,196,317</b>		9,102,613	
Dividend Received	<b>7,573,065</b>		9,601,845	
Interest Received	<b>26,942,111</b>		19,506,641	
Loans to Joint Ventures and Subsidiaries	<b>(16,556,408)</b>		(92,701,481)	
<b>Net Cash (used in)/from Investing Activities (B)</b>		<b>(21,057,159)</b>		<b>(239,737,170)</b>

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015

(Amount in ₹)

Particulars	2014-15	2013-14
<b>C. Cash Flow From Financing Activities</b>		
Proceeds from Issue of Shares to minority	450,000	5,174,000
Proceeds from borrowings (net of re-payments)	118,392,689	179,051,467
Interest Paid	(85,200,264)	(71,358,604)
Dividend Paid	(22,599,482)	(29,796,498)
Decrease/(Increase) in restricted deposits	113,753,175	(141,909,755)
<b>Net Cash (used in)/from Financing Activities (C)</b>	<b>124,796,118</b>	<b>(58,839,390)</b>
<b>Net Increase /(Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>(65,960,795)</b>	<b>27,173,568</b>
Cash and Cash Equivalents Opening Balance	78,333,265	51,159,697
Cash and Cash Equivalents Closing Balance	12,372,470	78,333,265
<b>Net Increase /(Decrease) in Cash and Cash Equivalents</b>	<b>(65,960,795)</b>	<b>27,173,568</b>

**Notes:**

1	<b>Components of Cash and Cash Equivalents</b>	<b>2014-15</b>	2013-14
	Cash in Hand	1,586,650	1,100,342
	Balances with Bank	10,785,820	77,232,923
	<b>Total</b>	<b>12,372,470</b>	78,333,265
2	Previous Year Figures are regrouped wherever required to make them comparable.		
3	Notes to Accounts form an integral part of Cash Flow Statement		

As per our report of even date attached

For Bhagyanagar India Limited

**For Sekhar & Co**  
Chartered Accountants  
Firm Regn No: 003695-S

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

**Narender Surana**  
Managing Director

**Devendra Surana**  
Managing Director

Place : Secunderabad  
Date : May 30, 2015

**Surendra Bhutoria**  
Chief Financial Officer

## 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 stand-alone financial statements of Bhagyanagar India Limited.

**A. Notes to Consolidated Balance Sheet**

(Amount in ₹)

Particulars	Sub note	As at 31.03.2015	As at 31.03.2014
<b>Note : 2.1</b>			
<b>Share Capital</b>			
(a) Authorized Capital :12,50,00,000 Equity Shares of ₹ 2 each		250,000,000	250,000,000
(b) Issued, Subscribed and Paid Up 63,990,000 Equity Shares (Previous year 63,990,000 shares) of ₹ 2 each at par fully paid carrying equal rights and obligations		127,980,000	127,980,000
(Options, Contracts and Commitments outstanding -Nil)			
		<b>No.of shares</b>	<b>No.of shares</b>
Buy Back of shares in past five years : 2009-2010		5,573,386	5,573,386
2010-2011		526,614	526,614
2011-2012		4,410,000	4,410,000

c) Particulars of Shareholders holding more than 5% of Issued Share Capital (5% of 63,990,000 (PY 63,990,000)) = 3,199,500(PY 3,199,000)

Name of Shareholder	%	(PY %)	No.of shares	No.of shares
Surana Infocom Private Limited	13.57	(13.43)	8,681,890	8,639,847
Narender Surana	8.08	(7.81)	5,171,910	4,993,040
Manish Suarana	7.71	(7.64)	4,938,433	4,891,701
Devendra Surana	7.04	(6.56)	4,502,977	4,195,083
Namrata Surana	5.83	(5.82)	3,730,166	3,723,766
G.M.Surana	5.35	(5.35)	3,421,980	3,421,980
Chand Kanwar Surana	5.26	(5.26)	3,366,010	3,366,010
Sunita Surana	5.10	(5.09)	3,266,671	3,254,671

**Reconciliation of shares outstanding at the beginning & at the end of the Reporting Period**

	As at 31.03.2015		As at on 31.03.2014	
	No.	₹	No.	₹
At the beginning of the year	63,990,000	63,990,000	63,990,000	127,980,000
outstanding at the end of the year	63,990,000	63,990,000	63,990,000	127,980,000

(Amount in ₹)

Particulars	Sub note	As at 31.03.2015	As at 31.03.2014
<b>Note : 2.2</b>			
<b>Reserves and Surplus</b>			
<b>General Reserves</b>			
Balance as per Last Account		1,271,721,932	1,240,815,951
Add:Transferred from Profit & Loss Account		20,000,000	20,000,000
Add:Created on account of consolidation of new Associates		-	10,905,981
Less:Adjustment of dep.on obsolete assets		(2,039,544)	-
		1,289,682,388	1,271,721,932
<b>Foreign Currency Monetary Item Translation Difference Account</b>	<b>2.2(a)</b>		
Balance as per Last Account		98,309,523	59,823,359
Add: Foreign Currency Monetary Item Translation Difference During the Year		27,747,218	75,009,011
Less: Amortisation during the year		(19,753,717)	(21,846,561)

(Amount in ₹)

Particulars	Sub note	As at 31.03.2015	As at 31.03.2014
Less: Loss on repayments during the year		(17,844,689)	(14,676,286)
Closing Balance		88,458,335	98,309,523
<b>Balance at the year end</b>		<b>1,201,224,053</b>	1,173,412,409
<b>Capital Reserves</b>			
Balance as per Last Account		103,968,644	16,676,523
Add: Created on account of consolidation of new Associates		-	87,292,121
<b>Balance at the year end</b>		<b>103,968,644</b>	103,968,644
<b>Capital Redemption Reserve</b>			
Balance as per Last Account		21,020,000	21,020,000
<b>Balance at the year end</b>		<b>21,020,000</b>	21,020,000
<b>Surplus</b>			
<b>Balance of Profit &amp; Loss account available for appropriation</b>		<b>751,608,986</b>	762,838,412
Add: Profit during the year/period		21,798,931	31,747,246
Less: Minority Interest (Current year's profit/(loss))		(384,220)	(652,721)
Less: Change in Interests of Associate Companies		13,026,626	135,549
Amount available for Appropriation		786,050,322	794,068,486
Proposed Dividend		19,197,000	19,197,000
Tax on dividend		3,838,400	3,262,500
Transfer to General Reserve		20,000,000	20,000,000
<b>Balance at the year end</b>		<b>743,014,922</b>	751,608,986
<b>TOTAL</b>		<b>2,069,227,619</b>	2,050,010,039

**Foreign Currency Monetary Item Translation Difference Account**

Increase in liability of ECB from ICICI Bank due to Foreign Exchange Fluctuation, being a loss on transaction ( i.e. ₹ 62.59 per USD. as on 31st March, 2015 from Rs 60.10 per USD. as on 31st March, 2014) is debited to Foreign Currency Monetary Item Translation Difference Account as per the notification no.GSR.225(E) dated 31st March, 2009 further amended by Notification no.GSR.913(E)/914(E) dated 31st December, 2011 issued by the Ministry of Corporate Affairs.

Particulars	Sub note	As at 31.03.2015	As at 31.03.2014
<b>Note : 2.3</b>			
<b>Minority Interest</b>			
Opening Balance as at 01.04.2014	2.3(a)	13,366,067	9,489,265
Add: Increase in Minority Interest of Subsidiary (SDPL)		450,000	5,174,000
Less: Minority Interest acquired in a subsidiary (MVL)		-	(1,949,918)
Current year's Profit & Loss Account		384,220	652,721
<b>TOTAL</b>		<b>14,200,287</b>	13,366,067

(Amount in ₹)

Particulars	Sub note	As at 31.03.2015	As at 31.03.2014
<b>Notes:</b>			
<b>2.3(a)</b>			
Minority Interest			
In Share Capital		15,250,000	14,800,000
In Current Year's Profit (Loss)		384,220	652,721
In Earlier Year's Profit (Loss)		(1,433,933)	(1,436,743)
Loss on minority Interest acquired from subsidiary		-	(649,911)
Balance as at close of the year		14,200,287	13,366,067

Particulars	Sub note	As at 31.03.2015	As at 31.03.2014
<b>Note : 2.4</b>			
<b>Long-Term Borrowings</b>			
(a) Term loans			
from ICICI Bank	2.4(a)	545,514,564	628,440,927
from SBI		83,678,839	144,440,995
(b) Car loan			
from Axis Bank		-	215,263
(c) Deferred Sales Tax	2.4(b)	430,753	16,591,067
(d) Loan from minority stake holders		54,049,993	48,766,124
<b>TOTAL</b>		<b>683,674,149</b>	<b>838,454,376</b>

**Notes:****2.4(a) Term Loan From ICICI Bank: Long Term Foreign Currency Monetary Item**

1 ICICI Bank provided ECB amounting to USD 13,560,000 carrying a fixed interest rate of 6.96%. ECB is secured by first charge on certain fixed assets of the company and personal guarantee of Managing Directors. Long Term ECB liability as at 31.03.2015 amounting to USD 8,706,875 is valued at ₹ 62.59 per USD as on 31st March,2015 against ₹ 60.10 per USD. as on 31st March,2014.

2 The principal is repayable in 28 quarterly instalments. The company has repaid 9 quarterly instalments, 4 instalments being repaid during the current Financial Year amounting to ₹ 89,037,639. Total amount repayable towards principal during the financial year 2014-2015 is USD 1,741,104 (₹ 108,975,699 on conversion @ ₹ 62.59 per USD as on 31st March,2015) and the same has been classified under Other Current Liabilities.

**2.4(b) Deferred Sales Tax**

1 Deferred Sales Tax Loan is interest free, repayment of which started from Financial Year 2013-14. An amount of ₹ 10,154,409/- is repaid during the current Financial Year. Accordingly due with in a Year is ₹ 16,160,314/- which is classified under Other Current Liabilities.

Particulars	Sub note	As at 31.03.2015	As at 31.03.2014
<b>Note: 2.5</b>			
<b>Short-Term Borrowings</b>			
Buyers Credit from Bank	2.5 (a)	409,407,830	158,622,972
<b>TOTAL</b>		<b>409,407,830</b>	<b>158,622,972</b>

**Notes:**
**2.5 (a) (i) Buyer's credit from banks**

Buyers Credit is secured by hypothecation of stocks, Debtors and first charge on pari-passu basis on specific fixed assets of the company respectively and personal guarantee of the Managing Directors.

Particulars	Sub note	As at 31.03.2015	As at 31.03.2014
<b>Note: 2.6</b>			
<b>Trade Payables</b>			
Sundry Creditors	2.6 (a)	11,501,008	22,805,626
<b>TOTAL</b>		<b>11,501,008</b>	22,805,626

**Notes:**

**2.6(a)** As per the information about the industrial status of the Creditor there are no dues to any micro and small enterprises under the micro small and medium enterprises development act 2006

Particulars	Sub note	As at 31.03.2015	As at 31.03.2014
<b>Note: 2.7</b>			
<b>Other Current Liabilities</b>			
(a) Current Maturities on Long Term Debt			
(i) Term loan - ICICI Bank	2.7 (a)	108,975,699	88,015,248
(ii) Term loan - SBI		7,692,000	-
(iii) Car loan - Axis Bank	2.7 (b)	215,263	2,583,156
(iv) Deferred Sales Tax	2.7 (c)	16,160,314	10,154,409
(b) Provision for Interest on Term Loan	2.7 (d)	9,481,647	10,381,000
(c) Provision for Interest on Buyers Credit from Banks		731,163	1,422,836
(d) Unclaimed Dividends		1,808,161	1,948,143
(e) Lease Deposits		1,026,000	3,126,000
(f) Other Liabilities		4,497,002	16,393,969
(g) Advance from Customers		15,004,836	11,067,662
<b>TOTAL</b>		<b>165,592,085</b>	145,092,423

**Notes:**
**Current Maturities on Long Term Debt**

**2.7 (a)** The principal amount of ECB from ICICI Bank repayable during the Financial Year 2015-2016 is grouped under the head Current Liabilities (Also See Note.2.3(a))

**2.7 (b)** Car loan from Axis Bank Ltd is secured against hypothecation of Car. The loan was taken during the Financial Year 2012-13 and is repayable in monthly installment of ₹ 215,263/- each. The final instalment repayable in 2015-16 is classified under Other Current Liabilities.

**2.7 (c)** The amount of Deferred Sales Tax repayable during the Financial Year 2015-2016 is grouped under the head Current Liabilities (Also See Note.2.3 (c))

**Provision for Interest on Term Loan**

**2.7 (d)** Provision for interest on ECB from ICICI Bank has been made till 31.03.2015. Payment of interest is due on 15th April, 2015

(Amount in ₹)

Particulars	Sub note	As at 31.03.2015	As at 31.03.2014
<b>Note: 2.8</b>			
<b>Short-Term Provisions</b>			
(a) Provision for Employee Benefits-Bonus		600,000	600,000
(b) Proposed Dividend	2.8 ( a)	19,197,000	19,197,000
(c) Tax on Dividend		3,838,400	3,262,500
<b>TOTAL</b>		<b>23,635,400</b>	23,059,500

**Notes:**

**2.8 ( a)** The Board of Directors have recommended a dividend of ₹ 0.30/-per share for the year ended 31st March,2015 (Previous Year ₹ 0.30/- per share).

**Note :2.9 Tangible Assets**

(Amount in ₹)

Particulars	Free Hold Land	Lease Hold Land	Buildings	Plant & Machinery	Electrical Installations	Office Equipment	Vehicles	Furniture & Fixtures	Computers	Library	Total
<b>Gross Block</b>											
As at 1-Apr-2013	1,135,487,847	11,072,464	59,060,919	923,240,190	31,519,078	14,204,985	37,702,562	15,905,843	6,660,382	2,010	2,234,856,280
Additions	24,767,982	-	808,694	408,478,385	313,631	1,011,404	2,571,544	-	99,300	-	438,050,940
Disposals	(1,900,000)	(512,630)	-	(124,965,955)	-	-	(4,336,038)	-	-	-	(131,714,623)
<b>As at 31-Mar-2014</b>	<b>1,158,355,829</b>	<b>10,559,834</b>	<b>59,869,613</b>	<b>1,206,752,620</b>	<b>31,832,709</b>	<b>15,216,389</b>	<b>35,938,068</b>	<b>15,905,843</b>	<b>6,759,682</b>	<b>2,010</b>	<b>2,541,192,597</b>
Additions	23,652,906	-	-	36,092,580	1,727,432	442,809	1,520,734	152,116	336,500	-	63,925,077
Disposals	(531,545)	(512,630)	-	-	-	-	(51,943)	-	-	-	(1,096,118)
<b>As at 31-Mar-2015</b>	<b>1,181,477,190</b>	<b>10,047,204</b>	<b>59,869,613</b>	<b>1,242,845,200</b>	<b>33,560,141</b>	<b>15,659,198</b>	<b>37,406,859</b>	<b>16,057,959</b>	<b>7,096,182</b>	<b>2,010</b>	<b>2,604,021,556</b>
<b>Accumulated Depreciation</b>											
As at 1-Apr-2013	-	-	26,715,007	358,446,542	24,927,737	9,366,880	23,905,957	10,381,243	6,314,677	2,010	460,060,053
Charge for the year	-	-	1,958,219	60,425,991	1,869,938	758,398	3,916,561	999,953	156,891	-	70,085,951
Disposals	-	-	-	(41,293,950)	-	-	(3,517,913)	-	-	-	(44,811,863)
<b>As at 31-Mar-2014</b>	<b>-</b>	<b>-</b>	<b>28,673,227</b>	<b>377,578,583</b>	<b>26,797,675</b>	<b>10,125,278</b>	<b>24,304,605</b>	<b>11,381,196</b>	<b>6,471,568</b>	<b>2,010</b>	<b>485,334,141</b>
Charge for the year	-	-	1,624,403	55,349,729	626,202	1,264,113	2,038,242	739,434	86,222	-	61,728,345
Disposals	-	-	-	-	-	-	(38,298)	-	-	-	(38,298)
Adjustment to General Reserve	-	-	-	-	-	1,675,033	77,347	198,206	88,959	-	2,039,545
<b>As at 31-Mar-2015</b>	<b>-</b>	<b>-</b>	<b>30,297,630</b>	<b>432,928,312</b>	<b>27,423,877</b>	<b>13,064,424</b>	<b>26,381,896</b>	<b>12,318,836</b>	<b>6,646,749</b>	<b>2,010</b>	<b>549,063,733</b>
<b>Net Block</b>											
As at 31-Mar-2014	1,158,355,829	10,559,834	31,196,386	829,174,037	5,035,034	5,091,111	11,633,463	4,524,647	288,114	-	2,055,858,456
<b>As at 31-Mar-2015</b>	<b>1,181,477,190</b>	<b>10,047,204</b>	<b>29,571,983</b>	<b>809,916,888</b>	<b>6,136,264</b>	<b>2,594,774</b>	<b>11,024,963</b>	<b>3,739,123</b>	<b>449,433</b>	<b>-</b>	<b>2,054,957,823</b>

**Note:**

With effect from 01-04-2014, in accordance with part A of schedule II to the Companies Act, 2013, the company has re-assessed the remaining life of the fixed assets and charged the depreciation. Accordingly adjustments have been made in the above schedule.

Depreciation Expenses for the year ended 31st March 2015 are lower by ₹ 3,91,68,731 due to the implementation of new method pursuant to the requirement of Companies Act, 2013

(Amount in ₹)

Particulars	Sub note	As at 31.03.2015	As at 31.03.2014
<b>Note: 2.10</b>			
<b>Non-Current Investments</b>			
<b>A) Unquoted securities</b>			
<b>1) In Equity Instruments</b>			
<b>a) In companies under the same management</b>			
Bhagyanagar Infrastructure Limited		61,075,523	61,092,967
27,50,000 Equity share of Rs 10 each fully paid up - (P Y 27,50,000) Surana Infocom Private Limited		100,500,000	100,500,000
1,25,000 Equity share of Rs 10 each fully paid up ( P Y NIL)			
<b>Sub-Total</b>		<b>161,575,523</b>	161,592,967
<b>b) In Associate Companies</b>			
GMS Realtors Private Limited		-	24,886
5000 Equity share of Rs 10 each fully paid up ( P Y 5000)			
<b>Sub-Total</b>		<b>-</b>	24,886
<b>c) In other Companies</b>			
Mana Effluent Treatment Plant		200,000	200,000
200 Equity share of Rs 1000 each fully paid up			
<b>SUB - TOTAL</b>		<b>200,000</b>	200,000
<b>B) Quoted securities</b>			
<b>1) In Equity Instruments</b>			
<b>a) In companies under the same management</b>			
Surana Telecom and Power Limited			
9,395,150 Equity share of Rs 5 each fully paid up (P Y 18,56,462)		15,210,914	15,037,235
Surana Solar Limited			
11,575,892 Equity share of Rs 10 each fully paid up (P Y 57,87,946)		112,742,446	99,673,490
		<b>127,953,360</b>	114,710,725
<b>b) In other Companies</b>			
Indosolar Limited		106,258	106,258
5000 Equity share of Rs 10 each fully paid up ( P Y 5000)			
Megasoft Limited		71,385	71,385
1500 Equity share of Rs 10 each fully paid up ( P Y 1500)			
Sree Sakthi Paper Mills Limited		30,000	30,000
1000 Equity share of Rs 10 each fully paid up ( P Y 1000)			
Shree Vasavi Industries Ltd		45,175	45,175
14000 Equity share of Rs 10 each fully paid up ( P Y 14000)			
Sampre Nutrition Ltd		266,500	266,500
26650 Equity share of Rs 10 each fully paid up ( P Y 26650)			
Viceroy Hotels Ltd		299,250	-
15,000 Equity share of Rs 10 each fully paid up ( P Y NIL)			
		<b>818,568</b>	519,318
<b>Aggregate Market value of quoted investments Rs 88,48,20,110/-</b>			
<b>Grand Total</b>		<b>290,547,451</b>	277,047,896

(Amount in ₹)

Particulars	Sub note	As at 31.03.2015	As at 31.03.2014
<b>Note: 2.11</b>			
<b>Deferred Tax Assets (Net)</b>			
Deferred Tax Asset at the beginning of the year		8,385,460	3,756,059
Less: Deferred Tax (Liability) for the year-on account of timing difference.		6,934,369	4,629,401
<b>TOTAL</b>		<b>15,319,829</b>	8,385,460

Particulars	Sub note	As at 31.03.2015	As at 31.03.2014
<b>Note: 2.12</b>			
<b>Long-Term Loans and Advances</b>			
(a) Statutory Advances			
(i) Taxes Paid Under Protest		16,353,076	16,353,076
(b) Security Deposits			
(i) Deposits		12,813,527	11,723,652
(c) Others			
(i) MAT Credit Entitlement		7,749,635	7,749,635
<b>TOTAL</b>		<b>36,916,238</b>	35,826,363

Particulars	Sub note	As at 31.03.2015	As at 31.03.2014
<b>Note: 2.13</b>			
<b>Current Investments</b>			
(a) Investment in Mutual Funds			
UTI Floating Rate Plan		-	3,500,000
<b>TOTAL</b>		<b>-</b>	3,500,000

Particulars	Sub note	As at 31.03.2015	As at 31.03.2014
<b>Note: 2.14</b>			
<b>Inventories</b>			
<b>(At cost or net realisable value whichever is lower)</b>			
Raw Materials		124,054,255	106,501,344
Work-in-Progress		283,538,444	1,345,256
Finished Goods		1,380,046	-
Closing Stock - Stores & Spares		8,638,557	6,995,872
<b>TOTAL</b>		<b>417,611,302</b>	114,842,472

(Amount in ₹)

Particulars	Sub note	As at 31.03.2015	As at 31.03.2014
<b>Note: 2.15</b>			
<b>Trade Receivables</b>			
<b>(Unsecured, considered good)</b>			
(a) Aggregate amount of Trade Receivables outstanding for a period less than six months		316,440,442	337,466,310
(b) Aggregate amount of Trade Receivables outstanding for a period exceeding than six months		2,352,219	2,149,215
<b>TOTAL</b>		<b>318,792,661</b>	<b>339,615,525</b>

Particulars	Sub note	As at 31.03.2015	As at 31.03.2014
<b>Note: 2.16</b>			
<b>Cash and cash Equivalents</b>			
(a) Cash & Cash Equivalents			
(i) Balances in current account		10,785,820	77,232,923
(ii) Cash on hand		1,586,650	1,100,342
<b>Sub-Total - (A)</b>		<b>12,372,470</b>	<b>78,333,265</b>
(b) Other Balances			
(i) In Dividend account		1,808,162	1,948,144
(ii) Deposit held to the extent of margin money		71,027,128	184,640,081
(iii) Accrued interest on Fixed Deposits with Banks		1,016,354	1,016,594
<b>Sub-Total - (B)</b>		<b>73,851,644</b>	<b>187,604,819</b>
<b>TOTAL (A+B)</b>		<b>86,224,114</b>	<b>265,938,084</b>

Particulars	Sub note	As at 31.03.2015	As at 31.03.2014
<b>Note: 2.17</b>			
<b>Short-Term Loans and Advances</b>			
(a) Loans and advances to related parties - Associates & Others	2.17 (a)	112,682,852	96,126,444
(b) Advances to suppliers		18,585,640	53,093,698
(c) Sundry Advances		10,792,403	22,544,995
<b>TOTAL</b>		<b>142,060,895</b>	<b>171,765,137</b>

Particulars	Sub note	Balance as on 31.03.2015	Balance as on 31.03.2014
<b>Notes:</b>			
<b>2.17 a) Loans to Associate &amp; Others: It includes</b>			
<b>Name of the Company</b>			
Surana Solar Limited		112,682,852	96,126,444
(Formerly Surana Ventures Ltd)			
		<b>112,682,852</b>	<b>96,126,444</b>

(Amount in ₹)

Particulars	Sub note	As at 31.03.2015	As at 31.03.2014
<b>Note: 2.18</b>			
<b>Other Current Assets</b>			
(a) Loans Against pledge of Securities			
Unsecured, considered good	<b>2.18 (a)</b>	<b>51,734,211</b>	63,159,700
(b) Balances with statutory Authorities		<b>69,355,066</b>	15,303,836
(c) Income tax receivable(TDS)		<b>12,503,749</b>	21,003,282
(d) Preliminary Expenses to the extent not written off			
Balance as per last account		-	7,349
Less: Written off during the year		-	7,349
Balance as at the close of the year		-	-
<b>TOTAL</b>		<b>133,593,026</b>	99,466,818

**Notes:**

**2.18 (a)** Loan against pledge of securities is partly secured and repayable on demand without any end-use specification.

**B. Notes to Consolidated Profit & Loss Account**

Particulars	Sub note	For the year 31.03.2015	For the year 31.03.2014
<b>Note: 2.19</b>			
<b>Revenue from Operations</b>			
Copper Products		<b>2,755,115,071</b>	2,531,713,456
Sale of Wind Power		<b>100,451,352</b>	99,235,173
Sale of Solar Power		<b>35,527,153</b>	6,069,714
Sale of Traded Goods		<b>155,831,448</b>	70,660,235
Scrap & Misc Sales		<b>313,416</b>	606,775
<b>SUB - TOTAL</b>		<b>3,047,238,440</b>	2,708,285,353
Less: Inter-Unit Sales		<b>548,660</b>	282,642
<b>GROSS SALES</b>		<b>3,046,689,780</b>	2,708,002,711
Less: Sales Tax		<b>101,749,358</b>	104,568,192
<b>NET SALES</b>		<b>2,944,940,422</b>	2,603,434,519
(b) Infrastructure Leasing and Sales		<b>1,518,739</b>	5,442,885
<b>TOTAL</b>		<b>2,946,459,161</b>	2,608,877,404

Particulars	Sub note	For the year 31.03.2015	For the year 31.03.2014
<b>Note: 2.20</b>			
<b>Other Income</b>			
(a) Interest Income			
Interest on Loans, Deposits and Others	<b>2.20 (a)</b>	<b>50,161,706</b>	40,739,007
Interest from Trade Debtors		<b>1,595,604</b>	1,450,856
(b) Dividend Income		<b>7,573,065</b>	9,601,845
(c) Profit on Sale of Sundry Assets		-	1,445,436
(d) Profit on sale of Investments		<b>168,996</b>	22,568
(e) Income from REC		<b>1,159,184</b>	-
(f) Other Non-Operating Income			
Miscellaneous Income		<b>309,512</b>	251,090
Rental Income		<b>140,800</b>	106,000
Balances no Longer Payable Written Back		<b>6,238,074</b>	278,382
Balances Written off in earlier years now recovered		-	12,990,530
<b>TOTAL</b>		<b>67,346,941</b>	66,885,714

**Notes:****2.20 (a) Interest on Loans, Deposits and Others**

Interest amounting to ₹ 23,219,595/- has been Debited to Subsidiary Companies and is reflected in Advances to Subsidiary Companies.

Particulars	Sub note	For the year 31.03.2015	For the year 31.03.2014
<b>Note: 2.21</b>			
<b>Cost of Raw Material Consumed</b>			
Opening Stock Raw Materials		<b>106,501,344</b>	274,416,529
Purchases net of Modvat		<b>2,442,359,159</b>	1,711,941,567
Closing Stock Raw Materials		<b>124,054,255</b>	106,501,344
Less: Inter-Unit Purchases		<b>548,660</b>	282,642
<b>Raw Material Consumed</b>		<b>2,424,257,588</b>	1,883,660,048

Particulars	Sub note	For the year 31.03.2015	For the year 31.03.2014
<b>Note: 2.22</b>			
<b>Changes in Inventories</b>			
Opening Stock WIP		-	-
Opening Stock Finished Goods		<b>4,483,910</b>	3,604,423
Opening Stock Stores and Spares		<b>3,857,218</b>	
Add: Purchases of Traded Goods		<b>148,545,911</b>	71,026,210
Less: Closing Stock WIP		<b>283,538,444</b>	
Less: Closing Stock Stores and Spares		<b>5,499,903</b>	
Less: Closing Stock Finished Goods		<b>4,518,700</b>	4,483,910
<b>Increase/(Decrease) in Stock</b>		<b>(136,670,008)</b>	70,146,723

(Amount in ₹)

Particulars	Sub note	For the year 31.03.2015	For the year 31.03.2014
<b>Note: 2.23</b>			
<b>Employee Benefits Expense</b>			
Salaries, Wages and Other Employee Benefits		51,434,109	46,255,537
Contribution To Provident And Other Funds		2,583,317	2,209,766
<b>TOTAL</b>		<b>54,017,426</b>	<b>48,465,303</b>

Particulars	Sub note	For the year 31.03.2015	For the year 31.03.2014
<b>Note: 2.24</b>			
<b>Finance Costs</b>			
Interest Expense			
Cash Credit & Others		6,721,727	5,130,222
Other Borrowing Costs			
Long Term Loan		64,319,706	58,802,106
Financial Charges	2.24(a)	12,567,805	13,833,806
<b>TOTAL</b>		<b>83,609,238</b>	<b>77,766,134</b>

**Notes:**

**2.24(a) Financial Charges**  
Financial Charges includes ₹ 5,520,653/- towards amortisation of Deferred Revenue Expenditure.(Refer Note No.2.18(a))

Particulars	Sub note	For the year 31.03.2015	For the year 31.03.2014
<b>Note: 2.25</b>			
<b>Depreciation and Amortisation Expenses</b>			
Depreciation		61,728,345	74,240,992
Amortisation Expenses - Lease Rent		512,630	512,630
<b>TOTAL</b>		<b>62,240,975</b>	<b>74,753,622</b>

Particulars	Sub note	For the year 31.03.2015	For the year 31.03.2014
<b>Note: 2.26</b>			
<b>Other Expenses</b>			
Consumption of Stores and Spare Parts		8,682,074	7,468,796
Power and Fuel		72,606,110	70,353,306
Rent		2,790,513	2,881,920
Repairs			
Buildings		840,978	2,145,579
Machinery		38,648,270	31,708,503
Others		2,920,966	3,394,347
Insurance		2,113,223	1,900,286
Rates And Taxes		1,836,983	3,209,084
Packing And Forwarding		17,626,479	17,073,383
Remuneration To Directors		23,900,000	12,540,000
Loss on			
Sale of Fixed Asset		1,626	-

Particulars	Sub note	For the year 31.03.2015	For the year 31.03.2014
Foreign Exchange Fluctuation		23,392,199	15,194,582
Taxes paid			
Service Tax		505,311	549,422
Other Miscellaneous Expenses		33,930,195	31,509,540
Sitting Fees to Directors		353,399	364,899
Payments to the Auditor			
for Statutory Audit		319,944	302,696
for Tax Audit		75,000	70,000
for Taxation/Other Matters		72,472	70,000
for Reimbursement of Expenses		40,000	40,000
<b>TOTAL</b>		<b>230,655,742</b>	<b>200,776,343</b>

**Note: 2.27****Subsidiaries Considered for Consolidation**

(Amount in ₹)

Name of the Company	Paid up capital	Extent of Holding as at 31st March, 2015 (%)	Equity Investment	Loans & Advances	Maximum Outstanding during the year
Bhagyanagar Properties Private Limited	40,000,000	100	40,000,000	555,424,048	555,424,048
Scientia Infocom India Private Limited	40,000,000	76	30,400,000	258,796,484	258,796,484
Metropolitan Ventures India Limited	5,000,000	100	5,000,000	65,339,773	65,339,773
Bhagyanagar Metals Limited	500,000	100	500,000	5,700,000	5,700,000
Solar Dynamics Private Limited	20,450,000	72.37	14,800,000	244,206,020	259,008,541

**2.27(a)** The Subsidiary Companies are engaged in infrastructure business. They are in the advanced stages of getting requisite approvals from the Government. The project/utility of the land still being viable, the accounts are prepared on going concern basis.

**Note: 2.28****Associates Companies**

(Amount in ₹)

Name of the Company	Paid up capital	Extent of Holding as at 31st March, 2015 (%)	Equity Investment	Loans & Advances	Maximum Outstanding during the year
Surana Solar Limited	246,033,000	23.52	44,100,000	112,682,852	163,999,108
Bhagyanagar Infrastructure Limited	63,345,000	43.41	18,330,000	-	-
Bhagyanagar Entertainment & Infra Development Co. Pvt.Ltd.	500,000	47	235,000	-	-
Globecom Infra-Ventures Pvt.Ltd.	100,000	50	50,000	-	-
GMS Realtors Pvt. Ltd.	100,000	50	50,000	-	-

Particulars	As at 31.03.2015	As at 31.03.2014
<b>Note: 2.29</b>		
<b>Commitments and Contingent Liabilities</b>		
(i) Counter Guarantees given to the Banks against Guarantee issued by them	26,197,829	33,600,000
(ii) Letters of Credit opened by Banks	3,727,548	44,884,679
<b>Sub Total (A)</b>	<b>29,925,377</b>	<b>78,484,679</b>

Particulars	As at 31.03.2015	As at 31.03.2014
(iii) Customs Duty/Excise Duty matters under Dispute (See Note 2.29 (a))	28,576,863	12,523,787
(iv) Demand raised by Income-Tax Authorities contested by the Company (See Note 2.29 (b))	90,614,721	13,733,766
<b>Sub Total (B)</b>	<b>119,191,584</b>	<b>26,257,553</b>
<b>Grand Total (A+B)</b>	<b>149,116,961</b>	<b>104,742,232</b>

**Note: 2.29(a)** Out of the Total demand of ₹ 28,576,863/-, a sum of ₹ 16,053,076/- has been paid and the same is shown in note 2.12 of the Balance Sheet under the Head “ Taxes Paid Under Protest”.

**Note: 2.29(b)** Management has preferred an appeal against the above demand before the CIT(Appeals).

(Amount in ₹)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>Note: 2.30</b>		
<b>Earnings Per Share (EPS)</b>		
<b>Earnings</b>		
Net profit after tax for the period	21,798,931	31,747,246
Minority Interest	(384,220)	(652,721)
Share in Net profit/ losses of Associates considered in consolidation	13,026,626	135,549
Consolidated Net profit after tax for the period	34,441,337	31,230,074
<b>Shares</b>		
Number of shares at the beginning of the year	63,990,000	63,990,000
<b>Less:</b> Shares bought back during the year.	-	-
Number of shares at the end of the year- Basic & Diluted	63,990,000	63,990,000
Nominal Value of each equity share ( ₹ )	2.00	2.00
Earnings Per Share (EPS) - <b>Basic</b> ( ₹ )	0.54	0.49
Earnings Per Share (EPS) - <b>Diluted</b> ( ₹ )	0.54	0.49

**Note: 2.31**

#### Related Party Disclosures

##### A. Relationship

Entities in which significant influence exists and with whom transactions have taken place during the year	Subsidiary Companies	Associates	Key Management Personnel	Relatives of Key Management Personnel
Surana Telecom and Power Limited	Metropolitan Ventures India Limited.	B E I D C P L	G M Surana	Namrata Surana
Surana Solar Systems Private Limited	Bhagyanagar Properties Private Limited	Globecom Infra-Ventures Private Limited	Narender Surana	Nivriti Surana
Bhagyanagar Ventures Private Limited	Scientia Infocom India Private. Limited	Surana Solar Limited	Devendra Surana	
	Bhagyanagar Metals Limited	GMS Realtors Pvt Ltd	Narender Munoth	
	Solar Dynamics Private Limited	Bhagyanagar Infrastructure Limited	Surendra Bhutoria	

Nature of Transaction	B. Summary of Significant Related Party Transactions											
	Entities in which Significant influence exists			Subsidiary companies		Associates		Key Management Personnel		Relatives of key management personnel		
	FY 2014-2015	FY 2013-2014	FY 2014-2015	FY 2013-2014	FY 2014-2015	FY 2013-2014	FY 2014-2015	FY 2013-2014	FY 2014-2015	FY 2013-2014	FY 2014-2015	
<b>Sale of Goods</b>	-	14,330,184	-	-	-	4,686,226	-	-	-	-	-	
Surana Telecom & Power Limited		14,330,184	-	-	-	-	-	-	-	-	-	
Surana Solar Ltd (formerly Surana Ventures Ltd)						4,686,226						
<b>Sale of Wind Mill Unit</b>	-	67,896,987										
Solar Dynamics Private Limited		67,896,987										
<b>Purchase of Solar Power</b>	4,749,913	-	-	-	-	-	-	-	-	-	-	
Surana Solar Systems Private Limited	4,749,913	-	-	-	-	-	-	-	-	-	-	
<b>Interest Received</b>	-	-	51,868,018	35,767,883	18,705,597	2,666,486	-	-	-	-	-	
Surana Telecom & Power Limited												
Surana Solar Limited					18,705,597	2,586,080						
Bhayanagar Infrastructure Limited						80,406						
Scientia Infocom India Private Limited			22,452,908	20,465,679								
Metropolitan Ventures India Limited				766,687								
Solar Dynamics Private Limited			28,648,423	14,535,517								
<b>Advances Given</b>	7,532,527	-	62,677,439	172,629,789	103,298,586	132,977,872	-	-	-	-	-	
Surana Telecom & Power Limited												
Surana Solar Limited					103,298,586	132,919,739						
Bhayanagar Infrastructure Limited						58,133						
Scientia Infocom India Private Limited			520,472	2,521,481								

(Amount in ₹)

Nature of Transaction	Entities in which Significant influence exists						Subsidiary companies		Associates		Key Management Personnel		Relatives of key management personnel	
	FY 2014-2015		FY 2013-2014		FY 2014-2015		FY 2013-2014		FY 2014-2015		FY 2013-2014		FY 2014-2015	
	2014-2015		2013-2014		2014-2015		2013-2014		2014-2015		2013-2014		2014-2015	
Metropolitan Ventures India Limited	-	-	-	-	-	-	226,646	-	-	-	-	-	-	-
Bhagyanagar Metals Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Solar Dynamics Private Limited	-	-	62,156,967	169,881,662	-	-	-	-	-	-	-	-	-	-
Surana Solar Systems Private Limited	7,532,527	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Advances Received Back</b>														
Surana Telecom & Power Limited	-	-	-	-	-	-	<b>70,544,268</b>	<b>88,934,312</b>	<b>41,798,517</b>	-	-	-	-	-
Surana Solar Limited	-	-	-	-	-	-	-	88,934,312	38,296,965	-	-	-	-	-
Bhagyanagar Infrastructure Limited	-	-	-	-	-	-	-	-	3,501,552	-	-	-	-	-
Solar Dynamics Private Limited	-	-	-	-	-	-	70,544,268	-	-	-	-	-	-	-
<b>Remuneration</b>														
Narender Surana	-	-	-	-	-	-	-	-	-	<b>25,328,676</b>	<b>13,759,129</b>	<b>1,080,000</b>	<b>1,080,000</b>	-
Devendra Surana	-	-	-	-	-	-	-	-	-	10,150,000	4,800,000	-	-	-
Narender Munoth	-	-	-	-	-	-	-	-	-	10,150,000	4,800,000	-	-	-
N.K.Reddy	-	-	-	-	-	-	-	-	-	3,600,000	2,940,000	-	-	-
Surendra Bhutoria	-	-	-	-	-	-	-	-	-	414,676	378,000	-	-	-
Namrata Surana	-	-	-	-	-	-	-	-	-	1,014,000	841,129	-	-	-
Nivriti Surana	-	-	-	-	-	-	-	-	-	-	-	<b>600,000</b>	<b>600,000</b>	-
	-	-	-	-	-	-	-	-	-	-	-	<b>480,000</b>	<b>480,000</b>	-
<b>Rent Paid</b>														
Bhagyanagar Ventures Limited	<b>821,520</b>	<b>821,520</b>								<b>240,000</b>	<b>240,000</b>			
Devendra Surana	821,520	821,520												
										240,000	240,000			

1 Figures in Bold represents the total figures in each case.

**Note: 2.32****Retirement and other Employee Benefits**

- 1 The Company's employee benefits primarily cover provident fund, gratuity and leave encashment.
- 2 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.
- 3 Gratuity liability is a defined benefit obligation and is based on the actuarial valuation done by the Life Insurance Corporation. The gratuity liability and the net periodic gratuity cost is actually determined after considering discount 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.
- 4 The company has an overfunded position for its gratuity plans and accordingly, no provision has been made as at 31.03.2015

The following Table sets out the status of the gratuity plan as required under AS-15.

**A. Expenses recognised in the Profit & Loss Account**

(Amount in ₹)

Particulars	Gratuity	
	2014-15	2013-14
Current service cost	594,577	548,871
Interest Cost	582,742	480,492
Expected Return on Planned Assets	(771,745)	623,403
Net actuarial loss / (gain) on obligation	603,946	474,016

**B. Change in Defined Benefit obligation during the year ended 31<sup>st</sup> March,2015**

Particulars	Gratuity	
	2014-15	2013-14
<b>Opening Present value of obligation</b>	<b>7,284,279</b>	6,006,151
Interest Cost	582,742	480,492
Current service cost	594,577	548,871
Benefits Paid	(193,483)	225,251
Actuarial (gain)/ loss on obligation	603,946	474,016
<b>Closing Present value of obligation</b>	<b>8,872,061</b>	7,284,279

**C. Change in Fair Value of Plan Assets during the year ended 31<sup>st</sup> March,2015**

Particulars	Gratuity	
	2014-15	2013-14
<b>Opening Fair value of Plan Assets</b>	<b>8,463,305</b>	7,080,343
Expected Return on Planned assets	771,745	623,403
Contribution made during the year	1,197,419	984,810
Benefits Paid	(193,483)	225,251
Actuarial gain on planned Assets	-	-
<b>Closing Fair value of Plan Assets</b>	<b>10,238,986</b>	8,463,305

**D. Actuarial assumption**

Particulars	Gratuity	
	2014-15	2013-14
Discount rate used	8%	8%
Salary escalation	4%	4%

**Note: 2.33**
**Unhedged Foreign Currency Exposure**

The Company has the following un-hedged exposure in foreign currency at the year end:

Particulars	2014-15		2013-14	
	USD	₹	USD	₹
Sundry Creditors	6,541,106	409,407,830	2,639,317	158,622,972
Secured Loans	10,447,980	653,939,068	11,912,460	715,938,846
<b>TOTAL</b>	<b>16,989,086</b>	<b>1,063,346,898</b>	<b>14,551,777</b>	<b>874,561,818</b>

**Note: 2.34**
**A Raw Material Consumed**

Particulars	Unit	Quantity		(Amount in ₹)	
		2014-15	2013-14	2014-15	2013-14
Copper	MTs	4206	2,961	1,800,002,788	1,355,460,048
Scrap	MTs	1499	1,222	562,599,600	470,996,200
Others			-	61,655,200	57,203,800
Inter Unit Transfers					
(a) Copper Rod / Wires	MTs		-		-
(b) Others				548,660	282,642
<b>Sub - Total</b>		<b>5,705</b>	<b>4,183</b>	<b>2,424,806,248</b>	<b>1,883,942,690</b>
Less: Inter Unit Purchases			-	548,660	282,642
<b>Total</b>		<b>5,705</b>	<b>4,183</b>	<b>2,424,257,588</b>	<b>1,883,660,048</b>

**B VALUE OF RAW MATERIALS, STORES & SPARE PARTS CONSUMED:**

Particulars	2014-15		2013-14	
	(Amount in ₹)	Percentage	(Amount in ₹)	Percentage
Raw Materials & Components				
(a) Imported	<b>1,023,278,800</b>	<b>42</b>	318,180,155	17
(b) Indigenous	<b>1,401,527,448</b>	<b>58</b>	1,565,762,535	83
<b>TOTAL</b>	<b>2,424,806,248</b>	<b>100</b>	1,883,942,690	100
Stores & Spare Parts (including Consumed for Repair)				
(a) Imported	7,961,135	<b>30</b>	3,321,402	24
(b) Indigenous	18,231,589	<b>70</b>	10,630,353	76
<b>TOTAL</b>	<b>26,192,724</b>	<b>100</b>	13,951,755	100

**C TRANSACTIONS IN FOREIGN EXCHANGE:**

Particulars	2014-15 (Amount in ₹)	2013-14 (Amount in ₹)
Imports (on CIF Basis)		
(a) Raw Materials/Traded Goods	<b>1,049,575,800</b>	318,180,155
(b) Stores & Spares	<b>9,603,820</b>	7,178,620
Expenditure in Foreign Currency (Travelling)	<b>342,530</b>	1,118,284
Expenditure in Foreign Currency (Interest on ECB)	<b>47,959,669</b>	42,885,887
Expenditure in Foreign Currency (Repayment of ECB)	<b>89,037,639</b>	78,218,608

**Note: 2.35 Segment information**  
 Information about business segments

Sl No	Particulars	Copper Products		Renewable Energy		Infra Structure		Others		Total
		31.03.2015	31.03.2014	31.03.2015	31.03.2014	31.03.2015	31.03.2014	31.03.2015	31.03.2014	
<b>1</b>	<b>REVENUE</b>									
	External Sales (Net of Excise duty)	2,395,331,000	2,266,122,009	263,922,902	105,304,887	1,518,739	5,442,885	27,887,000	70,660,235	2,688,659,641
	Other Operating income	3,242,229	15,102,417	1,249,303	671,958	-	-	1,080,679	543,868	5,572,211
	<b>Total Revenue</b>	<b>2,398,573,229</b>	<b>2,281,224,426</b>	<b>265,172,205</b>	<b>105,976,845</b>	<b>1,518,739</b>	<b>5,442,885</b>	<b>28,967,679</b>	<b>71,204,103</b>	<b>2,694,231,852</b>
<b>2</b>	<b>RESULTS</b>									
	Segment results	91,041,254	120,133,971	61,426,181	40,124,729	178,490	3,871,313	(747,000)	586,000	151,898,925
	Unallocable income/Expenses									(50,151,000)
	Operating Profit									101,747,925
	Interest Expenses									83,609,238
	Profit from Ordinary Activities									18,138,687
	<b>Net Profit</b>									<b>18,138,687</b>
<b>3</b>	<b>Other Information</b>									
	Segment Assets	907,539,035	736,207,399	1,083,280,451	1,099,015,212	2,149,873,538	2,124,137,799	67,757,621	25,412,654	4,208,450,645
	Unallocable Assets									392,808,180
	<b>Total Assets</b>									<b>4,601,258,825</b>
	Segment Liabilities	361,294,703	203,441,606	252,387,345	250,327,037	928,383,558	914,392,056	97,375	96,000	1,542,162,981
	Unallocable Liabilities									153,892,889
	<b>Total Liabilities</b>									<b>1,696,055,870</b>
	Capital Expenditure	12,367,366	7,036,660	27,320,661	404,030,723	-	1,031,345	-	39,688,047	412,098,728
	Unallocable Capital Expenditure									1,784,124
	<b>Total Capital Expenditure</b>									<b>41,472,171</b>
	Depreciation	4,288,347	20,324,925	52,226,521	46,443,140	1,321,112	1,578,032	316,996	588,589	58,152,976
	Unallocable Depreciation									3,575,369
	<b>Total Depreciation</b>									<b>61,728,345</b>

As per our report of even date attached  
**For Sekhar & Co**  
 Chartered Accountants  
 Firm Regn No: 003695-S

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

Place : Secunderabad  
 Date : May 30, 2015

For Bhagyanagar India Limited

**Narender Surana**  
 Managing Director

**Surendra Bhutoria**  
 Chief Financial Officer

**Devendra Surana**  
 Managing Director

## 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	4	5
2	Name of the Subsidiary	Solar Dynamics Private Limited	Bhagyanagar Properties Private Limited	Scientia Infocom India Private Limited	Metropolitan Ventures India Limited	Bhagyanagar Metals Limited
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	20,450,000	40,000,000	40,000,000	5,000,000	500,000
6	Reserves & Surplus	(240,624)	(2,564,393)	(1,212,366)	2,406,047	(92,691)
7	Total Assets	274,090,471	592,885,889	346,369,901	72,757,056	6,118,545
8	Total Liabilities	253,881,095	555,450,282	307,582,267	65,351,009	5,711,236
9	Investments	-	-	-	-	-
10	Turnover	171,191,902	-	-	-	-
11	Profit before taxation	(5,380,726)	(131,583)	(268,267)	(13,716)	(15,746)
12	Provision for taxation	(7,106,126)	-	-	-	-
13	Profit after taxation	1,725,400	(131,583)	(268,267)	(13,716)	(15,746)
14	Proposed Dividend	-	-	-	-	-
15	% of shareholding	72.37%	99.999%	75.999%	99.998%	99.88%
1	Names of subsidiaries which are yet to commence operations -	Bhagyanagar Properties Pvt Ltd, Scientia Infocom India Pvt Ltd, Metropolitan Ven- tures India Ltd, Bhagyanagar Metals Ltd.				
2	Names of subsidiaries which have been liquidated or sold during the year -	Nil				

**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		Surana Solar Limited	Bhagyanagar Entertainment & Infra Development Company Pvt. Ltd.	Globecom Infra Ventures Private Limited	Bhagyanagar Infrastructure Limited	GMS Realtors Private Limited
<b>1</b>	Latest Audited Balance Sheet Date	31.03.2015	31.03.2015	31.03.2015	31.03.2015	31.03.2015
<b>2</b>	Shares of Associates/Joint Ventures held by the company on the year end (in No.)	11,575,892	23,500	5,000	2,749,400	5,000
	Amount of investment in Associates/Joint Venture	44,100,000	235,000	50,000	18,330,000	50,000
	Extend of Holding %	23.53%	47.00%	50.00%	43.40%	50.00%
<b>3</b>	Description of how there is significant influence	as per share holding	as per share holding	as per share holding	as per share holding	as per share holding
<b>4</b>	Reason why the associate/joint venture is not consolidated	N/A	N/A	N/A	N/A	N/A
<b>5</b>	Net worth attributable to shareholding as per latest audited Balance Sheet	119,516,235	(30,261)	(91,390)	70,233,204	22,736
<b>6</b>	Profit / Loss for the year	84,356,136	(9,205)	(10,686)	(40,184)	(4,300)
	i. Considered in Consolidation	13,068,956	-	-	(17,441)	(2,150)
	ii. Not Considered in Consolidation	71,287,180	(9,205)	(10,686)	(22,743)	(2,150)
<b>1</b>	Names of subsidiaries which are yet to commence operations - <b>Bhagyanagar Entertainment &amp; Infra Development Company Pvt Ltd, Globecom Infra Ventures Pvt Ltd, Bhagyanagar Infrastructure Ltd, GMS Realtors Pvt Ltd.</b>					
<b>2</b>	Names of subsidiaries which have been liquidated or sold during the year - Nil					



# ELECTRONIC CLEARING SERVICE (CREDIT CLEARING) MANDATE FORM PAYMENT OF DIVIDEND

To,  
**Karvy Computershare Private Limited**  
**Unit: Bhagyanagar India 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

Shareholder's authorisation to receive dividends through Electronic Credit Clearing Mechanism.

Registered Folio No. :	ECS Ref. No. : (for Office use only)
Name of the first/sole shareholder	
Bank Name	
Branch Address & Telephone No. of Branch	
Bank Account Number (As appearing on the Cheque Books)	
9 digit code number of the Bank and Branch appearing on the MICR cheque issued by the Bank. (Please attach a blank cancelled cheque, or a photocopy of a cheque issued to you by your Bank, for verification of the above particulars)	
Account Type (Please tick the option)	<input type="checkbox"/> Savings <input type="checkbox"/> Current <input type="checkbox"/> Cash Credit
Bank Account Ledger Folio No. (If any)	
Effective date of this mandate	

I hereby, declare that the particulars given above are correct and complete. If the payment transaction is delayed or not effected at all for any reasons, including but not limited to incomplete or incorrect information, I will not hold M/s. Bhagyanagar India Limited responsible. I agree to discharge the responsibility expected of me as a participant under the scheme.

I, further undertake to inform the Company of any subsequent change(s) in the above particulars.

Place : .....

Date : .....

Signature of First Holder

**Note:**

1. Please fill in the information in CAPITAL LETTERS in ENGLISH ONLY.
2. In case of shareholders holding the equity shares in demat form, the shareholders are requested to provide details to NSDL / CDSL as the case may be, through their respective Depository participants. Shareholders are also requested to note that changes, if any, intimated by the Demat Account holders directly to the Company will not be considered.

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## BHAGYANAGAR INDIA LIMITED

Regd. Office: 5<sup>th</sup> Floor, Surya Towers, Sardar Patel Road, Secunderabad - 500 003.  
(CIN: L27201TG1991P1C12449) Ph: 040-44665700, Fax : 040-27818868,  
E-mail: investorservices\_bil@surana.com ; URL: www.bhagyanagarindia.com

### 30<sup>TH</sup> ANNUAL REPORT 2014-15

#### 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 30<sup>th</sup> Annual General Meeting of the Company, Wednesday the 30th September, 2015 at 10.00 AM at the Grand Solitaire Hotel, 1-240, 41 & 43, S.D. Road, Praklane, Secunderabad, Telangana 500003 to transact the following business:

\_\_\_\_\_  
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.

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# BHAGYANAGAR INDIA LIMITED

Regd. Office: 5<sup>th</sup> Floor, Surya Towers, Sardar Patel Road, Secunderabad - 500 003.  
(CIN: L27201TG1991P1C12449) Ph: 040-44665700, Fax : 040-27818868,  
E-mail: investorservices\_bil@surana.com ; URL: www.bhagyanagarindia.com

30<sup>TH</sup> ANNUAL REPORT 2014-15

## 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 Bhagyanagar India 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 6<sup>th</sup> August, 2015, convening the 30<sup>th</sup> Annual General Meeting of the Company to be held on 30<sup>th</sup> September, 2015, 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.) (Please mention no. of shares)		
			For	Against	Abstain
1.	Adoption of Financial Statements of the Company for the year ended 31 <sup>st</sup> March, 2015 including Balance Sheet as at 31 <sup>st</sup> March, 2015 and the Statement of Profit & Loss, Reports of the Board of Directors and Auditors thereon.	Ordinary Resolution			
2.	Declaration of dividend for the Financial year ended 31 <sup>st</sup> March, 2015.	Ordinary Resolution			
3.	Re-Appointment of Director in place of Shri. Narender Munoth (DIN: 00079581) who retires by rotation and, being eligible, offers himself for re-appointment.	Ordinary Resolution			
4.	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			
5.	Appointment of Smt. Madhumathi Suresh (DIN-07124113) as Non-Executive Independent Director	Ordinary Resolution			
6.	Re-appointment of Shri. Narender Surana (DIN -00075086) as Managing Director of the Company	Special Resolution			
7.	Re-appointment of Shri. Devendra Surana (DIN -00077296) as Managing Director of the Company	Special Resolution			
8.	Approval of new set of Article of Association (AOA) of the Company in consonance with the Companies Act, 2013	Special Resolution			
9.	Raise Funds through Issue of Convertible Securities/GDR's/ADR's/ FCCB's/ECB's etc	Special Resolution			
10.	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.

# INVESTOR INFORMATION

## DIVIDEND

The Dividend at 15 % ( Rs.0.30/- per share) will be paid to the shareholders whose names appear on the Register of Members as on 30.09.2015 and to those shareholders whose names appear as Beneficial owners as on 30.09.2015 as per the details furnished by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in Electronic Form.

## PAYMENT OF DIVIDEND

Dividend, in case of shareholders availing the ECS Facility, will be credited directly into their Bank Accounts. Dividend warrants, in the case of shareholders not availing the ECS Facility, will be sent directly to their registered address and will be valid for a period of 3 months from the date of the warrant. After expiry of the said 3 months, the warrants shall be sent to the Registered Office of the Company for revalidation.

## SHARE REGISTRY

The Registry of Physical Share Certificates is done by out Registrars and Transfer Agents, M/s KARVY COMPUTERSHARE PRIVATE LIMITED, Karvy Selenium Tower B, Plot No 31 & 32, Gachibowli Financial District, Nanakramguda, Serilingampally, Hyderabad - 500 032. The shareholders can send the shares for Transfer/Transmission/Split/Consolidation and Issue of Duplicate Share Certificates, Request for Change of Address to the above address. Intimation regarding change of address, in the case of holder of shares in physical form, may be sent to M/s KARVY COMPUTERSHARE PRIVATE LIMITED, at the above mentioned address and in the case of holders of shares in Electronic Form, to their Depository participants.

## LISTING

The Company's shares are listed at BSE Limited and National Stock Exchange of India Limited.

## DEMATERIALISATION OF SHARES

The shares of the Company are under compulsory dematerialised trading since 8<sup>th</sup> May, 2000. The Company has entered into a tripartite agreement with the National Securities Depository Limited, Central Depository Services (India) Limited and the Company's Depository Registrars, M/s KARVY COMPUTERSHARE PRIVATE LIMITED, Karvy Selenium Tower B, Plot No 31 & 32, Gachibowli Financial District, Nanakramguda, Serilingampally, Hyderabad - 500 032, for induction of the Company's shares in to the depository system. The ISIN number allocated to the Company's securities is INE458B01028. Those shareholders, who have not dematerialised their shares, may send their shares / Option letters the Company, through their Depository Participants with whom they hold an account, for getting the shares dematerialised.

## QUALITY OBJECTIVE

*An effective and clearly understood quality system by employees.*

*Teamwork to build-up quality consciousness amongst all our employees.*

*Continuous improvement in every activity for achieving excellence.*

*Timely corrective action to prevent anticipated factors affecting quality & productivity.*



If undelivered please return to:  
**Secretarial Department**

## **BHAGYANAGAR INDIA 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: L27201TG1991PLC012449

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

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

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