



Surana Group

# BHAGYANAGAR INDIA LIMITED

ISO 9001 - 2008 Certified Company

5th Floor, Surya Towers,  
Sardar Patel Road,  
Secunderabad-500 003. Telangana, India  
Tel :+91 40 27845119/27841198/44665700  
Fax : +-91-40-27848851/27818868  
Website : www.surana.com  
E.mail : bil@surana.com  
CIN No.: L27201TG1991PLC012449

27<sup>th</sup> October, 2015

To  
The General Manager,  
Department of Corporate Services,  
BSE Limited,  
P.J. Towers, Dalal Street,  
Mumbai- 400 001

Dear Sir,

**Sub: Application under Clause 24(f) of the listing agreement for the proposed scheme of arrangement between Bhagyanagar India Limited ('BIL'/'Demerged Company') and Surana Telecom and Power Limited ('STPL'/'Resulting Company 1') and Bhagyanagar Properties Private Limited ('BPPL'/'Resulting Company 2') and their respective shareholders and creditors.**

In terms of the SEBI Circular bearing no.CIR/CFD/DIL/5/2013 dated February 4, 2013 read with circular number CIR/CFD/DIL/8/2013 dated May 21, 2013 (which provides clarifications with respect to the aforementioned circular), both issued by the Securities and Exchange Board of India ("SEBI Circulars"), we are now enclosing herewith the Scheme of Arrangement between Bhagyanagar India Limited ('BIL'/'Demerged Company') and Surana Telecom and Power Limited ('STPL'/'Resulting Company 1') and Bhagyanagar Properties Private Limited ('BPPL'/'Resulting Company 2') and their respective shareholders and creditors,for approval under Clause 24(f) of the listing agreement and the said SEBI Circulars.

We are pleased to inform you that, the Company has selected BSE as the Designed Stock Exchange for the purpose of the SEBI Circulars. We would therefore request you to please forward the documents specified in the SEBI Circulars to the SEBI for their comments.

We now submit the following documents as required under the BSE Checklist:

Sr. No.	Documents to be submitted along with application under Clause 24(f) of the Listing Agreement	Page Nos.
1	Certified true copy of the resolution passed by the Board of Directors of the company.	1 - 13
2	Certified copy of the draft Scheme of Amalgamation / Arrangement, etc. proposed to be filed before the High Court.	14 - 61
3	Valuation report from Independent Chartered Accountant as applicable as per Para 4 of SEBI Circular no. CIR/CFD/DIL/8/2013 dated May 21, 2013.	62 - 68



4	Report from the Audit Committee recommending the draft scheme taking into consideration, inter alia, the valuation report at sr. no. 3 above	69-73
5	Fairness opinion by Merchant Banker	74-79
6	Shareholding pattern of all the companies pre and post Amalgamation / Arrangement as per Clause 35 of the Listing Agreement.	80-133
7	Audited financials of the transferee/resulting and transferor/demerged companies for the last 3 financial years (financials not being more than 6 months old) as per <b>Annexure I</b>	134-136
8	Compliance Report as per clause 49 of the listing agreement per <b>Annexure II</b>	137-138
9	Complaint report as per <b>Annexure III</b> . (To be submitted within 7 days of expiry of 21 days from the date of filing of Draft Scheme).	Noted for compliance
10	Compliance report with the requirements specified in Part-A of the circular CIR/CFD/DIL/5/2013 dated February 4, 2013 as per <b>Annexure IV</b> .	139-140
11	If as per the company, approval from the shareholders through postal ballot and e-voting, as required under Para 5.16(a), is not applicable then as required under Para 5.16 (b), submit the following: a) An undertaking certified by the auditor clearly stating the reasons for non applicability of Para 5.16(a). b) Certified copy of Board of Director's resolution approving the aforesaid auditor certificate.	Approval from the shareholders through postal ballot and e-voting is applicable to the Company.
12	Name of the Designated Stock Exchange (DSE) for the purpose of coordinating with SEBI. Certified true copy of the resolution passed by the Board of Directors, in case BSE is DSE.	Bombay Stock Exchange (BSE) Limited
13	Brief details of the transferee/resulting and transferor/demerged companies as per format enclosed at <b>Annexure V</b> .	141-146
14	Networth certificate (excluding Revaluation Reserve) together with related workings pre and post scheme for the transferee and / or resulting company.	147-152
15	Capital evolution details of the transferee/resulting and transferor/demerged companies as per format enclosed at <b>Annexure VI</b> .	153-155
16	Confirmation by the Managing Director/ Company Secretary as per format enclosed as <b>Annexure VII</b> .	156-157
17	Statutory Auditor's Certificate confirming the compliance of the accounting treatment as specified in the Clause 24(i) of the listing agreement, as per the format given in SEBI circular CIR/CFD/DIL/1/2014 dated March 25, 2014 enclosed as <b>Annexure VIII</b> .	158-160



18	Annual Reports of the transferee/resulting and transferor/demerged companies for the last financial year.	ANNEXURE IX 161										
19	<p>Processing fee (non-refundable) payable will be as below, <b>favoring 'BSE Limited'</b></p> <p>Rs.1,00,000/- plus Service Tax as applicable, where one entities/companies are Merged or one new company formed due to De-merger.</p> <p>Rs.2,00,000/- plus Service Tax as applicable, where more than one entity/company is Merged or more than one new company formed due to De-merger:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Processing Fees</td> <td style="text-align: right;">2,00,000</td> </tr> <tr> <td>(+) Service Tax @14%</td> <td style="text-align: right;"><u>28,000</u></td> </tr> <tr> <td>Total Fees</td> <td style="text-align: right;">2,28,000</td> </tr> <tr> <td>(-) TDS @10%</td> <td style="text-align: right;"><u>20,000</u></td> </tr> <tr> <td>Amount Paid</td> <td style="text-align: right;"><u>2,08,000</u></td> </tr> </table>	Processing Fees	2,00,000	(+) Service Tax @14%	<u>28,000</u>	Total Fees	2,28,000	(-) TDS @10%	<u>20,000</u>	Amount Paid	<u>2,08,000</u>	<p>Cheque no. 990602 dated 26.10.2015 drawn on HDFC Bank for Rs.2,08,000/-</p>
Processing Fees	2,00,000											
(+) Service Tax @14%	<u>28,000</u>											
Total Fees	2,28,000											
(-) TDS @10%	<u>20,000</u>											
Amount Paid	<u>2,08,000</u>											
20	<p>Name &amp; Designation of the Contact Person</p> <p>Telephone Nos. (landline &amp; mobile)</p> <p>Email ID.</p>	<p><b>Shri Surendra Bhutoria</b>  <b>Chief Financial Officer</b>  <b>Ph. No: 040-44665757/ 58</b>  <b>Email ID: <a href="mailto:cs@surana.com">cs@surana.com</a></b></p>										

We request you to accord in-principle approval under 24(f) of the listing agreement and issue the observation letter at the earliest so as to enable us to file the scheme with the Hon'ble High Court.

Thanking you

FOR BHAGYANAGAR INDIA LIMITED

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

**HDFC BANK**

6-1-73 GR AND 3RD FLOOR SABBED PLAZA  
LAKSHKAPUR, HYDERABAD - 500 094, ANDHRA PRADESH  
RTGS / NEFT IFSC : HDFC0000021

PAYEE'S A/C ONLY

26 OCT 2015

D D M M Y Y Y Y  
Valid for 3 months only

Pay **BSE LIMITED**

Or Bearer

या धारक को

Rupees रुपये **TWO LAKHS EIGHT THOUSAND ONLY.**

अदा करे

₹ **2,08,000/-**

A/c No.  
अकाउंट नं.

**00210140000075**

C/A

Payable at par through clearing/transfer at all branches of HDFC BANK LTD

For BHAGYANAGAR INDIA LIMITED

Authorized Signatories  
Please sign above / यहाँ पर हस्ताक्षर करें

⑈990602⑈ 500240002⑈ 900031⑈ 30





Surana Group

# BHAGYANAGAR INDIA LIMITED

ISO 9001 - 2008 Certified Company

5th Floor, Surya Towers,  
Sardar Patel Road,  
Secunderabad-500 003. Telangana, India  
Tel :+91 40 27845119/27841198/44665700  
Fax : +91-40-27848851/27818868  
Website : www.surana.com  
E.mail : bil@surana.com  
CIN No.: L27201TG1991PLC012449

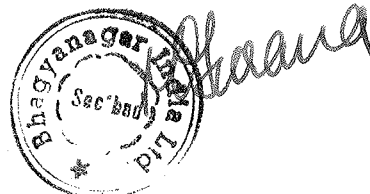
**CERTIFIED TRUE COPY OF AN EXTRACT FROM THE MINUTES OF MEETING OF THE BOARD OF DIRECTORS OF BHAGYANAGAR INDIA LIMITED ("THE COMPANY") HELD ON MONDAY THE 12<sup>TH</sup> OCTOBER, 2015 AT 10.30 AM AT THE REGISTERED OFFICE OF THE COMPANY AT THE BOARD ROOM, 5<sup>TH</sup> FLOOR, SURYA TOWERS, S.P.ROAD, SECUNDERABAD-500 003.**

## **APPROVAL OF SCHEME OF ARRANGEMENT BETWEEN THE COMPANY, SURANA TELECOM AND POWER LIMITED AND BHAGYANAGAR PROPERTIES PRIVATE LIMITED**

**"RESOLVED THAT** pursuant to the provisions of Sections 391 to 394 read with Section 78, 100 to 103 of the Companies Act, 1956 and/ or other applicable provisions; if any, of the Companies Act, 1956 and Companies Act, 2013 and the rules, regulations and notifications issued there under and the enabling provisions of the Memorandum and Articles of Association of the Company, as placed before the Board and also subject to the sanction of the Hon'ble High Court of Andhra Pradesh & Telangana at Hyderabad or the National Company Law Tribunal (NCLT) constituted or any other Forum as may be established under the provisions of the Act as the case may be and subject to requisite approvals of the Bombay Stock Exchange Limited ("BSE") and the National Stock Exchange of India Limited ("NSE") and approval of the Members and Creditors as required under the Companies Act, 1956 read with the Company Court Rules, 1959, and subject to approval of any other statutory / regulatory authorities as may be required and based on the recommendation of the Audit Committee of the Company, the scheme of arrangement ("The Scheme") between the Company, Surana Telecom and Power Limited ("STPL") and Bhagyanagar Properties Private Limited ("BPPL") and their respective shareholders and creditors providing for the demerger of the Solar Power division into STPL and demerger of Real Estate division into BPPL, as per the terms and conditions mentioned in the draft scheme submitted to the Board and initialled by the Chairman for the purpose of identification, be and is hereby approved.

**RESOLVED FURTHER THAT** the Share Entitlement Ratio Report/ Valuation Report dated 25<sup>th</sup> September, 2015 issued by M/s Komandoor & Co., Independent Chartered Accountants, Hyderabad in connection with the proposed Scheme, a copy of which is tabled at the meeting, be and is hereby noted, approved and adopted.

**RESOLVED FURTHER THAT** the Fairness Opinion Report dated 29<sup>th</sup> September, 2015 issued by M/s Karvy Investor Services Limited; SEBI registered Merchant Bankers on the fairness of the share entitlement ratio as determined by M/s Komandoor & Co., Chartered Accountants, a copy of which is tabled at the meeting, be and is hereby noted, approved and adopted.



**RESOLVED FURTHER THAT** as part of the scheme of arrangement, the existing paidup share capital of the Company is proposed to be reduced to 50% of 6,39,90,000 equity shares of Rs.2/- each (i.e., 3,19,95,000 equity shares of Rs.2/- each), without affecting overall holding levels of Promoters and Public, be and is hereby noted and approved.

**RESOLVED FURTHER THAT** the Share Entitlement Ratio Report/ Valuation Report dated 25<sup>th</sup> September, 2015 issued by M/s Komandoor & Co., Independent Chartered Accountants, in connection with the share exchange ratio that, for every 6 (six) equity shares of Rs.2/- each held in BIL, the shareholders will continue to hold 3 (three) equity shares of Rs.2/- each in Bhagyanagar India Limited and will get 3 (three) equity shares of Rs.2/- each in Bhagyanagar Properties Private Limited and 4 (four) equity shares of Re.1/- each in Surana Telecom and Power Limited, a copy of which is tabled at the meeting, be and is hereby noted, approved and adopted.

**RESOLVED FURTHER THAT** Shri Narender Surana, Managing Director and Shri Devendra Surana, Managing Director and Shri Surendra Bhutoria, Chief Financial Officer of the Company be and are hereby severally authorized, to do the acts, deeds and things and take all such steps in connection with the following:

- a) To make such alterations and changes in the draft Scheme, as may be expedient or necessary or satisfying the conditions/requirement imposed by the Hon'ble High Court of Andhra Pradesh and Telangana at Hyderabad/ NCLT, BSE and NSE, and/or any other statutory/regulatory authorities, as may be required, provided that prior approval of the Board or any other person(s)/ committee authorized by the Board, shall be obtained for making any material changes in the said draft Scheme as approved in this meeting.
- b) To finalize and settle the draft Scheme, draft of the notices for convening/ dispensing with the meetings of the shareholders and/or creditors of the Company and the draft of the explanatory statements under Section 393 of the Companies Act, 1956 and/ or any such applicable provisions under the Companies Act, 2013, in terms of the directions of the Courts, and assent to such alterations, conditions and modifications, if any, in the notices and explanatory statement as may be prescribed or imposed by the Courts or effect any other modification or amendment as they may consider necessary or desirable to give effect to the Scheme.
- c) To give such directions as they may consider necessary to settle any question or difficulty arising under the Scheme or in regard to and of the meaning or interpretation of the Scheme or implementation thereof or in any manner whatsoever connected therewith or to review the position relating to the satisfaction of various conditions of the Scheme and if necessary, to waive any of those (to the extent permissible under law);
- d) To make necessary applications, petitions, appeals and judges summons to the competent authorities for the purpose of obtaining requisite approvals including "In Principle" approvals as and when required before any Court, Tribunal, Stock Exchange, or Statutory/ Regulatory Authorities.
- e) To verify, sign, deal, swear, affirm, declare, deliver, execute, make, enter into, acknowledge, undertake, record all deeds, declarations, instruments, vakalatnamas, applications, petitions, affidavits, objections, notices and writings whatsoever as may be



usual, necessary, proper or expedient and all manner of documents, petitions, affidavits and applications under the applicable laws including Companies Act, 1956, Companies Act, 2013, Companies (Court) Rules 1959, Listing Agreement and other applicable laws/regulations in relation to the aforesaid matter and to represent the Company in all above.

- f) To authenticate any document, instrument, proceeding and record of the Company.
- g) To obtain the requisite approvals and/or consents of the Shareholders, secured lenders of the Company, banks, financial institutions and other regulatory authorities or agencies as may be required and for that purpose, to initiate all necessary actions and to take other consequential steps as may be required from time to time in that behalf.
- h) To file applications and/or petitions before the Hon'ble High Court of Andhra Pradesh and Telangana at Hyderabad / NCLT for the directions for holding/ dispensing meetings of the share holders and creditors and for sanction of the Scheme.
- i) To suitably inform, apply and/or represent to the Central and/or State Government(s) and/or local authorities, including but not limited to the Sub Registrar of Assurances, Customs authorities, Excise authorities, Income Tax authorities, Sales Tax authorities, Value Added Tax and Entry Tax authorities, Employees' State Insurance and Provident Fund authorities, Telephone authorities, Electricity authorities, Postal authorities, and all other applicable authorities, agencies etc., and/or to represent the Company before the said authorities and agencies and to sign and submit such applications, letters, forms, returns, memorandum, undertakings, declarations, deeds or documents and to take all required necessary steps and actions from time to time in the above connection, including registration of documents with the concerned Sub Registrar of Assurances;
- j) To engage any counsel, consultant firms, advocates, attorneys, pleaders, solicitors, valuers, auditors, accountants, registrars or any other one or more agencies, as may be required in relation to or in connection with the Scheme, on such terms and conditions as they may deem fit, finalise their fees, terms and conditions of their appointment, issue appointment letter(s), furnish such information as may be required by them and also to sign, execute and deliver all documents, letters, advertisements, announcements, disclosures, affidavits, undertakings and other related documents in favour of the concerned authorities, advocates or any one or more persons or firms as they may deem fit and to do as such acts, deeds and things they may deem fit and as may be necessary in this regard.
- k) To incur such other expenses as may be necessary with regard to the above transaction, including payment of fees to solicitors, merchant bankers, advisors, valuers, registrars and other agencies and such other expenses that may be incidental to the above, as may be decided by them.
- l) To make any modifications as they may consider necessary in relation to the procedure and modalities of effecting the transactions contemplated in the Scheme.
- m) To consider, approve, sign and execute all other documents, advertisements, announcements, disclosures, etc. which may be sent / required to be sent to the concerned authorities on behalf of the Company

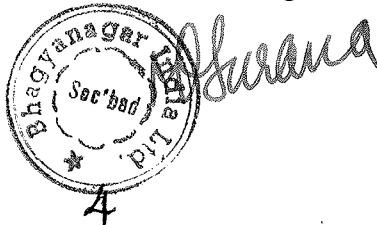


- n) To file requisite forms with the Registrar of Companies, Andhra Pradesh and Telangana at Hyderabad in connection with the Scheme during the process of sanction thereof and during the implementation of the Scheme.
- o) To make necessary applications to various Statutory Authorities, as may be required for the purpose of sanction and/or implementation of the Scheme and to take such disclosures to governmental or regulatory authorities as may be required for the purpose.
- p) To affix the common seal of the Company on such agreements, undertakings, deeds, documents, writings, etc., as may be required (including on any modifications or amendments thereto as may be required from time to time) in connection with the purpose of the above resolutions as may be required, in the presence of two persons one of whom shall be a Director and other person shall be any one above said Authorized Directors/ Officers who shall sign the same in token thereof.
- q) To sign, execute and deliver such documents as may be necessary and do all such other acts, matters, deeds and things necessary or desirable in connection with or incidental to giving effect for the purpose of the above resolutions or to otherwise give effect to the transactions contemplated as aforesaid.
- r) To authorise the Officers of the Company and/or any other persons by letter of authority or Power of Attorney to discuss, negotiate, finalise, execute, sign, submit and file all required documents, deeds of assignment/conveyance and any other deeds, documents, Schemes, agreements, forms, returns, applications, letters, etc. including any modifications thereto, whether or not under the Common Seal of the Company, as may be required from time to time, and to do all such acts, deeds, matters and things as they may deem necessary and expedient at their absolute discretion in the above matters without any further approval of the Board.
- s) To do all such other acts, matters, deeds and things and deal with all such matters necessary, and take all steps as may be necessary, or desirable in connection with or incidental to giving effect to the purposes of this Resolution.

**RESOLVED FURTHER THAT** the Bombay Stock Exchange Limited be and is hereby chosen as Designated Stock Exchange ("DSE") for coordinating with SEBI for obtaining approval of SEBI in accordance with Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 issued by SEBI read with Clause 24(f) of the Listing Agreement.

**RESOLVED FURTHER THAT** consent of the Board be and is hereby accorded to the Company for availing of any certification services that may be required from the Statutory Auditors in connection with the Scheme and as prescribed under various legislations and regulations including but not limited to certification under RBI regulations, Foreign Exchange Management Act, Listing Agreement with the Stock Exchanges, SEBI Act and the guidelines/regulations framed there under the Companies Act 2013 and rules framed there under.

**RESOLVED FURTHER THAT** the Common Seal of the Company, if necessary, be affixed in the presence of two persons one of whom shall be a Director and other person shall be any one above said Authorized Directors/ Officers who shall sign the same in token thereof.



**RESOLVED FURTHER THAT** if so required, any one of Authorized Directors/ Officers of the Company be and are hereby severally authorized to carry the Common Seal to any place within India to affix the same on any of the documents requiring affixation of Common Seal of the Company.

**RESOLVED FURTHER THAT** the copy of this resolution certified to be true by any Director of the Company be submitted to the concerned authorities and they be requested to act thereon.

**//CERTIFIED TO BE TRUE COPY//**

**FOR BHAGYANAGAR INDIA LIMITED**



*Deendra Surana*

**DEVENDRA SURANA  
MANAGING DIRECTOR  
(DIN-00077296)**

**CERTIFIED TRUE COPY OF AN EXTRACT FROM THE MINUTES OF MEETING OF THE BOARD OF DIRECTORS OF SURANA TELECOM AND POWER LIMITED ('THE COMPANY') HELD ON MONDAY THE 12<sup>TH</sup> OCTOBER, 2015 AT 11.30 AM AT THE REGISTERED OFFICE OF THE COMPANY AT THE BOARD ROOM, 5<sup>TH</sup> FLOOR, SURYA TOWERS, S.P.ROAD, SECUNDERABAD-500 003.**

**APPROVAL OF SCHEME OF ARRANGEMENT BETWEEN THE COMPANY AND BHAGYANAGAR INDIA LIMITED**

**“RESOLVED THAT** pursuant to the provisions of Sections 391 to 394 read with Section 100 to 103 of the Companies Act, 1956 and/ or other applicable provisions; if any, of the Companies Act, 1956 and Companies Act, 2013 and the rules, regulations and notifications issued there under and the enabling provisions of the Memorandum and Articles of Association of the Company, as placed before the Board and also subject to the sanction of the Hon'ble High Court of Andhra Pradesh & Telangana at Hyderabad or the National Company Law Tribunal (NCLT) constituted or any other Forum as may be established under the provisions of the Act as the case may be and subject to requisite approvals of the Bombay Stock Exchange Limited ("BSE") and the National Stock Exchange of India Limited ("NSE") and approval of the Members and Creditors as required the Companies Act, 1956 read with the Company Court Rules, 1959, and subject to approval of any other statutory / regulatory authorities as may be required and based on the recommendation of the Audit Committee of the Company, the scheme of arrangement (“the Scheme”) between the Company and Bhagyanagar India Limited (“BIL”) and their respective shareholders and creditors providing for the demerger of the Solar Power division of BIL into the Company, as per the terms and conditions mentioned in the draft scheme submitted to the Board and initialled by the Chairman for the purpose of identification, be and is hereby approved.

**RESOLVED FURTHER THAT** the Share Entitlement Ratio Report/ Valuation Report dated 25<sup>th</sup> September, 2015 issued by M/s Komandoor & Co., Independent Chartered Accountants, Hyderabad in connection with the proposed Scheme, a copy of which is tabled at the meeting, be and is hereby noted, approved and adopted.

**RESOLVED FURTHER THAT** the Fairness Opinion dated 29<sup>th</sup> September, 2015 issued by M/s Karvy Investor Services Limited, SEBI registered Merchant Bankers on the fairness of the share entitlement ratio as determined by M/s Komandoor & Co., Chartered Accountants, a copy of which is tabled at the meeting, be and is hereby noted, approved and adopted.

**RESOLVED FURTHER THAT** the Share Entitlement Ratio Report/ Valuation Report dated 25<sup>th</sup> September, 2015 issued by M/s Komandoor & Co., Independent Chartered Accountants, in connection with the share exchange ratio that, 4 (four) equity shares of Re.1/- each fully paid up of the Company to be issued and allotted to the equity shareholders of BIL for every 6 (six) fully paid up equity shares of Rs.2/- each held by them in BIL, a copy of which is tabled at the meeting, be and is hereby noted, approved and adopted.

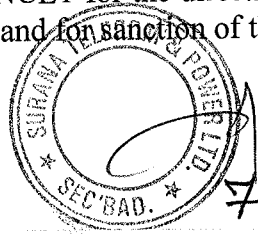


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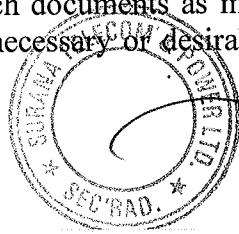


**RESOLVED FURTHER THAT** Shri Narender Surana, Director, Shri Devendra Surana, Director and Shri Dudam Srinivas, Company Secretary of the Company be and are hereby severally authorized, to do the acts, deeds and things and take all such steps in connection with the following:

- a) To make such alterations and changes in the draft Scheme, as may be expedient or necessary or satisfying the conditions/requirement imposed by the Hon'ble High Court of Andhra Pradesh and Telangana at Hyderabad / NCLT, BSE and NSE, and/or any other statutory/regulatory authorities, as may be required, provided that prior approval of the Board or any other person(s) / committee authorized by the Board, shall be obtained for making any material changes in the said draft Scheme as approved in this meeting.
- b) To finalize and settle the draft Scheme, draft of the notices for convening/ dispensing with the meetings of the shareholders and/or creditors of the Company and the draft of the explanatory statements under Section 393 of the Companies Act, 1956 and/ or any such applicable provisions under the Companies Act, 2013, in terms of the directions of the Courts, and assent to such alterations, conditions and modifications, if any, in the notices and explanatory statement as may be prescribed or imposed by the Courts or effect any other modification or amendment as they may consider necessary or desirable to give effect to the Scheme.
- c) To give such directions as they may consider necessary to settle any question or difficulty arising under the Scheme or in regard to and of the meaning or interpretation of the Scheme or implementation thereof or in any manner whatsoever connected therewith or to review the position relating to the satisfaction of various conditions of the Scheme and if necessary, to waive any of those (to the extent permissible under law);
- d) To make necessary applications, petitions, appeals and judges summons to the competent authorities for the purpose of obtaining requisite approvals including "In Principle" approvals as and when required before any Court, Tribunal, Stock Exchange, or Statutory/ Regulatory Authorities.
- e) To verify, sign, deal, swear, affirm, declare, deliver, execute, make, enter into, acknowledge, undertake, record all deeds, declarations, instruments, vakalatnamas, applications, petitions, affidavits, objections, notices and writings whatsoever as may be usual, necessary, proper or expedient and all manner of documents, petitions, affidavits and applications under the applicable laws including Companies Act, 1956, Companies Act, 2013, Companies (Court) Rules 1959, Listing Agreement and other applicable laws/ regulations in relation to the aforesaid matter and to represent the Company in all above.
- f) To authenticate any document, instrument, proceeding and record of the Company.
- g) To obtain the requisite approvals and/or consents of the Shareholders, secured lenders of the Company, banks, financial institutions and other regulatory authorities or agencies as may be required and for that purpose, to initiate all necessary actions and to take other consequential steps as may be required from time to time in that behalf.
- h) To file applications and/or petitions before the Hon'ble High Court of Andhra Pradesh and Telangana at Hyderabad / NCLT for the directions for holding/ dispensing meetings of the share holders and creditors and for sanction of the Scheme.



- i) To suitably inform, apply and/or represent to the Central and/or State Government(s) and/or local authorities, including but not limited to the Sub Registrar of Assurances, Customs authorities, Excise authorities, Income Tax authorities, Sales Tax authorities, Value Added Tax and Entry Tax authorities, Employees' State Insurance and Provident Fund authorities, Telephone authorities, Electricity authorities, Postal authorities, and all other applicable authorities, agencies etc., and/or to represent the Company before the said authorities and agencies and to sign and submit such applications, letters, forms, returns, memorandum, undertakings, declarations, deeds or documents and to take all required necessary steps and actions from time to time in the above connection, including registration of documents with the concerned Sub Registrar of Assurances;
- j) To engage any counsel, consultant firms, advocates, attorneys, pleaders, solicitors, valuers, auditors, accountants, registrars or any other one or more agencies, as may be required in relation to or in connection with the Scheme, on such terms and conditions as they may deem fit, finalise their fees, terms and conditions of their appointment, issue appointment letter(s), furnish such information as may be required by them and also to sign, execute and deliver all documents, letters, advertisements, announcements, disclosures, affidavits, undertakings and other related documents in favour of the concerned authorities, advocates or any one or more persons or firms as they may deem fit and to do as such acts, deeds and things they may deem fit and as may be necessary in this regard.
- k) To incur such other expenses as may be necessary with regard to the above transaction, including payment of fees to solicitors, merchant bankers, advisors, valuers, registrars and other agencies and such other expenses that may be incidental to the above, as may be decided by them.
- l) To make any modifications as they may consider necessary in relation to the procedure and modalities of effecting the transactions contemplated in the Scheme.
- m) To consider, approve, sign and execute all other documents, advertisements, announcements, disclosures, etc. which may be sent / required to be sent to the concerned authorities on behalf of the Company.
- n) To file requisite forms with the Registrar of Companies, Andhra Pradesh and Telangana at Hyderabad in connection with the Scheme during the process of sanction thereof and during the implementation of the Scheme.
- o) To make necessary applications to various Statutory Authorities, as may be required for the purpose of sanction and/or implementation of the Scheme and to take such disclosures to governmental or regulatory authorities as may be required for the purpose.
- p) To affix the common seal of the Company on such agreements, undertakings, deeds, documents, writings, etc., as may be required (including on any modifications or amendments thereto as may be required from time to time) in connection with the purpose of the above resolutions as may be required, in the presence of two persons one of whom shall be a Director and other person shall be any one above said Authorized Directors/ Officers who shall sign the same in token thereof.
- q) To sign, execute and deliver such documents as may be necessary and do all such other acts, matters, deeds and things necessary or desirable in connection with or incidental to





giving effect for the purpose of the above resolutions or to otherwise give effect to the transactions contemplated as aforesaid.

- r) To authorise the Officers of the Company and/or any other persons by letter of authority or Power of Attorney to discuss, negotiate, finalise, execute, sign, submit and file all required documents, deeds of assignment/conveyance and any other deeds, documents, Schemes, agreements, forms, returns, applications, letters, etc. including any modifications thereto, whether or not under the Common Seal of the Company, as may be required from time to time, and to do all such acts, deeds, matters and things as they may deem necessary and expedient at their absolute discretion in the above matters without any further approval of the Board.
- s) To do all such other acts, matters, deeds and things and deal with all such matters necessary, and take all steps as may be necessary, or desirable in connection with or incidental to giving effect to the purposes of this Resolution.

**RESOLVED FURTHER THAT** the Bombay Stock Exchange Limited be and is hereby chosen as Designated Stock Exchange ("DSE") for coordinating with SEBI for obtaining approval of SEBI in accordance with Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 issued by SEBI read with Clause 24(f) of the Listing Agreement.

**RESOLVED FURTHER THAT** consent of the Board be and is hereby accorded to the Company for availing of any certification services that may be required from the Statutory Auditors in connection with the Scheme and as prescribed under various legislations and regulations including but not limited to certification under RBI regulations, Foreign Exchange Management Act, Listing Agreement with the Stock Exchanges, SEBI Act and the guidelines/regulations framed there under the Companies Act 2013 and rules framed there under.

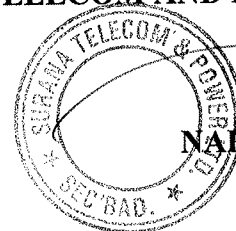
**RESOLVED FURTHER THAT** the Common Seal of the Company, if necessary, be affixed in the presence of two persons one of whom shall be a Director and other person shall be any one above said Authorized Directors/ Officers who shall sign the same in token thereof.

**RESOLVED FURTHER THAT** if so required, any one of Authorized Directors/ Officers of the Company be and are hereby severally authorized to carry the Common Seal to any place within India to affix the same on any of the documents requiring affixation of Common Seal of the Company.

**RESOLVED FURTHER THAT** the copy of this resolution certified to be true by any Director of the Company or the Company Secretary be submitted to the concerned authorities and they be requested to act thereon.

**//CERTIFIED TO BE TRUE COPY//**

**FOR SURANA TELECOM AND POWER LIMITED**



**NARENDER SURANA**  
**DIRECTOR**  
**(DIN-00075086)**



# BHAGYANAGAR PROPERTIES PVT. LTD.

BHAGYANAGAR PROPERTIES PVT. LTD.  
CIN - U70102TG2006PTC050010

5th Floor, Surya Towers,  
Sardar Patel Road,  
Secunderabad - 500 003. ~~T.G.~~ India.  
Ph : 27845119 / 44665700  
Fax +91 40 27848851 / 27818868  
Email : surana@surana.com  
Website : www.surana.com

**CERTIFIED TRUE COPY OF AN EXTRACT FROM THE MINUTES OF MEETING OF THE BOARD OF DIRECTORS OF BHAGYANAGAR PROPERTIES PRIVATE LIMITED ('THE COMPANY') HELD ON MONDAY THE 12<sup>TH</sup> OCTOBER, 2015 AT 12.00 NOON AT THE REGISTERED OFFICE OF THE COMPANY AT THE BOARD ROOM, 5<sup>TH</sup> FLOOR, SURYA TOWERS, S.P.ROAD, SECUNDERABAD-500003.**

## **APPROVAL OF SCHEME OF ARRANGEMENT BETWEEN THE COMPANY AND BHAGYANAGAR INDIA LIMITED**

**“RESOLVED THAT** pursuant to the provisions of Sections 391 to 394 read with Section 100 to 103 of the Companies Act, 1956 and/ or other applicable provisions; if any, of the Companies Act, 1956 and Companies Act, 2013 and the rules, regulations and notifications issued there under and the enabling provisions of the Memorandum and Articles of Association of the Company, as placed before the Board and also subject to the sanction of the Hon'ble High Court of Andhra Pradesh & Telangana at Hyderabad or the National Company Law Tribunal (NCLT) constituted or any other Forum as may be established under the provisions of the Act as the case may be, and approval of the Members and Creditors as required the Companies Act, 1956 read with the Company Court Rules, 1959, and subject to approval of any other statutory/regulatory authorities as may be required and based on the recommendation of the Audit Committee of the Company, the scheme of arrangement (“The Scheme”) between the Company and Bhagyanagar India Limited (BIL) and their respective shareholders and creditors providing for the demerger of the Real Estate division of BIL in to the Company as per the terms and conditions mentioned in the draft scheme submitted to the Board and initialled by the Chairman for the purpose of identification, be and is hereby approved.

**RESOLVED FURTHER THAT** the Share Entitlement Ratio Report/ Valuation Report dated 25<sup>th</sup> September, 2015 issued by M/s Komandoor & Co., Independent Chartered Accountants, Hyderabad in connection with the proposed Scheme, a copy of which is tabled at the meeting, be and is hereby noted, approved and adopted.

**RESOLVED FURTHER THAT** the Fairness Opinion Report dated 29<sup>th</sup> September, 2015 issued by M/s Karvy Investor Services Limited, SEBI registered Merchant Bankers on the fairness of the share entitlement ratio as determined by M/s Komandoor & Co., Chartered Accountants, a copy of which is tabled at the meeting, be and is hereby noted, approved and adopted.

**RESOLVED FURTHER THAT** the Share Entitlement Ratio Report/ Valuation Report dated 25<sup>th</sup> September, 2015 issued by M/s Komandoor & Co., Independent Chartered Accountants, in connection with the share exchange ratio that, for every 6 (Six) equity shares (Before reduction of Share Capital) of the face value of Rs.2/- each held by the shareholders of BIL, the Company shall issue and allot 3 (Three) equity shares of the face value of Rs.2/- each fully paid up to the shareholders of the Demerged Company *i.e. mirror – image shareholding pattern*; a copy of which is tabled at the meeting, be and is hereby noted, approved and adopted.



**RESOLVED FURTHER THAT** Shri Narender Surana, Director and Shri Devendra Surana, Director of the Company be and are hereby severally authorised, to do the acts, deeds and things and take all such steps in connection with the following:

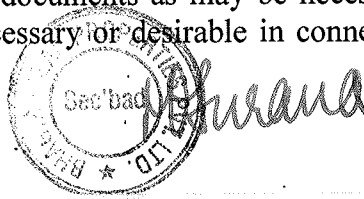
- a) To make such alterations and changes in the draft Scheme, as may be expedient or necessary or satisfying the conditions/requirement imposed by the Hon'ble High Court of Andhra Pradesh and Telangana at Hyderabad/ NCLT, BSE and NSE, and/or any other statutory/regulatory authorities, as may be required, provided that prior approval of the Board or any other person(s) / committee authorised by the Board, shall be obtained for making any material changes in the said draft Scheme as approved in this meeting.
- b) To finalize and settle the draft Scheme, draft of the notices for convening/ dispensing with the meetings of the shareholders and/or creditors of the Company and the draft of the explanatory statements under Section 393 of the Companies Act, 1956 and/ or any such applicable provisions under the Companies Act, 2013, in terms of the directions of the Courts, and assent to such alterations, conditions and modifications, if any, in the notices and explanatory statement as may be prescribed or imposed by the Courts or effect any other modification or amendment as they may consider necessary or desirable to give effect to the Scheme.
- c) To give such directions as they may consider necessary to settle any question or difficulty arising under the Scheme or in regard to and of the meaning or interpretation of the Scheme or implementation thereof or in any manner whatsoever connected therewith or to review the position relating to the satisfaction of various conditions of the Scheme and if necessary, to waive any of those (to the extent permissible under law);
- d) To make necessary applications, petitions, appeals and judges summons to the competent authorities for the purpose of obtaining requisite approvals including "In Principle" approvals as and when required before any Court, Tribunal, or Statutory/ Regulatory Authorities.
- e) To verify, sign, deal, swear, affirm, declare, deliver, execute, make, enter into, acknowledge, undertake, record all deeds, declarations, instruments, vakalatnamas, applications, petitions, affidavits, objections, notices and writings whatsoever as may be usual, necessary, proper or expedient and all manner of documents, petitions, affidavits and applications under the applicable laws including Companies Act, 1956, Companies Act, 2013, Companies (Court) Rules 1959, and other applicable laws/ regulations in relation to the aforesaid matter and to represent the Company in all above.
- f) To authenticate any document, instrument, proceeding and record of the Company.
- g) To obtain the requisite approvals and/or consents of the Shareholders, secured lenders of the Company, banks, financial institutions and other regulatory authorities or agencies as may be required and for that purpose, to initiate all necessary actions and to take other consequential steps as may be required from time to time in that behalf.
- h) To file applications and/or petitions before the High Court of Andhra Pradesh and Telangana at Hyderabad/ NCLT for the directions for holding/ dispensing meetings of the share holders and creditors and for sanction of the Scheme.

11



REGISTRAR OF COMPANIES  
Sec'bad

- i) To suitably inform, apply and/or represent to the Central and/or State Government(s) and/or local authorities, including but not limited to the Sub Registrar of Assurances, Customs authorities, Excise authorities, Income Tax authorities, Sales Tax authorities, Value Added Tax and Entry Tax authorities, Employees' State Insurance and Provident Fund authorities, Telephone authorities, Electricity authorities, Postal authorities, and all other applicable authorities, agencies etc., and/or to represent the Company before the said authorities and agencies and to sign and submit such applications, letters, forms, returns, memorandum, undertakings, declarations, deeds or documents and to take all required necessary steps and actions from time to time in the above connection, including registration of documents with the concerned Sub Registrar of Assurances;
- j) To engage any counsel, consultant firms, advocates, attorneys, pleaders, solicitors, valuers, auditors, accountants, registrars or any other one or more agencies, as may be required in relation to or in connection with the Scheme, on such terms and conditions as they may deem fit, finalise their fees, terms and conditions of their appointment, issue appointment letter(s), furnish such information as may be required by them and also to sign, execute and deliver all documents, letters, advertisements, announcements, disclosures, affidavits, undertakings and other related documents in favour of the concerned authorities, advocates or any one or more persons or firms as they may deem fit and to do as such acts, deeds and things they may deem fit and as may be necessary in this regard.
- k) To incur such other expenses as may be necessary with regard to the above transaction, including payment of fees to solicitors, merchant bankers, advisors, valuers, registrars and other agencies and such other expenses that may be incidental to the above, as may be decided by them.
- l) To make any modifications as they may consider necessary in relation to the procedure and modalities of effecting the transactions contemplated in the Scheme.
- m) To consider, approve, sign and execute all other documents, advertisements, announcements, disclosures, etc. which may be sent / required to be sent to the concerned authorities on behalf of the Company.
- n) To file requisite forms with the Registrar of Companies, Andhra Pradesh and Telangana at Hyderabad in connection with the Scheme during the process of sanction thereof and during the implementation of the Scheme.
- o) To make necessary applications to various Statutory Authorities, as may be required for the purpose of sanction and/or implementation of the Scheme and to take such disclosures to governmental or regulatory authorities as may be required for the purpose.
- p) To affix the common seal of the Company on such agreements, undertakings, deeds, documents, writings, etc., as may be required (including on any modifications or amendments thereto as may be required from time to time) in connection with the purpose of the above resolutions as may be required, in the presence of any one Authorised Directors/ Officers who shall sign the same in token thereof.
- q) To sign, execute and deliver such documents as may be necessary and do all such other acts, matters, deeds and things necessary or desirable in connection with or incidental to



giving effect for the purpose of the above resolutions or to otherwise give effect to the transactions contemplated as aforesaid.

- r) To authorise the Officers of the Company and/or any other persons by letter of authority or Power of Attorney to discuss, negotiate, finalise, execute, sign, submit and file all required documents, deeds of assignment/conveyance and any other deeds, documents, Schemes, agreements, forms, returns, applications, letters, etc. including any modifications thereto, whether or not under the Common Seal of the Company, as may be required from time to time, and to do all such acts, deeds, matters and things as they may deem necessary and expedient at their absolute discretion in the above matters without any further approval of the Board.
- s) To do all such other acts, matters, deeds and things and deal with all such matters necessary, and take all steps as may be necessary, or desirable in connection with or incidental to giving effect to the purposes of this Resolution.

**RESOLVED FURTHER THAT** consent of the Board be and is hereby accorded to the Company for availing of any certification services that may be required from the Statutory Auditors in connection with the Scheme and as prescribed under various legislations and regulations including but not limited to certification under RBI regulations, Foreign Exchange Management Act, and the guidelines/regulations framed there under the Companies Act 2013 and rules framed there under.

**RESOLVED FURTHER THAT** the Common Seal of the Company, if necessary, be affixed in the presence of any one Authorised Directors who shall sign the same in token thereof.

**RESOLVED FURTHER THAT** if so required, any one of Authorised Directors/ Officers of the Company be and are hereby severally authorised to carry the Common Seal to any place within India to affix the same on any of the documents requiring affixation of Common Seal of the Company.

**RESOLVED FURTHER THAT** the copy of this resolution certified to be true by any Director of the Company be submitted to the concerned authorities and they be requested to act thereon.

**//CERTIFIED TO BE TRUE COPY//**

**FOR BHAGYANAGAR PROPERTIES PRIVATE LIMITED**



**DEVENDRA SURANA**  
**DIRECTOR**  
**(DIN-00077296)**

## SCHEME OF ARRANGEMENT

(UNDER SECTIONS 391 TO 394 READ WITH SECTION 78, 100 TO 103 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 1956)

BETWEEN

**BHAGVANAGAR INDIA LIMITED**

AND

**SURANA TELECOM AND POWER LIMITED**

AND

**BHAGVANAGAR PROPERTIES PRIVATE LIMITED**

AND

**THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

### PREAMBLE

This Scheme of Arrangement is presented pursuant to the provision of Sections 391 to 394 read with Section 78, 100 to 103 and other applicable provisions of the Companies Act, 1956 for the demerger of Solar Division / Demerged Undertaking 1 (as defined hereinafter) of Bhagyanagar India Limited ('BIL') into Surana Telecom And Power Limited ('STPL'), and demerger of Real Estate Division / Demerged Undertaking 2 (as defined hereinafter) of Bhagyanagar India Limited ('BIL') into Bhagyanagar Properties Private Limited ('BPPL') as a going concern basis.

## 1. INTRODUCTION AND OBJECTIVE OF THE SCHEME

### 1.1 INTRODUCTION

#### 1.1.1 Bhagyanagar India Limited

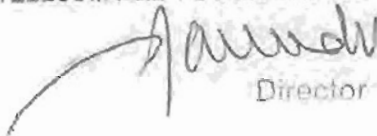
(i) Bhagyanagar India Limited ("BIL") is a company incorporated under the Companies Act, 1956, having its registered office at 5<sup>th</sup> floor, Surya Towers, S.P.Road, Secunderabad, India-500 003. Bhagyanagar India Limited was incorporated on 2<sup>nd</sup> September, 1985 and its Corporate Identity No is L27201TG1985PLC12449.

(ii) Bhagyanagar India Limited is a diversified industrial conglomerate with interest in varied businesses. Bhagyanagar India Limited started primarily as a manufacturer of copper and allied products and over the time it has diversified into Real Estate, Non-

For Bhagyanagar India Ltd.

  
Managing Director

For SURANA TELECOM AND POWER LIMITED

  
Director

For BHAGVANAGAR PROPERTIES PRIVATE LIMITED.

  
DIRECTOR

conventional energy like wind and solar and over a period of time has developed the following Divisions:-

- a) Copper Division.
- b) Windmill Division
- c) Solar Division
- d) Real Estate Division

**1.1.2 M/s. Surana Telecom and Power Limited**

- (i) M/s. Surana Telecom and Power Limited ("STPL") is a company incorporated under the Companies Act, 1956, having its registered office at 5<sup>th</sup> floor, Surya Towers, S.P.Road, Secunderabad, India-500 003, India on 14 August 1989 and its Corporate Identity No is L2320TG1989PLC010336.
- (ii) STPL has been incorporated to carry on the business of manufacturing of Optic Fibre / Cable wires and aluminium wire rods etc. It is also engaged in the business of manufacturing of Solar Modules and also has Solar Power generation unit situated at Gujarat Solar Park, Charanka Village, Santalpur Taluk, Patan District, Gujarat

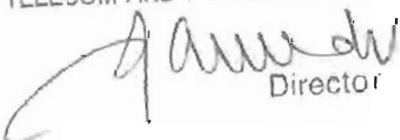
**1.1.3 M/s. Bhagyanagar Properties Private Limited**

- (i) M/s. Bhagyanagar Properties Private Limited ("BPPL") (Resulting Company 2) is a company incorporated under the Companies Act, 1956, having its registered office at 5<sup>th</sup> floor, Surya Towers, S.P. Road, Secunderabad, India-500 003 on 25<sup>th</sup> April 2006 and its Corporate Identity No. is U70102TG2006PTC050010.
- (ii) BPPL has been incorporated to carry on in India or abroad the business as builders, executors, contractors, construction of building, house, apartment and to build, layout, develop, construct, build, erect, demolish, erect, alter, repair or do any other work in connection with any building scheme, roads, highways, buildings, bridges, flats, houses, garages, factories, shops, establishment, hotels resorts, offices, garages, warehouses or otherwise deal in all kinds of property, house, structures or other land and House property.

For Bhagyanagar India Ltd.

  
Managing Director

For SURANA TELECOM AND POWER LIMITED

  
Director

FOR BHAGYANAGAR PROPERTIES PVT. LTD.

  
DIRECTOR


## 1.2 RATIONALE FOR THE SCHEME

(A) The rationale of the proposed demerger of Solar division (Demerged Undertaking 1 as defined hereafter):

The Demerged Undertaking 1 comprising of solar power plant (5 MW situated at Munipally, Medak District, Telangana) and investments in equity shares of Surana Solar Limited ("SSL") and Surana Telecom and Power Limited ("STPL") are proposed to be transferred to STPL. Management of BIL is of the opinion that by transferring the entire Solar division to STPL shall bring in the following advantages:

- 1) **Focus on Solar Business:** STPL has placed its focus solely on Non-Conventional energy viz. Solar Power Generation, already having an installed capacity of 10 MW, Wind Power Generation, with an installed capacity of 1.25 MW, and other power generation projects in the pipeline. So BIL is of the view that by transferring Solar Division to STPL will achieve greater revenues and growth with proper focus & resources.
- 2) **Strength for future expansion:** There has been a rising awareness worldwide that renewable energy and energy efficiency are critical not only for addressing climate change, but also for creating new economic opportunities. In the recent years, advances in renewable energy technologies, global increases in capacity and rapid cost reductions have been made as the policies have been favourable. The size of renewable energy market will see further growth as the application of renewable purchase obligation expands to cover open access and capture consumers.
- 3) **Enhanced synergies arising out of consolidation:** The demerger of Solar Division of BIL into STPL will also bring about administrative efficiencies in managing operations of both the companies. Post demerger, there will be synergies in respective businesses, which will result in operational efficiencies. Thus, the proposed de-merger will result in better and effective administration in management and operations, owing to creation of focused entities.
- 4) **Investor attractiveness:** The proposed demerger will enhance the value of STPL which in turn would enhance the value of the share-holders of BIL who will become share-holders in STPL by virtue of this scheme of arrangement.

For Bhagyanagar India Ltd.

  
Managing Director

For SURANA TELECOM AND POWER LIMITED

  
Director

FOR BHAGYANAGAR PROPERTIES PVT. LTD.

  
DIRECTOR



(B) The rationale of the proposed demerger of Real Estate Division ("Demerged Undertaking 2)

The Demerged Undertaking 2 comprising of Loans & Advances in the subsidiaries and Investments in BPPL, Scientia Infocom India Private Limited & Metropolitan Ventures India Private Limited are proposed to be transferred to BPPL. Management of BIL is of the opinion that by transferring the entire Real Estate division to BPPL shall bring in the following advantages:

- 1) **Focus on Real Estate Business:** BPPL has sufficient land bank to develop & thrive in the Real Estate markets. Consolidating the Real Estate division into BPPL will result in higher revenues & accelerated growth as a result of increased focus in the Real estate business.
- 2) **Future Expansion:** The Indian business scenario is getting more complex by the day, with new government regulations, newer technologies, customer preferences, increased competition, advent of new business strategies, global expansion etc. In order to meet the growing challenges, most of the business organizations are increasing their focus on their core businesses and going for backward and forward integration accordingly.
- 3) **Enhanced synergies arising out of consolidation:** The demerger of Real Estate division comprising of loans and advances and investments in the real-estate subsidiaries of BIL into BPPL will also bring about administrative efficiencies in managing operations of both the companies. Post demerger there will be synergies in respective businesses, which will result in operational efficiencies. Thus, the proposed de-merger would result in better and effective administration in management and operations, owing to creation of focused entities in the current scenario.
- 4) **Investor attractiveness:** Often financial investors look out for sector specific companies because they have different parameters for risk and return. The return expectations of a Copper business investor are different from that of an investor in a real estate industry. The proposed demerger of the Real estate of BIL into BPPL will create two entities focusing on their respective businesses, thereby addressing investor concern.

For BHAGYANAGAR PROPERTIES PVT. LTD.

DIRECTOR

For Bhagyanagar India Ltd

Managing Director

For SURANA TELECOM AND POWER LIMITED


Director

### 1.3 PARTS OF THE SCHEME

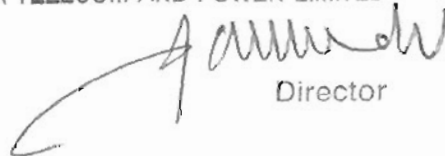
The scheme is divided into the following parts:

- Part I** – deals with Definitions, Interpretations and Share Capital
- Part II** – deals with the Demerger of Demerged Undertaking 1 of BIL into STPL.
- Part III** - deals with Demerger of Demerged undertaking 2 of BIL into BPPL.
- Part IV** – deals with General Terms and Conditions

For Bhagyanagar India Ltd.

  
Managing Director

For SURANA TELECOM AND POWER LIMITED

  
Director

FOR BHAGYANAGAR PROPERTIES PVT. LTD.

  
DIRECTOR

## PART I

### 2. DEFINITIONS, INTERPRETATIONS AND SHARE CAPITAL

#### 2.1 DEFINITIONS

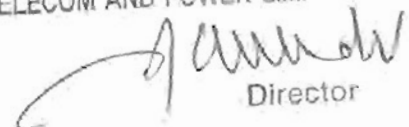
In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the meanings as mentioned herein below:

- 2.1.1 “Act” or “the Act” means the Companies Act, 1956, and rules made there under (to the extent applicable) and the Companies Act, 2013 (as may be notified from time to time) and the rules made there under and shall include any statutory modifications, re-enactment or amendments thereof for the time being in force.
- 2.1.2 “Appointed Date” means April 1, 2016, or such other date as may be fixed by the Hon’ble High Court of Andhra Pradesh & Telangana;
- 2.1.3 “Board of Directors” or “Board” shall mean the Board of Directors of Demerged Company, 1<sup>st</sup> Resulting Company and 2<sup>nd</sup> Resulting Company as the case may be or any committee thereof duly constituted or any other person duly authorised by the Board for the purpose of this Scheme.
- 2.1.4 “Demerged Company” or “BIL” means Bhagyanagar India Limited, a company incorporated under the Companies Act, 1956, having its registered office at Surya Towers, 5th Floor, Sardar Patel Road, Secunderabad, Telangana, 500003, India.
- 2.1.5 “Demerged Undertaking I/ Solar Division ” shall comprise of 5 MW of Solar Power Plant of BIL along with investments in Surana Telecom and Power Limited and Surana Solar Limited of BIL/ Demerged Company and in particular includes the following:
- (a) all assets and properties, whether movable or immovable, tangible or intangible, including all rights, title and interest in connection with the land and buildings thereon whether corporeal or incorporeal, leasehold or otherwise, plant and machinery, fixed or movable, and whether leased or otherwise, capital work in progress, other fixed assets, trademarks, brands, investments in shares, advance paid for purchase of shares and/ or strategic investments, inventory and work in progress relating to the Demerged Undertaking 1 of Demerged Company (as are set specifically set out in Schedule 1);

For Bhagyanagar India Ltd.

  
Managing Director

For SURANA TELECOM AND POWER LIMITED

  
Director

For BHAGYANAGAR PROPERTIES PVT. LTD.

  
DIRECTOR

- (b) all the debts, borrowings and liabilities, including contingent liabilities, present or future, whether secured or unsecured, pertaining to the Demerged Undertaking 1;
- (c) All statutory licenses, approvals, permissions, no-objection certificates, permits, consents, patents, trademarks, tenancies, offices, depots, quotas, rights, entitlements, privileges, benefits of all contracts / agreements (including but not limited to contracts / agreements with vendors, customers, government etc.), all other rights (including but not limited to right to use and avail electricity connections, water connections, environmental clearances, telephone connections, facsimile connections, telexes, e-mail, internet, leased line connections and installations, lease rights, easements, powers and facilities), relating to the Demerged Undertaking 1.
- (d) all permanent employees and labour engaged in the Demerged Undertaking 1;
- (e) all earnest monies and/or security deposits in connection with or relating to the Demerged Undertaking 1;
- (f) all records, files, papers, engineering and process information, computer programs, manuals, data catalogues, quotations, sales and advertising materials, list of present and former customers and suppliers, customers credit information, customers pricing information and other records, whether in physical form or electronic form in connection with or relating to Demerged Undertaking 1.

2.1.6 "Demerged Undertaking 2 / Real Estate Division" shall comprise of all the assets and liabilities pertaining to Real Estate Division along with investments in subsidiaries namely in Scientia Infocom Private Limited and Metropolitan Ventures Private Limited of BIL and in particular includes the following:

- (g) all assets and properties, whether movable or immovable, tangible or intangible, including all rights, title and interest in connection with the land and buildings thereon whether corporeal or incorporeal, leasehold or otherwise, plant and machinery, fixed or movable, and whether leased or otherwise, capital work in progress, other fixed assets, trademarks, brands, investments in shares, advance paid for purchase of shares and/ or strategic investments, inventory and work in

For Bhagyanagar India Ltd.

*M. Surana*  
Managing Director

For SURANA TELECOM AND POWER LIMITED

*A. Surana*  
Director

For BHAGYANAGAR PROPERTIES PVT. LTD.

*M. Surana*  
DIRECTOR

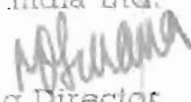
progress relating to the Demerged Undertaking 2 of Demerged Company (as are set specifically set out in Schedule 2);

- (h) all the debts, borrowings and liabilities, including contingent liabilities, present or future, whether secured or unsecured if any, pertaining to the Demerged Undertaking 2;
- (i) All statutory licenses, approvals, permissions, no-objection certificates, permits, consents, patents, trademarks, tenancies, offices, depots, quotas, rights, entitlements, privileges, benefits of all contracts / agreements (including but not limited to contracts / agreements with vendors, customers, government etc.), all other rights (including but not limited to right to use and avail electricity connections, water connections, environmental clearances, telephone connections, facsimile connections, telexes, e-mail, internet, leased line connections and installations, lease rights, easements, powers and facilities), relating to the Demerged Undertaking 2.
- (j) all permanent employees and labour engaged in the Demerged Undertaking 2;
- (k) all earnest monies and/or security deposits in connection with or relating to the Demerged Undertaking 2;
- (l) all records, files, papers, engineering and process information, computer programs, manuals, data catalogues, quotations, sales and advertising materials, list of present and former customers and suppliers, customers credit information, customers pricing information and other records, whether in physical form or electronic form in connection with or relating to Demerged Undertaking 2.


2.1.7 “Effective Date” means the date on which the Certified copy of the Order, issued by the Hon’ble High Court of Judicature at Hyderabad for the State of Telangana and the State of Andhra Pradesh, sanctioning this Scheme is filed by BIL, 1st Resulting Company and 2nd Resulting Company with the Registrar of Companies, Andhra Pradesh & Telangana, Hyderabad.

2.1.8 “High Court” means the Hon’ble High Court of Judicature at Hyderabad for the State of Telangana and the State of Andhra Pradesh and shall include the National Company Law Tribunal, if applicable.


For Bhagyanagar India Ltd.

  
Managing Director

For SURANA TELECOM AND POWER LIMITED

  
Director

FOR BHAGYANAGAR PROPERTIES PVT. LTD.

  
DIRECTOR

- 2.1.9 **“Record Date”** means the date to be fixed by the Board of Directors of Demerged Company for the purpose of determining the members to whom shares will be allotted by 1st Resulting Company and 2nd Resulting Company, pursuant to this Scheme.
- 2.1.10 **“Remaining Business of Demerged Company”** means all the undertakings, businesses, activities and operations of BIL other than Solar Division and Real Estate Division.
- 2.1.11 **“Scheme” or “this Scheme” or “the Scheme”** means this Scheme of Arrangement in its present form as submitted to the Hon’ble High Court of Judicature at Hyderabad for the State of Telangana and the State of Andhra Pradesh, with such modification(s), if any, as may be imposed or directed by the High Court.
- 2.1.12 **“1<sup>st</sup> Resulting Company/ STPL”** means Surana Telecom and Power Limited, a company incorporated under the Companies Act, 1956, having its registered office at Surya Towers, 2<sup>nd</sup> Floor, Sardar Patel Road, Secunderabad, Telangana, 500003, India.
- 2.1.13 **“2<sup>nd</sup> Resulting Company / BPPL”** means Bhagyanagar Properties Private Limited, a company incorporated under the Companies Act, 1956 having its registered office at Surya Towers, 5<sup>th</sup> Floor, Sardar Patel Road, Secunderabad, Telangana - 500 003, India.

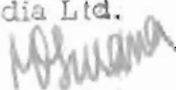
#### **DATE OF TAKING EFFECT AND OPERATIVE DATE**

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the High Court, shall be effective from the aforementioned Appointed Date, but shall be operative from the Effective Date.


#### **COMPLIANCE WITH TAX LAWS**

This Scheme has been drawn up to comply with the conditions relating to “Demerger” as defined under Section 2(19AA), and other relevant sections of the Income-tax Act, 1961 and accordingly all the Assets and Liabilities shall be transferred from BIL into STPL & BPPL at book values only. If any terms or provisions of the Scheme are found to be or interpreted to be inconsistent with any of the said provisions at a later date whether as a result of any amendment of law or any judicial or executive interpretation or for any other reason whatsoever, the aforesaid provisions of the tax laws shall prevail. The Scheme shall then stand modified to the extent determined necessary to comply with the said provisions. The power to make such amendments shall vest with the Board of Directors of Demerged Company, which power can be


For Bhagyanagar India Ltd.

  
Managing Director

For SURANA TELECOM AND POWER LIMITED

  
Director

For BHAGYANAGAR PROPERTIES PVT. LTD.

  
DIRECTOR

exercised anytime and shall be exercised in the best interest of the companies and their shareholders.

### 3.0 SHARE CAPITAL

3.1 The present share capital of BIL / Demerged Company is as under:

Particulars	Amount in Rs.
<b>Authorised</b>	
12,50,00,000 Equity Shares of Rs 2/- each	25,00,00,000
<b>Issued, subscribed and paid up</b>	
6,39,90,000 equity shares of Rs. 2/- each, fully paid up	12,79,80,000

3.2 The present share capital of STPL / 1<sup>st</sup> Resulting Company is as under:

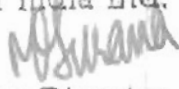
Particulars	Amount in Rs.
<b>Authorised</b>	
15,00,00,000 Equity Shares of Re 1/- each	15,00,00,000
<b>Issued, subscribed and paid up</b>	
10,40,22,000 equity shares of Re. 1/- each, fully paid up	10,40,22,000

3.3. The present authorised share capital of 2<sup>nd</sup> Resulting Company / BPPL is as under:

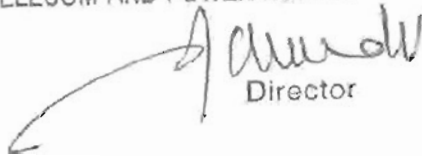
Particulars	Amount in Rs.
<b>Authorised</b>	
50,00,000 Equity Shares of Rs. 10/- each	5,00,00,000
<b>Issued, subscribed and paid up</b>	
40,00,000 equity shares of Rs. 10/- each, fully paid up	4,00,00,000

As on 01 April 2015, the 2<sup>nd</sup> Resulting Company is a wholly owned Subsidiary of the Demerged Company i.e. Bhagyanagar India Limited.

For Bhagyanagar India Ltd.

  
Managing Director

For SURANA TELECOM AND POWER LIMITED

  
Director

For BHAGYANAGAR PROPERTIES PVT. LTD.

  
DIRECTOR

**PART II**  
**DEMERGER OF**  
**OF SOLAR DIVISION /**  
**DEMERGED UNDERTAKING I**  
**OF**  
**BHAGYANAGAR INDIA LIMITED**  
**(Demerged Company”)**  
**INTO**  
**SURANA TELECOM AND POWER LIMITED**  
**(“1<sup>st</sup> Resulting Company”)**

**4. TRANSFER AND VESTING**

4.1 With effect from the Appointed Date, the entire business and Undertaking of Solar Division of the Demerged Company shall pursuant to the provisions of Sections 391 to 394 of the Act and all other applicable provisions of applicable laws, rules and regulations for the time being in force, without any further act or deed, stand transferred to and be vested in or deemed to have been transferred to or vested, as a going concern, into the 1st Resulting Company together with all the estates, assets, titles and interest pertaining to the Solar Division of Demerged Company therein, subject however, to all existing charges, liens, mortgages and encumbrances, if any, affecting the same or any part thereof. The transfer and vesting of Solar Division of the Demerged Company shall be effected as follows:-


4.1.1 All the movable assets (as specified in Schedule 1) including cash in hand of the Solar Division capable of being passed by manual delivery or by endorsement shall be physically handed over by manual delivery or endorsement and delivery, to the end and intent that the ownership and property therein passes to the 1st Resulting Company on such handing over in pursuance of the provisions of Section 394 of the Act (as an integral part of the Undertaking). Such delivery and transfer shall be made on a date to be mutually agreed upon between the respective Board of Directors of 1st Resulting Company and the Demerged Company within 30 days from the effective date.

4.1.2 In respect of any assets other than those referred to in sub-clause 4.1.1 above, the same shall without any further act, instrument, deed, matter or thing be transferred to and vested in and / or deemed to be transferred to and vested in the 1st Resulting Company on the appointed date pursuant to the provisions of Section 394 of the Act. Further, for assets including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or value to be received, bank balances and deposits, if any, the following modus operandi for intimating to third parties shall, to the extent possible, be followed:

For Bhagyanagar India Ltd.  
  
Managing Director

For SURANA TELECOM AND POWER LIMITED  
  
Director

For BHAGYANAGAR PROPERTIES PVT. LTD.

  
DIRECTOR



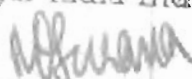
(a) The 1st Resulting Company shall give notice in such form as it may deem fit and proper to each party, debtor or deposit pertaining to Solar Division of each of the Demerged Company as the case may be, that pursuant to the Scheme coming into effect, the said debt, loan, advances. etc. be paid or made good or held on account of the 1st Resulting Company as the person entitled thereto, to the end and intent that the right of the Demerged Company to recover or realise the same stands extinguished, and that such rights to recover or realize the same shall vest in the 1st Resulting Company.

(b) The Demerged Company may, if required, give notice in such form as it may deem fit and proper to each person, debtor or depositor that pursuant to the Scheme coming into effect, the said person, debtor or depositor should pay the debt, loan or advance or make good the same or hold the same to the account of the 1st Resulting Company and that the right of the 1st Resulting Company to recover or realise the same is in substitution of the right of the Demerged Company.

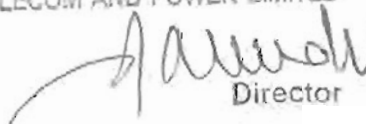
4.1.3 Upon the coming into effect of this Scheme, all debts, liabilities, loans and obligations incurred, duties or obligations of any kind, nature or description (including contingent liabilities) pertaining to the Solar Division of Demerged Company (as on the Appointed Date) shall, without any further act or deed, stand transferred to and vested in and be deemed to be transferred and to vested in the 1st Resulting Company to the extent that they are outstanding as on the Effective Date and on the same terms and conditions as applicable to the Demerged Company, and shall become the debts, liabilities, loans, duties and obligations of the 1st Resulting Company which shall meet, discharge and satisfy the same and further that it shall not be necessary to separately obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of any of the liabilities which have arisen in order to give effect to the provisions of this clause.

4.1.4 Where any of the debts, liabilities, loans and obligations incurred, duties and obligations pertaining to the Solar Division of the Demerged Company as on the Appointed Date deemed to be transferred to and vested in the 1st Resulting Company have been discharged by the Demerged Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the 1st Resulting Company.

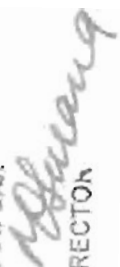
For Bhagyanagar India Ltd.

  
Managing Director

For SURANA TELECOM AND POWER LIMITED

  
Director

For BHAGYANAGAR PROPERTIES PVT. LTD.

  
DIRECTOR

4.1.5 All debts, liabilities, loans and obligations incurred, duties and obligations pertaining to the Solar Division of the Demerged Company after the Appointed Date and prior to the Effective Date, shall, subject to the terms of this Scheme, be deemed to have been incurred for and on behalf of the 1st Resulting Company in which the Solar Division of the Demerged Company shall vest in terms of this Scheme and to the extent they are outstanding on the Effective Date, shall also without any further act or deed, stand transferred to and vested in and be deemed to be transferred to and vested in the 1st Resulting Company and shall become the debts, liabilities, loans, duties and obligations of the 1st Resulting Company which shall meet discharge and satisfy the same. Provided however that no debts, liabilities, loans, duties and obligations pertaining to the Solar Division shall have been assumed by the Demerged Company after the Appointed Date without the prior written consent of the 1st Resulting Company otherwise than in the ordinary course of business.

4.1.6 The transfer and vesting of the assets pertaining to the Solar Division of the Demerged Company to and in the 1<sup>st</sup> Resulting Company under this Scheme shall be subject to the mortgages and charges, if any, affecting the same as hereinafter provided.

4.1.7 The existing securities, mortgages, charges, encumbrances or liens (the "Encumbrances") or those pertaining to the Solar Division, if any created by the Demerged Company after the Appointed Date, in terms of this Scheme, over the assets comprised in the Undertaking or any part thereof transferred to the 1st Resulting Company by virtue of this Scheme, shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they related or attached prior to the Effective Date and as are transferred to the 1st Resulting Company. Provided always that the Scheme shall not operate to enlarge the security for any loan, deposit or facility created by or available to the Demerged Company which shall vest in the 1st Resulting Company by virtue of arrangement and the 1st Resulting Company shall not be obliged to create any further or additional security therefore after the scheme has become effective or otherwise.

4.1.8 Without prejudice to the above and upon the effectiveness of this Scheme, the Demerged Company and the 1<sup>st</sup> Resulting Company shall execute any instruments or documents or do all the acts and deeds as may be required, including the filing of necessary particulars and/or modification(s) of charge, with the relevant Registrar of Companies and other authorities under the Act to give formal effect to the above provisions, if required.

4.1.9 It is expressly provided that, save as mentioned in this Scheme, no other term or

For Bhagyanagar India Ltd.

Managing Director

For SURANA TELECOM AND POWER LIMITED

Director

FOR BHAGYANAGAR PROPERTIES PVT. LTD.

DIRECTOR

condition of the liabilities transferred to the 1<sup>st</sup> Resulting Company is modified by virtue of this Scheme except to the extent that such amendment is required by necessary implication.

4.1.10 Subject to the necessary consents being obtained in accordance with the terms of this Scheme, the provisions of above sub-clauses shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document.

4.1.11 With effect from the Appointed Date, all permits, quotas, rights, entitlements, tenancies and licenses relating to premises, brands, trademarks, patents, copy rights, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Solar Division of each of the Demerged Company and which are subsisting or having effect immediately before the Appointed Date, shall be and remain in full force and effect in favour of the 1<sup>st</sup> Resulting Company and may be enforced fully and effectually as if, instead of the Demerged Company, the 1<sup>st</sup> Resulting Company had been a beneficiary or oblige thereto.


4.1.12 With effect from the Appointed Date, any and all statutory licenses, permissions, approvals and/or consents pertaining to the Solar Division held by the Demerged Company required to carry on operations shall stand vested in or deemed to be transferred to the 1<sup>st</sup> Resulting Company without any further act or deed and shall be appropriately mutated by the statutory authorities or any other person concerned therewith in favour of the 1<sup>st</sup> Resulting Company. The benefit of all statutory and regulatory permissions, licenses, environmental approvals and consents including the statutory licenses, permissions or approvals or consents required to carry on the operations of the Demerged Company shall vest in and become available to the 1<sup>st</sup> Resulting Company pursuant to the Scheme coming into effect.

4.1.13 The entitlement to various benefits under incentive schemes and policies in relation to the Solar Division of the Demerged Company shall stand transferred to and be vested in and/or be deemed to have been transferred to and vested in the 1<sup>st</sup> Resulting Company together with all benefits, entitlements and incentives of any nature whatsoever. Such entitlements shall include (but shall not limited to) income-tax, sales tax, value added tax, turnover tax, excise duty, service tax, customs and other and incentives in relation to the Solar Division of the Demerged Company to be claimed by the 1<sup>st</sup> Resulting Company with effect from the Appointed Date as if the 1<sup>st</sup> Resulting Company was

For Bhagyanagar India Ltd.

  
Managing Director

For SURANA TELECOM AND POWER LIMITED.

  
Director

For BHAGYANAGAR PROPERTIES PVT. LTD.

  
DIRECTOR

originally entitled to all such benefits under such incentive scheme and/or policies, subject to continued compliance by the 1<sup>st</sup> Resulting Company of all the terms and conditions subject to which the benefits under such incentive schemes were made available to the Demerged Company.

4.1.14 Since each of the permissions, approvals, consents, sanctions, remissions (including remittance under income-tax, sales tax, value added tax, turnover tax, excise duty, service tax, customs), special reservations, sales tax remissions, holidays, incentives, concessions and other authorizations relating to the Solar Division of the Demerged Company, shall stand transferred under this Scheme to the 1<sup>st</sup> Resulting Company, the 1<sup>st</sup> Resulting Company shall file the relevant intimations, if any, for the record of the statutory authorities who shall take them on file, pursuant to the Scheme coming into effect.

4.1.15 It is clarified that all the taxes and duties pertaining to the Solar Division payable by the Demerged Company, from the Appointed Date onwards including all or as any refund and claims shall, for all purposes, be treated as the tax and/or duty liabilities or refunds and claims of the 1<sup>st</sup> Resulting Company. Accordingly, upon the Scheme becoming effective, the 1<sup>st</sup> Resulting Company is expressly permitted to file its respective income-tax, sales tax, value added tax, turnover tax, excise duty, service tax, customs and any other return to claim refunds / credits, pursuant to the provisions of this Scheme.

4.1.16 With effect from the Appointed Date, the General Reserves including the balance standing to the credit of the profit and loss account of the Demerged Company pertaining to Solar Division as on 1<sup>st</sup> April, 2016 shall become the General Reserves of the 1<sup>st</sup> Resulting Company.

## 5. CONTRACT, DEEDS, BONDS AND OTHER INSTRUMENTS:

- (a) Upon the coming into effect of this Scheme and subject to the other provisions contained in the Scheme, all contracts, deeds, bonds, agreements, Schemes, arrangements and other instruments of whatsoever nature pertaining to Solar Division to which the Demerged Company is a party or to the benefit of which the Demerged Company are or may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall remain in full force and effect against or in favour, as the case may be, of the 1<sup>st</sup> Resulting Company, and may be enforced as fully and effectually as if, instead of the

For Bhagyanagar India Ltd.

Managing Director

For SURANA TELECOM AND POWER LIMITED

Director

For BHAGYANAGAR PROPERTIES PVT. LTD.

DIRECTOR

Demerged Company, the 1<sup>st</sup> Resulting Company had been a party or beneficiary or obligee thereto without any further act or deed.

- (b) The 1<sup>st</sup> Resulting Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novations, to which any of the Demerged Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required or becomes necessary. The 1<sup>st</sup> Resulting Company shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of the Demerged Company and to implement or carry out all formalities required on the part of the Demerged Company to give effect to the provisions of this Scheme.
- (c) Even after this Scheme becomes effective, the 1<sup>st</sup> Resulting Company shall, as its own right, be entitled to realize all monies and complete and enforce all pending contracts and transactions pertaining to the Solar Division of the Demerged Company, in so far as may be necessary, until the transfer of rights and obligations of the Demerged Company to the 1<sup>st</sup> Resulting Company under this Scheme is formally accepted by the third parties.

**6. LEGAL PROCEEDINGS:**

- (a) Upon the coming into effect of the Scheme, all suits, actions and proceedings pertaining to the Solar Division by or against the Demerged Company pending and/or arising on or before the Effective Date shall be continued and be enforced by or against the 1<sup>st</sup> Resulting Company as effectually as if the same had been pending and/or arising by or against the 1<sup>st</sup> Resulting Company.
- (b) The 1<sup>st</sup> Resulting Company undertakes to have all legal or other proceedings initiated by or against the Demerged Company referred to in sub-clause (a) above transferred into its name and to have the same continued, prosecuted and enforced by or against the 1<sup>st</sup> Resulting Company.

**7. TRANSFER OF INVESTMENTS OF SURANA SOLAR LTD HELD BY BIL INTO STPL**

- 7.1.1 With effect from the Appointed Date and up to and including the date of this Scheme coming into effect:

For Bhagyanagar India Ltd.

Managing Director

For SURANA TELECOM AND POWER LIMITED

Director

For BHAGYANAGAR PROPERTIES PVT. LTD.

DIRECTOR

- 1) The Shares of Surana Solar Limited held by BIL (Demerged Company) Stands transferred to STPL.
- 2) The number of Shares transferred are 11,575,892 Equity shares having face value of Rs.5/- each.
- 3) These investments held by BIL have book value of Rs.44,100,000 as on 31/03/2015
- 4) The value of these Investments will be recorded in STPL (1<sup>st</sup> Resulting Company) at book values.

#### 7.1.2 TRANSFER OF INVESTMENTS OF STPL INTO STPL

7.1.2 With effect from the Appointed Date and up to and including the date of this Scheme coming into effect:

- 1) The Shares of STPL held by BIL (Demerged Company) Stands transferred to STPL.
- 2) The number of Shares transferred are 9,395,150 Equity shares having face value of Rs.1/- each.
- 3) These investments held by BIL have book value of Rs.15,210,914 as on 31/3/2015
- 4) The Respective shares as stated above of STPL will lead to Reduction of Share Capital as per section 66 of Companies Act, 2013 (Section 100 of 1956).

#### 8. CONDUCT OF BUSINESS BY DEMERGED COMPANY TILL EFFECTIVE DATE:

With effect from the Appointed Date and up to the Effective Date:

- a) Demerged Company shall carry on and be deemed to have carried on its business and activities and shall hold and deal with all assets and properties and stand possessed of all rights, title, interest and authorities for and on account of and in trust for the 1st Resulting Company.
- b) Any income or profit accruing or arising to the Demerged Company and all costs, charges, expenses, losses or taxes (including but not limited to advance tax, tax deducted at source, minimum alternate tax credit, taxes withheld / paid in a foreign country, etc), arising or incurred by the Demerged Company shall for all purposes be treated as the income, profits, costs, charges, expenses and losses, as the case may be, of the 1<sup>st</sup> Resulting Company including accumulated losses & unabsorbed depreciation, if any.
- c) Demerged Company shall not utilize the profits or income, if any for the purpose of declaring or paying any dividend or for any other purpose in respect of the period from and after the Appointed Date and up to the Effective Date without the prior written consent of the 1st Resulting Company.

For Bhagyanagar India Ltd.

Managing Director

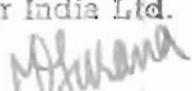
For SURANA TELECOM AND POWER LIMITED

Director


FOR BHAGYANAGAR PROPERTIES PVT. LTD.  
DIRECTOR

- d) Demerged Company shall not, without the prior written consent of the 1st Resulting Company, alienate, charge, mortgage, encumber or otherwise deal with or dispose of the Undertaking or any part thereof except in the usual course of business or pursuant to any pre-existing obligation undertaken by the Demerged Company prior to the Appointed Date.
- e) Demerged Company shall carry on the business with reasonable diligence and prudence, in the ordinary course of business, and the Demerged Company shall not, in any material respect, alter or expand the business, other than such alterations or expansions as have already been commenced, except with the prior written consent of the 1<sup>st</sup> Resulting Company and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts or incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitment either for itself or on behalf of its subsidiaries or group companies or any third party, or sell, transfer, alienate, charge, mortgage or encumber or deal with the Undertaking, save and except, in each case, in the following circumstances:
- (i) if the same is in the ordinary course of business as carried on by it as on the date of filing this Scheme with the High Court; or
  - (ii) if the same is expressly permitted by this Scheme; or
  - (iii) if the written consent of the 1st Resulting Company, as the case may be, has been obtained.
  - (iv) Pre-existing obligations undertaken by the Demerged Company prior to the Appointed Date.
- f) Demerged Company shall not vary or alter, except in the ordinary course of its business and as may be required for reorganization, the terms and conditions of employment of any of its employees.
- g) Demerged Company shall be entitled, pending the sanction of the Scheme by the High Court, to apply to the Central Government and all other agencies, departments and authorities concerned as are necessary under any law for such consents, approvals and sanctions which the 1<sup>st</sup> Resulting Company may require to own and carry on the business of the Demerged Company.

For Bhagyanagar India Ltd.

  
Managing Director

For SURANA TELECOM AND POWER LIMITED

  
Director

For BHAGYANAGAR PROPERTIES PVT. LTD.

  
DIRECTOR

With effect from the Effective Date, the 1<sup>st</sup> Resulting Company shall commence and carry on and shall be authorized to carry on the entire businesses pertaining to the Solar Division carried on by the Demerged Company.

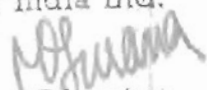
#### SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of the properties, liabilities and obligations pertaining to the Solar Division of the Demerged Company pursuant to this Scheme shall not affect any transactions or proceedings already completed by the Demerged Company on or before the Appointed Date to the end and intent that, the 1<sup>st</sup> Resulting Company accepts all acts, deeds and things done and executed by and/or on behalf of the Demerged Company which shall vest in the 1<sup>st</sup> Resulting Company in terms of this Scheme as acts, deeds and things made, done and executed by and on behalf of the 1st Resulting Company.


#### 9. DEMERGED COMPANY'S STAFF, WORKMEN AND EMPLOYEES:

- (a) All employees pertaining to the Solar Division of the Demerged Company in service on the Effective Date, shall become employees of the 1<sup>st</sup> Resulting Company on such date without any break or interruption in service and on terms and conditions as to remuneration not less favourable than those subsisting with reference to the Demerged Company as on the said date.
- (b) It is provided that so far as the Provident Fund, Gratuity Fund, or any other Special Scheme(s)/Fund(s), if any, created or existing for the benefit of the employees pertaining to the Solar Division of the Demerged Company are concerned, upon the coming into effect of this Scheme, the 1<sup>st</sup> Resulting Company shall stand substituted for the Demerged Company for all purposes whatsoever related to the administration or operation of such Schemes or Funds or in relation to the obligation to make contributions to the said Schemes/Funds in accordance with provisions of such Schemes/Funds as per the terms provided in the respective Trust Deeds, to the end and intent that all the rights, duties, powers and obligations pertaining to the Solar Division of the Demerged Company in relation to such Schemes/Funds shall become those of the 1st Resulting Company. It is clarified that the services of the employees pertaining to the Solar Division of the Demerged Company will be treated as having been continuous for the purpose of the aforesaid Schemes/Funds.

For Bhagyanagar India Ltd.

  
Managing Director

For SURANA TELECOM AND POWER LIMITED

  
Director

For BHAGYANAGAR PROPERTIES PVT. LTD.

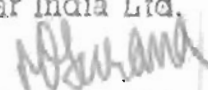
  
DIRECTOR



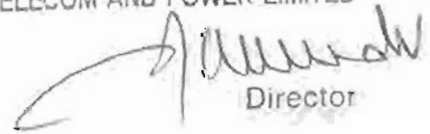
10. ISSUE OF SHARES BY THE 1<sup>ST</sup> RESULTING COMPANY

- (a) Upon the Scheme coming into effect and in consideration of the demerger of the Solar Division into 1<sup>st</sup> Resulting Company, the 1<sup>st</sup> Resulting Company without any further act or deed shall issue and allot 4 (four) equity shares of Rs.1/- each for every Six (6) equity shares of Rs. 2/- each held by such members of Demerged Company/ BIL whose names are appearing in the register of members on the Record Date. Accordingly, the 1st Resulting Company shall allot 3,17,37,963 equity shares of Rs. 1/- each fully paid to the members of BIL (other than to the members specified in Clause 10(e) & 10(i) of this Scheme) on such proportion held by them.
- (b) In case, any members of Demerged Company holding becomes entitled to a fraction of equity in Demerged Company, shall not issue fractional share certificates to such member(s) but shall consolidate such fractions and issue consolidated equity shares to separate trustees nominated by respective company in that behalf, who shall sell such shares and distribute the net sale proceeds (after deduction of the expenses incurred) to the members of Demerged Company in the same proportion to their fractional entitlements.
- (c) The said new Equity Shares shall rank for voting rights and in all other respects paripassu with the Equity Shares of the 1st Resulting Company.
- (d) The Share Certificates in relation to the shares held by the Equity Shareholders of the Demerged Company whose names are recorded in the Register of Members of the Demerged Company on the Record Date, fixed by the Board of Directors of the 1st Resulting Company, shall be deemed to have been automatically cancelled and be of no effect on and from such Record Date, without any further act, instrument or deed.
- (e) In so far as the equity shares of the 1<sup>st</sup> Resulting Company held by the Demerged Company are concerned, such shares would be cancelled, on the Effective Date and the capital of the 1<sup>st</sup> Resulting Company shall be reduced to that extent.
- (f) No fractional certificates shall be issued by the 1<sup>st</sup> Resulting Company in respect of fractional entitlements, if any, to any Member of the Demerged Company. The Board of Directors of the 1<sup>st</sup> Resulting Company shall, instead consolidate all such fractional entitlements and thereupon issue and allot equity shares in lieu thereof to the Trust or a Director or an Officer of the 1<sup>st</sup> Resulting Company or such other person as the 1<sup>st</sup> Resulting Company shall appoint in this behalf who shall hold the shares in trust on

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Director

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behalf of the Members entitled to fractional entitlements with the express understanding that such Trust, Director(s) or Officer(s) or person shall sell the same in the market at such time or times and at such price or prices in the market and to such person or persons, as it/he/they deem fit, and pay to the 1<sup>st</sup> Resulting Company, the net sale proceeds thereof, whereupon the 1<sup>st</sup> Resulting Company shall distribute such net sale proceeds to the Members of the Demerged Company in proportion to their respective fractional entitlements.

- (g) For the purpose as aforesaid the 1<sup>st</sup> Resulting Company shall, if and to the extent required, increase its Authorised Capital after the Scheme has been sanctioned by the High Court but before the issue and allotment of shares. It shall also, if and to the extent required, apply for and obtain the requisite approvals including that of SEBI, Reserve Bank of India and other appropriate authorities concerned for issue and allotment by the 1<sup>st</sup> Resulting Company to the members of the Demerged Company of the Equity Shares in the said reorganized share capital of the 1<sup>st</sup> Resulting Company in the ratio as aforesaid.
- (h) The shares of the Demerged Company are presently listed on BSE and NSE. The New Equity Shares issued in terms of Clause 10(a) shall be listed and/or admitted to trading on the relevant stock exchange/s in India, where the equity shares of 1<sup>st</sup> Resulting Company are listed and/or admitted to trading as on the Effective Date.
- (i) As STPL is a shareholder in BIL holding 22,90,331 equity shares of Rs.2/- each. Since STPL is not permitted to issue shares to itself as per the provisions of the Act, no new shares will be issued by STPL to itself in consideration of transfer of Demerged Undertaking 1 in terms of Clause 4 of this Scheme.

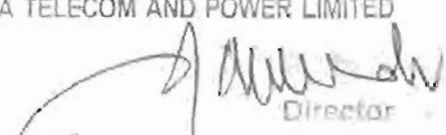
#### 11. REDUCTION IN SHARE CAPITAL OF THE 1<sup>st</sup> RESULTING COMPANY:

- a) Upon the Scheme coming in to effect on the effective date and immediately after the issuance of the equity shares of the resulting company to the shareholders of BIL as per entitlement ratio prescribed in clause 10(a) above, 93,95,150 (ninety three lakhs ninety five thousand one hundred and fifty equity shares) of the 1<sup>st</sup> Resulting company having face value of Rs. 1 (Rupee One) each held by the demerged company as on the effective date shall stand cancelled without any further act or deed on the part of the 1<sup>st</sup> Resulting company. The reduction in the share capital of the 1<sup>st</sup> Resulting company shall be effected

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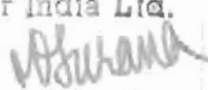
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as an integral part of the scheme in accordance of the provisions of the sections 100 to 103 of the Act (or section 66 of the 2013 Act, if applicable) and/ or any other applicable provisions of the act without any further act or deed on the part of the 1<sup>st</sup> Resulting Company and without any approval or acknowledgement of any third party. The order of the court sanctioning the scheme shall be deemed to also be the order passed by the court under section 102 of the Act (or section 66 of the 2013 Act, if applicable) for the purpose of confirming such reduction. The aforesaid reduction would not involve either a diminution of liability in respect of the unpaid capital or payment of the paid-up share capital and the provisions of the section 101 of the 1956 Act (and section 66(1) (a) of the 2013, act in force) shall not be applicable. Notwithstanding the reduction in the equity share capital of the 1<sup>st</sup> Resulting Company, the 1<sup>st</sup> Resulting Company shall not be required to add "And Reduced" as suffix to its name.

- b) It is expressly clarified that for the purposes of this clause 11(a) of the Scheme, the consent of the share holders and the creditors of the 1<sup>st</sup> Resulting company to the Scheme shall be deemed to be sufficient for the purposes of affecting the above reorganization in the share capital of the 1<sup>st</sup> Resulting company resulting in a reduction in the equity share capital of the 1<sup>st</sup> Resulting company, and no further resolution or action under section 100 of the Act (or section 66 of the 2013 Act, if applicable) and/or any other applicable provisions of the Act would be required to be separately passed or taken.
- c) The reduction of the share capital of the 1<sup>st</sup> Resulting company as contemplated in the Clause 11 shall become effective, in accordance with the provisions of Section 103 of the 1956 Act (or Section 66(5) of the 2013 Act, if in force) and/or any other applicable provisions of the Act and rules and regulations framed there under, pursuant to the filing of the order of the court sanctioning the scheme including aforesaid capital reduction by the 1<sup>st</sup> Resulting company with the Registrar of Companies, Andhra Pradesh & Telangana, Hyderabad (RoC) and upon registration by the RoC of such order of the court and the minute approved by the court, if any, showing, with respect to the share capital of the 1<sup>st</sup> Resulting company as altered by the order, (a) the amount of share capital; (b) the number of shares into which it is to be divided; (c) the amount of each share; and (d) the amount, if any, deemed to be paid-up on each share at the date of registration of the aforesaid minute and order by the RoC. Such reduction in the share capital of the 1<sup>st</sup> Resulting company as contemplated in the Clause 11 of the Scheme shall be conditional upon this scheme becoming effective from the Effective Date. If this Scheme is, for any reason whatsoever, not sanctioning by the Court, such reduction of share capital as set

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out in the Clause 11 of the Scheme shall not become effective and shall be deemed to be redundant.

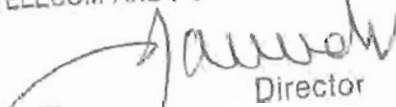
**12. ACCOUNTING TREATMENT IN THE BOOKS OF 1ST RESULTING COMPANY & THE DEMERGED COMPANY:**

- (a) All the assets, including but not limited to the fixed assets, intangibles and any other assets pertaining to the Solar Division of Demerged Company and the 1st Resulting Company, whether recorded in the books or not, shall be recorded by the 1<sup>st</sup> Resulting Company at their respective Book values, as may be determined by the Board of Directors of the 1<sup>st</sup> Resulting Company.
- (b) All the liabilities pertaining to the Solar Division of Demerged Company shall be recorded by the 1st Resulting Company at their book values recorded in the books of account of 1st Resulting Company.
- (c) In case of any differences in accounting policies between the 1st Resulting Company and the Demerged Company, the accounting policies followed by the 1st Resulting Company shall prevail to ensure that the financial statements reflect the financial position on the basis of consistent accounting policies.
- (d) The amount of inter-company balances, amounts or other than investments made by the 1st Resulting Company in the Demerged Company appearing in the books of account of the 1st Resulting Company and the books of account of the Demerged Company shall stand cancelled without any further act or deed upon the Scheme coming into effect.
- (e) The amount of any inter-company balances / amounts or investments between the Demerged Company and the 1<sup>st</sup> Resulting Company, appearing in the books of account of the Demerged Company shall stand cancelled without any further act or deed upon the scheme coming into effect and the amount so cancelled shall not be recorded in the books of account of the 1st Resulting Company.
- (f) The difference between net assets (assets over liabilities pertaining to the Solar Division of the Demerged Company acquired and recorded by the 1st Resulting Company) and consideration determined pursuant to this scheme after making

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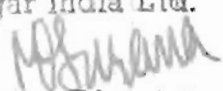
adjustment as referred in clause 12 (c ) shall be credited to the General Reserve in the books of the 1<sup>st</sup> Resulting Company.

- (g) The difference between net assets (liabilities over assets pertaining to the Solar Division of the Demerged Company acquired and recorded by the 1<sup>st</sup> Resulting Company) and consideration determined pursuant to this scheme after making adjustment as referred in clause 12 (c ) shall be debited to the General Reserve in the books of the 1<sup>st</sup> Resulting Company.
- (h) Notwithstanding the above, the Board of Directors or duly authorized committee of the 1<sup>st</sup> Resulting Company is authorized to account any of these balances in any manner whatsoever, as may be deemed fit.
- (i) Any matter not dealt with above shall be dealt with in accordance with the prescribed Accounting Standards issued by the Institute of Chartered Accountants of India / Central Government and applicable generally accepted accounting principles.
- (j) The transfer of the assets & liabilities of the Solar division to STPL pursuant to this scheme shall be at book values appearing in the books of accounts of BIL on appointed date.
- (k) The difference, if any, between the value of assets & liabilities transferred pursuant to this Scheme shall be set off against the General Reserve Account of BIL.
- (l) The accounts of BIL as on the appointed date shall be reconstructed in accordance with the terms of the Scheme.

### 13. DECLARATION OF DIVIDEND

- (a) Demerged Company and the 1<sup>st</sup> Resulting Company shall be entitled to declare and pay dividend, whether interim or final, to their respective shareholders in respect of the accounting period prior to the Effective Date, provided that the Demerged Company shall not make any such declaration.


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Managing Director

For SURANA TELECOM AND POWER LIMITED

  
Director

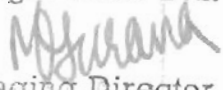
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DIRECTOR


except with the prior approval of the Board of Directors of the 1st Resulting Company.

- (b) It is clarified that the aforesaid provision in respect of declaration of dividends, whether interim or final, is an enabling provision only and shall not be deemed to confer any right on any member of any of the Demerged Company and/or the 1st Resulting Company to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Boards of Directors of the Demerged Company and the 1st Resulting Company and subject, wherever necessary, to the approval of the shareholders of the Demerged Company and the 1st Resulting Company respectively.

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Managing Director

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Director

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DIRECTOR

**PART III**  
**DEMERGER OF**  
**OF REAL ESTATE DIVISION /**  
**DEMERGED UNDERTAKING 2**  
**OF**  
**BHAGYANAGAR INDIA LIMITED**  
**(Demerged Company")**  
**INTO**  
**BHAGYANAGAR PROPERTIES PRIVATE LIMITED**  
**("2<sup>nd</sup> Resulting Company")**

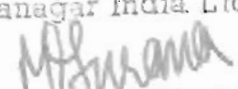
**14. TRANSFER AND VESTING**

14.1 With effect from the Appointed Date, the entire business and Undertaking of Real Estate Division of the Demerged Company shall pursuant to the provisions of Sections 391 to 394 of the Act and all other applicable provisions of applicable laws, rules and regulations for the time being in force, without any further act or deed, stand transferred to and be vested in or deemed to have been transferred to or vested, as a going concern, into the 2<sup>nd</sup> Resulting Company together with all the estates, assets, titles and interest pertaining to the Real Estate Division of Demerged Company therein including the investments made by BPPL in its Subsidiary Companies , subject however, to all existing charges, liens, mortgages and encumbrances, if any, affecting the same or any part thereof. The transfer and vesting of Real Estate Division of the Demerged Company shall be effected as follows:-

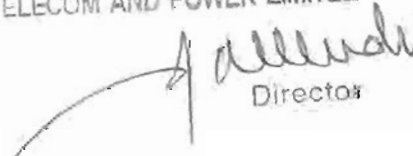
14.1.1 All the movable assets including cash in hand of the Real Estate Division capable of being passed by manual delivery or by endorsement shall be physically handed over by manual delivery or endorsement and delivery, to the end and intent that the ownership and property therein passes to the 2<sup>nd</sup> Resulting Company on such handing over in pursuance of the provisions of Section 394 of the Act (as an integral part of the Undertaking). Such delivery and transfer shall be made on a date to be mutually agreed upon between the respective Board of Directors of 2nd Resulting Company and the Demerged Company within 30 days from the effective date.

14.1.2 In respect of any assets, other than those referred to in sub-clause 14.1.1 above, the same shall without any further act, instrument, deed, matter or thing be transferred to and vested in and / or deemed to be transferred to and vested in the 2<sup>nd</sup> Resulting Company on the appointed date pursuant to the provisions of Section 394 of the Act. Further, for assets including sundry debtors, outstanding loans and advances, if any, recoverable in

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Managing Director

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cash or in kind or value to be received, bank balances and deposits, if any, the following modus operandi for intimating to third parties shall, to the extent possible, be followed:

(a) The 2nd Resulting Company shall give notice in such form as it may deem fit and proper to each party, debtor or deposit pertaining to Real Estate Division of each of the Demerged Company as the case may be, that pursuant to the Scheme coming into effect, the said debt, loan, advances, etc. be paid or made good or held on account of the 2nd Resulting Company as the person entitled thereto, to the end and intent that the right of the Demerged Company to recover or realise the same stands extinguished, and that such rights to recover or realize the same shall vest in the 2<sup>nd</sup> Resulting Company.

(b) The Demerged Company may, if required, give notice in such form as it may deem fit and proper to each person, debtor or depositor that pursuant to the Scheme coming into effect, the said person, debtor or depositor should pay the debt, loan or advance or make good the same or hold the same to the account of the 2<sup>nd</sup> Resulting Company and that the right of the 2nd Resulting Company to recover or realise the same is in substitution of the right of the Demerged Company.

14.1.3 Upon the coming into effect of this Scheme, all debts, liabilities, loans and obligations incurred, duties or obligations of any kind, nature or description (including contingent liabilities) pertaining to the Real Estate Division of Demerged Company (as on the Appointed Date) shall, without any further act or deed, stand transferred to and vested in and be deemed to be transferred and to vested in the 2nd Resulting Company to the extent that they are outstanding as on the Effective Date and on the same terms and conditions as applicable to the Demerged Company, and shall become the debts, liabilities, loans, duties and obligations of the 2nd Resulting Company which shall meet, discharge and satisfy the same and further that it shall not be necessary to separately obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of any of the liabilities which have arisen in order to give effect to the provisions of this clause.

14.1.4 Where any of the debts, liabilities, loans and obligations incurred, duties and obligations pertaining to the Real Estate Division of the Demerged Company as on the Appointed Date deemed to be transferred to and vested in the 2nd Resulting Company have been discharged by the Demerged Company after the Appointed Date and prior to the

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Managing Director

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Director

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Effective Date, such discharge shall be deemed to have been for and on account of the 2nd Resulting Company.

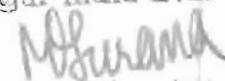
14.1.5 All debts, liabilities, loans and obligations incurred, duties and obligations pertaining to the Real Estate Division of the Demerged Company after the Appointed Date and prior to the Effective Date, shall, subject to the terms of this Scheme, be deemed to have been incurred for and on behalf of the 2nd Resulting Company in which the Real Estate Division of the Demerged Company shall vest in terms of this Scheme and to the extent they are outstanding on the Effective Date, shall also without any further act or deed, stand transferred to and vested in and be deemed to be transferred to and vested in the 2nd Resulting Company and shall become the debts, liabilities, loans, duties and obligations of the 2nd Resulting Company which shall meet discharge and satisfy the same. Provided however that no debts, liabilities, loans, duties and obligations pertaining to the Real Estate Division shall have been assumed by the Demerged Company after the Appointed Date without the prior written consent of the 2<sup>nd</sup> Resulting Company otherwise than in the ordinary course of business.

14.1.6 The transfer and vesting of the assets pertaining to the Real Estate Division of the Demerged Company to and in the 2<sup>nd</sup> Resulting Company under this Scheme shall be subject to the mortgages and charges, if any, affecting the same as hereinafter provided.

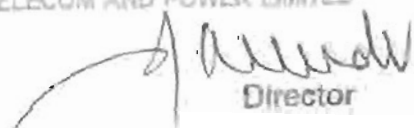
14.1.7 The existing securities, mortgages, charges, encumbrances or liens (the "Encumbrances") or those pertaining to the Real Estate Division, if any created by the Demerged Company after the Appointed Date, in terms of this Scheme, over the assets comprised in the Undertaking or any part thereof transferred to the 2nd Resulting Company by virtue of this Scheme, shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they related or attached prior to the Effective Date and as are transferred to the 2nd Resulting Company. Provided always that the Scheme shall not operate to enlarge the security for any loan, deposit or facility created by or available to the Demerged Company which shall vest in the 2nd Resulting Company by virtue of arrangement and the 2nd Resulting Company shall not be obliged to create any further or additional security therefore after the scheme has become effective or otherwise.

14.1.8 Without prejudice to the above and upon the effectiveness of this Scheme, the Demerged Company and the 2nd Resulting Company shall execute any instruments or documents or do all the acts and deeds as may be required, including the filing of necessary particulars and/or modification(s) of charge, with the relevant Registrar of Companies

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Managing Director

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Director

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and other authorities under the Act to give formal effect to the above provisions, if required.

14.1.9 It is expressly provided that, save as mentioned in this Scheme, no other term or condition of the liabilities transferred to the 2nd Resulting Company is modified by virtue of this Scheme except to the extent that such amendment is required by necessary implication.

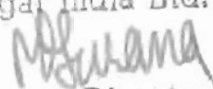
14.1.10 Subject to the necessary consents being obtained in accordance with the terms of this Scheme, the provisions of above sub-clauses shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document.

14.1.11 With effect from the Appointed Date, all permits, quotas, rights, entitlements, tenancies and licenses relating to premises, brands, trademarks, patents, copy rights, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Real Estate Division of each of the Demerged Company and which are subsisting or having effect immediately before the Appointed Date, shall be and remain in full force and effect in favour of the 2nd Resulting Company and may be enforced fully and effectually as if, instead of the Demerged Company, the 2nd Resulting Company had been a beneficiary or obligee thereto.

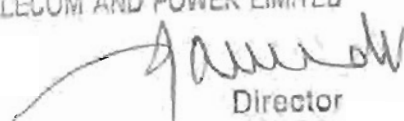
14.1.12 With effect from the Appointed Date, any and all statutory licenses, permissions, approvals and/or consents pertaining to the Real Estate Division held by the Demerged Company required to carry on operations shall stand vested in or deemed to be transferred to the 2nd Resulting Company without any further act or deed and shall be appropriately mutated by the statutory authorities or any other person concerned therewith in favour of the 2<sup>nd</sup> Resulting Company. The benefit of all statutory and regulatory permissions, licenses, environmental approvals and consents including the statutory licenses, permissions or approvals or consents required to carry on the operations of the Demerged Company shall vest in and become available to the 2<sup>nd</sup> Resulting Company pursuant to the Scheme coming into effect.

14.1.13 The entitlement to various benefits under incentive schemes and policies in relation to the Real Estate Division of the Demerged Company shall stand transferred to and be vested in and/or be deemed to have been transferred to and vested in the 2<sup>nd</sup> Resulting Company together with all benefits, entitlements and incentives of any nature

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Managing Director

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Director

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whatsoever. Such entitlements shall include (but shall not limited to) income-tax, sales tax, value added tax, turnover tax, excise duty, service tax, customs and other and incentives in relation to the Real Estate Division of the Demerged Company to be claimed by the 2<sup>nd</sup> Resulting Company with effect from the Appointed Date as if the 2<sup>nd</sup> Resulting Company was originally entitled to all such benefits under such incentive scheme and/or policies, subject to continued compliance by the 2<sup>nd</sup> Resulting Company of all the terms and conditions subject to which the benefits under such incentive schemes were made available to the Demerged Company.

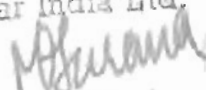
14.1.14 Since each of the permissions, approvals, consents, sanctions, remissions (including remittance under income-tax, sales tax, value added tax, turnover tax, excise duty, service tax, customs), special reservations, sales tax remissions, holidays, incentives, concessions and other authorizations relating to the Real Estate Division of the Demerged Company, shall stand transferred under this Scheme to the 2<sup>nd</sup> Resulting Company, the 2<sup>nd</sup> Resulting Company shall file the relevant intimations, if any, for the record of the statutory authorities who shall take them on file, pursuant to the Scheme coming into effect.

14.1.15 It is clarified that all the taxes and duties pertaining to the Real Estate Division payable by the Demerged Company, from the Appointed Date onwards including all or as any refund and claims shall, for all purposes, be treated as the tax and/or duty liabilities or refunds and claims of the 2<sup>nd</sup> Resulting Company. Accordingly, upon the Scheme becoming effective, the 2<sup>nd</sup> Resulting Company is expressly permitted to file its respective income-tax, sales tax, value added tax, turnover tax, excise duty, service tax, customs and any other return to claim refunds / credits, pursuant to the provisions of this Scheme.

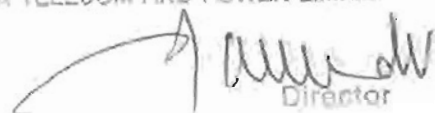
14.1.16 With effect from the Appointed Date, the General Reserves including the balance standing to the credit of the profit and loss account of the Demerged Company pertaining to Real Estate Division as on 1<sup>st</sup> April, 2016 shall become the General Reserves of the 2<sup>nd</sup> Resulting Company.

**15. CONTRACT, DEEDS, BONDS AND OTHER INSTRUMENTS:**

- (a) Upon the coming into effect of this Scheme and subject to the other provisions contained in the Scheme, all contracts, deeds, bonds, agreements, Schemes, arrangements and other instruments of whatsoever nature pertaining to Real Estate Division to which the Demerged Company is a party or to the benefit of

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Managing Director

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Director

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DIRECTOR

which the Demerged Company are or may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall remain in full force and effect against or in favour, as the case may be, of the 2<sup>nd</sup> Resulting Company, and may be enforced as fully and effectually as if, instead of the Demerged Company, the 2<sup>nd</sup> Resulting Company had been a party or beneficiary or obligee thereto without any further act or deed.

- (b) The 2<sup>nd</sup> Resulting Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novations, to which any of the Demerged Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required or becomes necessary. The 2<sup>nd</sup> Resulting Company shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of the Demerged Company and to implement or carry out all formalities required on the part of the Demerged Company to give effect to the provisions of this Scheme.
- (c) Even after this Scheme becomes effective, the 2<sup>nd</sup> Resulting Company shall, as its own right, be entitled to realize all monies and complete and enforce all pending contracts and transactions pertaining to the Real Estate Division of the Demerged Company, in so far as may be necessary, until the transfer of rights and obligations of the Demerged Company to the 2<sup>nd</sup> Resulting Company under this Scheme is formally accepted by the third parties.

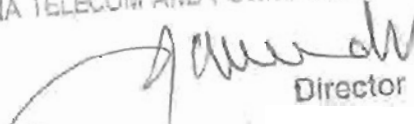
**16. LEGAL PROCEEDINGS:**

- (a) Upon the coming into effect of the Scheme, all suits, actions and proceedings pertaining to the Real Estate Division by or against the Demerged Company pending and/or arising on or before the Effective Date shall be continued and be enforced by or against the 2<sup>nd</sup> Resulting Company as effectually as if the same had been pending and/or arising by or against the 2<sup>nd</sup> Resulting Company.
- (b) The 2<sup>nd</sup> Resulting Company undertakes to have all legal or other proceedings initiated by or against the Demerged Company referred to in sub-clause (a) above transferred into its name and to have the same continued, prosecuted and enforced by or against the 2<sup>nd</sup> Resulting Company.

For Bhagyanagar India Ltd.

  
Managing Director

For SURANA TELECOM AND POWER LIMITED

  
Director

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DIRECTOR

17. **CONDUCT OF BUSINESS BY DEMERGED COMPANY TILL EFFECTIVE DATE:**

With effect from the Appointed Date and up to the Effective Date:

- (a) Demerged Company shall carry on and be deemed to have carried on its business and activities and shall hold and deal with all assets and properties and stand possessed of all rights, title, interest and authorities for and on account of and in trust for the 2<sup>nd</sup> Resulting Company.
- (b) Any income or profit accruing or arising to the Demerged Company and all costs, charges, expenses, losses or taxes (including but not limited to advance tax, tax deducted at source, minimum alternate tax credit, taxes withheld / paid in a foreign country, etc), arising or incurred by the Demerged Company shall for all purposes be treated as the income, profits, costs, charges, expenses and losses, as the case may be, of the 2<sup>nd</sup> Resulting Company including accumulated losses & unabsorbed depreciation, if any.
- (c) Demerged Company shall not utilize the profits or income, if any for the purpose of declaring or paying any dividend or for any other purpose in respect of the period from and after the Appointed Date and up to the Effective Date without the prior written consent of the 2<sup>nd</sup> Resulting Company.
- (d) Demerged Company shall not, without the prior written consent of the 2<sup>nd</sup> Resulting Company, alienate, charge, mortgage, encumber or otherwise deal with or dispose of the Undertaking or any part thereof except in the usual course of business or pursuant to any pre-existing obligation undertaken by the Demerged Company prior to the Appointed Date.
- (e) Demerged Company shall carry on the business with reasonable diligence and prudence, in the ordinary course of business, and the Demerged Company shall not, in any material respect, alter or expand the business, other than such alterations or expansions as have already been commenced, except with the prior written consent of the 2<sup>nd</sup> Resulting Company and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts or incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitment either for itself or on behalf of its subsidiaries or group companies or any third party, or sell, transfer, alienate, charge, mortgage or encumber or deal with the Undertaking, save and except, in each case, in the following circumstances:

For Bhagyanagar India Ltd.

  
Managing Director

For SURANA TELECOM AND POWER LIMITED

  
Director

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DIRECTOR

- (i) if the same is in the ordinary course of business as carried on by it as on the date of filing this Scheme with the High Court; or
  - (ii) if the same is expressly permitted by this Scheme; or
  - (iii) if the written consent of the 2<sup>nd</sup> Resulting Company, as the case may be, has been obtained.
  - (iv) Pre-existing obligations undertaken by the Demerged Company prior to the Appointed Date.
- (f) Demerged Company shall not vary or alter, except in the ordinary course of its business and as may be required for reorganization, the terms and conditions of employment of any of its employees.
- (g) Demerged Company shall be entitled, pending the sanction of the Scheme by the High Court, to apply to the Central Government and all other agencies, departments and authorities concerned as are necessary under any law for such consents, approvals and sanctions which the 2<sup>nd</sup> Resulting Company may require to own and carry on the business of the Demerged Company.

With effect from the Effective Date, the 2<sup>nd</sup> Resulting Company shall commence and carry on and shall be authorized to carry on the entire businesses pertaining to the Real Estate Division carried on by the Demerged Company.

#### 18. SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of the properties, liabilities and obligations pertaining to the Real Estate Division of the Demerged Company pursuant to this Scheme shall not affect any transactions or proceedings already completed by the Demerged Company on or before the Appointed Date to the end and intent that, the 2<sup>nd</sup> Resulting Company accepts all acts, deeds and things done and executed by and/or on behalf of the Demerged Company which shall vest in the 2<sup>nd</sup> Resulting Company in terms of this Scheme as acts, deeds and things made, done and executed by and on behalf of the 2<sup>nd</sup> Resulting Company.

#### 19. DEMERGED COMPANY'S STAFF, WORKMEN AND EMPLOYEES:

- (a) All employees pertaining to the Real Estate Division of the Demerged Company in service on the Effective Date, shall become employees of the 2<sup>nd</sup> Resulting Company on such date without any break or interruption in service and on terms and conditions as to remuneration not less favourable than those subsisting with reference to the Demerged Company as on the said date.

For Bhagyanagar India Ltd.  
  
Managing Director

For SURANA TELECOM AND POWER LIMITED  
  
Director

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DIRECTOR

(b) It is provided that so far as the Provident Fund, Gratuity Fund, or any other Special Scheme(s)/Fund(s), if any, created or existing for the benefit of the employees pertaining to the Real Estate Division of the Demerged Company are concerned, upon the coming into effect of this Scheme, the 2<sup>nd</sup> Resulting Company shall stand substituted for the Demerged Company for all purposes whatsoever related to the administration or operation of such Schemes or Funds or in relation to the obligation to make contributions to the said Schemes/Funds in accordance with provisions of such Schemes/Funds as per the terms provided in the respective Trust Deeds, to the end and intent that all the rights, duties, powers and obligations pertaining to the Real Estate Division of the Demerged Company in relation to such Schemes/Funds shall become those of the 2<sup>nd</sup> Resulting Company. It is clarified that the services of the employees pertaining to the Real Estate Division of the Demerged Company will be treated as having been continuous for the purpose of the aforesaid Schemes/Funds.

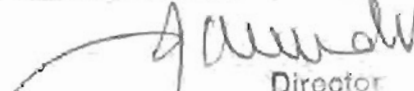
**20. REDUCTION IN SHARE CAPITAL OF THE 2<sup>nd</sup> RESULTING COMPANY AND DEMERGED COMPANY:**

a) Upon the Scheme coming in to effect on the effective date and immediately after the issuance of the equity shares of the 2<sup>nd</sup> Resulting company to the shareholders of BIL as per entitlement ratio prescribed in clause 21(a), 40,00,000 (Forty Lakhs equity shares) of the 2<sup>nd</sup> resulting company having face value of Rs. 10 (Rupees Ten) each held by the demerged company as on the effective date shall stand cancelled without any further act or deed on the part of the 2<sup>nd</sup> resulting company. The reduction in the share capital of the 2<sup>nd</sup> resulting company shall be effected as an integral part of the scheme in accordance of the provisions of the sections 100 to 103 of the 1956 act (or section 66 of the 2013 act, if applicable) and/ or any other applicable provisions of the act without any further act or deed on the part of the 2<sup>nd</sup> resulting company and without any approval or acknowledgement of any third party. The order of the court sanctioning the scheme shall be deemed to also be the order passed by the court under section 102 of the 1956 act (or section 66 of the 2013 act Act, if applicable) for the purpose of confirming such reduction. The aforesaid reduction would not involve either a diminution of liability in respect of the unpaid capital or payment of the paid-up share capital and the provisions of the section 101 of the 1956 Act (and section 66(1) (a) of the 2013, act in force) shall not be applicable. Notwithstanding the reduction in the equity share capital of the 2<sup>nd</sup>


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Managing Director

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Director

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DIRECTOR

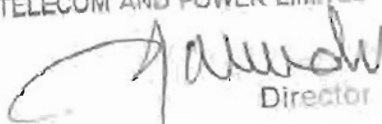
Resulting Company, the 2<sup>nd</sup> resulting company shall not be required to add "And Reduced" as suffix to its name

- b) It is expressly clarified that for the purposes of this clause 20(a) of the Scheme, the consent of the share holders and the creditors of the 2<sup>nd</sup> resulting company to the Scheme shall be deemed to be sufficient for the purposes of affecting the above reorganization in the share capital of the 2<sup>nd</sup> resulting company resulting in a reduction in the equity share capital of the 2<sup>nd</sup> resulting company, and no further resolution or action under section 100 of the 1956 Act (or section 66 of the 2013 Act, if applicable) and/or any other applicable provisions of the Act would be required to be separately passed or taken.
- c) The reduction of the share capital of the 2<sup>nd</sup> resulting company as contemplated in the clause 20 shall become effective, in accordance with the provisions of Section 103 of the 1956 Act (or Section 66(5) of the 2013 Act, if in force) and/or any other applicable provisions of the Act and rules and regulations framed there under, pursuant to the filing of the order of the court sanctioning the scheme including aforesaid capital reduction by the 2<sup>nd</sup> Resulting company with the Registrar of Companies, Andhra Pradesh & Telangana, Hyderabad (RoC) and upon registration by the RoC of such order of the court and the minute approved by the court, if any, showing, with respect to the share capital of the 2<sup>nd</sup> Resulting company as altered by the order, (a) the amount of share capital; (b) the number of shares into which it is to be divided; (c) the amount of each share; and (d) the amount, if any, deemed to be paid-up on each share at the date of registration of the aforesaid minute and order by the RoC. Such reduction in the share capital of the 2<sup>nd</sup> Resulting company as contemplated in the Clause 20 of the Scheme shall be conditional upon this scheme becoming effective from the Effective Date. If this Scheme is, for any reason whatsoever, not sanctioning by the Court, such reduction of share capital as set out in the Clause 20 of the Scheme shall not become effective and shall be deemed to be redundant.
- d) Upon the scheme becoming effective, the face value of each equity share of the 2<sup>nd</sup> Resulting company shall stand reduced to Rs.2/- (Rupees Two) each from Rs. 10/- (Rupees Ten) each without any further act, instrument or deed and without payment of any fees, stamp duty etc.
- e) Consequently, upon scheme becoming effective, Clause V of the memorandum of Association of 2<sup>nd</sup> resulting company (relating to authorized share capital) shall, without

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Managing Director

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Director

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DIRECTOR




any further act, instrument or deed, be and stand altered, modified and amended pursuant to Sections 13, 14, 61 and other applicable provisions of the companies Act, 2013 and 391 and 394 of the Companies Act, 1956 and other applicable provisions of the Act, and be replaced accordingly.

- f) The 2<sup>nd</sup> Resulting Company if necessary, shall further increase its authorized capital by complying with all provisions and procedures of the Act and Rules made there under or any other law for the time being in force to an appropriate amount so as be eligible to issue shares to the shareholders of demerged company (BIL) in accordance with and in pursuance to this scheme.
- g) the aforesaid alterations in the memorandum and Articles of Association of 2<sup>nd</sup> Resulting company viz. Change in the Capital Clause, referred above, shall become operative on the scheme being effective by virtue of the fact that the Shareholders of the Demerged Company and the 2<sup>nd</sup> Resulting Company while approving the Scheme as a whole at duly convened meetings, have also resolved and accorded the relevant consents as required respectively under Sections 13, 14, 61 and other applicable provisions of the Companies Act, 2013 and 391 & 394 of the Companies Act, 1956 and other applicable provisions of the Act, and be replaced accordingly and shall not be required to pass separate resolutions as required under the Act.
- i. Upon the Scheme coming into effect the reduction in the share premium account and reserves and surplus of the Demerged Company shall be effected as an integral part of the Scheme in accordance with the provisions of Section 78, Section 80 and Sections 100 to 103 and any other applicable provisions of the Act and the Orders of the Court sanctioning the Scheme shall be deemed to be also the Orders under Section 102 of the Act for the purpose of confirming the reduction. The reduction would not involve either a diminution of liability in respect of the unpaid share capital or payment of paid-up share capital, and the provisions of Section 101 of the Act will not be applicable. Notwithstanding, the reduction of capital of the Demerged Company, the Demerged Company shall not be required to add "And Reduced" as suffix to its name.
- ii Upon the Scheme coming into effect and also upon issuance of shares by the 2<sup>nd</sup> Resulting Company as per Clause 21(a) the issued, subscribed and paid up equity share capital of BIL shall be reduced from Rs.12,79,80,000 divided into 6,39,90,000 equity shares of Rs. 2/- each to Rs. 6,39,90,000 divided into 3,19,95,000 equity shares of Rs. 2/- each.

For Bhagyanagar India Ltd.

  
Managing Director

For SURANA TELECOM AND POWER LIMITED

  
Director

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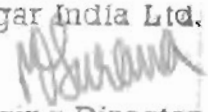
  
DIRECTOR

Any member holding shares in BIL, in such that the member becomes entitled to a fraction of equity in BIL, the BIL shall not issue fractional share certificates to such member but shall consolidate such fractions and issue consolidated equity shares to trustee nominated by the BIL in that behalf, who shall sell such shares and distribute the net sale proceeds (after deducting of the expenses incurred) to the members entitled to the same in proportion to the fractional entitlements.

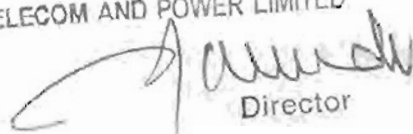
## 21. ISSUE OF SHARES BY THE 2<sup>ND</sup> RESULTING COMPANY

- (a) Upon the Scheme coming into effect and in consideration of the demerger of the Real Estate Division into 2<sup>nd</sup> Resulting Company, the 2<sup>nd</sup> Resulting Company without any further act or deed shall issue and allot one (1) equity share of Rs. 2/- each for every one (1) equity share of Rs.2/- each held by such members of Demerged Company/ BIL whose names are appearing in the register of members on the Record Date. Accordingly, the 2<sup>nd</sup> Resulting Company shall allot 3,19,95,000 equity shares of Rs. 2/- each fully paid to the members of BIL on such proportion held by them.
- (b) In case, any members of Demerged Company holding becomes entitled to a fraction of equity in Demerged Company, shall not issue fractional share certificates to such member(s) but shall consolidate such fractions and issue consolidated equity shares to separate trustees nominated by respective company in that behalf, who shall sell such shares and distribute the net sale proceeds (after deduction of the expenses incurred) to the members of Demerged Company in the same proportion to their fractional entitlements.
- (c) The said new Equity Shares shall rank for voting rights and in all other respects paripassu with the Equity Shares of the 2<sup>nd</sup> Resulting Company.
- (d) The Share Certificates in relation to the shares held by the Equity Shareholders of the Demerged Company whose names are recorded in the Register of Members of the Demerged Company on the Record Date, fixed by the Board of Directors of the 2<sup>nd</sup> Resulting Company, shall be deemed to have been automatically cancelled and be of no effect on and from such Record Date, without any further act, instrument or deed.
- (e) In so far as the equity shares of the 2<sup>nd</sup> Resulting Company held by the Demerged Company are concerned, such shares would be cancelled, on the Effective Date and the capital of the 2<sup>nd</sup> Resulting Company shall be reduced to that extent.

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Managing Director

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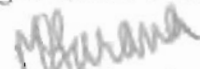
  
Director

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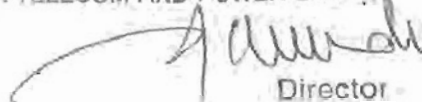
  
DIRECTOR

- (f) No fractional certificates shall be issued by the 2<sup>nd</sup> Resulting Company in respect of fractional entitlements, if any, to any Member of the Demerged Company. The Board of Directors of the 2<sup>nd</sup> Resulting Company shall, instead consolidate all such fractional entitlements and thereupon issue and allot equity shares in lieu thereof to the Trust or a Director or an Officer of the 2<sup>nd</sup> Resulting Company or such other person as the 2<sup>nd</sup> Resulting Company shall appoint in this behalf who shall hold the shares in trust on behalf of the Members entitled to fractional entitlements with the express understanding that such Trust, Director(s) or Officer(s) or person shall sell the same in the market at such time or times and at such price or prices in the market and to such person or persons, as it/he/they deem fit, and pay to the 2<sup>nd</sup> Resulting Company, the net sale proceeds thereof, whereupon the 2<sup>nd</sup> Resulting Company shall distribute such net sale proceeds to the Members of the Demerged Company in proportion to their respective fractional entitlements.
- (g) For the purpose as aforesaid the 2<sup>nd</sup> Resulting Company shall, if and to the extent required, increase its Authorised Capital after the Scheme has been sanctioned by the High Court but before the issue and allotment of shares. It shall also, if and to the extent required, apply for and obtain the requisite approvals including that of SEBI, Reserve Bank of India and other appropriate authorities concerned for issue and allotment by the 2<sup>nd</sup> Resulting Company to the members of the Demerged Company of the Equity Shares in the said reorganized share capital of the 2<sup>nd</sup> Resulting Company in the ratio as aforesaid.
- (h) The shares of the Demerged Company are presently listed on BSE and NSE. The New Equity Shares issued in terms of Clause 21(a) shall be listed and/or admitted to trading on the relevant stock exchange/s in India, where the equity shares of Demerged Company are listed and/or admitted to trading as on the Effective Date.
- (i) Upon the scheme being sanctioned by the Court U/s 394 of the Act and on its becoming effective, the shares to be allotted to the members of the Demerged company i.e. BIL by 2<sup>nd</sup> Resulting Company i.e. BPPL, shall be listed and/ or admitted to trading on the relevant Stock Exchange(s) in India, where the equity shares of BIL are listed and/ or admitted to trading as on the effective date. Accordingly, the 2<sup>nd</sup> Resulting Company shall take steps for listing simultaneously on all such Stock Exchange(s) within a reasonable period of the receipt of the final order of the High Court sanctioning the Scheme. The 2<sup>nd</sup> Resulting Company shall also apply to Securities and Exchange Board

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Managing Director

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Director

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of India through Stock Exchange for seeking relaxation under Rule 19(2)(b) of Securities Contract (Regulation) Rules, 1957.

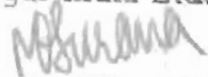
**22. CONVERSION OF BPPL INTO BHAGYANAGAR PROPERTIES LIMITED (BPL):**

2<sup>nd</sup> Resulting Company (BPPL) is simultaneously, giving effect in this Scheme, shall be converted to a Public Limited Company with its shares being listed on the stock exchanges where in shares of BIL are listed on the date of the Scheme. Applications and regulatory requirements regarding the same will be complied and filed with the appropriate and concerned authorities upon the Scheme being approved by SEBI.

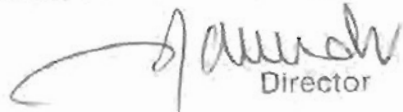
**23. ACCOUNTING TREATMENT IN THE BOOKS OF 2<sup>ND</sup> RESULTING COMPANY AND THE DEMERGED COMPANY:**

- (a) All the assets, including but not limited to the fixed assets, intangibles and any other assets pertaining to the Real Estate Division of Demerged Company and the 2<sup>nd</sup> Resulting Company, whether recorded in the books or not, shall be recorded by the 2<sup>nd</sup> Resulting Company at their respective Book value, as may be determined by the Board of Directors of the 2<sup>nd</sup> Resulting Company.
- (b) All the liabilities pertaining to the Real Estate Division of Demerged Company shall be recorded by the 2<sup>nd</sup> Resulting Company at their book values recorded in the books of account of 2<sup>nd</sup> Resulting Company.
- (c) In case of any differences in accounting policies between the 2<sup>nd</sup> Resulting Company and the Demerged Company, the accounting policies followed by the 2<sup>nd</sup> Resulting Company shall prevail to ensure that the financial statements reflect the financial position on the basis of consistent accounting policies.
- (d) The amount of inter-company balances, amounts or other than investments made by the 2<sup>nd</sup> Resulting Company in the Demerged Company appearing in the books of account of the 2<sup>nd</sup> Resulting Company and the books of account of the Demerged Company shall stand cancelled without any further act or deed upon the Scheme coming into effect.
- (e) The amount of any inter-company balances, amounts or investments between the Demerged Company, appearing in the books of account of the Demerged

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Managing Director

For SURANA TELECOM AND POWER LIMITED

  
Director

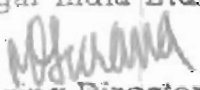
For BHAGYANAGAR PROPERTIES PVT. LTD.

  
DIRECTOR

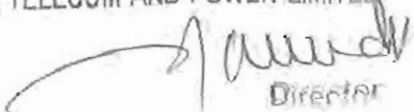
Company shall stand cancelled without any further act or deed upon the scheme coming into effect.

- (f) The difference between net assets (assets over liabilities pertaining to the Real Estate Division of the Demerged Company acquired and recorded by the 2<sup>nd</sup> Resulting Company) and consideration determined pursuant to this scheme after making adjustment as referred in clause 23 (c ) shall be credited to the General Reserve in the books of the 2<sup>nd</sup> Resulting Company.
- (g) The difference between net assets (liabilities over assets pertaining to the Real Estate Division of the Demerged Company acquired and recorded by the 2<sup>nd</sup> Resulting Company) and consideration determined pursuant to this scheme after making adjustment as referred in clause 23 (c ) shall be debited to the Goodwill in the books of the 2<sup>nd</sup> Resulting Company.
- (h) The amount of General Reserve as stated in the Clause (f) above along with balance in the General Reserve appearing in the books of 2<sup>nd</sup> Resulting Company shall be regarded as Free Reserve.
- (i) Notwithstanding the above, the Board of Directors or duly authorized committee of the 2<sup>nd</sup> Resulting Company is authorized to account any of these balances in any manner whatsoever, as may be deemed fit.
- (j) Any matter not dealt with above shall be dealt with in accordance with the prescribed Accounting Standards issued by the Institute of Chartered Accountants of India / Central Government and applicable generally accepted accounting principles.
- (k) The transfer of the assets & liabilities of the Real Estate Division to BPPL pursuant to this scheme shall be at book values appearing in the books of accounts of BIL on appointed date.
- (l) The difference, if any, between the value of assets & liabilities transferred pursuant to this Scheme shall be set off against the General Reserve Account of BIL.
- (m) The accounts of BIL as on the appointed date shall be reconstructed in accordance with the terms of the Scheme.

For Bhagyanagar India Ltd.

  
Managing Director

For SURANA TELECOM AND POWER LIMITED

  
Director

For BHAGYANAGAR PROPERTIES PVT. LTD.

  
DIRECTOR

**24. DECLARATION OF DIVIDEND**

- (a) Demerged Company and the 2<sup>nd</sup> Resulting Company shall be entitled to declare and pay dividend, whether interim or final, to their respective shareholders in respect of the accounting period prior to the Effective Date, provided that the Demerged Company shall not make any such declaration, except with the prior approval of the Board of Directors of the 2<sup>nd</sup> Resulting Company.
- (b) It is clarified that the aforesaid provision in respect of declaration of dividends, whether interim or final, is an enabling provision only and shall not be deemed to confer any right on any member of any of the Demerged Company and/or the 2<sup>nd</sup> Resulting Company to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Boards of Directors of the Demerged Company and the 2<sup>nd</sup> Resulting Company and subject, wherever necessary, to the approval of the shareholders of the Demerged Company and the 2<sup>nd</sup> Resulting Company respectively.

FOR BHAGYANAGAR PROPERTIES PVT. LTD.

*M. Surana*  
DIRECTOR

For Bhagyanagar India Ltd.

*M. Surana*  
Managing Director

For SURANA TELECOM AND POWER LIMITED

*M. Surana*  
Director

## PART IV

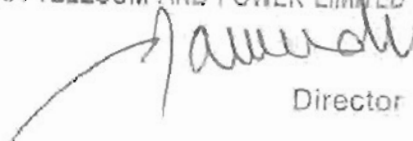
### 25. LISTING AGREEMENTS AND SEBI COMPLIANCES

- a) On approval of the scheme by the Hon'ble High Court, 2<sup>nd</sup> resulting Company shall apply for listing and trading permissions of its shares to the BSE and NSE and comply with the SEBI guidelines in this regard.
- b) The Demerged Company and 1<sup>st</sup> Resulting Company being a listed companies, they shall comply with all requirements under the listing Agreement and all the statutory directives of the SEBI in so far as they relate to sanction and implementations of this Scheme.
- c) The Demerged Company and 1<sup>st</sup> Resulting Company in compliance with the Listing Agreement shall apply for approval of the BSE and NSE where the shares are listed in terms of the clause 24(f) of the Listing Agreement before approaching the High Court for the sanction of the Scheme.
- d) New equity shares allotted to the shareholders of the Demerged Company in the 2<sup>nd</sup> Resulting company pursuant to the Scheme shall remain frozen in the depositories system until listing/ trading permission is granted by the Stock Exchanges between the date of allotment of the equity shares of the 2<sup>nd</sup> Resulting company to the shareholders of the Demerged company and the date of listing of the equity shares of the 2<sup>nd</sup> Resulting company with the stock exchanges. Further, except as provided for the Clause 20 of Part III of this Scheme in relation to the reduction of the existing share capital of Rs. 4,00,00,000 (Four Crores) comprising of 40,00,000 equity shares of Rs. 10/- each held by the Demerged Company in the 2<sup>nd</sup> Resulting Company, there shall be no change in the shareholding pattern or control of the 2<sup>nd</sup> Resulting company till the listing of shares on the Stock Exchanges.
- e) The Demerged Company shall also comply with the directives of the SEBI contained in its Circular No. CIR/CFD/DIL/S/2013 dated 4 February 2013 as modified by its subsequent Circular No. CJR/CPD/01U8/2013 dated 21 May 2013.

For Bhagyanagar India Ltd.

  
Managing Director

For SURANA TELECOM AND POWER LIMITED

  
Director

FOR BHAGYANAGAR PROPERTIES PVT. LTD.

  
DIRECTOR

26. GENERAL TERMS

- a. It is clarified that all taxes payable by the Demerged Company, relating to the transferred Undertakings, from the Appointed Date onwards including all or any refunds and claims shall, for all purposes, be treated as the tax liabilities or refunds and claims of the 1st Resulting Company and 2nd Resulting Company. Accordingly, upon the Scheme becoming effective, the 1st Resulting Company and 2nd Resulting Company are expressly permitted to revise its VAT and Sales tax returns, Excise & / CENVAT returns, other tax returns, and to claim refunds/ credits, pursuant to the provisions of this Scheme, if any
- b. In accordance with the Cenvat Rules framed under the Central Excise Act, 1944, as are prevalent on the Effective Date, the unutilized credits relating to excise duties paid on inputs/ capital goods lying to the account of the Demerged Company, if any, shall be permitted to be transferred to the credit of the 1st Resulting Company and 2nd Resulting Company, as if all such unutilized credits were lying to the account of the 1st Resulting Company and 2nd Resulting Company. The 1st Resulting Company and 2nd Resulting Company shall accordingly be entitled to set off all such unutilized credits against the excise duty payable by it.
- c. Upon the coming into effect of the Scheme, all the taxes paid (including TDS) by the Demerged Company from the Appointed Date, regardless of the period to which they relate shall be deemed to have been paid for and on behalf of and to the credit of the 1st Resulting Company and 2nd Resulting Company as effectively as if the 1st Resulting Company and 2nd Resulting Company had paid the same.
- d. All inter party transactions between the Demerged Company inter se and between the Demerged Company and the 1st Resulting Company and 2nd Resulting Company pertaining to respective undertakings as may be outstanding on the Appointed Date or which may take place subsequent to the Appointed Date and prior to the Effective Date, shall be considered as intra party transactions for all purposes from the Appointed Date. Any loans or other obligations, if any, due inter-se i.e. between the Demerged Company inter se and between the Demerged Company and the 1st Resulting Company and 2nd Resulting Company pertaining to respective undertakings as on the Appointed

For Bhagyanagar India Ltd.

Managing Director

For SURANA TELECOM AND POWER LIMITED

Director

For BHAGYANAGAR PROPERTIES PVT. LTD.

DIRECTOR



Date, and thereafter till the Effective Date, shall stand automatically extinguished.

**27. APPLICATIONS TO HIGH COURT**

- (a) Each of the Demerged Company, 1st Resulting Company and 2nd Resulting Company shall with all reasonable dispatch, make all necessary applications under Sections 391 to 394 of the said Act and other applicable provisions of the Act to the High Court seeking orders for dispensing with or convening, holding and conducting of the meetings of the respective classes of the members and/or creditors of each of the Demerged Company, 1<sup>st</sup> Resulting Company and 2<sup>nd</sup> Resulting Company as may be directed by the High Court.
- (b) On the Scheme being agreed to by the requisite majorities of the classes of the members and/or creditors of the Demerged Company, 1st Resulting Company and 2nd Resulting Company as directed by the High Court, the Demerged Company, 1st Resulting Company and 2nd Resulting Company shall, with all reasonable dispatch, apply to the High Court for sanctioning the Composite Scheme of Arrangement under Sections 391 and 394 of the Act, and for such other order or orders, as the said High Court may deem fit for carrying this Scheme into effect.

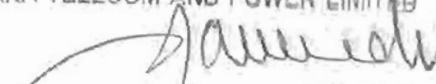
**28. MODIFICATION / AMENDMENT TO THE SCHEME**

- a) The Demerged Company, 1st Resulting Company and 2nd Resulting Company (by their respective Directors or its Committee thereof) in their full and absolute discretion may assent to any modification(s) or amendment(s) or of any conditions or limitations in this Scheme which the High Court or such other appropriate authority and/or any other authorities may deem fit to direct or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/or carrying out the Scheme.
- b) Demerged Company, 1st Resulting Company and 2nd Resulting Company (by their respective Directors or its Committee thereof) are hereby authorized to give assent to any modification(s) or amendment(s) in the Scheme which may be considered necessary or desirable for any reason whatsoever and without prejudice to the generality of the foregoing, any modification to the Scheme

For Bhagyanagar India Ltd.

  
Managing Director

For SURANA TELECOM AND POWER LIMITED

  
Director

For BHAGYANAGAR PROPERTIES PVT. LTD.

  
DIRECTOR

involving withdrawal of any of the parties to the Scheme at any time and for any reason whatsoever, the implementation of the Scheme shall not get adversely affected as a result of acceptance of any such modification by the Board of Directors or its Committee thereof of the Demerged Company or by the Board of Directors or its Committee thereof of the 1st Resulting Company and 2nd Resulting Company, who are hereby authorised to take such steps and to do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubt, difficulties or questions whether by reason of any orders of the High Court or of any directive or orders of any other authorities or otherwise howsoever

- c) Arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith. The Board of Directors of Demerged Company hereby expressly authorise the Board of Directors of the 1st Resulting Company and 2nd Resulting Company for the aforesaid purpose.

## 29. SCHEME CONDITIONAL ON APPROVAL / SANCTIONS

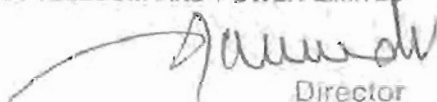
This Scheme is and shall be conditional upon and subject to the approval by the requisite majorities of the shareholders and creditors of the Demerged Company and the shareholders and creditors of the 1st Resulting Company and 2nd Resulting Company.

- a) The Scheme being approved by the High Court, whether with any modifications or amendments as the High Court may deem fit or otherwise.
- b) The sanction or approval of all persons or authorities concerned under any law or statute of the Central Government, Stock Exchanges, or any other Agency, Department or Authorities concerned being obtained and granted in respect of any of the matters in respect of which such sanction or approval is required.
- c) Requisite approvals of RBI being obtained if necessary under the provisions of FEMA, 1999 for issue of equity shares of 1st Resulting Company and 2nd Resulting Company to the non-resident shareholders of the Demerged Company.
- d) The approval of public shareholders of Demerged Company and 1<sup>st</sup> Resulting Company through postal ballot and e- voting, after disclosure of all material facts in the explanatory statement sent to the shareholders in relation to such resolution, and such resolution shall be acted upon only if the votes cast by

For Bhagyanagar India Ltd.

  
Managing Director

For SURANA TELECOM AND POWER LIMITED

  
Director

For BHAGYANAGAR PROPERTIES PVT. LTD.

  
DIRECTOR

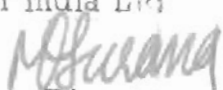
public shareholders in favour of the scheme are more than the number of votes cast by public shareholders against it. The term 'public' shall carry the same meaning as defined under Rule 2 of Securities Contracts (Regulation) Rules, 1957.

- e) The certified or authenticated copies of the Orders of the High Court being filed with the Registrar of Companies of Andhra Pradesh and Telangana at Hyderabad under Section 391 to 394 and other applicable provisions of the Act. The Requisite resolutions under the applicable provisions of the said Act passed by the shareholders of the 1st Resulting Company and 2nd Resulting Company for any of the matters provided for or relating to the Scheme as may be necessary or desirable.

**30. EXPENSES CONNECTED WITH THE SCHEME AND INCIDENTAL TO THE COMPLETION OF THE ARRANGEMENT**

All costs, charges and expenses of the Demerged Company and 1st Resulting Company and 2nd Resulting Company in relation to or in connection with the Scheme and of carrying out and completing the terms and provisions of the Scheme and/or incidental to the completion of Arrangement between Demerged Company, 1st Resulting Company and 2nd Resulting Company in pursuance of the Scheme shall be borne by the respective companies.

For Bhagyanagar India Ltd

  
Managing Director

For SURANA TELECOM AND POWER LIMITED

  
Director

For BHAGYANAGAR PROPERTIES PVT. LTD.  
  
DIRECTOR

**SCHEDULE I**

(This Schedule forms an Integral Part of the composite scheme of arrangement between Bhagyanagar India Limited and Surana Telecom and Power Limited and Bhagyanagar Properties Private Limited and their Respective Shareholders and Creditors)

**(SOLAR DIVISION)**

Particulars	Amount (Rs.in Lakhs)
<b>Non-Current Assets</b>	
Fixed Assets	2552.11
Investments	593.11
Long Term Loans & Advances	4.39
<b>Current Assets</b>	
Investments	
Inventories	-
Trade Receivables	191.11
Cash & Cash equivalents	11.59
Short Term Loans & Advances	0.16
Other Current Assets	0.60
<b>Non-Current Liabilities</b>	
Long Term Borrowings	913.71
Deferred Tax Liabilities	-
<b>Current Liabilities</b>	
Short term Borrowings	-
Trade Payables	23.09
Other Current Liabilities	0.71
Short Term Provisions	-

FOR BHAGYANAGAR PROPERTIES PVT. LTD.

DIRECTOR

For Bhagyanagar India Ltd.

Managing Director

For SURANA TELECOM AND POWER LIMITED

Director

**SCHEDULE II**

(This Schedule forms an Integral Part of the composite scheme of arrangement between Bhagyanagar India Limited and Surana Telecom and Power Limited and Bhagyanagar Properties Private Limited and their Respective Shareholders and Creditors)

**(REAL ESTATE DIVISION)**

Particulars	Amount (Rs.in Lakhs)
<b>Non-Current Assets</b>	
Fixed Assets	-
Investments	760.50
Long Term Loans & Advances	8795.60
<b>Current Assets</b>	
Investments	
Inventories	-
Trade Receivables	-
Cash & Cash equivalents	-
Short Term Loans & Advances	-
Other Current Assets	-
<b>Non-Current Liabilities</b>	
Long Term Borrowings	-
Deferred Tax Liabilities	-
<b>Current Liabilities</b>	
Short term Borrowings	-
Trade Payables	-
Other Current Liabilities	-
Short Term Provisions	-

For BHAGYANAGAR PROPERTIES PVT. LTD.  
*M. Surana*  
DIRECTOR

For Bhagyanagar India Ltd.

*M. Surana*  
Managing Director

For SURANA TELECOM AND POWER LIMITED

*M. Surana*  
Director

**VALUATION REPORT**

**IN THE CASE OF**

**SCHEME OF ARRANGEMENT**

**BETWEEN**

**BHAGYANAGAR INDIA LIMITED (BIL)**  
(Demerged Company or Transferor Company)

**AND**

**SURANA TELECOM AND POWER LIMITED (STPL)**  
(Resulting Company 1 or First Transferee Company)

**AND**

**BHAGYANAGAR PROPERTIES PRIVATE LIMITED (BPPL)**  
(Resulting Company 2 or Second Transferee Company)

**AND**

**THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

**KOMANDOOR & CO.**  
**Chartered Accountants**  
**FRN: 001420S**  
**1-504, Divya Shakthi Complex,**  
**7-1-58, Dharam Karam Road,**  
**Ameerpet, Hyderabad, Telangana - 500 016**



**KOMANDOOR & CO.**

Chartered Accountants

I-504, Divya Shakti Complex, 7-1-58, Dharamkaran Road, Ameerpet,  
Hyderabad-500 016. Telangana, INDIA Ph: +91 40-23751300 / 23741400,

Cell : +91 9849011300, +91 9491011300. Fax : +91 40 23745381

E-mail : komandoorco@gmail.com info@komandoorco.com

URL : www.komandoorco.com

Date: 25<sup>th</sup> September 2015

To,

The Board of Directors,  
Bhagyanagar India Limited,  
5<sup>th</sup> Floor, Surya Towers, S.P.Road,  
Secunderabad - 500003, Telangana

The Board of Directors,  
Surana Telecom and Power Limited,  
5<sup>th</sup> Floor, Surya Towers, S.P.Road,  
Secunderabad - 500003, Telangana

The Board of Directors,  
Bhagyanagar Properties Private Limited  
5<sup>th</sup> Floor, Surya Towers, S.P.Road,  
Secunderabad - 500003, Telangana

**Subject: Valuation report in the scheme of Demerger of Solar Power Division of BIL into STPL & Real Estate division of BIL into BPPL.**

**1. BACK GROUND**

Bhagyanagar India Limited (hereinafter referred to as "**BIL**" or "**Demerged or Transferor Company**") is the flagship company of the Surana Group ("**group**" or "**Group**"), manufacturers and dealers of **copper products and having interests in Wind & Solar Power Generation and Real Estate Development**. It is a Public Ltd. Company incorporated in the state of Telangana and its equity shares are listed at NSE and BSE.

BIL has four business divisions namely; Copper Product Division, Real Estate Division, Windmill Division and Solar Power Division.

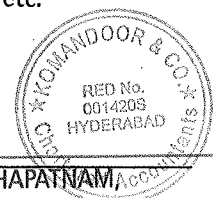
Surana Telecom and Power Limited (hereinafter referred to as "**STPL**" or "**Resulting Company 1 or First Transferee Company**"), is also a part of the Group. They undertake the business of **Solar Power Generation**. It is Public Ltd. Company incorporated in the state of Telangana and its equity shares are listed at NSE and BSE.

STPL has three divisions namely; Solar Module Manufacturing Division, Solar Power Plant and Windmill Division.

Bhagyanagar Properties Private Limited (hereinafter referred to as "**BPPL**" or "**Resulting Company 2 or Second Transferee Company**"), is a company incorporated under the Companies Act, 1956 for the purpose of carrying on business of Real Estate; buy, sell, take/give on lease or on license etc.



For KOMANDOOR & CO.  
Chartered Accountants  
*K. S. Acharya*  
K. S. ACHARYA  
PARTNER



## 2. OBJECTIVE OF THE SCHEME

The management of BIL wishes to implement the business plans of the real estate undertaking (comprising of loans and advances and investments in its subsidiaries i.e. Scientia Infocom India Private Ltd, Metropolitan Ventures India Ltd and BPPL) through BPPL and in this regard it is proposing to transfer the real estate undertaking to BPPL so that the later may develop the properties into commercial buildings, malls residential properties which may then be leased or sold to generate revenue. Thus, BPPL will function as a focused real estate development and operating company.

BIL also wishes to consolidate the Group's solar power business into one company. The solar division of BIL comprising of solar power plant (5 MW situated at Munipally, Medak District, Telangana) and investments in equity shares of Surana Solar Limited ("SSL") and Surana Telecom and Power Limited ("STPL") are proposed to be transferred to STPL.

Management of BIL is of the opinion that by transferring the entire Solar Power Division and Real Estate division to STPL and BPPL respectively shall bring in the following advantages:

- a) Focus on individual business;
- b) Strength for Future Expansion;
- c) Enhanced Synergies arising out of consolidation;
- d) Investor Attractiveness;

## 3. PURPOSE OF VALUATION

We understand that the managements of BIL, STPL and BPPL are proposing to demerge the **Solar Power Plant and Solar Business Related Investments in SSL & STPL of BIL into STPL**. Also, the **BIL real estate undertaking comprising of Loans & Advances and Investments in its subsidiaries, viz. Bhagyanagar Properties Private Limited, Scientia Infocom India Private Limited, and Metropolitan Ventures India Limited is to be transferred to BPPL.**

This scheme is prepared in terms with the provisions of Sections 391 to 394 read with Sections 78, 100 to 103 and other applicable provisions of the Companies Act, 1956 (including corresponding Section 52 and other relevant provisions of the Companies Act, 2013).

For the aforesaid purpose, the management of the above companies has appointed us to prepare a valuation report on the fair exchange ratio for STPL shares to be allotted to the shareholders of BIL and also exchange ratio for allotment of BPPL shares to shareholders of BIL.

## 4. METHOD OF VALUATION

It is universally recognized that valuation is not an exact science and that estimating values necessarily involves selecting a method or an approach that is suitable for the purpose. Besides, Courts in India (whose permission will have to be sought for effecting the transaction) have, over a period of time, evolved certain guiding principles, the most leading case being the decision of the Honorable Supreme Court in Hindustan Lever Employee's Union Vs. Hindustan Lever Limited and others [(1995) 83 Company Cases 30].

The objective of the exercise is to arrive at the fair value of the business to be de-merged, subject to the conditions prevailing at the time of arriving at the value. The actual transaction value may be higher or lower than the value depending on the circumstances of the transaction. The final transaction price is something on which the parties themselves have to agree. However, valuation involves application of financial and business knowledge, expertise and experience; eventually it calls for the valuer's judgment.



Therefore, two valuers may not attach the same value to a particular business, as it is their own judgment.

- A) There are different methods of valuation that are generally adopted namely:-
- Net Asset Value Method (NAV Method)
  - Market Value Method
  - Discounted Cash Flow Method (DCF Method)
  - Yield Value Method
- B) There have been no significant changes in the companies since the date of Balance Sheet. Hence, NAV Method is used as it portrays a fair view of the state of affairs of the companies.

**VALUATION BASED ON NAV METHOD**

For determining the NAV of BIL, STPL and BPPL, the audited financial statements for the year ended 31<sup>st</sup> March 2015 were considered. We were informed from the time the audited financial statements were drawn up, there have been no significant changes in the financials of the companies and hence we have considered the same for the valuation.

The NAV was calculated using the book values as mentioned in the audited financial statements of the companies. The same was divided by the number of equity shares to arrive at the NAV per share.

We enclose **Annexure I** showing the valuation based on the above method as per the latest audited financial statements.

**Notes:**

- A) Net assets worth Rs. 24,15,56,770/- are transferred from BIL to STPL. As consideration for the same STPL will issue 4 equity shares of Re. 1/- each fully paid-up for every 6 equity shares of Rs. 2/- each fully paid-up held in BIL.
- B) Pursuant to the scheme, the promoters' shareholding in Surana Telecom and Power Limited is getting reduced from 74.27% to 72.14% due to reduction of Share entitlement to STPL for holding shares in BIL
- C) Since BPPL is a 100% subsidiary of BIL & is proposed to be a mirror-image of the same, NAV valuation for the same is not necessary. Presently BPPL has paid-up capital of Rs. 400 lacs only, which is entirely held by BIL. In terms of the scheme the same shall get reduced and subsequent to the demerger of Real Estate undertaking (comprising of loans and advances and investments in subsidiaries), the shares will be issued to each shareholder of BIL in the mirror image of its shareholding in BIL. The shareholding pattern in BPPL is being maintained at the same level as in BIL. Thus, the equity shareholders of BIL will have the same percentage of economic benefits and control in BPPL as they have in BIL.

**5. SHAREHOLDING PATTERN**

- A) The authorized capital of **BIL** as on **31<sup>st</sup> March, 2015** is Rs. 25,00,00,000/- comprising of equity shares of Rs. 2/- each and paid up equity share capital is Rs. 12,79,80,000/- comprising of 6,39,90,000 equity shares of Rs. 2/- each.

Name of the Shareholder	% of shares held
Surana Infocom Private Limited	13.57
Narender Surana	8.08
Manish Surana	7.71
Devendra Surana	7.04
Namrata Surana	5.83
G.M. Surana	5.35
Chandkanwar Surana	5.26
Sunita Surana	5.10

Surana Telecom and Power Limited	3.58
Other Promoters (Holding less than 5% each)	12.58
<b>Promoter Group</b>	<b>74.08</b>
<b>Public</b>	<b>25.92</b>

- B) The authorized capital of **STPL** as on **31<sup>st</sup> March, 2015** is Rs. 15,00,00,000/- comprising of equity shares of Re. 1/- each and paid up equity share capital is Rs. 10,40,22,000/- comprising of 10,40,22,000 equity shares of Rs. 1/- each.

Name of the Shareholder	% of shares held
Narender Surana	18.43
Devendra Surana	14.73
Bhagyanagar India Limited	9.03
Other Promoters (Holding less than 5% each)	32.08
<b>Promoter Group</b>	<b>74.27</b>
<b>Public</b>	<b>25.73</b>

- C) The authorized capital of **BPPL** as on **31<sup>st</sup> March, 2015** is Rs. 5,00,00,000/- comprising of equity shares of Rs. 10/- each and paid up equity share capital is Rs. 4,00,00,000/- comprising of 4,00,00,000 equity shares of Rs. 10/- each.

Name of the Shareholder	% of shares held
Bhagyanagar India Limited	100%

## 6. SHARE ALLOTMENT RATIO

On the date of the draft scheme of arrangement becoming effective, the share allotment ratio will be as follows:

For every 6 (six) equity shares of Rs.2/- each held in **BIL**, the shareholders will continue to hold 3 (three) equity shares of Rs.2/- each in **Bhagyanagar India Limited** and will get 3 (three) equity shares of Rs.2/- each in **Bhagyanagar Properties Private Limited** and 4 (four) equity shares of Re.1/- each in **Surana Telecom and Power Limited**.

## 7. CONFIDENTIALITY AND PRIVILEGES

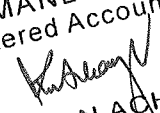
- A) The valuation report is being provided solely for the use of **BIL, STPL and BPPL** for arriving at the value of their business and the exchange ratio for the proposed scheme and shall not be used for any other purpose without our prior written consent.

## 8. SOURCES OF INFORMATION

- A) For the purpose of valuation of **BIL, STPL and BPPL**, we have relied on the following documents/information:-
- Annual reports including the audited financial statements of **BIL, STPL and BPPL** for the period ended **31<sup>st</sup> March, 2015**;
  - Division wise accounts of **BIL** for the year ended **31<sup>st</sup> March, 2015**.
  - Further information & documents as provided by the companies for the purpose of this engagement.
- B) The terms of our engagement were such that we were entitled to rely upon the information provided by the management without further inquiry.

**9. STATEMENT OF LIMITING CONDITIONS**

- A) This report has been prepared specifically for the purpose stated elsewhere in this report. Our valuation conclusions are based on the assumptions stated and on information provided by the management of **BIL, STPL and BPPL**. Neither **M/s Komandoor & Co.** nor any member or employee of the Firm undertakes responsibility in anyway whatsoever to any person in respect of any errors in this report arising from incorrect information provided by the management of these Companies. We have no obligation to update this report because of events or transactions occurring subsequent to the date of the report
- B) In accordance with normal professional practice, neither **M/s Komandoor & Co.** nor any Partner or member or employee of the Firm undertakes responsibility in any way whatsoever to any person other than **BIL, STPL and BPPL**.
- C) Neither **M/s Komandoor & Co.** nor any Individual signing or associated with this report shall be required by reasons of this report to give testimony or appear in court or other legal proceedings, unless specific arrangements to bear all the costs there off have been made.
- D) Neither **M/s Komandoor & Co.** nor any Individual signing or associated with this report are responsible for the structure of de-merger, Direct or Indirect Tax implication, statutory implications, Implication arising out of compliance with Accounting Standards, Accounting procedure. The assignment does not extend beyond the valuation as per the proposed scheme.
- E) It should not be construed that we have verified any of the information provided to us, or that our inquiries could have verified any matter, which a more extensive examination might disclose. The terms of our engagement were such that we were entitled to rely upon the information provided by the management without further inquiry.
- F) Certain historical financial data used in our valuation engagement were provided by the management and are unaudited or subjected to limited review which is substantially less extensive that audit. We have not independently verified the accuracy or completeness of such data provided and do not express an opinion or offer any form of assurance regarding its accuracy or completeness.
- G) We have not carried out a due diligence or audit of the subject assets. No investigation of the company's claim to the subject assets has been made and the company's claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances, which may be against the subject assets. Therefore, no responsibility is assumed for the matters of a legal nature. We have not carried out a separate due diligence to ascertain the physical existence of the assets comprised in the business.
- H) The value recommendation contained herein is not intended to represent the value of the subject assets at any time other than the effective date that is specifically stated in this report. Changes in market conditions could result in a current value recommendation substantially different than those presented at the stated effective date.
- I) Neither the firm nor its employees have a financial interest in the entity. The fee for the report is not contingent upon the results reported.
- J) **BIL, STPL and BPPL** hereby agree to indemnify **M/s Komandoor & Co.** its employees and its associates from any liability to the third party as a consequence of the issue of the report.

For KOMANDOOR & CO.,  
Chartered Accountants  
  
K. MOHAN ACHARYA  
PARTNER  
M.No.29082



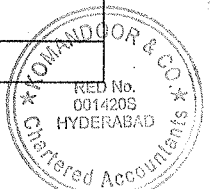
**ANNEXURE I**

**VALUATION AS PER NET ASSETS METHOD AS ON 31<sup>ST</sup> MARCH 2015**

Particulars	STPL	BIL-Solar Plant & Investments in SSL & STPL transferred	BIL-Real Estate Division, Loans & Advances & Investments in subsidiaries transferred
<b>Non-Current Assets</b>			
Fixed Assets	492,665,255	255,210,902	-
Investments	126,669,300	59,310,914	76,049,910
Long Term Loans & Advances	61,359,355	439,274	879,560,305
<b>Current Assets</b>			
Investments			
Inventories	189,302,432	-	-
Trade Receivables	30,437,218	19,110,799	-
Cash & Cash equivalents	11,284,808	1,159,153	-
Short Term Loans & Advances	1,987,033	15,953	-
Other Current Assets	36,576,684	60,031	-
<b>Non-Current Liabilities</b>			
Long Term Borrowings	151,853,386	91,370,839	-
Deferred Tax Liabilities	3,384,080	-	-
<b>Current Liabilities</b>			
Short term Borrowings	22,081,138	-	-
Trade Payables	69,080,422	2,308,648	-
Other Current Liabilities	90,738,883	70,769	-
Short Term Provisions	15,003,640	-	-
<b>NAV</b>	<b>598,140,536</b>	<b>241,556,770</b>	<b>955,610,215</b>
<b>No. of Shares</b>	<b>104,022,000</b>	<b>63,990,000</b>	
<b>NAV per Share</b>	<b>5.75</b>	<b>3.77</b>	
<b>Face Value per share</b>	<b>1</b>	<b>2</b>	
<b>NAV of Solar Division of BIL</b>		<b>24,15,56,770</b>	
<b>Value per Share of STPL</b>		<b>5.75</b>	
<b>Swap Ratio</b>	<b>0.657</b>		
<b>Rounded off to</b>	<b>4 : 6</b>		
<b>No. of Shares as per Swap Ratio</b>		<b>4,26,60,000</b>	
<b>Less:- Share Entitlement to STPL (Pursuant to shareholding by STPL in BIL)</b>		<b>15,26,887</b>	
<b>No of shares to be issued</b>		<b>4,11,33,113</b>	

For KOMANDOOR & CO.,  
Chartered Accountants

MOHAN ACHARYA





# BHAGYANAGAR INDIA LIMITED

ISO 9001 - 2008 Certified Company

Surana Group

5th Floor, Surya Towers,  
Sardar Patel Road,  
Secunderabad-500 003, Telangana, India  
Tel :+91 40 27845119/27841198/44665700  
Fax : +91-40-27848851/27818868  
Website : www.surana.com  
E.mail : bil@surana.com  
CIN No. : L27201TG1991PLC012449

## **REPORT OF THE AUDIT COMMITTEE OF BHAGYANAGAR INDIA LIMITED ("COMPANY") RECOMMENDING THE DRAFT SCHEME OF ARRANGEMENT AND DEMERGER BETWEEN THE COMPANY AND SURANA TELECOM AND POWER LIMITED AND BHAGYANAGAR PROPERTIES PRIVATE LIMITED.**

### **MEMBERS PRESENT:**

Shri Kamlesh Gandhi - Chairman  
Shri O.Swaminantha Reddy - Member  
Shri G.M.Surana - Member

### **IN ATTENDANCE:**

Shri Narender Surana - Managing Director  
Shri Devendra Surana - Managing Director  
Shri Surendra Bhutoria - Chief Financial Officer

### **1. BACKGROUND**

A meeting of the Audit Committee of Bhagyanagar India Limited ("Company "or "BIL") was held on 12<sup>th</sup> October, 2015 to consider and recommend the proposed scheme of arrangement of demerger of Solar Division of Bhagyanagar India Limited (hereinafter referred to as the "Demerged company") in to Surana Telecom and Power Limited (STPL) and Demerger of Real Estate Division in to Bhagyanagar Properties Private Limited (BPPL) to be implemented in terms of the draft Scheme of Arrangement ("Scheme") between the Company, Surana Telecom and Power Limited and Bhagyanagar Properties Private Limited and their respective shareholders and Creditors under Section 391 to 394 read with Section 100-103 of the Companies Act, 1956 and relevant provisions of the Companies Act, 1956 and/ or applicable provisions of the Companies Act, 2013.

This Report of Audit committee is made in order to comply with the requirements of Circular No.CIR/CFD/DIL/5/2013 dated February 4, 2013 read with the Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013 ("Circular") issued by Securities Exchange Board of India ("SEBI" Circulars).

*[Handwritten signature]*





Surana Group

# BHAGYANAGAR INDIA LIMITED

ISO 9001 - 2008 Certified Company

5th Floor, Surya Towers,  
Sardar Patel Road,  
Secunderabad-500 003, Telangana, India  
Tel : +91 40 27845119/27841198/44665700  
Fax : +91-40-27848851/27818868  
Website : www.surana.com  
E.mail : bil@surana.com  
CIN No. : L27201TG1991PLC012449

## The following documents were placed before the Audit committee:

- a) Draft Scheme of Arrangement.
- b) Share Entitlement Ratio Report/ Valuation Report dated 25<sup>th</sup> September, 2015 issued by M/s Komandoor & Co., Independent Chartered Accountants Fairness Opinion Report dated 29<sup>th</sup> September, 2015 issued by M/s Karvy Investor Services Limited, SEBI registered Merchant Bankers providing Fairness Opinion on the Share Entitlement Ratio.

## 2. PROPOSED SCHEME OF DEMERGER

The Audit Committee noted the rationale and the benefits of the Scheme which including inter-alia are as follows:

- Focus on individual business
- Strength for future expansion
- Enhanced synergies arising out of consolidation
- Investor attractiveness

The Audit Committee reviewed the Share Entitlement Ratio report and noted that the recommendations made therein. Further fairness opinion confirmed that the Share Entitlement Ratio in the Share Entitlement Ratio Report is fair to the shareholders of the Demerged Company.

As part of the scheme of arrangement, the existing paid up share capital of Bhagyanagar India is proposed to be reduced to 50% of 6,39,90,000 equity shares of Rs.2/- each (i.e., 3,19,95,000 equity shares of Rs.2/- each), without affecting overall holding levels of Promoters and Public.

The Audit Committee also noted that pursuant to the Scheme and as provided by the Share Entitlement Ratio by M/s Komandoor & Co., Independent Chartered Accountants:

For every 6 (six) equity shares of Rs.2/- each held in BIL, the shareholders will continue to hold 3 (three) equity shares of Rs.2/- each in Bhagyanagar India Limited and will get 3 (three) equity shares of Rs.2/- each in Bhagyanagar Properties Private Limited and 4 (four) equity shares of Re.1/- each in Surana Telecom and Power Limited.

Further the Committee has also noted that the shareholding of Bhagyanagar Properties Private Limited will be held proportionately by the shareholders of Bhagyanagar India Limited.

## 3. RECOMMENDATION OF THE AUDIT COMMITTEE



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# BHAGYANAGAR INDIA LIMITED

ISO 9001 - 2008 Certified Company

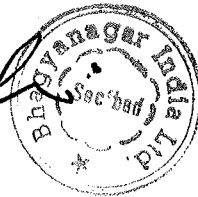
Surana Group

5th Floor, Surya Towers,  
Sardar Patel Road,  
Secunderabad-500 003, Telangana, India  
Tel : +91 40 27845119/27841198/44665700  
Fax : +91-40-27848851/27818868  
Website : www.surana.com  
E.mail : bil@surana.com  
CIN No.: L27201TG1991PLC012449

The Audit Committee has considered and noted the aforementioned documents along with the draft Scheme and taking into account, inter alia Share Entitlement Ratio Report/ Valuation Report dated 25<sup>th</sup> September, 2015 from Komandoor & Co., and the fairness opinion report dated 29<sup>th</sup> September, 2015 from Karvy Investor Services Limited, recommends the draft Scheme for favourable consideration by the Board of Directors of the Company, the Bombay Stock Exchange Limited (BSE) and the National Stock Exchange of India Limited (NSE) and the Securities and Exchange Board of India (SEBI).

**By order of the Audit Committee  
For and on behalf of Bhagyanagar India Limited**

*Kamlesh Gandhi*



**Kamlesh Gandhi  
Chairman, Audit Committee**

Date: 12.10.2015  
Place: Secunderabad



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## REPORT OF THE AUDIT COMMITTEE OF SURANA TELECOM AND POWER LIMITED ("COMPANY") RECOMMENDING THE DRAFT SCHEME OF ARRANGEMENT AND DEMERGER BETWEEN THE COMPANY AND BHAGYANAGAR INDIA LIMITED.

### MEMBERS PRESENT:

Shri Nirmal Kumar Jain - Chairman  
Shri D.Venkata Subbaiah - Member  
Dr. R.N.Sreenath - Member

### IN ATTENDANCE:

Shri Narendra Surana - Director  
Shri Devendra Surana - Director  
Shri Dudam Srinivas - Company Secretary

### 1. BACKGROUND

A meeting of the Audit Committee of Surana Telecom and Power Limited ("Company" or "STPL") was held on 12<sup>th</sup> October, 2015 to consider and recommend the proposed scheme of arrangement of demerger of Solar Division of Bhagyanagar India Limited (hereinafter referred to as the "Demerged Company") into the Company, to be implemented in terms of the draft Scheme of Arrangement ("Scheme") between the Company and Bhagyanagar India Limited and their respective shareholders and Creditors under Section 391 to 394 read with Section 100-103 of the Companies Act, 1956 and relevant provision of the Companies Act, 1956 and/ or applicable provisions of the Companies Act, 2013.

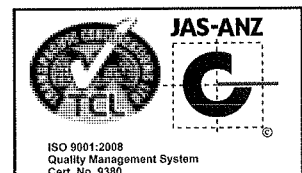
This Report of Audit committee is made in order to comply with the requirements of Circular No.CIR/CFD/DIL/5/2013 dated February 4, 2013 read with the Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013 ("Circular") issued by Securities Exchange Board of India ("SEBI" Circulars).

### The following documents were placed before the Audit committee:

- Draft Scheme of Arrangement.
- Share Entitlement Ratio Report/ Valuation Report dated 25<sup>th</sup> September, 2015 issued by M/s Komandoor & Co., Independent Chartered Accountants.
- Fairness Opinion dated 29<sup>th</sup> September, 2015 issued by M/s Karvy Investor Services Limited, SEBI registered Merchant Bankers providing Fairness Opinion Report on the Share Entitlement Ratio.



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## 2. PROPOSED SCHEME OF DEMERGER

The Audit Committee noted the rationale and the benefits of the Scheme which including inter-alia are as follows:

- Focus on individual business
- Strength for future expansion
- Enhanced synergies arising out of consolidation
- Investor attractiveness


The Audit Committee reviewed the Share Entitlement Ratio report and noted that the recommendations made therein. Further fairness opinion confirmed that the Share Entitlement Ratio in the Share Entitlement Ratio Report is fair to the shareholders of the Company.

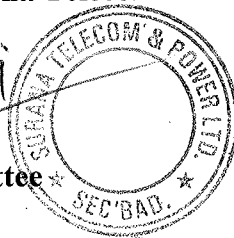
The Audit Committee noted that pursuant to the Scheme and as provided by the share entitlement ratio by M/s Komandoor & Co., Independent Chartered Accountants, STPL will issue 4 (four) equity shares of Re.1/- each fully paid up for every 6 (six) equity shares of Rs.2/- each held in BIL.

## 3. RECOMMENDATION OF THE AUDIT COMMITTEE

The Audit Committee has considered and noted the aforementioned documents along with the draft Scheme and taking into account, inter alia valuation report dated 25<sup>th</sup> September, 2015 from Komandoor & Co., and the fairness opinion report dated 29<sup>th</sup> September, 2015 from Karvy Investor Services Limited, recommends the draft Scheme for favourable consideration by the Board of Directors of the Company, the Bombay Stock Exchange Limited (BSE) and the National Stock Exchange of India Limited (NSE) and the Securities and Exchange Board of India (SEBI).

**By order of the Audit Committee  
For and on behalf of Surana Telecom and Power Limited**

  
**Nirmal Kumar Jain**  
**Chairman, Audit Committee**



Date: 12.10.2015  
Place: Secunderabad



Tuesday, September 29, 2015

**The Board of Directors**  
**Bhagyanagar India Limited**  
 Surya Towers, 5th floor  
 Sardar Patel Road  
 Secunderabad – 500003  
 Telangana

**The Board of Directors**  
**Surana Telecom and Power Limited**  
 Surya Towers, 5th floor  
 Sardar Patel Road  
 Secunderabad – 500003  
 Telangana

**The Board of Directors**  
**Bhagyanagar Properties Private Limited**  
 Surya Towers, 5th Floor  
 Sardar Patel Road  
 Secunderabad – 500003  
 Telangana

**Sub: Fairness opinion on the proposed Demerger Ratio for Bhagyanagar India Limited (BIL), Surana Telecom and Power Limited and Bhagyanagar Properties Private Limited (BPPL) pursuant to the scheme of arrangement under Sections 391 – 394 read with 78, 100 to 103 of the Companies Act 1956.**

Dear Sirs,

We refer to the engagement letter dated September 24, 2015 with Karvy Investor Services Limited (hereinafter referred to as "KISL"), wherein BIL and STPL has requested us to provide fairness opinion on the scheme of arrangement between Bhagyanagar India Limited (BIL / Demerged Company), Surana Telecom and Power Limited (STPL/Resulting Company 1) and Bhagyanagar Properties Private Limited (BPPL/Resulting Company 2).

## 1. BACKGROUND OF THE COMPANIES

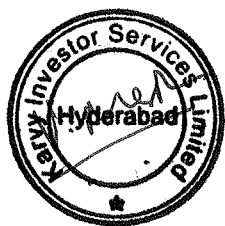
### 1.1 Bhagyanagar India Limited (BIL / Demerged Company)

Bhagyanagar India Limited ("BIL") is a company incorporated under the Companies Act, 1956, having its registered office at 5<sup>th</sup> floor, Surya Towers, S.P.Road, Secunderabad, Telangana, India-500 003. The company is a conglomerate with interest in varied businesses and is primarily a manufacturer of copper and allied products and over the time it has diversified into Real Estate and Non-conventional energy like wind and solar.

The equity shares of the BIL are listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE").

### 1.2 Surana Telecom and Power Limited (STPL/Resulting Company 1)

Surana Telecom and Power Limited ("STPL") is a company incorporated under the Companies Act, 1956, having its registered office at 5<sup>th</sup> floor, Surya Towers, S.P.Road, Secunderabad, Telangana, India-500 003. It has been incorporated to carry on the business of manufacturing of Optic Fibre / Cable wires and aluminium wire rods etc. It is also engaged in the business of manufacturing of Solar Modules and also has Solar Power generation unit situated at Gujarat Solar Park, Charanka Village, Santalpur Taluk, Patan District, Gujarat



Page 1 of 6

### Karvy Investor Services Limited

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

T: +91 40 2342 8774 / 2331 2454 | F: +91 40 2337 4714 / 2331 1968

E-mail: cmg@karvy.com/igmbd@karvy.com | www.karvy.com

CIN No. : U67120TG1997PLC026253 | SEBI Registration No. MB/INM000008365



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The equity shares of the STPL are listed on BSE and NSE.

### 1.3 Bhagyanagar Properties Private Limited (BPPL / Resulting Company 2)

Bhagyanagar Properties Private Limited ("BPPL") is a company incorporated under the Companies Act, 1956, , having its registered office at 5<sup>th</sup> floor, Surya Towers, S.P.Road, Secunderabad, Telangana, India-500 003, India. It has been incorporated to carry on the business of Real Estate, Construction, Buy, Sell, Lease, License of buildings and other properties.

## 2. SCOPE AND PURPOSE OF THIS REPORT

- 2.1 We understand that the Board of Directors of Demerged Company is proposing to demerge various units of BIL and some of the investments in subsidiaries under a scheme of arrangement under the provisions of Sections 391-394 read with 78, 100 to 103 of the Companies Act, 1956 (hereinafter referred to as the "Scheme of Arrangement") and have obtained a valuation report from M/s Komandoor & Co. Chartered Accountants (hereinafter referred to as "Valuer") to arrive at the demerger ratio.
- 2.2 In consideration of the demerger of the various units of Demerged Company to Resulting Company 1 and Resulting Company 2, pursuant to the Scheme of Arrangement, for every 6 (Six) equity shares (Before reduction of Share Capital specified in Point 4.2.3 of this report) of the face value of Rs. 2 each, held by the shareholders of Demerged Company, the Resulting Company 1 shall issue and allot 4 (Four) equity shares of the face value of Re. 1 each fully paid up to the shareholders of the Demerged Company and for every 6 (Six) equity shares (Before reduction of Share Capital specified in Point 4.2.3 of this report) of the face value of Rs. 2 each held by the shareholders of Demerged Company, the Resulting Company 2 shall issue and allot 3 (Three) equity shares of the face value of Rs. 2 each fully paid up to the shareholders of the Demerged Company.
- 2.3 In this connection, the management of BIL has engaged KISL to submit a report on the fairness of the demerger ratio as per the requirements of Securities and Exchange Board of India Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 read with Circular No. CIR/CFD/DIL/8/2013 dated May 21 2013 and listing agreement entered by BIL, STPL with BSE and NSE. Our scope of work includes commenting only on the fairness of the demerger ratio recommended by the Valuer and not on the fairness or economic rationale of the Demerger per se or the valuation methods used by the Valuer.
- 2.4 This report is subject to the scope, limitations and disclaimers detailed hereinafter. As such the report is to be read in totality, not in parts and in conjunction with the relevant documents referred to herein. This report has been issued only for the purpose of facilitating the Scheme of Arrangement between Demerged Company, Resulting Company 1 and Resulting Company 2 and should not be used for any other purpose.

## 3. SOURCES OF INFORMATION

We have relied on the following information for framing our opinion on the fairness of the demerger ratio:

- Draft Scheme of Arrangement between Demerged Company, Resulting Company 1 and Resulting Company 2 as approved by Board of Directors of the respective Companies.
- Audited financials of BIL, STPL, BPPL for financial year 2014-15
- Share Exchange Ratio Report of M/s Komandoor & Co., Chartered Accountants
- Other relevant information regarding BIL, STPL & BPPL



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#### 4. RATIONALE AND KEY FEATURES OF SCHEME OF ARRANGEMENT

4.1 The rationale for the arrangement as provided in the Scheme of Arrangement is as follows:

##### 4.1.1. Solar Power Division:-

The Solar Power Division of BIL comprising solar power plant (5 MW situated at Munipally, Medak District, Telangana) and investments in equity shares of Surana Solar Limited (“SSL”) and Surana Telecom and Power Limited (“STPL”) are proposed to be transferred to STPL. Management of BIL is of the opinion that by transferring the entire Solar power division to STPL shall bring in the following advantages:

**Focus on Solar Business:** STPL has placed its focus solely on Non-Conventional energy viz. Solar Power Generation, already having an installed capacity of 10 MW, Wind Power Generation, with an installed capacity of 1.25 MW, and other power generation projects in the pipeline. So BIL is of the view that by transferring Solar Division to STPL will achieve greater revenues and growth with proper focus & resources.

**Strength for future expansion:** There has been a rising awareness worldwide that renewable energy and energy efficiency are critical not only for addressing climate change, but also for creating new economic opportunities. In the recent years, advances in renewable energy technologies, global increases in capacity and rapid cost reductions have been made as the policies have been favorable. The size of renewable energy market will see further growth as the application of renewable purchase obligation expands to cover open access and capture consumers.

**Enhanced synergies arising out of consolidation:** The demerger of Solar Power Division of BIL into STPL will also bring about administrative efficiencies in managing operations of both the companies. Post demerger, there will be synergies in respective businesses, which will result in operational efficiencies. Thus, the proposed de-merger will result in better and effective administration in management and operations, owing to creation of focused entities.

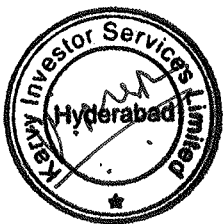
**Investor attractiveness:** The proposed demerger will bring about an increase in value of STPL which in turn increases value to the share-holders of BIL who will become share-holders in STPL by virtue of this scheme of arrangement.

##### 4.1.2 Real Estate Division:-

The Real Estate Division of BIL comprising Loans & Advances in the subsidiaries and Investments in BPPL, Scientia Infocom India Private Limited & Metropolitan Ventures India Private Limited are proposed to be transferred to BPPL. Management of BIL is of the opinion that by transferring the entire Real Estate division to BPPL shall bring in the following advantages:

**Focus on Real Estate Business:** BPPL has sufficient landbank to develop & thrive in the Real Estate markets. Consolidating the Real Estate division into BPPL will result in higher revenues & accelerated growth as a result of increased focus in the Real estate business.

**Future Expansion:** The Indian business scenario is getting more complex by the day, with new government regulations, newer technologies, customer preferences, increased competition, advent of new business strategies, global expansion etc. In order to meet the growing challenges, most of the business organizations are increasing their focus on their core businesses and going for backward and forward integration accordingly.





**Enhanced synergies arising out of consolidation:** The demerger of Real Estate division comprising of loans and advances and investments in the real-estate subsidiaries of BIL into BPPL will also bring about administrative efficiencies in managing operations of both the companies. Post demerger there will be synergies in respective businesses, which will result in operational efficiencies. Thus, the proposed de-merger will result in better and effective administration in management and operations, owing to creation of focused entities.

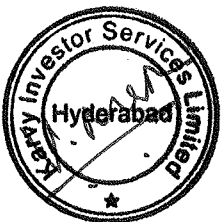
**Investor attractiveness:** Often financial investors look out for sector specific companies because they have different parameters for risk and return. The return expectations of a Copper business investor are different from that of an investor in a real estate industry. The proposed demerger of the Real estate of BIL into BPPL will create two entities focusing on their respective businesses, thereby addressing investor concern.

4.2 The key features of the Scheme of Arrangement are as follows:

- 4.2.1 Upon the Effective Date and with effect from the Appointed Date and subject to the provisions of the Scheme of Arrangement, businesses, activities and operations of the Demerged Company, pertaining to Solar Division and the Investments in Surana Solar Limited and Solar Telecom and Power Limited, shall be transferred on a going concern basis to Resulting Company 1 and reduction of shares of STPL transferred by the demerged company to Resulting Company 1.
- 4.2.2 Upon the Effective Date and with effect from the Appointed Date and subject to the provisions of the Scheme of Arrangement, businesses, activities and operations of the Demerged Company, pertaining to Real Estate Division and Investments in Scientia Infocom India Private Limited and Metropolitan Ventures India Limited, shall be transferred on a going concern basis to Resulting Company 2 and reduction of shares of BPPL transferred by the demerged company to Resulting Company 2.
- 4.2.3 Upon the Scheme coming into effect and also upon issuance of shares by the 2<sup>nd</sup> Resulting Company as above the issued, subscribed and paid up equity share capital of BIL shall be reduced from Rs.12,79,80,000 divided into 6,39,90,000 equity shares of Rs. 2/- each to Rs. 6,39,90,000 divided into 3,19,95,000 equity shares of Rs. 2/- each.
- 4.2.4 In consideration of the demerger of the various units of Demerged Company to Resulting Company 1 and Resulting Company 2, pursuant to the Scheme of Arrangement,
- A) for every 6 (Six) equity shares (Before reduction of Share Capital specified in Point 4.2.3 of this report) of the face value of Rs. 2 each, held by the shareholders of Demerged Company, the Resulting Company 1 shall issue and allot 4 (Four) equity shares of the face value of Re. 1 each fully paid up to the shareholders of the Demerged Company and
- B) for every 6 (Six) equity shares (Before reduction of Share Capital specified in Point 4.2.3 of this report) of the face value of Rs. 2 each held by the shareholders of Demerged Company, the Resulting Company 2 shall issue and allot 3 (Three) equity shares of the face value of Rs. 2 each fully paid up to the shareholders of the Demerged Company i.e. mirror – image shareholding pattern.
- 4.2.5 The Demerger ratio has been arrived at by M/s Komandoor & Co. Chartered Accountants.

## 5 LIMITATIONS OF SCOPE AND REVIEW

- 5.1 Our Opinion and analysis is limited to the extent of review of documents as provided to us by the Demerged Company and the Scheme of Arrangement approved by the Board of Directors of the Demerged Company and the Resulting Companies.



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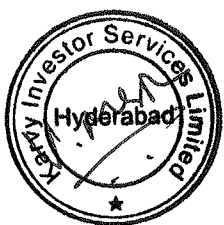
- 5.2 We have relied upon the accuracy and completeness of all information and documents provided to us, without carrying out any due diligence or independent verification or validation of such information to establish its accuracy or sufficiency. We have not reviewed any financial forecasts relating to the Demerged Company, Resulting Company 1 and Resulting Company 2. We have not conducted any independent valuation or appraisal of any of the assets or liabilities of the Demerged Company, Resulting Company 1 and Resulting Company 2. In particular, we do not express any opinion as to the value of any asset of Demerged Company, Resulting Company 1 and Resulting Company 2, whether at current prices or in the future.
- 5.3 We do not express any opinion as to the price at which shares of Demerged Company, Resulting Company 1 and Resulting Company 2 may trade at any time, including subsequent to the date of this opinion. In rendering our opinion, we have assumed, that the Scheme of Arrangement will be implemented on the terms described therein, without any waiver or modification of any material terms or conditions, and that in the course of obtaining the necessary regulatory or third party approvals for the Scheme of Arrangement, no delay, limitation, restriction or condition will be imposed that would have an adverse effect on Demerged Company, Resulting Company 1 and Resulting Company 2 and their respective shareholders.
- 5.4 We do not express any opinion as to any tax or other consequences that might arise from the Scheme of Arrangement on Demerged Company, Resulting Company 1 and Resulting Company 2 and their respective shareholders, nor does our opinion address any legal, tax, regulatory or accounting matters, as to which we understand that the Companies have obtained such advice as it deemed necessary from qualified professionals.
- 5.5 We assume no responsibility for updating or revising our opinion based on circumstances or events occurring after the date hereof. Our opinion is specific to the Demerger of the various units of the Demerged Company as contemplated in the Scheme of Arrangement provided to us and is not valid for any other purpose.
- 5.6 We may currently or in the future provide, investment banking services to Demerged Company, Resulting 1 and Resulting Company 2 and/or its subsidiaries or their respective affiliates that are unrelated to the proposed Scheme of Arrangement, for which services we have / may receive customary fees. In addition, in the ordinary course of their respective businesses, affiliates of KISL may actively trade in the securities of the Demerged Company or its group companies or for their own accounts and for the accounts of their customers and, accordingly, may at any time hold a position in such securities. Our engagement and the opinion expressed herein are for the use of the Board of Directors of Demerged Company in connection with the consideration of the Scheme of Arrangement and for none other. Neither KISL, nor its affiliates, partners, directors, shareholders, managers, employees or agents of any of them, makes any representation or warranty, express or implied, as to the information and documents provided to us, based on which the opinion has been issued. All such parties and entities expressly disclaim any and all liability for, or based on or relating to any such information contained therein.
- 5.7 Our opinion is not intended to and does not constitute a recommendation to any shareholder as to how such holder should vote or act in connection with the Scheme of Arrangement or any matter related thereto.

## 6. VALUATION REPORT

Demerged Company has appointed M/s Komandoor & Co. Chartered Accountants to recommend a fair and equitable equity share entitlement ratio for the Demerger.

The extract of the Valuation report issued by the Valuer is as follows:

For every 6 (six) equity shares of Rs.2/- each held in BIL, the shareholders will continue to hold 3 (three) equity shares of Rs.2/- each in Bhagyanagar India Limited and will get 3 (three) equity shares of Rs.2/- each in Bhagyanagar Properties Private Limited and 4 (four) equity shares of Re.1/- each in Surana Telecom and Power Limited.



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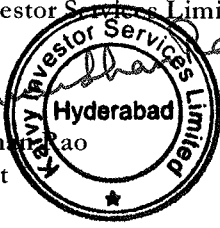


7. OPINION

On the basis of the Rationale of the Scheme of Arrangement and considering the Scope and Limitations mentioned in this report, we are of the opinion that the Demerger ratio is fair to the Equity Shareholders of the Demerged Company, Resulting Company 1 and Resulting Company 2.

For Karvy Investor Services Limited

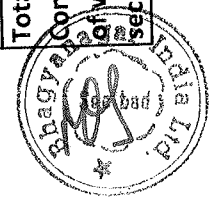
V. Madhusudhan Rao  
V Madhusudhan Rao  
Vice President



**SHAREHOLDING PATTERN - PRE SCHEME OF ARRANGEMENT**

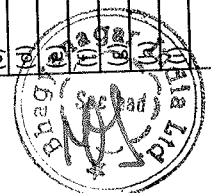
(1)(a) STATEMENT SHOWING SHAREHOLDING PATTERN IN CLAUSE-35			
NAME OF THE COMPANY: BHAGYANAGAR INDIA LIMITED		NSE - BHAGYNAGAR	
SCRIP CODE:	BSE - 512296		
Class of Security:			
Quarter ended	31-Mar-15		
		As a % of total no. of partly paid-up shares	As a % of total no. of shares of the Company.
Partly paid-up shares	0	0	0
Held by promoter/promoter group	0	0	0
Held by Public	0	0	0
<b>Total:</b>			
		As a % of total no. of shares of the Company assuming full conversion of the convertible securities	
Outstanding convertible securities:	0	0	0
Held by promoter/promoter group	0	0	0
Held by Public	0	0	0
<b>Total:</b>			
		As a % of total no. of shares of the Company, assuming full conversion of warrants	
Warrants:	0	0	0
Held by promoter/promoter group	0	0	0
Held by Public	0	0	0
<b>Total:</b>			
<b>Total paid-up capital of the Company, assuming full conversion of warrants and convertible securities</b>	<b>63990000</b>	<b>0</b>	<b>100.00</b>

80



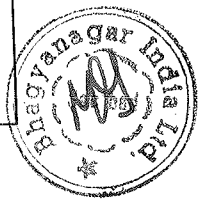


CATEGORY CODE	CATEGORY OF SHAREHOLDER	NO OF SHAREHOLDERS (III)	TOTAL NUMBER OF SHARES (IV)	NO OF SHARES HELD IN DEMATERIALIZED FORM (V)	TOTAL SHAREHOLDING AS A % OF TOTAL NO OF SHARES			SHARES PLEDGE OR OTHERWISE ENCUMBERED	
					AS a PERCENTAGE of (A+B) (VI)	As a PERCENTAGE of (A+B+C) (VII)	NUMBER OF SHARES (VIII)	AS a PERCENTAGE (IX)=(VIII)/(IV)*100	
(I)	(II)								
(A)	PROMOTER AND PROMOTER GROUP								
(1)	INDIAN	21	36431808	36431808	56.93	56.93	0	0.00	0.00
(a)	Individual /HUF	0	0	0	0.00	0.00	0	0.00	0.00
(b)	Central Government/State Government(s)	4	10972221	10972221	17.15	17.15	0	0.00	0.00
(c)	Bodies Corporate	0	0	0	0.00	0.00	0	0.00	0.00
(d)	Financial Institutions / Banks	0	0	0	0.00	0.00	0	0.00	0.00
(e)	Others	0	0	0	0.00	0.00	0	0.00	0.00
	<b>Sub-Total A(1) :</b>	<b>25</b>	<b>47404029</b>	<b>47404029</b>	<b>74.08</b>	<b>74.08</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
(2)	FOREIGN	0	0	0	0.00	0.00	0	0.00	0.00
(a)	Individuals (NRIs/Foreign Individuals)	0	0	0	0.00	0.00	0	0.00	0.00
(b)	Bodies Corporate	0	0	0	0.00	0.00	0	0.00	0.00
(c)	Institutions	0	0	0	0.00	0.00	0	0.00	0.00
(d)	Qualified Foreign Investor	0	0	0	0.00	0.00	0	0.00	0.00
(e)	Others	0	0	0	0.00	0.00	0	0.00	0.00
	<b>Sub-Total A(2) :</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
	<b>Total A=A(1)+A(2)</b>	<b>25</b>	<b>47404029</b>	<b>47404029</b>	<b>74.08</b>	<b>74.08</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
(B)	PUBLIC SHAREHOLDING								
(1)	INSTITUTIONS	2	10500	0	0.02	0.02	0	0.00	0.00
(a)	Mutual Funds /UTI	3	1496171	1496171	2.34	2.34	0	0.00	0.00
(b)	Financial Institutions /Banks	1	176700	176700	0.28	0.28	0	0.00	0.00
(c)	Central Government / State Government(s)	0	0	0	0.00	0.00	0	0.00	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0.00	0	0.00	0.00
(e)	Insurance Companies	0	0	0	0.00	0.00	0	0.00	0.00
(f)	Foreign Institutional Investors	0	0	0	0.00	0.00	0	0.00	0.00
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0.00	0	0.00	0.00
(h)	Qualified Foreign Investor	0	0	0	0.00	0.00	0	0.00	0.00
	Others	0	0	0	0.00	0.00	0	0.00	0.00
	<b>Sub-Total B(1) :</b>	<b>6</b>	<b>1683371</b>	<b>1672871</b>	<b>2.63</b>	<b>2.63</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>



CATEGORY CODE	CATEGORY OF SHAREHOLDER	NO OF SHAREHOLDERS (III)	TOTAL NUMBER OF SHARES (IV)	NO OF SHARES HELD IN DEMATERIALIZED FORM (V)	TOTAL SHAREHOLDING AS A % OF TOTAL NO OF SHARES			SHARES PLEDGE OR OTHERWISE ENCUMBERED		
					AS a PERCENTAGE of (A+B) (VI)	AS a PERCENTAGE of (A+B+C) (VII)	NUMBER OF SHARES (VIII)	AS a PERCENTAGE (IX)=(VIII)/(IV)*100		
(1)	(ii)									
(2)	NON-INSTITUTIONS	255	1137398	1125203	1.78	1.78				
(a)	Bodies Corporate									
(b)	Individuals	10927	7800226	7022601	12.19	12.19				
	(i) individuals holding nominal share capital upto Rs.1 lakh	19	4813625	4813625	7.52	7.52				
	(ii) Individuals holding nominal share capital in excess of Rs.1 lakh									
(c)	Others	15	22031	22031	0.03	0.03				
	CLEARING MEMBERS	82	1128820	1128820	1.76	1.76				
	NON RESIDENT INDIANS	1	500	500	0.00	0.00				
	TRUSTS	0	0	0	0.00	0.00				
(d)	Qualified Foreign Investor									
	Sub-Total B(2) :	11299	14902600	14112780	23.29	23.29				
	Total B=B(1)+B(2) :	11305	16585971	15785651	25.92	25.92				
	Total (A+B) :	11330	63990000	63189680	100.00	100.00				
(C)	Shares held by custodians, against which Depository Receipts have been issued									
(1)	Promoter and Promoter Group	0	0	0	0.00	0.00				
(2)	Public									
	GRAND TOTAL (A+B+C) :	11330	63990000	63189680	100.00	100.00			0	0.00

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(I)(b) Statement showing holding of securities (including shares, warrants, convertible securities) of persons belonging to the category "Promoter and Promoter Group"

Sr.No	Name of the Shareholder	Details of Shares held		Encumbered shares (*)		Details of Warrants			Details of convertible securities		Total Shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital
		No. of Shares held (III)	As a % of grand total (A)+(B)+(C) (IV)	Pledge Shares (V)	AS a percentage (VI)=(V)/(III)*100 (VII)	AS a % of grand total (A) + (B) + (C) of sub-clause (I)(a) (VIII)	Number of warrants held of same class (VIII)	As a % total number of warrants of the same class (IX)	Number of convertible securities held (X)	As a % total number of convertible securities of the same class (XI)	
(I)	(II)										(XII)
1	ADVAIT SURANA	323082	0.50	0	0.00	0.00	0	0.00	0	0.00	0.50
2	CHAND KANWAR	3366010	5.26	0	0.00	0.00	0	0.00	0	0.00	5.26
3	DEVENDRA SURANA	4170828	6.52	0	0.00	0.00	0	0.00	0	0.00	6.52
4	DEVENDRA SURANA	332149	0.52	0	0.00	0.00	0	0.00	0	0.00	0.52
5	DEVENDRA SURANA (HUF)	135000	0.21	0	0.00	0.00	0	0.00	0	0.00	0.21
6	G M SURANA (HUF)	357550	0.56	0	0.00	0.00	0	0.00	0	0.00	0.56
7	G M SURANA (MHUF)	332760	0.52	0	0.00	0.00	0	0.00	0	0.00	0.52
8	GM SURANA	3421980	5.35	0	0.00	0.00	0	0.00	0	0.00	5.35
9	MANISH SURANA	4938433	7.72	0	0.00	0.00	0	0.00	0	0.00	7.72
10	MITALI SURANA	600000	0.94	0	0.00	0.00	0	0.00	0	0.00	0.94
11	NAMRATA SURANA	3730166	5.83	0	0.00	0.00	0	0.00	0	0.00	5.83
12	NARENDER SURANA	3632474	5.68	0	0.00	0.00	0	0.00	0	0.00	5.68
13	NARENDER SURANA	1539436	2.41	0	0.00	0.00	0	0.00	0	0.00	2.41
14	NARENDER SURANA (HUF)	213000	0.33	0	0.00	0.00	0	0.00	0	0.00	0.33
15	NIVRUTHI SURANA	695000	1.09	0	0.00	0.00	0	0.00	0	0.00	1.09
16	RAHUL SURANA	2809000	4.39	0	0.00	0.00	0	0.00	0	0.00	4.39
17	SHRESHA SURANA	595227	0.93	0	0.00	0.00	0	0.00	0	0.00	0.93
18	SRESHA SURANA	564000	0.88	0	0.00	0.00	0	0.00	0	0.00	0.88
19	SUNITA SURANA	3266671	5.10	0	0.00	0.00	0	0.00	0	0.00	5.10
20	SURANA INFOCOM PRIVATE LIMITED	7941543	12.41	0	0.00	0.00	0	0.00	0	0.00	12.41
21	SURANA INFOCOM PRIVATE LIMITED	740347	1.16	0	0.00	0.00	0	0.00	0	0.00	1.16
22	SURANA TELECOM AND POWER LIMITED	2251457	3.52	0	0.00	0.00	0	0.00	0	0.00	3.52
23	SURANA TELECOM AND POWER LIMITED	38874	0.06	0	0.00	0.00	0	0.00	0	0.00	0.06
24	VINITA SURANA	1306332	2.04	0	0.00	0.00	0	0.00	0	0.00	2.04
25	VINITA SURANA	102710	0.16	0	0.00	0.00	0	0.00	0	0.00	0.16
	TOTAL :	47404029	74.08	0	0.00	0.00	0	0.00	0	0.00	74.08



Statement showing holding of securities (including shares, warrants, convertible securities) of persons belonging to the category "Public" and holding more than 1% of the total number of shares

Sr.No.	Name of the shareholder	Number of shares held	Shares as a percentage of total number of shares {i.e., Grant total (A)+(B)+(C) indicated in Statement at para (i)(a) above}	Details of warrants		Details of convertible securities		Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital)
				Number of warrants held	As a % total number of warrants of the same class	Number of convertible securities held	% w.r.t total number of convertible securities of the same class	
1	SAMBHAV MUNOTH	1646000		2.57	0	0.00	0	2.57
2	UNITED INDIA INSURANCE COMPANY LIMITED	950213		1.48	0	0.00	0	1.48
3	SATPAL KHATTAR	895602		1.40	0	0.00	0	1.40
4	NARENDER M	735160		1.15	0	0.00	0	1.15
	<b>TOTAL :</b>	<b>4226975</b>		<b>6.61</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>6.61</b>



Statement showing holding of securities (including shares, warrants, convertible securities) of persons (together with PAC) belonging to the category "Public" and holding more than 5% of the total number of shares of the company						
Sr.No.	Name(s) of the shareholder(s) and the Persons Acting in Concert (PAC) with them	Number of shares held	Shares as a percentage of total number of shares {i.e., Grant total (A)+(B)+(C) indicated in Statement at para (I)(a) above}	Details of warrants		Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital
				Number of warrants held	As a % total number of warrants the same class	
				Details of convertible securities		
				Number of convertible securities held	% w.r.t total number of convertible securities of the same class	
				0	0	0
<b>TOTAL :</b>				0	0	0

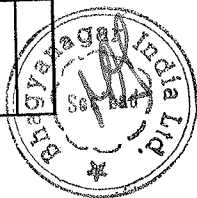
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STATEMENT SHOWING DETAILS OF LOCKED-IN SHARES"			
(1)(d)			
	Name of the shareholder	Number of locked-in shares	Locked-in shares as a (%) percentage of total number of shares (i.e, Grand Total (A)+(B)+(C) Indicated in Statement at para (1)(a) above}
Sr.No.			Promoter/Promoter Group/Public
		0	0
<b>TOTAL :</b>			0



STATEMENT SHOWING DETAILS OF DEPOSITORY RECEIPTS (DRS)			
(II)(a)			
	Number of outstanding DRs	Number of shares underlying outstanding DRs	Shares underlying outstanding DRs as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at Para(I)(a) above}
Sr.No.	Type of outstanding DR (ADRs,GDRs,SDRs,etc.)		
		0	0
<b>TOTAL :</b>			0



Statement showing Holding of Depository Receipts (DRs), where underlying shares held by "Promoter/Promoter group" are in excess of 1% of the total number shares.				
(ii)(b)		Type of outstanding DR (ADRs, GDRs, SDRs, etc.)	Number of shares underlying outstanding DRs	Shares underlying outstanding DRs as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at para(i)(a) above}
Sr.No.	Name of the DR Holder			
			0	0
TOTAL :				0



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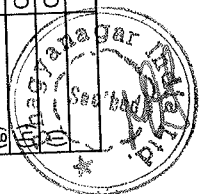
**SHAREHOLDING PATTERN - POST SCHEME OF ARRANGEMENT**

(1)(a) STATEMENT SHOWING SHAREHOLDING PATTERN IN CLAUSE-35			
NAME OF THE COMPANY: BHAGYANAGAR INDIA LIMITED		NSE - BHAGYNAGAR	
SCRIP CODE:	BSE - 512296		
Class of Security:			
Quarter ended	31-Mar-15		
		As a % of total no. of partly paid-up shares	As a % of total no. of shares of the Company.
Partly paid-up shares		0	0
Held by promoter/promoter group		0	0
Held by Public		0	0
<b>Total:</b>			
		As a % of total no. of outstanding convertible securities.	As a % of total no. of shares of the Company assuming full conversion of the convertible securities
Outstanding convertible securities:	No. of outstanding securities	0	0
Held by promoter/promoter group		0	0
Held by Public		0	0
<b>Total:</b>		0	0
		As a % of total no. of warrants	As a % of total no. of shares of the Company, assuming full conversion of warrants
Warrants:	No. of warrants	0	0
Held by promoter/promoter group		0	0
Held by Public		0	0
<b>Total:</b>		0	0
<b>Total paid-up capital of the Company, assuming full conversion of warrants and convertible securities</b>	<b>31995000</b>	<b>0</b>	<b>100.00</b>

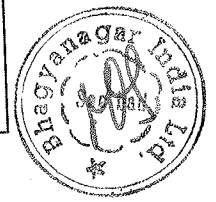
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CATEGORY CODE	CATEGORY OF SHAREHOLDER	NO OF SHAREHOLDERS (iii)	TOTAL NUMBER OF SHARES (iv)	NO OF SHARES HELD IN DEMATERIALIZED FORM (v)	TOTAL SHAREHOLDING AS A % OF			SHARES PLEDGE OR OTHERWISE ENCUMBERED
					AS a PERCENTAGE of (A+B) (vi)	As a PERCENTAGE of (A+B+C) (vii)	NUMBER OF SHARES AS a PERCENTAGE (ix)=[viii]/(iv)*100 (viii)	
(i)	PROMOTER AND PROMOTER GROUP							
(A)	INDIAN	21	18215904	18215904	56.93	56.93	0	0.00
(1)	Individual /HUF	0	0	0	0.00	0.00	0	0.00
(a)	Central Government/State Government(s)	4	5486111	5486111	17.15	17.15	0	0.00
(c)	Bodies Corporate	0	0	0	0.00	0.00	0	0.00
(d)	Financial Institutions / Banks	0	0	0	0.00	0.00	0	0.00
(e)	Others	0	0	0	0.00	0.00	0	0.00
	<b>Sub-Total A(1) :</b>	<b>25</b>	<b>23702015</b>	<b>23702015</b>	<b>74.08</b>	<b>74.08</b>	<b>0</b>	<b>0.00</b>
(2)	FOREIGN	0	0	0	0.00	0.00	0	0.00
(a)	Individuals (NRIs/Foreign Individuals)	0	0	0	0.00	0.00	0	0.00
(b)	Bodies Corporate	0	0	0	0.00	0.00	0	0.00
(c)	Institutions	0	0	0	0.00	0.00	0	0.00
(d)	Qualified Foreign Investor	0	0	0	0.00	0.00	0	0.00
(e)	Others	0	0	0	0.00	0.00	0	0.00
	<b>Sub-Total A(2) :</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>
	<b>Total A=A(1)+A(2)</b>	<b>25</b>	<b>23702015</b>	<b>23702015</b>	<b>74.08</b>	<b>74.08</b>	<b>0</b>	<b>0.00</b>
(B)	PUBLIC SHAREHOLDING							
(1)	INSTITUTIONS	2	5250	0	0.02	0.02	0	0.00
(a)	Mutual Funds /UTI	3	748086	748086	2.34	2.34	0	0.00
(b)	Financial Institutions /Banks	1	88350	88350	0.28	0.28	0	0.00
(c)	Central Government / State Government(s)	0	0	0	0.00	0.00	0	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0.00	0	0.00
(e)	Insurance Companies	0	0	0	0.00	0.00	0	0.00
(f)	Foreign Institutional Investors	0	0	0	0.00	0.00	0	0.00
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0.00	0	0.00
	Qualified Foreign Investor	0	0	0	0.00	0.00	0	0.00
	Others	0	0	0	0.00	0.00	0	0.00
	<b>Sub-Total B(1) :</b>	<b>6</b>	<b>841686</b>	<b>836436</b>	<b>2.63</b>	<b>2.63</b>	<b>0</b>	<b>0.00</b>



CATEGORY CODE	CATEGORY OF SHAREHOLDER	NO OF SHAREHOLDERS (III)	TOTAL NUMBER OF SHARES (IV)	NO OF SHARES HELD IN DEMATERIALIZED FORM (V)	TOTAL SHAREHOLDING AS A % OF TOTAL NO OF SHARES			SHARES PLEDGE OR OTHERWISE ENCUMBERED
					AS a PERCENTAGE of (A+B) (VI)	As a PERCENTAGE of (A+B+C) (VII)	NUMBER OF SHARES AS a PERCENTAGE (IX)=(VIII)/(IV)*100 (VIII)	
(1)	(ii)							
(2)	NON-INSTITUTIONS	255	568699	562602	1.78	1.78		
(a)	Bodies Corporate							
(b)	Individuals	10927	3900113	3511301	12.19	12.19		
	(i) Individuals holding nominal share capital upto Rs.1 lakh							
	(ii) Individuals holding nominal share capital in excess of Rs.1 lakh	19	2406813	2406813	7.52	7.52		
(c)	Others	15	11016	11016	0.03	0.03		
	CLEARING MEMBERS	82	564410	564410	1.76	1.76		
	NON RESIDENT INDIANS	1	250	250	0.00	0.00		
	TRUSTS	0	0	0	0.00	0.00		
(d)	Qualified Foreign Investor							
	Sub-Total B(2) :	11299	7451300	7056390	23.29	23.29		
	Total B=B(1)+B(2) :	11305	8292986	7892826	25.92	25.92		
	Total (A+B) :	11330	31995000	31594840	100.00	100.00		
(C)	Shares held by custodians, against which Depository Receipts have been issued							
(1)	Promoter and Promoter Group	0	0	0	0.00	0.00		
(2)	Public							
	GRAND TOTAL (A+B+C) :	11330	31995000	31594840	100.00	100.00	0	0.00

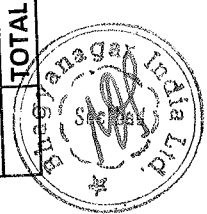


(I)(b) Statement showing holding of securities (including shares, warrants, convertible securities) of persons belonging to the category "Promoter and Promoter Group"													
Sr.No	Name of the Shareholder	Details of Shares held			Encumbered shares (*)			Details of Warrants			Details of convertible securities		Total Shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital
		No. of Shares held (III)	As a % of grand total (A)+(B)+(C) (IV)	Pledge Shares (V)	AS a percentage (VI)=(V)/(III)*100 (VII)	AS a % of grand total (A) + (B) + (C) of sub-clause (I)(a) (VII)	Number of warrants held (VIII)	As a % total number of warrants of the same class (IX)	Number of convertible securities held (X)	As a % total number of convertible securities of the same class (XI)	(XII)		
(I)	(II)												
1	ADVAIT SURANA	161541	0.50	0	0.00	0.00	0	0.00	0	0.00	0	0.00	0.50
2	CHAND KANIWAR	1683005	5.26	0	0.00	0.00	0	0.00	0	0.00	0	0.00	5.26
3	DEVENDRA SURANA	2085414	6.52	0	0.00	0.00	0	0.00	0	0.00	0	0.00	6.52
4	DEVENDRA SURANA	166075	0.52	0	0.00	0.00	0	0.00	0	0.00	0	0.00	0.52
5	DEVENDRA SURANA (HUF)	67500	0.21	0	0.00	0.00	0	0.00	0	0.00	0	0.00	0.21
6	G M SURANA (HUF)	178775	0.56	0	0.00	0.00	0	0.00	0	0.00	0	0.00	0.56
7	G M SURANA (MHUF)	166380	0.52	0	0.00	0.00	0	0.00	0	0.00	0	0.00	0.52
8	GM SURANA	1710990	5.35	0	0.00	0.00	0	0.00	0	0.00	0	0.00	5.35
9	MANISH SURANA	2469217	7.72	0	0.00	0.00	0	0.00	0	0.00	0	0.00	7.72
10	MITALI SURANA	300000	0.94	0	0.00	0.00	0	0.00	0	0.00	0	0.00	0.94
11	NAMRATA SURANA	1865083	5.83	0	0.00	0.00	0	0.00	0	0.00	0	0.00	5.83
12	NARENDER SURANA	1816237	5.68	0	0.00	0.00	0	0.00	0	0.00	0	0.00	5.68
13	NARENDER SURANA	769718	2.41	0	0.00	0.00	0	0.00	0	0.00	0	0.00	2.41
14	NARENDER SURANA (HUF)	106500	0.33	0	0.00	0.00	0	0.00	0	0.00	0	0.00	0.33
15	NIVRUTHI SURANA	347500	1.09	0	0.00	0.00	0	0.00	0	0.00	0	0.00	1.09
16	RAHUL SURANA	1404500	4.39	0	0.00	0.00	0	0.00	0	0.00	0	0.00	4.39
17	SHRESHA SURANA	297614	0.93	0	0.00	0.00	0	0.00	0	0.00	0	0.00	0.93
18	SRESHA SURANA	282000	0.88	0	0.00	0.00	0	0.00	0	0.00	0	0.00	0.88
19	SUNITA SURANA	1633336	5.10	0	0.00	0.00	0	0.00	0	0.00	0	0.00	5.10
20	SURANA INFOCOM PRIVATE LIMITED	3970772	12.41	0	0.00	0.00	0	0.00	0	0.00	0	0.00	12.41
21	SURANA INFOCOM PRIVATE LIMITED	370174	1.16	0	0.00	0.00	0	0.00	0	0.00	0	0.00	1.16
22	SURANA TELECOM AND POWER LIMITED	1125729	3.52	0	0.00	0.00	0	0.00	0	0.00	0	0.00	3.52
23	SURANA TELECOM AND POWER LIMITED	19437	0.06	0	0.00	0.00	0	0.00	0	0.00	0	0.00	0.06
24	VINITA SURANA	653166	2.04	0	0.00	0.00	0	0.00	0	0.00	0	0.00	2.04
25	VINITA SURANA	51355	0.16	0	0.00	0.00	0	0.00	0	0.00	0	0.00	0.16
<b>TOTAL :</b>		<b>23702015</b>	<b>74.08</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>74.08</b>

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Statement showing holding of securities (including shares, warrants, convertible securities) of persons belonging to the category "Public" and holding more than 1% of the total number of shares									
(1)(c)(i)	Sr.No.	Name of the shareholder	Number of shares held	Shares as a percentage of total number of shares {i.e., Grant total (A)+(B)+(C) indicated in Statement at para (1)(a) above}	Details of warrants		Details of convertible securities		Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital
					Number of warrants held	As a % total number of warrants of the same class	Number of convertible securities held	% w.r.t total number of convertible securities of the same class	
	1	SAMBHAV MUNOTH	823000	2.57	0	0.00	0	0.00	2.57
	2	UNITED INDIA INSURANCE COMPANY LIMITED	475107	1.48	0	0.00	0	0.00	1.48
	3	SATPAL KHATTAR	447801	1.40	0	0.00	0	0.00	1.40
	4	NARENDER M	367580	1.15	0	0.00	0	0.00	1.15
		<b>TOTAL :</b>	<b>2113488</b>	<b>6.61</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>6.61</b>



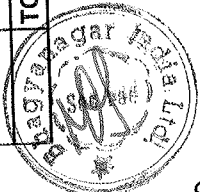
Statement showing holding of securities (including shares, warrants, convertible securities) of persons (together with PAC) belonging to the category "Public" and holding more than 5% of the total number of shares of the company								
Sr.No.	Name(s) of the shareholder(s) and the Persons Acting in Concert (PAC) with them	Number of shares held	Shares as a percentage of total number of shares {i.e., Grant total (A)+(B)+(C) indicated in Statement at para (I)(a) above}	Details of warrants		Details of convertible securities		Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital
				Number of warrants held	As a % total number of warrants of the same class	Number of convertible securities held	% w.r.t total number of convertible securities of the same class	
<b>TOTAL :</b>								

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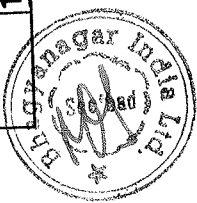
**STATEMENT SHOWING DETAILS OF LOCKED-IN SHARES"**

(I)(d)			
	Number of locked-in shares	Locked-in shares as a (%) percentage of total number of shares {i.e, Grand Total (A)+(B)+(C) Indicated in Statement at para (I)(a) above}	Promoter/Promoter Group/Public
Sr.No.	Name of the shareholder		
	TOTAL :	0	0



**STATEMENT SHOWING DETAILS OF DEPOSITORY RECEIPTS (DRS)**

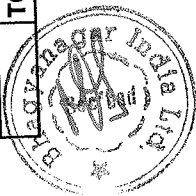
(II)(a)	Number of outstanding DRs	Number of shares underlying outstanding DRs	Shares underlying outstanding DRs as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at Para(I)(a) above}
Sr.No.	Type of outstanding DR (ADRs,GDRs,SDRs,etc.)		
<b>TOTAL :</b>			0





Statement showing Holding of Depository Receipts (DRs), where underlying shares held by "Promoter/Promoter group" are in excess of 1% of the total number shares.

(II)(b)		Type of outstanding DR (ADRs, GDRs, SDRs, etc.)	Number of shares underlying outstanding DRs	Shares underlying outstanding DRs as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at para(I)(a) above}
Sr.No.	Name of the DR Holder		0	0
TOTAL :				0



SHAREHOLDING PATTERN - PRE SCHEME OF ARRANGEMENT

(1)(a) STATEMENT SHOWING SHAREHOLDING PATTERN IN CLAUSE-35			
NAME OF THE COMPANY: SURANA TELECOM AND POWER LIMITED		NSE - SURANAT&P	
SCRIP CODE:	BSE - 517530		
Class of Security:			
QUARTER ENDED:	31-Mar-15		
		As a % of total no. of partly paid-up shares	As a % of total no. of shares of the Company.
Partly paid-up shares		0	0
Held by promoter/promoter group		0	0
Held by Public		0	0
<b>Total:</b>			
		As a % of total no. of outstanding convertible securities.	As a % of total no. of shares of the Company assuming full conversion of the convertible securities
Outstanding convertible securities:		0	0
Held by promoter/promoter group		0	0
Held by Public		0	0
<b>Total:</b>			
		As a % of total no. of warrants	As a % of total no. of shares of the Company, assuming full conversion of warrants
Warrants:		0	0
Held by promoter/promoter group		0	0
Held by Public		0	0
<b>Total:</b>			
<b>Total paid-up capital of the Company, assuming full conversion of warrants and convertible securities</b>		<b>104022000</b>	<b>100.00</b>

FOR SURANA TELECOM AND POWER LIMITED

*[Signature]*

Director

CATEGORY CODE	CATEGORY OF SHAREHOLDER	NO OF SHAREHOLDERS (iii)	TOTAL NUMBER OF SHARES (iv)	NO OF SHARES HELD IN DEMATERIALIZED FORM (v)	TOTAL SHAREHOLDING AS A % OF TOTAL NO OF SHARES			SHARES PLEDGE OR OTHERWISE ENCUMBERED	
					AS a PERCENTAGE of (A+B) (vi)	AS a PERCENTAGE of (A+B+C) (vii)	NUMBER OF SHARES (viii)	AS a PERCENTAGE (ix)=(viii)/(iv)*100	
(i)	PROMOTER AND PROMOTER GROUP								
(A)	INDIAN	18	63961215	63961215	61.49	61.49	0	0.00	0.00
(1)	Individual/HUF	0	0	0	0.00	0.00	0	0.00	0.00
(a)	Central Government/State Government(s)	4	13294785	13294785	12.78	12.78	0	0.00	0.00
(b)	Bodies Corporate	0	0	0	0.00	0.00	0	0.00	0.00
(c)	Financial Institutions / Banks	0	0	0	0.00	0.00	0	0.00	0.00
(d)	Others	0	0	0	0.00	0.00	0	0.00	0.00
(e)		22	77256000	77256000	74.27	74.27	0	0.00	0.00
	<b>Sub-Total A(1) :</b>								
(2)	FOREIGN	0	0	0	0.00	0.00	0	0.00	0.00
(a)	Individuals (NRIs/Foreign Individuals)	0	0	0	0.00	0.00	0	0.00	0.00
(b)	Bodies Corporate	0	0	0	0.00	0.00	0	0.00	0.00
(c)	Institutions	0	0	0	0.00	0.00	0	0.00	0.00
(d)	Qualified Foreign Investor	0	0	0	0.00	0.00	0	0.00	0.00
(e)	Others	0	0	0	0.00	0.00	0	0.00	0.00
	<b>Sub-Total A(2) :</b>								
	<b>Total A=A(1)+A(2)</b>	<b>22</b>	<b>77256000</b>	<b>77256000</b>	<b>74.27</b>	<b>74.27</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
(B)	<b>PUBLIC SHAREHOLDING</b>								
(1)	INSTITUTIONS	5	71000	42000	0.07	0.07	0	0.00	0.00
(a)	Mutual Funds /UTI	2	21000	0	0.02	0.02	0	0.00	0.00
(b)	Financial Institutions /Banks	0	0	0	0.00	0.00	0	0.00	0.00
(c)	Central Government / State Government(s)	0	0	0	0.00	0.00	0	0.00	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0.00	0	0.00	0.00
(e)	Insurance Companies	5	1393001	1379001	1.34	1.34	0	0.00	0.00
(f)	Foreign Institutional Investors	0	0	0	0.00	0.00	0	0.00	0.00
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0.00	0	0.00	0.00
(h)	Qualified Foreign Investor	0	0	0	0.00	0.00	0	0.00	0.00
(i)	Others	0	0	0	0.00	0.00	0	0.00	0.00
	<b>Sub-Total B(1) :</b>	<b>12</b>	<b>1485001</b>	<b>1421001</b>	<b>1.43</b>	<b>1.43</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>

FOR SUTAWA TELECOM AND POWER LIMITED

*[Signature]*  
Director

CATEGORY CODE	CATEGORY OF SHAREHOLDER	NO OF SHAREHOLDERS (III)	TOTAL NUMBER OF SHARES (IV)	NO OF SHARES HELD IN DEMATERIALIZED FORM (V)	TOTAL SHAREHOLDING AS A % OF TOTAL NO OF SHARES		SHARES PLEDGE OR OTHERWISE ENCUMBERED		
					AS a PERCENTAGE of (A+B) (VI)	As a PERCENTAGE of (A+B+C) (VII)	NUMBER OF SHARES (VIII)	AS a PERCENTAGE (IX)=(VIII)/(IV)*100	
(1)	(ii)								
(2)	NON-INSTITUTIONS	226	1814497	1655982	1.74	1.74			
(a)	Bodies Corporate								
(b)	Individuals	7596	16241597	11738952	15.61	15.61			
	(i) Individuals holding nominal share capital upto Rs.1 lakh								
	(ii) Individuals holding nominal share capital in excess of Rs.1 lakh	15	5480214	5480214	5.27	5.27			
(c)	Others	19	61911	61911	0.06	0.06			
	CLEARING MEMBERS	61	1390280	1377780	1.34	1.34			
	NON RESIDENT INDIANS	2	292500	0	0.28	0.28			
	OVERSEAS CORPORATE BODIES	0	0	0	0.00	0.00			
(d)	Qualified Foreign Investor								
	Sub-Total B(2) :	7919	25280999	20314839	24.30	24.30			
	Total B=B(1)+B(2) :	7931	26766000	21735840	25.73	25.73			
	Total (A+B) :	7953	104022000	98991840	100.00	100.00			
(C)	Shares held by custodians, against which Depository Receipts have been issued								
(1)	Promoter and Promoter Group	0	0	0	0.00	0.00			
(2)	Public								
	GRAND TOTAL (A+B+C) :	7953	104022000	98991840	100.00	100.00			0.00

For SURANA TELECOM AND POWER LIMITED

*[Signature]*

Director

(I)(b) Statement showing holding of securities (including shares, warrants, convertible securities) of persons belonging to the category "Promoter and Promoter Group"												
Sr.No	Name of the Shareholder	Details of Shares held			Encumbered shares (*)			Details of Warrants			Total Shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital	
		No. of Shares held (III)	As a % of grand total (A)+(B)+(C) (IV)	Pledge AS a Shares percentage (V)	AS a % of grand total (A) + (B) + (C) of sub-clause (I)(a) (VII)	Number of warrants held (VIII)	As a % total number of warrants the same class (IX)	Number of convertible securities held (X)	As a % total number of convertible securities of the same class (XI)	(XII)		
(I)	(II)											
1	ADVAIT SURANA	2621525	2.52	0	0.00	0.00	0.00	0.00	0.00	0	0.00	2.52
2	BHAGYANAGAR INDIA LIMITED	1734430	1.67	0	0.00	0.00	0.00	0.00	0.00	0	0.00	1.67
3	BHAGYANAGAR INDIA LTD	7660720	7.36	0	0.00	0.00	0.00	0.00	0.00	0	0.00	7.36
4	CHAND KANWAR	2186990	2.10	0	0.00	0.00	0.00	0.00	0.00	0	0.00	2.10
5	DEVENDRA SURANA	13900890	13.36	0	0.00	0.00	0.00	0.00	0.00	0	0.00	13.36
6	DEVENDRA SURANA	875000	0.84	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0.84
7	DEVENDRA SURANA	552125	0.53	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0.53
8	GM SURANA	4115190	3.96	0	0.00	0.00	0.00	0.00	0.00	0	0.00	3.96
9	MANGILAL SURANA	305360	0.29	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0.29
10	MANISH SURANA	4216658	4.05	0	0.00	0.00	0.00	0.00	0.00	0	0.00	4.05
11	MITALI SURANA	1222500	1.18	0	0.00	0.00	0.00	0.00	0.00	0	0.00	1.18
12	NAMRATA SURANA	4603455	4.43	0	0.00	0.00	0.00	0.00	0.00	0	0.00	4.43
13	NARENDER SURANA	10368880	9.97	0	0.00	0.00	0.00	0.00	0.00	0	0.00	9.97
14	NARENDER SURANA	6193800	5.95	0	0.00	0.00	0.00	0.00	0.00	0	0.00	5.95
15	NARENDER SURANA	2609395	2.51	0	0.00	0.00	0.00	0.00	0.00	0	0.00	2.51
16	RAHUL SURANA	1525000	1.47	0	0.00	0.00	0.00	0.00	0.00	0	0.00	1.47
17	SHRESHA SURANA	1434367	1.38	0	0.00	0.00	0.00	0.00	0.00	0	0.00	1.38
18	SRESHA SURANA	1250000	1.20	0	0.00	0.00	0.00	0.00	0.00	0	0.00	1.20
19	SUNITA SURANA	3475675	3.34	0	0.00	0.00	0.00	0.00	0.00	0	0.00	3.34
20	SURANA INFOCOM PRIVATE LIMITED	3609910	3.47	0	0.00	0.00	0.00	0.00	0.00	0	0.00	3.47
21	SURANA INFOCOM PRIVATE LIMITED	289725	0.28	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0.28
22	VINITA SURANA	2504405	2.41	0	0.00	0.00	0.00	0.00	0.00	0	0.00	2.41
<b>TOTAL :</b>		<b>77256000</b>	<b>74.27</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>74.27</b>

FOR SURANA TELECOM AND POWER LIMITED

*[Signature]*  
Director

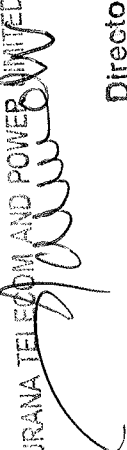
Statement showing holding of securities (including shares, warrants, convertible securities) of persons belonging to the category "Public" and holding more than 1% of the total number of shares									
(I)(c)(i)	Sr.No.	Name of the shareholder	Number of shares held	Shares as a percentage of total number of shares {i.e., Grant total (A)+(B)+(C) indicated in Statement at para (I)(a) above}	Details of warrants		Details of convertible securities		Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital
					Number of warrants held	As a % total number of warrants of same class	Number of convertible securities held	% w.r.t total number of convertible securities of the same class	
	1	ANIL KUMAR JAIN	1056710	1.02	0	0.00	0	0.00	1.02
		<b>TOTAL :</b>	<b>1056710</b>	<b>1.02</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>1.02</b>

For SURANA TELECOM AND POWER LIMITED



Director

(I)(c)(ii)	Statement showing holding of securities (including shares, warrants, convertible securities) of persons (together with PAC) belonging to the category "Public" and holding more than 5% of the total number of shares of the company									
	Sr.No.	Name(s) of the shareholder(s) and the Persons Acting in Concert (PAC) with them	Number of shares held	Shares as a percentage of total number of shares {i.e., Grant total (A)+(B)+(C) indicated in Statement at para (I)(a) above}		Details of warrants		Details of convertible securities		Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital)
				Number of warrants held	As a % total number of warrants of the same class	Number of convertible securities held	% w.r.t total number of convertible securities of the same class			
<b>TOTAL :</b>			0	0	0	0	0	0	0	0

For SURANA TELECOM AND POWER LIMITED  


Director

STATEMENT SHOWING DETAILS OF LOCKED-IN SHARES"			
(1)(d)			
		Locked-in shares as a (%) percentage of total number of shares {i.e, Grand Total shares (A)+(B)+(C) Indicated in Statement at para (1)(a) above}	Promoter/Promoter Group/Public
Sr.No.	Name of the shareholder	Number of locked- in shares	
		0	0
<b>TOTAL :</b>			

FOR SURANA TELECOM AND POWER LIMITED

*[Signature]*  
Director



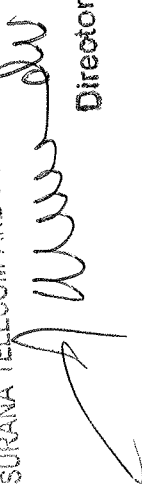
STATEMENT SHOWING DETAILS OF DEPOSITORY RECEIPTS (DRS)			
(ii)(a)			Shares underlying outstanding DRs as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at Para(i)(a) above}
Sr.No.	Type of outstanding DR (ADRs,GDRs,SDRs,etc.)	Number of outstanding DRs	Number of shares underlying outstanding DRs
		0	0
<b>TOTAL :</b>			<b>0</b>

For SURANA TELECOM AND POWER LIMITED

  
Director

Statement showing Holding of Depository Receipts (DRs), where underlying shares held by "Promoter/Promoter group" are in excess of 1% of the total number shares.				
(ii)(b)		Type of outstanding DR (ADRs, GDRs, SDRs, etc.)	Number of shares underlying outstanding DRs	Shares underlying outstanding DRs as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at para(i)(a) above}
Sr.No.	Name of the DR Holder			
			0	
TOTAL :				0

For SURANA TELECOM AND POWER LIMITED

  
Director

**SHAREHOLDING PATTERN - POST SCHEME OF ARRANGEMENT**

<b>(1)(a) STATEMENT SHOWING SHAREHOLDING PATTERN IN CLAUSE-35</b>			
<b>NAME OF THE COMPANY: SURANA TELECOM AND POWER LIMITED</b>		<b>NSE - SURANAT&amp;P</b>	
<b>SCRIP CODE:</b>	<b>BSE - 517530</b>		
<b>Class of Security:</b>			
<b>QUARTER ENDED:</b>	<b>31-Mar-15</b>		
		<b>As a % of total no. of partly paid-up shares</b>	<b>As a % of total no. of shares of the Company.</b>
Partly paid-up shares	No. of partly paid-up shares	0	0
Held by promoter/promoter group		0	0
Held by Public		0	0
<b>Total:</b>			
		<b>As a % of total no. of outstanding convertible securities.</b>	<b>As a % of total no. of shares of the Company assuming full conversion of the convertible securities</b>
Outstanding convertible securities:	No. of outstanding securities	0	0
Held by promoter/promoter group		0	0
Held by Public		0	0
<b>Total:</b>			
		<b>As a % of total no. of warrants</b>	<b>As a % of total no. of shares of the Company, assuming full conversion of warrants</b>
Warrants:	No. of warrants	0	0
Held by promoter/promoter group		0	0
Held by Public		0	0
<b>Total:</b>			
<b>Total paid-up capital of the Company, assuming full conversion of warrants and convertible securities</b>	<b>135759963</b>	<b>0</b>	<b>100.00</b>

FOR SURANA TELECOM AND POWER LIMITED

*[Signature]*

Director

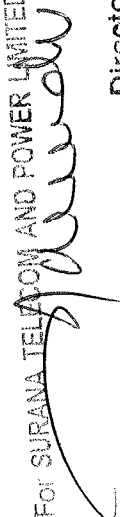
CATEGORY CODE	CATEGORY OF SHAREHOLDER	NO OF SHAREHOLDERS (iii)	TOTAL NUMBER OF SHARES (iv)	NO OF SHARES HELD IN DEMATERIALIZED FORM (v)	TOTAL SHAREHOLDING AS A % OF TOTAL NO OF SHARES			SHARES PLEDGE OR OTHERWISE ENCUMBERED
					AS a PERCENTAGE of (A+B) (vi)	As a PERCENTAGE of (A+B+C) (vii)	NUMBER OF SHARES (viii)	
							(ix)=[viii]/(iv)*100	
(i)	(ii)							
(A)	PROMOTER AND PROMOTER GROUP							
(1)	INDIAN	24	88249081	88249081	65.00	65.00	0	
(a)	Individual /HUF	0	0	0	0.00	0.00	0	
(b)	Central Government/State Government(s)	2	9687561	9687561	7.14	7.14	0	
(c)	Bodies Corporate	0	0	0	0.00	0.00	0	
(d)	Financial Institutions / Banks	0	0	0	0.00	0.00	0	
(e)	Others	0	0	0	0.00	0.00	0	
	<b>Sub-Total A(1) :</b>	<b>26</b>	<b>97936642</b>	<b>97936642</b>	<b>72.14</b>	<b>72.14</b>	<b>0</b>	
(2)	FOREIGN	0	0	0	0.00	0.00	0	
(a)	Individuals (NRIs/Foreign Individuals)	0	0	0	0.00	0.00	0	
(b)	Bodies Corporate	0	0	0	0.00	0.00	0	
(c)	Institutions	0	0	0	0.00	0.00	0	
(d)	Qualified Foreign Investor	0	0	0	0.00	0.00	0	
(e)	Others	0	0	0	0.00	0.00	0	
	<b>Sub-Total A(2) :</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>	<b>0</b>	
	<b>Total A=A(1)+A(2)</b>	<b>26</b>	<b>97936642</b>	<b>97936642</b>	<b>72.14</b>	<b>72.14</b>	<b>0</b>	
(B)	PUBLIC SHAREHOLDING							
(1)	INSTITUTIONS	7	77999	42000	0.06	0.06	0	
(a)	Mutual Funds /UTI	5	1018447	997447	0.75	0.75	0	
(b)	Financial Institutions /Banks	1	117800	117800	0.09	0.09	0	
(c)	Central Government / State Government(s)	0	0	0	0.00	0.00	0	
(d)	Venture Capital Funds	0	0	0	0.00	0.00	0	
(e)	Insurance Companies	5	1393001	1379001	1.03	1.03	0	
(f)	Foreign Institutional Investors	0	0	0	0.00	0.00	0	
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0.00	0	
(h)	Qualified Foreign Investor	0	0	0	0.00	0.00	0	
(i)	Others	0	0	0	0.00	0.00	0	
	<b>Sub-Total B(1) :</b>	<b>18</b>	<b>2607247</b>	<b>2536248</b>	<b>1.92</b>	<b>1.92</b>	<b>0</b>	

FOR SURANA TELECOM AND POWER LIMITED

*Jamuna*  
Director

CATEGORY CODE	CATEGORY OF SHAREHOLDER	NO OF SHAREHOLDERS (III)	TOTAL NUMBER OF SHARES (IV)	NO OF SHARES HELD IN DEMATERIALIZED FORM (V)	TOTAL SHAREHOLDING AS A % OF TOTAL NO OF SHARES		SHARES PLEDGE OR OTHERWISE ENCUMBERED		
					AS a PERCENTAGE of (A+B) (VI)	As a PERCENTAGE of (A+B+C) (VII)	NUMBER OF SHARES (VIII)	AS a PERCENTAGE (IX)=(VIII)/(IV)*100	
					(VI)	(VII)	(VIII)	(IX)	
(1)	(ii)								
(2)	NON-INSTITUTIONS								
(a)	Bodies Corporate	400	2572674	2406032	1.90	1.90			
(b)	Individuals								
	(i) Individuals holding nominal share capital upto Rs.1 lakh	17865	21952747	16931818	16.17	16.17			
	(ii) Individuals holding nominal share capital in excess of Rs.1 lakh	22	8174355	8174355	6.02	6.02			
(c)	Others	28	76593	76593	0.06	0.06			
	CLEARING MEMBERS	141	2142798	2130298	1.58	1.58			
	NON RESIDENT INDIANS	2	292500	0	0.22	0.22			
	OVERSEAS CORPORATE BODIES	2	4407	333	0.00	0.00			
	TRUSTS	0	0	0	0.00	0.00			
(d)	Qualified Foreign Investor								
	Sub-Total B(2) :	18460	35216074	29719429	25.94	25.94			
	Total B=B(1)+B(2) :	18478	37823321	32255677	27.86	27.86			
	Total (A+B) :	18504	135759963	130192319	100.00	100.00			
(C)	Shares held by custodians, against which Depository Receipts have been issued								
(1)	Promoter and Promoter Group	0	0	0	0.00	0.00			
(2)	Public								
	<b>GRAND TOTAL (A+B+C) :</b>	<b>18504</b>	<b>135759963</b>	<b>130192319</b>	<b>100.00</b>	<b>100.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

FOR SURANA TELECOM AND POWER LIMITED



Director

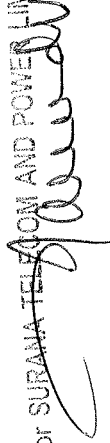
Sr.No	Name of the Shareholder	Details of Shares held		Encumbered shares (*)			Details of Warrants			Details of convertible securities		underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital
		No. of Shares held (III)	As a % of grand total (A)+(B)+(C) (IV)	Pledge Shares (V)	AS a percentage (VI)=(V)/(III)*100 (VII)	AS a % of grand total (A) + (B) + (C) of sub-clause (I)(a)	Number of warrants held (VIII)	As a % total number of warrants of the same class (IX)	Number of convertible securities held (X)	As a % total number of convertible securities of the same class (XI)	(XII)	
1	DEVENDRA SURANA	16681442	12.29	0	0.00	0.00	0	0.00	0	0.00	0	12.29
2	NARENDER SURANA	12790529	9.42	0	0.00	0.00	0	0.00	0	0.00	0	9.42
4	MANISH SURANA	7508946	5.53	0	0.00	0.00	0	0.00	0	0.00	0	5.53
5	NARENDER SURANA	7220090	5.32	0	0.00	0.00	0	0.00	0	0.00	0	5.32
6	NAMRATA SURANA	7090232	5.22	0	0.00	0.00	0	0.00	0	0.00	0	4.71
7	GM SURANA	6396510	4.71	0	0.00	0.00	0	0.00	0	0.00	0	4.16
8	SUNITA SURANA	5653455	4.16	0	0.00	0.00	0	0.00	0	0.00	0	4.11
9	SURANA INFOCOM PRIVATE LIMITED	5584087	4.11	0	0.00	0.00	0	0.00	0	0.00	0	3.26
10	CHAND KANWAR	4430996	3.26	0	0.00	0.00	0	0.00	0	0.00	0	3.02
11	SURANA INFOCOM PRIVATE LIMITED	4103474	3.02	0	0.00	0.00	0	0.00	0	0.00	0	2.50
12	RAHUL SURANA	3397666	2.50	0	0.00	0.00	0	0.00	0	0.00	0	2.49
13	VINITA SURANA	3375293	2.49	0	0.00	0.00	0	0.00	0	0.00	0	2.09
14	ADVAIT SURANA	2836913	2.09	0	0.00	0.00	0	0.00	0	0.00	0	1.92
15	NARENDER SURANA	2603995	1.92	0	0.00	0.00	0	0.00	0	0.00	0	1.35
16	SHRESHA SURANA	1831185	1.35	0	0.00	0.00	0	0.00	0	0.00	0	1.20
18	SRESHA SURANA	1626000	1.20	0	0.00	0.00	0	0.00	0	0.00	0	1.20
19	MITALI SURANA	1622500	1.20	0	0.00	0.00	0	0.00	0	0.00	0	0.64
21	DEVENDRA SURANA	875000	0.64	0	0.00	0.00	0	0.00	0	0.00	0	0.57
22	DEVENDRA SURANA	773557	0.57	0	0.00	0.00	0	0.00	0	0.00	0	0.34
23	NIVRUTHI SURANA	463333	0.34	0	0.00	0.00	0	0.00	0	0.00	0	0.22
24	MANGILAL SURANA	305360	0.22	0	0.00	0.00	0	0.00	0	0.00	0	0.18
25	G M SURANA	238366	0.18	0	0.00	0.00	0	0.00	0	0.00	0	0.16
26	G M SURANA	221840	0.16	0	0.00	0.00	0	0.00	0	0.00	0	0.10
27	NARENDER SURANA	142000	0.10	0	0.00	0.00	0	0.00	0	0.00	0	0.07
28	DEVENDRA SURANA	90000	0.07	0	0.00	0.00	0	0.00	0	0.00	0	0.05
29	VINITA SURANA	68473	0.05	0	0.00	0.00	0	0.00	0	0.00	0	0.05
	<b>TOTAL :</b>	<b>97936642</b>	<b>72.14</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>72.14</b>

FOR SURANA TELECOM AND POWER LIMITED

Director

Statement showing holding of securities (including shares, warrants, convertible securities) of persons belonging to the category "Public" and holding more than 1% of the total number of shares							
(1)(c)(i)	Shares as a percentage of total number of shares (i.e., Grant total (A)+(B)+(C) indicated in Statement at para (1)(a) above}		Details of warrants		Details of convertible securities		Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital)
Sr.No.	Name of the shareholder	Number of shares held	Number of warrants held	As a % total number of warrants of the same class	Number of convertible securities held	% w.r.t total number of convertible securities of the same class	
			0	0	0	0	0
<b>TOTAL :</b>			0	0	0	0	0


FOR SURANA TELECOM AND POWER LIMITED



Director

(i)(c)(ii)	Statement showing holding of securities (including shares, warrants, convertible securities) of persons (together with PAC) belonging to the category "Public" and holding more than 5% of the total number of shares of the company								
	Sr.No.	Name(s) of the shareholder(s) and the Persons Acting	Number of shares held	Shares as a percentage of total number of shares (i.e., Grant total (A)+(B)+(C) indicated in Statement at para (1)(a) above)	Details of warrants		Details of convertible securities		Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital)
Number of warrants held					As a % total number of warrants of the same class	Number of convertible securities held	% w.r.t total number of convertible securities of the same class		
						0	0	0	0
<b>TOTAL :</b>						0	0	0	0

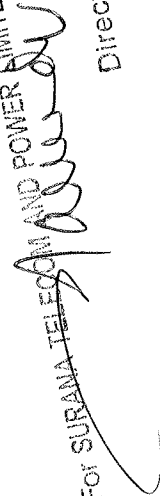
For SURANA TELECOM AND POWER LIMITED




Director



STATEMENT SHOWING DETAILS OF LOCKED-IN SHARES"			
(1)(d)			
	Name of the shareholder	Number of locked-in shares	Locked-in shares as a (%) percentage of total number of shares (i.e, Grand Total (A)+(B)+(C) Indicated in Statement at para (1)(a) above)
			Promoter/Promoter Group/Public
		0	0
	<b>TOTAL :</b>		

For SURANA TELECOM AND POWER LIMITED  
  
 Director

STATEMENT SHOWING DETAILS OF DEPOSITORY RECEIPTS (DRS)			
(ii)(a)			Shares underlying outstanding DRs as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at Para(i)(a) above}
	Number of outstanding DRs	Number of shares underlying outstanding DRs	
Sr.No.	Type of outstanding DR (ADRs, GDRs, SDRs, etc.)		
		0	0
TOTAL :			0

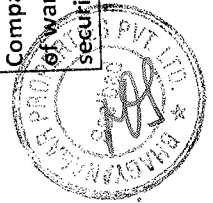
FOR SURANA TELECOM AND POWER LIMITED  
  
 Director

Statement showing Holding of Depository Receipts (DRs), where underlying shares held by "Promoter/Promoter group" are in excess of 1% of the total number shares.				
(II)(b)		Type of outstanding DR (ADRs, GDRs, SDRs, etc.)	Number of shares underlying outstanding DRs	Shares underlying outstanding DRs as a percentage of total number of shares (i.e., Grand Total (A)+(B)+(C) indicated in Statement at para(I)(a) above)
Sr.No.	Name of the DR Holder			
			0	0
TOTAL :				0

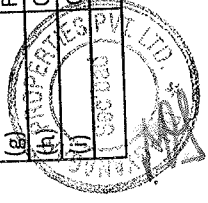
For SURANA TELECOM AND POWER LIMITED  
  
 Director

SHAREHOLDING PATTERN - PRE SCHEME OF ARRANGEMENT

(1)(a) STATEMENT SHOWING SHAREHOLDING PATTERN IN CLAUSE-35			
NAME OF THE COMPANY: BHAGYANAGAR PROPERTIES PRIVATE LIMITED		Name of the Scrip: NA	
SCRIP CODE:	NA		
Class of Security:			
QUARTER ENDED:	31/03/2015		
	No. of partly paid-up shares	As a % of total no. of partly paid-up shares	As a % of total no. of shares of the Company.
Partly paid-up shares	0	0	0
Held by promoter/promoter group	0	0	0
Held by Public	0	0	0
<b>Total:</b>			
		As a % of total no. of shares of the Company assuming full conversion of the convertible securities	
Outstanding convertible securities:	0	0	0
Held by promoter/promoter group	0	0	0
Held by Public	0	0	0
<b>Total:</b>			
		As a % of total no. of shares of the Company, assuming full conversion of warrants	
Warrants:	0	0	0
Held by promoter/promoter group	0	0	0
Held by Public	0	0	0
<b>Total:</b>			
<b>Total paid-up capital of the Company, assuming full conversion of warrants and convertible securities</b>	<b>4000000</b>	<b>0</b>	<b>100.00</b>

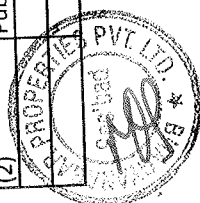


CATEGORY CODE	CATEGORY OF SHAREHOLDER (ii)	NO OF SHAREHOLDERS (iii)	TOTAL NUMBER OF SHARES (iv)	NO OF SHARES HELD IN DEMATERIALIZED FORM (v)	TOTAL SHAREHOLDING AS A % OF TOTAL NO OF SHARES		SHARES PLEDGE OR OTHERWISE ENCUMBERED
					AS a PERCENTAGE of (A+B) (vi)	AS a PERCENTAGE of (A+B+C) (vii)	
(I)	PROMOTER AND PROMOTER GROUP						
(A)	INDIAN	5	50	0	0.00	0.00	0.00
(1)	Individual /HUF	0	0	0	0.00	0.00	0.00
(a)	Central Government/State Government(s)	0	3999950	0	100.00	100.00	0.00
(b)	Bodies Corporate	0	0	0	0.00	0.00	0.00
(c)	Financial Institutions / Banks	0	0	0	0.00	0.00	0.00
(d)	Others						
(e)			4000000	0	100.00	100.00	0.00
	<b>Sub-Total A(1) :</b>						
(2)	FOREIGN	0	0	0	0.00	0.00	0.00
(a)	Individuals (NRIs/Foreign Individuals)	0	0	0	0.00	0.00	0.00
(b)	Bodies Corporate	0	0	0	0.00	0.00	0.00
(c)	Institutions	0	0	0	0.00	0.00	0.00
(d)	Qualified Foreign Investor	0	0	0	0.00	0.00	0.00
(e)	Others	0	0	0	0.00	0.00	0.00
	<b>Sub-Total A(2) :</b>	6	4000000	0	100.00	100.00	0.00
	<b>Total A=A(1)+A(2)</b>						
(B)	PUBLIC SHAREHOLDING						
(1)	INSTITUTIONS	0	0	0	0.00	0.00	0.00
(a)	Mutual Funds /UTI	0	0	0	0.00	0.00	0.00
(b)	Financial Institutions /Banks	0	0	0	0.00	0.00	0.00
(c)	Central Government / State Government(s)	0	0	0	0.00	0.00	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0.00	0.00
(e)	Insurance Companies	0	0	0	0.00	0.00	0.00
(f)	Foreign Institutional Investors	0	0	0	0.00	0.00	0.00
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0.00	0.00
(h)	Qualified Foreign Investor	0	0	0	0.00	0.00	0.00
(i)	Others	0	0	0	0.00	0.00	0.00
	<b>Sub-Total B(1) :</b>						



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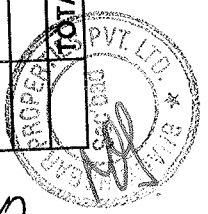
CATEGORY CODE	CATEGORY OF SHAREHOLDER	NO OF SHAREHOLDERS (iii)	TOTAL NUMBER OF SHARES (iv)	NO OF SHARES HELD IN DEMATERIALIZED FORM (v)	TOTAL SHAREHOLDING AS A % OF TOTAL NO OF SHARES		SHARES PLEDGE OR OTHERWISE ENCUMBERED		
					AS a PERCENTAGE of (A+B) (vi)	As a PERCENTAGE of (A+B+C) (vii)	NUMBER OF SHARES AS a PERCENTAGE (viii)	(IX)=[VIII]/(IV)*100	
(1)	(ii)								
(2)	NON-INSTITUTIONS	0	0	0	0.00	0.00			
(a)	Bodies Corporate	0	0	0	0.00	0.00			
(b)	Individuals	0	0	0	0.00	0.00			
	(i) Individuals holding nominal share capital upto Rs.1 lakh	0	0	0	0.00	0.00			
	(ii) Individuals holding nominal share capital in excess of Rs.1 lakh	0	0	0	0.00	0.00			
(c)	Others	0	0	0	0.00	0.00			
	CLEARING MEMBERS	0	0	0	0.00	0.00			
	NON RESIDENT INDIANS	0	0	0	0.00	0.00			
	TRUSTS	0	0	0	0.00	0.00			
(d)	Qualified Foreign Investor	0	0	0	0.00	0.00			
	Sub-Total B(2) :	0	0	0	0.00	0.00			
	Total B=B(1)+B(2) :	0	0	0	0.00	0.00			
	Total (A+B) :	6	4000000	0	100.00	100.00			
(C)	Shares held by custodians, against which Depository Receipts have been issued								
(1)	Promoter and Promoter Group	0	0	0	0.00	0.00			
(2)	Public	0	0	0	0.00	0.00			
	<b>GRAND TOTAL (A+B+C) :</b>	<b>6</b>	<b>4000000</b>	<b>0</b>	<b>100.00</b>	<b>100.00</b>			<b>0</b>



Statement showing holding of securities (including shares, warrants, convertible securities) of persons belonging to the category "Promoter and Promoter Group"													
Sr.No	Name of the Shareholder	Details of Shares held			Encumbered shares (*)			Details of Warrants			Details of convertible securities		Total Shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital
		No. of Shares held (III)	As a % of grand total (A)+(B)+(C) (IV)	Pledge Shares (V)	AS a percentage (VI)=(V)/(III)*100 (VII)	AS a % of grand total (A) + (B) + (C) of sub-clause (I)(a) (VIII)	Number of warrants held of the same class (IX)	As a % total number of warrants of the same class (X)	Number of convertible securities held (XI)	As a % total number of convertible securities of the same class (XII)			
(i)													
1	M/s. Bhagyanagar India Limited	3999950	100.00	0	0.00	0.00	0.00	0	0.00	0	0.00	0	0.00
2	Narender Surana	10	0.00	0	0.00	0.00	0.00	0	0.00	0	0.00	0	0.00
3	Devendra Surana	10	0.00	0	0.00	0.00	0.00	0	0.00	0	0.00	0	0.00
4	Sunita Surana	10	0.00	0	0.00	0.00	0.00	0	0.00	0	0.00	0	0.00
5	Namrata Surana	10	0.00	0	0.00	0.00	0.00	0	0.00	0	0.00	0	0.00
	Nanish Surana	10	0.00	0	0.00	0.00	0.00	0	0.00	0	0.00	0	0.00
	<b>TOTAL :</b>	<b>4000000</b>	<b>100.00</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>100.00</b>



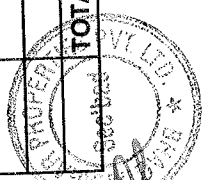
Statement showing holding of securities (including shares, warrants, convertible securities) of persons belonging to the category "Public" and holding more than 1% of the total number of shares										
(i)(c)(i)	Sr.No.	Name of the shareholder	Number of shares held	Shares as a percentage of total number of shares {i.e., Grant total (A)+(B)+(C) indicated in Statement at para (i)(a) above}	Details of warrants		Details of convertible securities		Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital)	
					Number of warrants held	As a % total number of warrants the same class	Number of convertible securities held	% w.r.t total number of convertible securities of the same class		
						0	0.00	0	0.00	0.00
<b>TOTAL :</b>										
						0	0.00	0	0.00	0.00





Statement showing holding of securities (including shares, warrants, convertible securities) of persons (together with PAC) belonging to the category "Public" and holding more than 5% of the total number of shares of the company

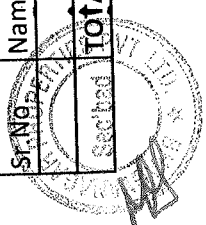
Sr.No.	Name(s) of the shareholder(s) and the Persons Acting in Concert (PAC) with them	Number of shares held	Shares as a percentage of total number of shares {i.e., Grant total (A)+(B)+(C) indicated in Statement at para (i)(a) above}	Details of warrants			Details of convertible securities		Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital)
				Details of warrants		Number of convertible securities held	% w.r.t total		
				Number of warrants held	As a % total number of warrants the same class				
				0	0	0	0	0	
				<b>TOTAL :</b>	0	0	0	0	



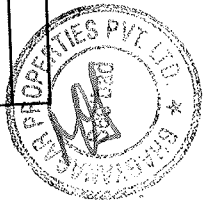
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STATEMENT SHOWING DETAILS OF LOCKED-IN SHARES"

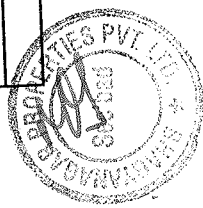
(I)(d)	Name of the shareholder	Number of locked-in shares	Locked-in shares as a (%) percentage of total number of shares (i.e, Grand Total (A)+(B)+(C) Indicated in Statement at para (I)(a) above}	Promoter/Promoter Group/Public
Sr. No.				
TOTAL :		0	0	



STATEMENT SHOWING DETAILS OF DEPOSITORY RECEIPTS (DRS)			
(II)(a)			Shares underlying outstanding DRs as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at Para(I)(a) above}
	Number of outstanding DRs	Number of shares underlying outstanding DRs	
Sr.No.	Type of outstanding DR (ADRs, GDRs, SDRs, etc.)		
		0	0
<b>TOTAL :</b>			0

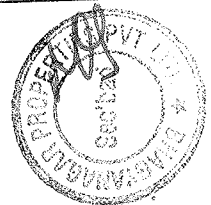


Statement showing Holding of Depository Receipts (DRs), where underlying shares held by "Promoter/Promoter group" are in excess of 1% of the total number shares.				
(ii)(b)	Type of outstanding DR (ADRs, GDRs, SDRs, etc.)	Number of shares underlying outstanding DRs	Shares underlying outstanding DRs as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (i)(a) above}	
Sr.No.	Name of the DR Holder			0
TOTAL :				0

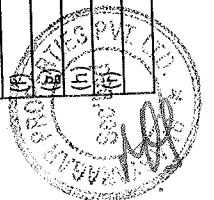


**SHAREHOLDING PATTERN - POST SCHEME OF ARRANGEMENT**

(1)(a) STATEMENT SHOWING SHAREHOLDING PATTERN IN CLAUSE-35			
NAME OF THE COMPANY: BHAGYANAGAR PROPERTIES PRIVATE LIMITED		Name of the Scrip: NA	
SCRIP CODE:	NA		
Class of Security:			
QUARTER ENDED:	31/03/2015		
		As a % of total no. of partly paid-up shares	As a % of total no. of shares of the Company.
Partly paid-up shares	No. of partly paid-up shares	0	0
Held by promoter/promoter group		0	0
Held by Public		0	0
<b>Total:</b>			
		As a % of total no. of outstanding convertible securities.	As a % of total no. of shares of the Company assuming full conversion of the convertible securities
Outstanding convertible securities:	No. of outstanding securities	0	0
Held by promoter/promoter group		0	0
Held by Public		0	0
<b>Total:</b>			
		As a % of total no. of warrants	As a % of total no. of shares of the Company, assuming full conversion of warrants
Warrants:	No. of warrants	0	0
Held by promoter/promoter group		0	0
Held by Public		0	0
<b>Total:</b>			
<b>Total paid-up capital of the Company, assuming full conversion of warrants and convertible securities</b>		<b>31995000</b>	<b>100.00</b>

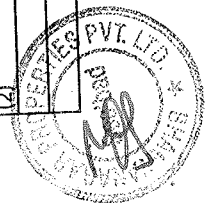


CATEGORY CODE	CATEGORY OF SHAREHOLDER (i)	NO OF SHAREHOLDERS (iii)	TOTAL NUMBER OF SHARES (iv)	NO OF SHARES HELD IN DEMATERIALIZED FORM (v)	TOTAL SHAREHOLDING AS A % OF TOTAL NO OF SHARES			SHARES PLEDGE OR OTHERWISE ENCUMBERED	
					AS a PERCENTAGE of (A+B) (vi)	As a PERCENTAGE of (A+B+C) (vii)	NUMBER OF SHARES (viii)	AS a PERCENTAGE (ix)=(viii)/(iv)*100	
(i)	PROMOTER AND PROMOTER GROUP (ii)								
(A)	INDIAN	21	18215904	18215904	56.93	56.93	0	0.00	0.00
(1)	Individual/HUF	0	0	0	0.00	0.00	0	0.00	0.00
(a)	Central Government/State Government(s)	4	5486111	5486111	17.15	17.15	0	0.00	0.00
(b)	Bodies Corporate	0	0	0	0.00	0.00	0	0.00	0.00
(c)	Financial Institutions / Banks	0	0	0	0.00	0.00	0	0.00	0.00
(d)	Others	0	0	0	0.00	0.00	0	0.00	0.00
(e)	Sub-Total A(1) :	25	23702015	23702015	74.08	74.08	0	0.00	0.00
(2)	FOREIGN								
(a)	Individuals (NRIs/Foreign Individuals)	0	0	0	0.00	0.00	0	0.00	0.00
(b)	Bodies Corporate	0	0	0	0.00	0.00	0	0.00	0.00
(c)	Institutions	0	0	0	0.00	0.00	0	0.00	0.00
(d)	Qualified Foreign Investor	0	0	0	0.00	0.00	0	0.00	0.00
(e)	Others	0	0	0	0.00	0.00	0	0.00	0.00
	Sub-Total A(2) :	0	0	0	0.00	0.00	0	0.00	0.00
	Total A=A(1)+A(2)	25	23702015	23702015	74.08	74.08	0	0.00	0.00
(B)	PUBLIC SHAREHOLDING								
(1)	INSTITUTIONS	2	5250	0	0.02	0.02	0	0.00	0.00
(a)	Mutual Funds /JTI	3	748086	748086	2.34	2.34	0	0.00	0.00
(b)	Financial Institutions /Banks	1	88350	88350	0.28	0.28	0	0.00	0.00
(c)	Central Government / State Government(s)	0	0	0	0.00	0.00	0	0.00	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0.00	0	0.00	0.00
(e)	Insurance Companies	0	0	0	0.00	0.00	0	0.00	0.00
(f)	Foreign Institutional Investors	0	0	0	0.00	0.00	0	0.00	0.00
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0.00	0	0.00	0.00
(h)	Qualified Foreign Investor	0	0	0	0.00	0.00	0	0.00	0.00
(i)	Others	0	0	0	0.00	0.00	0	0.00	0.00
	Sub-Total B(1) :	6	841686	836436	2.63	2.63	0	0.00	0.00



CATEGORY CODE	CATEGORY OF SHAREHOLDER	NO OF SHAREHOLDERS (iii)	TOTAL NUMBER OF SHARES (iv)	NO OF SHARES HELD IN DEMATERIALIZED FORM (v)	TOTAL SHAREHOLDING AS A % OF TOTAL NO OF SHARES			SHARES PLEDGE OR OTHERWISE ENCUMBERED	
					AS a PERCENTAGE of (A+B) (vi)	As a PERCENTAGE of (A+B+C) (vii)	NUMBER OF SHARES (viii)	AS a PERCENTAGE (ix)=[(viii)/(iv)]*100	
(1)	(ii)								
(2)	NON-INSTITUTIONS								
(a)	Bodies Corporate	255	568699	562602	1.78	1.78			
(b)	Individuals								
	(i) Individuals holding nominal share capital upto Rs.1 lakh	10927	3900113	3511301	12.19	12.19			
	(ii) Individuals holding nominal share capital in excess of Rs.1 lakh	19	2406813	2406813	7.52	7.52			
(c)	Others	15	11016	11016	0.03	0.03			
	CLEARING MEMBERS	82	564410	564410	1.76	1.76			
	NON RESIDENT INDIANS	1	250	250	0.00	0.00			
	TRUSTS	0	0	0	0.00	0.00			
(d)	Qualified Foreign Investor								
	Sub-Total B(2) :	11299	7451300	7056390	23.29	23.29			
	Total B=B(1)+B(2) :	11305	8292986	7892826	25.92	25.92			
	Total (A+B) :	11330	31995000	31594840	100.00	100.00			
(C)	Shares held by custodians, against which Depository Receipts have been issued								
(1)	Promoter and Promoter Group	0	0	0	0.00	0.00			
(2)	Public								
	<b>GRAND TOTAL (A+B+C) :</b>	<b>11330</b>	<b>31995000</b>	<b>31594840</b>	<b>100.00</b>	<b>100.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

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(I)(b) Statement showing holding of securities (including shares, warrants, convertible securities) of persons belonging to the category "Promoter and Promoter Group"													
Sr.No	Name of the Shareholder	Details of Shares held			Encumbered shares (*)			Details of Warrants			Details of convertible securities		Total Shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital
		No. of Shares held (III)	As a % of grand total (A)+(B)+(C) (IV)	Pledge Shares (V)	AS a percentage (VI)=(V)/(III)*100 (VII)	AS a % of grand total (A) + (B) + (C) of sub-clause (I)(a) (VIII)	Number of warrants held (IX)	As a % total number of warrants of the same class (X)	Number of convertible securities held (XI)	As a % total number of convertible securities of the same class (XII)			
(I)	(II)												0.50
1	ADVAIT SURANA	161541	0.50	0	0.00	0.00	0	0.00	0	0.00	0	0.00	5.26
2	CHAND KANWAR	1683005	5.26	0	0.00	0.00	0	0.00	0	0.00	0	0.00	6.52
3	DEVENDRA SURANA	2085414	6.52	0	0.00	0.00	0	0.00	0	0.00	0	0.00	0.52
4	DEVENDRA SURANA	166075	0.52	0	0.00	0.00	0	0.00	0	0.00	0	0.00	0.21
5	DEVENDRA SURANA (HUF)	67500	0.21	0	0.00	0.00	0	0.00	0	0.00	0	0.00	0.56
6	G M SURANA (HUF)	178775	0.56	0	0.00	0.00	0	0.00	0	0.00	0	0.00	0.52
7	G M SURANA (MHUF)	166380	0.52	0	0.00	0.00	0	0.00	0	0.00	0	0.00	5.35
8	GM SURANA	1710990	5.35	0	0.00	0.00	0	0.00	0	0.00	0	0.00	7.72
9	MANISH SURANA	2469217	7.72	0	0.00	0.00	0	0.00	0	0.00	0	0.00	0.94
10	MITALI SURANA	300000	0.94	0	0.00	0.00	0	0.00	0	0.00	0	0.00	5.83
11	NAMRATA SURANA	1865083	5.83	0	0.00	0.00	0	0.00	0	0.00	0	0.00	5.68
12	NARENDER SURANA	1816237	5.68	0	0.00	0.00	0	0.00	0	0.00	0	0.00	2.41
13	NARENDER SURANA	769718	2.41	0	0.00	0.00	0	0.00	0	0.00	0	0.00	0.33
14	NARENDER SURANA (HUF)	106500	0.33	0	0.00	0.00	0	0.00	0	0.00	0	0.00	1.09
15	NIVRUTHI SURANA	347500	1.09	0	0.00	0.00	0	0.00	0	0.00	0	0.00	4.39
16	RAHUL SURANA	1404500	4.39	0	0.00	0.00	0	0.00	0	0.00	0	0.00	0.93
17	SHRESHA SURANA	297614	0.93	0	0.00	0.00	0	0.00	0	0.00	0	0.00	0.88
18	SRESHA SURANA	282000	0.88	0	0.00	0.00	0	0.00	0	0.00	0	0.00	5.10
19	SUNITA SURANA	1633336	5.10	0	0.00	0.00	0	0.00	0	0.00	0	0.00	12.41
20	SURANA INFOCOM PRIVATE LIMITED	3970772	12.41	0	0.00	0.00	0	0.00	0	0.00	0	0.00	1.16
21	SURANA INFOCOM PRIVATE LIMITED	370174	1.16	0	0.00	0.00	0	0.00	0	0.00	0	0.00	3.52
22	SURANA TELECOM AND POWER LIMITED	1125729	3.52	0	0.00	0.00	0	0.00	0	0.00	0	0.00	0.06
23	SURANA TELECOM AND POWER LIMITED	19437	0.06	0	0.00	0.00	0	0.00	0	0.00	0	0.00	2.04
24	VINITA SURANA	653166	2.04	0	0.00	0.00	0	0.00	0	0.00	0	0.00	0.16
25	VINITA SURANA	51355	0.16	0	0.00	0.00	0	0.00	0	0.00	0	0.00	74.08
<b>TOTAL :</b>		<b>23702015</b>	<b>74.08</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>74.08</b>

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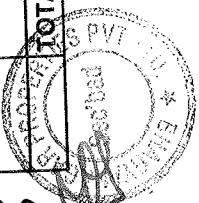
Statement showing holding of securities (including shares, warrants, convertible securities) of persons belonging to the category "Public" and holding more than 1% of the total number of shares

(1)(c)(i) Sr.No.	Name of the shareholder	Number of shares held	Shares as a percentage of total number of shares {i.e., Grant total (A)+(B)+(C) indicated in Statement at para (1)(a) above}	Details of warrants		Details of convertible securities		Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital)
				Number of warrants held	As a % total number of warrants of the same class	Number of convertible securities held	% w.r.t total number of convertible securities of the same class	
1	SAMBHAV MUNOTH	823000	2.57	0	0.00	0	0.00	2.57
2	UNITED INDIA INSURANCE COMPANY LIMITED	475107	1.48	0	0.00	0	0.00	1.48
3	SATPAL KHATTAR	447801	1.40	0	0.00	0	0.00	1.40
4	NARENDER M	367580	1.15	0	0.00	0	0.00	1.15
<b>TOTAL :</b>		<b>2113488</b>	<b>6.61</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>6.61</b>

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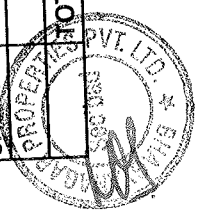
Statement showing holding of securities (including shares, warrants, convertible securities) of persons (together with PAC) belonging to the category "Public" and holding more than 5% of the total number of shares of the company						
Sr.No.	Name(s) of the shareholder(s) and the Persons Acting in Concert (PAC) with them	Number of shares held	Shares as a percentage of total number of shares {i.e., Grant total (A)+(B)+(C) indicated in Statement at para (1)(a) above}	Details of warrants		Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital)
				Number of warrants held	As a % total number of warrants the same class	
				Details of convertible securities		
				Number of convertible securities held	% w.r.t total number of convertible securities of the same class	
				0	0	0
				0	0	0
				0	0	0
				0	0	0
				0	0	0
				0	0	0
				TOTAL :		0



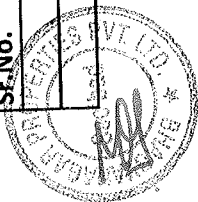
**STATEMENT SHOWING DETAILS OF LOCKED-IN SHARES"**

(I)(d)	Name of the shareholder	Number of locked-in shares	Locked-in shares as a (%) percentage of total number of shares (i.e, Grand Total (A)+(B)+(C) Indicated in Statement at para (I)(a) above}	Promoter/Promoter Group/Public
Sr.No.				
		0	0	0

**TOTAL :**

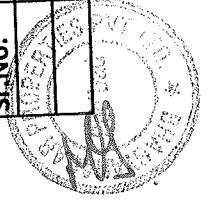


STATEMENT SHOWING DETAILS OF DEPOSITORY RECEIPTS (DRS)			
(II)(a)			Shares underlying outstanding DRs as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at Para(I)(a) above}
	Number of outstanding DRs	Number of shares underlying outstanding DRs	
Sr.No.	Type of outstanding DR (ADRs,GDRs,SDRs,etc.)		
		0	0
<b>TOTAL :</b>			<b>0</b>



Statement showing Holding of Depository Receipts (DRs), where underlying shares held by "Promoter/Promoter group" are in excess of 1% of the total number shares.

(II)(b)		Type of outstanding DR (ADRs, GDRs, SDRs, etc.)	Number of shares underlying outstanding DRs	Shares underlying outstanding DRs as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at para(I)(a) above}
Sr.No.	Name of the DR Holder		0	0
TOTAL :				0





Surana Group

# BHAGYANAGAR INDIA LIMITED

ISO 9001 - 2008 Certified Company

5th Floor, Surya Towers,  
Sardar Patel Road,  
Secunderabad-500 003, Telangana, India  
Tel : +91 40 27845119/27841198/44665700  
Fax : +91-40-27848851/27818868  
Website : www.surana.com  
E.mail : bil@surana.com  
CIN No.: L27201TG1991PLC012449

## ANNEXURE - I

### Audited financials of M/s Bhagyanagar India Limited (Transferor/Demerged Company)

(Rs.in Crores)

	As per Audited Results for 3 months ended 30.06.2015	As per last Audited Financial Year	1 year prior to the last Audited Financial Year	2 years prior to the last Audited Financial Year
		2014-15	2013-14	2012-13
Equity Paid up Capital	12.79	12.79	12.79	12.79
Reserves and surplus	196.91	195.95	195.42	198.88
Carry forward losses	-	-	-	-
Net Worth	205.94	204.98	204.45	207.91
Miscellaneous Expenditure	-	-	-	-
Secured Loans	110.39	115.54	102.23	78.18
Unsecured Loans	1.26	1.65	2.67	2.78
Fixed Assets (Net)	78.77	79.22	83.03	67.59
Income from Operations	68.68	251.75	225.76	206.76
Total Income	70.83	261.35	233.86	214.90
Total Expenditure	69.87	258.95	230.86	210.32
Profit before Tax	0.96	2.40	3.00	4.57
Profit after Tax	0.77	2.05	2.63	4.13
Cash profit	2.02	7.01	9.43	11.70
EPS	0.12	0.32	0.41	0.64
Book value	32.18	32.08	31.99	32.53





# SURANA TELECOM AND POWER LTD.

(formerly Surana Telecom Ltd.)

Surana Group ISO 9001 - 2008 Certified Company

5th Floor, Surya Towers,  
Sardar Patel Road,  
Secunderabad - 500 003. A.P., India  
Tel :+91 40 27845119/44665700  
Fax : 0091-40-27848851  
Website : http:// www.surana.com  
E.mail : surana@surana.com  
CIN No.: L23209AP1989PLC010336

## ANNEXURE-I

Audited financials of M/s Surana Telecom and Power Limited (Transferee/ Resulting Company 1)

(Rs.in Crores)

	As per Audited Results for 3 months ended 30.06.2015	As per last Audited Financial Year	1 year prior to the last Audited Financial Year	2 years prior to the last Audited Financial Year
		2014-15	2013-14	2012-13
Equity Paid up Capital	10.40	10.40	10.40	10.40
Reserves and surplus	49.78	49.41	49.73	50.55
Carry forward losses	-	-	-	-
Net Worth	55.53	55.16	54.69	55.42
Miscellaneous Expenditure	-	-	-	-
Secured Loans	17.00	17.89	20.30	24.09
Unsecured Loans	4.10	4.44	6.25	6.25
Fixed Assets (Net)	47.65	49.26	57.37	64.38
Income from Operations	3.79	17.46	29.03	22.20
Total Income	3.80	19.03	31.24	26.79
Total Expenditure	3.31	16.55	30.58	25.14
Profit before Tax	0.49	2.48	0.67	1.65
Profit after Tax	0.37	1.99	0.73	1.52
Cash profit	1.99	9.70	9.16	11.03
EPS	0.04	0.19	0.07	0.73
Book value	5.34	5.30	5.26	27.80





# BHAGYANAGAR PROPERTIES PVT. LTD.

BHAGYANAGAR PROPERTIES PVT. LTD.  
CIN - U70102742006PTC050010

5th Floor, Surya Towers,  
Sardar Patel Road,  
Secunderabad - 500 003. ~~K.O.~~, India.  
Ph : 27845119 / 44665700  
Fax +91 40 27848851 / 27818868  
Email : surana@surana.com  
Website : www.surana.com

ANNEXURE - I

## Audited financials of M/s Bhagyanagar Properties Private Limited (Transferee/ Resulting Company 2)

(Rs.in Crores)

	As per Audited Results for 3 months ended 30.06.2015	As per last Audited Financial Year	1 year prior to the last Audited Financial Year	2 years prior to the last Audited Financial Year
		2014-15	2013-14	2012-13
Equity Paid up Capital	4.00	4.00	4.00	4.00
Reserves and surplus	-0.26	-0.26	-0.24	-0.24
Carry forward losses	0.26	0.26	0.24	0.24
Net Worth	3.74	3.74	3.76	3.76
Miscellaneous Expenditure	-	-	-	-
Secured Loans	-	-	-	-
Unsecured Loans	55.54	55.54	56.39	58.54
Fixed Assets	59.28	59.28	59.29	59.29
Income from Operations	-	-	-	-
Total Income	-	-	-	-
Total Expenditure	0.003	0.013	0.003	0.044
Profit before Tax	-0.003	-0.013	-0.003	-0.044
Profit after Tax	-0.003	-0.013	-0.003	-0.044
Cash profit	-0.0001	-0.002	-0.001	-0.044
EPS	-0.01	-0.03	-0.01	-0.11
Book value	9.35	9.35	9.40	9.40







Surana Group

# BHAGYANAGAR INDIA LIMITED

ISO 9001 - 2008 Certified Company

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Fax : +91-40-27848851/27818868

Website : www.surana.com

E.mail : bil@surana.com

CIN No.: L27201TG1991PLC012449

## COMPLIANCE REPORT ON CORPORATE GOVERNANCE

Name of the Company: BHAGYANAGAR INDIA LIMITED

Ason: 15<sup>TH</sup> OCTOBER, 2015.

ANNEXURE - II

Particulars	Clause of Listing agreement	Compliance Status Yes/No	Remarks
<b>II. Board of Directors</b>	49(II)	Yes	
(A) Composition of Board	49(IIA)	Yes	
(B) Independent Directors	49(IIB)	Yes	
(C) Non-executive Directors' compensation & disclosures	49(IIC)	Yes	
(D) Other provisions as to Board and Committees	49(IID)	Yes	
(E) Code of Conduct	49(IIE)	Yes	
(F) Whistle Blower Policy	49(IIF)	Yes	
<b>III. Audit Committee</b>	49(III)	Yes	
(A) Qualified & Independent Audit Committee	49(IIIA)	Yes	
(B) Meeting of Audit Committee	49(IIIB)	Yes	
(C) Powers of Audit Committee	49(IIIC)	Yes	
(D) Role of Audit Committee	49(IIID)	Yes	
(E) Review of Information by Audit Committee	49(IIIE)	Yes	
<b>IV. Nomination and Remuneration Committee</b>	49(IV)	Yes	
<b>V. Subsidiary Companies</b>	49(V)	Yes	
<b>VI. Risk Management</b>	49(VI)	Yes	
<b>VII. Related Party Transactions</b>	49(VII)	Yes	
<b>VIII. Disclosures</b>	49(VIII)	Yes	
(A) Related party transactions	49(VIIIA)	Yes	There are no material Related Party Transaction.
(B) Disclosure of Accounting Treatment	49(VIIIB)	Yes	
(C) Remuneration of Directors	49(VIIIC)	Yes	
(D) Management	49(VIIID)	Yes	
(E) Shareholders	49(VIIIE)	Yes	
(F) Proceeds from public issues, rights issue, preferential issues, etc	49(VIIIF)	N.A.	No proceedings.
<b>IX. CEO/ CFO Certification</b>	49(IX)	Yes	
<b>X. Report on Corporate Governance</b>	49(X)	N.A.	will be complied in the next Annual Report
<b>XI. Compliance</b>	49(XI)	Yes	

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# SURANA TELECOM AND POWER LTD.

(formerly Surana Telecom Ltd.)  
ISO 9001 - 2008 Certified Company

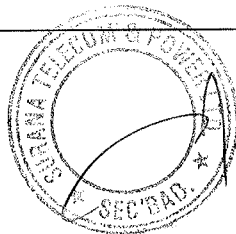
5th Floor, Surya Towers,  
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Tel : +91 40 27845119/44665700  
Fax : 0091-40-27848851  
Website : http:// www.surana.com  
E.mail : surana@surana.com  
CIN No.: L23209AP1989PLC010336

## COMPLIANCE REPORT ON CORPORATE GOVERNANCE

Name of the Company: SURANA TELECOM AND POWER LIMITED

As on : 15<sup>TH</sup> OCTOBER, 2015

Particulars	Clause of Listing agreement	Compliance Status Yes/No	Remarks
<b>II. Board of Directors</b>	49(II)	Yes	
(A) Composition of Board	49(IIA)	Yes	
(B) Independent Directors	49(IIB)	Yes	
(C) Non-executive Directors' compensation & disclosures	49(IIC)	Yes	
(D) Other provisions as to Board and Committees	49(IID)	Yes	
(E) Code of Conduct	49(IIE)	Yes	
(F) Whistle Blower Policy	49(IIF)	Yes	
<b>III. Audit Committee</b>	49(III)	Yes	
(A) Qualified & Independent Audit Committee	49(IIIA)	Yes	
(B) Meeting of Audit Committee	49(IIIB)	Yes	
(C) Powers of Audit Committee	49(IIIC)	Yes	
(D) Role of Audit Committee	49(IIID)	Yes	
(E) Review of Information by Audit Committee	49(IIIE)	Yes	
<b>IV. Nomination and Remuneration Committee</b>	49(IV)	Yes	
<b>V. Subsidiary Companies</b>	49(V)	Yes	
<b>VI. Risk Management</b>	49(VI)	Yes	
<b>VII. Related Party Transactions</b>	49(VII)	Yes	
<b>VIII. Disclosures</b>	49(VIII)	Yes	
(A) Related party transactions	49(VIIIA)	Yes	
(B) Disclosure of Accounting Treatment	49(VIIIB)	Yes	
(C) Remuneration of Directors	49(VIIIC)	Yes	
(D) Management	49(VIIID)	Yes	
(E) Shareholders	49(VIIIE)	Yes	
(F) Proceeds from public issues, rights issue, preferential issues, etc	49(VIIIF)	N.A	No proceedings.
<b>IX. CEO/CFO Certification</b>	49(IX)	Yes	
<b>X. Report on Corporate Governance</b>	49(X)	Yes	will be complied in the next Annual Report
<b>XI. Compliance</b>	49(XI)	Yes	



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Surana Group

# BHAGYANAGAR INDIA LIMITED

ISO 9001 - 2008 Certified Company

5th Floor, Surya Towers,  
Sardar Patel Road,  
Secunderabad-500 003. Telangana, India  
Tel : +91 40 27845119/27841198/44665700  
Fax : + -91-40-27848851/27818868  
Website : www.surana.com  
E.mail : bil@surana.com  
CIN No.: L27201TG1991PLC012449

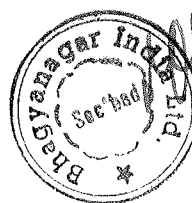
## ANNEXURE - IV

Compliance report with the requirements specified in Part-A of the circular CIR/CFD/DIL/5/2013 dated February 4, 2013 read with circular no. CIR/CFD/DIL/8/2013 dated May 21, 2013

**Sub: Application under Clause 24(f) of the listing agreement for the proposed scheme of arrangement between Bhagyanagar India Limited ('BIL' / 'Demerged Company') and Surana Telecom and Power Limited ('STPL' / 'Resulting Company 1') and Bhagyanagar Properties Private Limited ('BPPL' / 'Resulting Company 2') and their respective Shareholders and Creditors.**

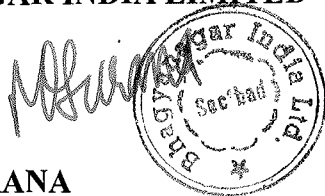
In connection with the above application, we hereby confirm that we satisfy all the conditions as stipulated in the aforesaid SEBI circular, as given hereunder:

Sr. No.	Requirements as per CIR/CFD/DIL/5/2013 dated February 4, 2013 read with circular no. CIR/CFD/DIL/8/2013 dated May 21, 2013	Whether Complied or not & How
1.	Listed companies shall choose one of the stock exchanges having nation-wide trading terminals as the designated stock exchange for the purpose of coordinating with SEBI.	Complied. The Company is listed on NSE and BSE and chosen BSE as Designated Stock Exchange.
<b>Compliance as per Part A, Annexure I to the Circular</b>		
2.	Documents to be submitted:	
2.a	Draft Scheme of arrangement	Complied – Annexed
2.b	Valuation Report from Independent Chartered Accountant	Complied – Annexed
2.c	Report from the Audit Committee recommending the Draft Scheme	Complied – Annexed
2.d	Fairness opinion by merchant banker	Complied – Annexed
2.e	Pre and Post arrangement shareholding pattern of unlisted company	Complied – Annexed
2.f	Audited financials of last 3 years (financials not being more than 6 months old) of unlisted company;	Complied – Annexed
2.g	Compliance with Clause 49 of Listing Agreement	Complied – Annexed
2.h	Complaints Report	Will be submitted within 7 days of expiry of 21 days from the date of filing of draft scheme.



Sr. No.	Requirements as per CIR/CFD/DIL/5/2013 dated February 4, 2013 read with circular no. CIR/CFD/DIL/8/2013 dated May 21, 2013	Whether Complied or not & How
3.	The equity shares sought to be listed are proposed to be allotted by the unlisted Issuer (transferee entity) to the holders of securities of a listed entity (transferor entity) pursuant to a scheme of reconstruction or amalgamation (Scheme) sanctioned by a High Court under Section 391-394 of the Companies Act, 1956.	Yes, the listing of equity shares will be done under rule 19(2)(b) of Securities Contract (Regulation) Rules, 1957.
4.	At least 25% of the post scheme paid up share capital of the transferee entity shall comprise of shares allotted to the public holders in the transferor entity.	Yes
5.	The transferee entity will not issue/ reissue any shares, not covered under the Draft scheme.	Yes
6.	As on date of application there are no outstanding warrants/ instruments/ agreements which give right to any person to take the equity shares in the transferee entity at any future date, If there are such instruments stipulated in the Draft scheme, the percentage referred to in point (4) above, shall be computed after giving effect to the consequent increase of capital on account of compulsory conversions outstanding as well as on the assumption that the options outstanding, if any, to subscribe for additional capital will be exercised.	There are no outstanding warrants/ instruments/agreement which give right to any person to take the equity shares in the transferee entity at any future date.
7.	The shares of the transferee entity issued in lieu of the locked-in shares of the transferor entity are subjected to the lock-in for the remaining period.	Not Applicable, since there are no locked in shares in the Demerged/ Transferor Company.

**FOR BHAGYANGAR INDIA LIMITED**



**DEVENDRA SURANA  
MANAGING DIRECTOR**

Date: 27.10. 2015

Place: Secunderabad



# BHAGYANAGAR INDIA LIMITED

ISO 9001 - 2008 Certified Company

5th Floor, Surya Towers,  
Sardar Patel Road,

Secunderabad-500 003. Telangana, India

Tel : +91 40 27845119/27841198/44665700

Fax : +91-40-27848851/27818868

Website : www.surana.com

E.mail : bil@surana.com

CIN No.: L27201TG1991PLC012449

## ANNEXURE-V

### BRIEF PARTICULARS OF THE TRANSFEREE/ RESULTING AND TRANSFEROR/ DEMERGED COMPANIES

Particulars	Transferee/ Resulting Company 1 (STPL)	Transferee/ Resulting Company 2 (BPPL)	Transferor/ Demerged Company (BIL)
Name of the company	M/s. Surana Telecom and Power Limited	M/s. Bhagyanagar Properties Private Limited	M/s. Bhagyanagar India Limited
Date of Incorporation & details of name changes, if any	The Company was incorporated as 'Surana Petro Products Private Limited' on 14.08.1989. The status of the Company has been changed from Private Limited to Public Limited on 09.07.1993. The name of the Company has been changed from 'Surana Petro Products Limited' to 'Surana Telecom Limited' w.e.f. 05.08.1994. The name of the company has been further changed from 'Surana Telecom Limited' to 'Surana Telecom and Power Limited' w.e.f. 11.10.2007.	The Company was incorporated as 'Bhagyanagar Properties Limited' on 25.04.2006. The status of the Company has been changed from Public Limited to Private Limited on 08.12.2008.	The Company was incorporated as 'Bhagyanagar Metals Limited' on 02.09.1985. The Company's Registered Office was shifted from Maharashtra to Andhra Pradesh w.e.f.12.03.1991. The name of the Company has been changed from Bhagyanagar Metals Limited to 'Bhagyanagar India Limited' w.e.f. 10.08.2006.
Registered Office	5 <sup>th</sup> Floor, Surya Towers, Sardar Patel Road, Secunderabad-500003	5 <sup>th</sup> Floor, Surya Towers, Sardar Patel Road, Secunderabad-500003	5 <sup>th</sup> Floor, Surya Towers, Sardar Patel Road, Secunderabad-500003
Brief particulars of the scheme	The scheme of arrangement between Bhagyanagar India Limited(Demerged Company/ BIL) and Surana Telecom and Power Limited (Resulting Company 1/STPL) and Bhagyanagar Properties Private Limited(Resulting Company 2/ BPPL) and their respective Shareholders and Creditors pursuant to the provision of Sections 391 to 394 read with Section 78, 100 to 103 and other applicable provisions of the Companies Act, 1956 or Companies Act, 2013 if any, for the demerger of Solar Division of Bhagyanagar India Limited into Surana Telecom and Power Limited, and demerger of Real Estate Division of Bhagyanagar India Limited into Bhagyanagar Properties Private Limited as a going concern basis.		
Rationale for the scheme	The rationale for the arrangement as provided in the Scheme of Arrangement is as follows:		



**Solar Division:-**

The Solar Division of BIL comprising solar power plant (5 MW situated at Munipally, Medak District, Telangana) and investments in equity shares of Surana Solar Limited (“SSL”) and Surana Telecom and Power Limited (“STPL”) are proposed to be transferred to STPL. Management of BIL is of the opinion that by transferring the entire Solar division to STPL shall bring in the following advantages:

- (a) **Focus on Solar Business:** STPL has placed its focus solely on Non-Conventional energy viz. Solar Power Generation, already having an installed capacity of 10 MW, Wind Power Generation, with an installed capacity of 1.25 MW, and other power generation projects in the pipeline. So BIL is of the view that by transferring Solar Division to STPL will achieve greater revenues and growth with proper focus & resources.
- (b) **Strength for future expansion:** There has been a rising awareness worldwide that renewable energy and energy efficiency are critical not only for addressing climate change, but also for creating new economic opportunities. In the recent years, advances in renewable energy technologies, global increases in capacity and rapid cost reductions have been made as the policies have been favorable. The size of renewable energy market will see further growth as the application of renewable purchase obligation expands to cover open access and capture consumers.
- (c) **Enhanced synergies arising out of consolidation:** The demerger of Solar Division of BIL into STPL will also bring about administrative efficiencies in managing operations of both the companies. Post demerger, there will be synergies in respective businesses, which will result in operational efficiencies. Thus, the proposed de-merger will result in better and effective administration in management and operations, owing to creation of focused entities.
- (d) **Investor attractiveness:** The proposed demerger will bring about an increase in value of STPL which in turn increases value to the share-holders of BIL who will become share-holders in STPL by virtue of this scheme of arrangement.

**Real Estate Division:-**

The Real Estate Division of BIL comprising Loans & Advances in the subsidiaries and Investments in BPPL, Scientia Infocom India Private Limited & Metropolitan Ventures India Private Limited are proposed to be transferred to BPPL. Management of BIL is of the opinion that by transferring the entire Real Estate division to BPPL shall bring in the following advantages:

- (a) **Focus on Real Estate Business:** BPPL has sufficient landbank to develop & thrive in the Real Estate markets. Consolidating the Real Estate division into BPPL will result in higher revenues & accelerated growth as a result of increased





	<p>focus in the Real estate business.</p> <p>(b) <b>Future Expansion:</b> The Indian business scenario is getting more complex by the day, with new government regulations, newer technologies, customer preferences, increased competition, advent of new business strategies, global expansion etc. In order to meet the growing challenges, most of the business organizations are increasing their focus on their core businesses and going for backward and forward integration accordingly.</p> <p>(c) <b>Enhanced synergies arising out of consolidation:</b> The demerger of Real Estate division comprising of loans and advances and investments in the real-estate subsidiaries of BIL into BPPL will also bring about administrative efficiencies in managing operations of both the companies. Post demerger there will be synergies in respective businesses, which will result in operational efficiencies. Thus, the proposed de-merger will result in better and effective administration in management and operations, owing to creation of focused entities.</p> <p>(d) <b>Investor attractiveness:</b> Often financial investors look out for sector specific companies because they have different parameters for risk and return. The return expectations of a Copper business investor are different from that of an investor in a real estate industry. The proposed demerger of the Real estate of BIL into BPPL will create two entities focusing on their respective businesses, thereby addressing investor concern.</p>		
Date of resolution passed by the Board of Director of the company approving the scheme	12 <sup>th</sup> October, 2015	12 <sup>th</sup> October, 2015	12 <sup>th</sup> October, 2015
Date of meeting of the Audit Committee in which the draft scheme has been approved	12 <sup>th</sup> October, 2015	N.A.	12 <sup>th</sup> October, 2015
Appointed Date	01 <sup>st</sup> April, 2016	01 <sup>st</sup> April, 2016	01 <sup>st</sup> April, 2016
Name of Exchanges where securities of the company are listed	1. National Stock Exchange of India Limited (NSE) 2. Bombay Stock Exchange (BSE)	None of the securities of the Company are listed on any Stock Exchanges.	1. National Stock Exchange of India Limited (NSE) 2. Bombay Stock Exchange (BSE)



*Shurana*

Nature of Business	Surana Telecom and Power Limited has been incorporated to carry on the business of manufacturing of Optic Fiber / Cable wires and aluminum wire rods etc. It is also engaged in the business of manufacturing of Solar Modules and also has Solar Power generation unit situated at Gujarat Solar Park, Charanka Village, Santalpur Taluk, Patan District, Gujarat	Bhagyanagar Properties Private Limited has been incorporated to carry on the business as builders, executors, contractors, construction of building, house, apartment and to build, layout, develop, construct, build, erect, demolish, erect, alter, repair or do any other work in connection with any building scheme, roads, highways, buildings, bridges, flats, houses, garages, factories, shops, establishment, hotels resorts, offices, garages, warehouses or otherwise deal in all kinds of property, house, structures or other land and House property.	Bhagyanagar India Limited is inter-alia engaged in the business of manufacturer of copper and allied products and over the time it has diversified into Real Estate, Non-conventional energy like wind and solar and over a period of time has developed the following Divisions:-  a) Copper Division. b) Windmill Division c) Solar Division d) Real Estate Division
Capital before the scheme	<b>Authorised Capital:</b> Rs.15 Crores divided into 15 Crores Equity Shares of Rs.1/- each.  <b>Paid-up Capital:</b> Rs.10,40,22,000 divided into 10,40,22,000 Equity Shares of Re.1/- each	<b>Authorised Capital:</b> Rs. 5 Crores divided into 50,00,000 equity shares of Rs.10/- each.  <b>Paid-up Capital:</b> Rs. 4 Crores divided into 40,00,000 equity shares of Rs.10/- each	<b>Authorised Capital:</b> Rs.25.00 Crores divided into 12.50 Cr Equity Shares of Rs.2/- each.  <b>Paid-up Capital:</b> Rs.12,79,80,000 divided into 6,39,90,000 Equity Shares of Rs.2/- each.
No. of shares to be issued	4,11,33,113 Equity shares of Re. 1/- each. (after reduction of capital due to cross holding).	3,19,95,000 Equity shares of Re. 2/- each.	-
Cancellation of shares on account of cross holding, if any	93,95,150 of equity shares of Re.1/- held by BIL in STPL.	-	-
Capital after the scheme	<b>Paid-up Capital:</b> Rs.13,57,59,963 divided into 13,57,59,963 Equity Shares of Rs.1/- each.	<b>Paid-up Capital:</b> Rs. 6,39,90,000 divided into 3,19,95,000 Equity Shares of Rs. 2/- each.	<b>Paid-up Capital:</b> Rs. 6,39,90,000 divided into 3,19,95,000 Equity Shares of Rs. 2/- each.





Net Worth	<b>(Rs. in Lakhs)</b>		<b>(Rs. in Lakhs)</b>		<b>(Rs. in Lakhs)</b>							
Pre	5515.88		374.36		20497.62							
Post	5833.26		614.26		8525.94							
Valuation by independent Chartered Accountant - Name of the valuer/ valuer firm and Regn no.	<p align="center"><b>M/s. Komandoor &amp; Co.</b> Chartered Accountants FRN: 001420S 1-504, Divya Shakthi Complex, 7-1-58, Dharam Karam Road, Ameerpet, Hyderabad-500 016</p>											
Methods of valuation and value per share arrived under each method with weight given to each method, if any.	Net Asset Value (NAV)  Rs.5.75		-		Net Asset Value (NAV)  Rs. 3.77							
Fair value per shares	N.A.		N.A.		N.A.							
Exchange ratio	STPL will issue 4 equity shares of Re. 1/- each fully paid-up for every 6 Equity Shares of Rs. 2/- each fully paid up held in BIL.		BPPL shall allot 3 equity shares of Rs. 2/- each fully paid-up for every 6 equity shares (Before reduction of Share Capital) held in BIL (i.e. mirror – image shareholding pattern)		-							
Name of Merchant Banker giving fairness opinion	<p align="center"><b>M/s. Karvy Investor Services Limited</b> Karvy House, 46, Avenue 4, Street No.1, Banjara Hills, Hyderabad – 500 034</p>											
Shareholding pattern	<b>Pre</b>		<b>Post</b>		<b>Pre</b>		<b>Post</b>		<b>Pre</b>		<b>Post</b>	
	No.of shares	%	No.of shares	%	No.of shares	%	No.of shares	%	No.of shares	%	No.of shares	%
Promoter	77256000	74.27	97936649	72.14	4000000	100.00	23702015	74.08	47404029	74.08	23702015	74.08
Public	26766000	25.73	37823314	27.86	0	0.00	8292986	25.92	16585971	25.92	8292986	25.92
Custodian	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Total	104022000	100.00	135759963	100.00	4000000	100.00	31995000	100.00	63990000	100.00	31995000	100.00



Names of the Promoters	<ol style="list-style-type: none"> <li>1. Narender Surana</li> <li>2. Devendra Surana</li> <li>3. G.M. Surana</li> <li>4. Manish Surana</li> <li>5. Vinita Surana</li> <li>6. Chand Kanwar</li> <li>7. Advait Surana</li> <li>8. Mitali Surana</li> <li>9. Namrata Surana</li> <li>10. Rahul Surana</li> <li>11. Shresha Surana</li> <li>12. Sunita Surana</li> <li>13. Surana Infocom Private Limited</li> <li>14. Bhagyanagar India Limited</li> </ol>	<ol style="list-style-type: none"> <li>1. Narender Surana</li> <li>2. Devendra Surana</li> <li>3. Sunita Surana</li> <li>4. Namrata Surana</li> <li>5. Manish Surana</li> <li>6. M/s. Bhagyanagar India Limited</li> </ol>	<ol style="list-style-type: none"> <li>1. Narender Surana</li> <li>2. Devendra Surana</li> <li>3. G.M.Surana</li> <li>4. Manish Surana</li> <li>5. Vinita Surana</li> <li>6. Advait Surana</li> <li>7. Chand Kanwar</li> <li>8. Mitali Surana</li> <li>9. Namrata Surana</li> <li>10. Nivruthi Surana</li> <li>11. Rahul Surana</li> <li>12. Shresha Surana</li> <li>13. Sunita Surana</li> <li>14. Surana Infocom Private Limited</li> <li>15. Surana Telecom and Power Limited</li> </ol>
Names of the Board of Directors	<ol style="list-style-type: none"> <li>1. Narender Surana</li> <li>2. Devendra Surana</li> <li>3. Dr R. N. Sreenath</li> <li>4. D Venkata Subbaiah</li> <li>5. Nirmal Kumar Jain</li> <li>6. Baunakar Shekarnath</li> <li>7. Vinita Surana</li> <li>8. Sandeep Jain</li> </ol>	<ol style="list-style-type: none"> <li>1. Narender Surana</li> <li>2. Devendra Surana</li> <li>3. Manish Surana</li> </ol>	<ol style="list-style-type: none"> <li>1. Shri. G Mangilal Surana</li> <li>2. O Swaminatha Reddy</li> <li>3. R Surender Reddy</li> <li>4. Kamlesh Gandhi</li> <li>5. Dr R. N. Sreenath</li> <li>6. D Venkata Subbaiah</li> <li>7. Madhumathi Suresh</li> <li>8. Narender Surana</li> <li>9. Devendra Surana</li> <li>10. Narender Munoth</li> <li>11. N Krupakar Reddy</li> </ol>
Details regarding change in management control if any	Nil	Nil	Nil





# SEKHAR & CO.

CHARTERED ACCOUNTANTS

**PARTNERS :**

**K.C. Devdas**, B.Com., F.C.A

**C. Amarnath**, B.Com, L.L.B., F.C.A., DISA (ICA)

**G. Ganesh**, B.Com., F.C.A., DISA (ICA)

S&CO/15-16/GG/030

10<sup>th</sup> November, 2015

Page 1/2

**Bhagyanagar India Limited - Net Worth Certificate**  
**Demerged Company**

1. We, **Sekhar & Co**, Chartered Accountants (Firm Registration No.: 003695-5), have examined the proposed Scheme of Arrangement between Bhagyanagar India Limited ("BIL" or "Demerged Company" or "the Company"), Surana Telecom and Power Limited ("STPL" or "Resulting Company 1") and Bhagyanagar Properties Private Limited ("BPPL" or "Resulting Company 2") and their respective shareholders and creditors ("the Scheme") under section 391 to 394 of the Companies Act, 1956 and applicable provisions of the Companies Act, 2013 ("the Act"), certified true copy of the Scheme duly signed by the Mg. Director / Authorised Signatory is attached herewith, for demerger of the Solar Power division & the Real Estate division of BIL with Appointed Date being the Effective Date. We have also examined the annexed "Statement of computation of Provisional pre-demerger and indicative post-demerger Net Worth of BIL ("Net Worth Statement") as certified by the Company.
2. The management of the Company is responsible for the maintenance of proper books of accounts and such other relevant records as prescribed by applicable laws, which includes collecting, collating and validating data and designing, implementing and monitoring of internal controls relevant for the preparation and drawing up the financial statements of the Company including the Net worth Statement, that is free from material misstatement, whether due to fraud or error, in accordance with the scheme and the requirements for the purposes of clause 24(f) of the listing agreement.
3. Our responsibility, for the purposes of this certificate, is only limited to certifying the particulars contained in the Net Worth statement on the basis of the Management certified accounts of BIL as on June 30, 2015, the Proposed Scheme and other information and records maintained by the Company and did not include the evaluation of the adherence by the Company with all the applicable guidelines. We conducted our verification in accordance with Guidance Note on Auditors Reports and Certificates for Special Purposes and Standards on Auditing issued by the Institute of Chartered Accountants of India.
4. On the basis of verification and examination of the proposed Scheme and according to the information and explanations provided to us by the Management of the Company, we state that we have examined the Net Worth Statement given below which has been prepared by the Company with:

18/11/15



# SEKHAR & CO.

CHARTERED ACCOUNTANTS

**PARTNERS :**

**K.C. Devdas**, B.Com., F.C.A

**C. Amarnath**, B.Com, L.L.B., F.C.A., DISA (ICA)

**G. Ganesh**, B.Com., F.C.A., DISA (ICA)

S&CO/15-16/GG/030

10<sup>th</sup> November, 2015

Page 2/2

- a. A certified copy of the proposed Scheme as approved by the Board of Directors of the Company as its meeting held on **12<sup>th</sup> October 2015**;
- b. The information, explanation and data given to us.

And found the Net worth statement in accordance therewith.

This Certificate is issued solely as per the requirements of the stock exchange(s) for filing under clause 24(f) of the listing Agreement along with the Proposed Scheme, which has been approved by the Board of Directors of BIL on **12<sup>th</sup> October 2015** and not to be considered for any other purposes without our prior written consent.

**Statement of Net Worth of M/s. Bhagyanagar India Limited Pre-Demerger and Indicative Net-Worth Post Demerger**

₹. in Lacs

S.No	PARTICULARS	NET WORTH		REMARKS
		PRE DEMERGER	POST DEMERGER	
1	Share Capital	1,279.80	639.90	Reduction of capital by 639.90 proposed in Scheme
2	Free Reserves as per section 2(43) of Companies Act 2013	19,217.82	7,886.04	
	<b>Net Worth</b>	<b>20,497.62</b>	<b>8,525.94</b>	

This certificate issued in continuance of our certificate S&CO/15-16/GG/022 dated 20<sup>th</sup> October 2015, wherein the Capital Redemption Reserve amounting to ₹.210.20 Lacs, Capital Reserves ₹.166.77 Lacs existing in Financial Statements were not excluded. Now as per the requirement of NSE the net worth is calculated based on free reserves as per Section 2(43) Companies Act 2013. The Net worth in the referred certificate was ₹.20,874.59 & ₹.8,902.91 Lacs pre and post de-merger respectively.

**For Sekhar & Co.,  
Chartered Accountants  
Firm Regd. No.003695-S**



**G.GANESH  
Partner**

**Membership No.211704**

**Secunderabad**

**10<sup>th</sup> November 2015**





# SEKHAR & CO.

CHARTERED ACCOUNTANTS

**PARTNERS :**

**K.C. Devdas**, B.Com., F.C.A

**C. Amarnath**, B.Com, L.L.B., F.C.A., DISA (ICA)

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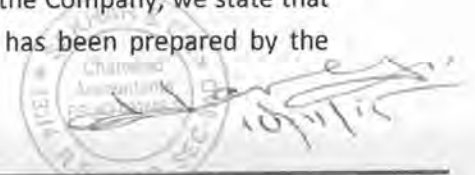
S&CO/15-16/GG/029

10<sup>th</sup> November, 2015

Page 1/2

**Surana Telecom and Power Limited - Net Worth Certificate**  
**Resulting Company -1**

1. We, **Sekhar & Co**, Chartered Accountants (Firm Registration No.: 003695-S), have examined the proposed Scheme of Arrangement between **Bhagyanagar India Limited ("BIL" or "Demerged Company" or "the Company")**, **Surana Telecom and Power Limited ("STPL" or "Resulting Company 1")** and **Bhagyanagar Properties Private Limited ("BPPL" or "Resulting Company 2")** and their respective shareholders and creditors ("the Scheme") under section 391 to 394 of the Companies Act, 1956 and applicable provisions of the Companies Act, 2013 ("the Act"), certified true copy of the Scheme duly signed by the Director / Authorised Signatory is attached herewith, for demerger of the Solar Power division & the Real Estate division of BIL with Appointed Date being the Effective Date. We have also examined the annexed "Statement of computation of Provisional pre-demerger and indicative post-demerger Net Worth of STPL ("Net Worth Statement") as certified by the Company.
2. The management of the Company is responsible for the maintenance of proper books of accounts and such other relevant records as prescribed by applicable laws, which includes collecting, collating and validating data and designing, implementing and monitoring of internal controls relevant for the preparation and drawing up the financial statements of the Company including the Net worth Statement, that is free from material misstatement, whether due to fraud or error, in accordance with the scheme and the requirements for the purposes of clause 24(f) of the listing agreement.
3. Our responsibility, for the purposes of this certificate, is only limited to certifying the particulars contained in the Net Worth statement on the basis of the Management certified accounts of STPL as on June 30, 2015, the Proposed Scheme and other information and records maintained by the Company and did not include the evaluation of the adherence by the Company with all the applicable guidelines. We conducted our verification in accordance with Guidance Note on Auditors Reports and Certificates for Special Purposes and Standards on Auditing issued by the Institute of Chartered Accountants of India.
4. On the basis of verification and examination of the proposed Scheme and according to the information and explanations provided to us by the Management of the Company, we state that we have examined the Net Worth Statement given below which has been prepared by the Company with:





# SEKHAR & CO.

CHARTERED ACCOUNTANTS

**PARTNERS :**

**K.C. Devdas**, B.Com., F.C.A

**C. Amarnath**, B.Com, L.L.B., F.C.A., DISA (ICA)

**G. Ganesh**, B.Com., F.C.A., DISA (ICA)

S&CO/15-16/GG/029

10<sup>th</sup> November, 2015

Page 2/2

- a. A certified copy of the proposed Scheme as approved by the Board of Directors of the Company as its meeting held on **12<sup>th</sup> October 2015**;
- b. The information, explanation and data given to us.

And found the Net worth statement in accordance therewith.

5. This Certificate is issued solely as per the requirements of the stock exchange(s) for filing under clause 24(f) of the listing Agreement along with the Proposed Scheme, which has been approved by the Board of Directors of **STPL** on **12<sup>th</sup> October 2015** and not to be considered for any other purposes without our prior written consent.

**Statement of Net Worth of M/s. Surana Telecom & Power Limited Prior to Merger of Demerged division of Bhagyanagar India Limited and Merger of Demerged Division.**

₹. in Lacs

S.No	PARTICULARS	NET WORTH		REMARKS
		PRE MERGER	POST MERGER	
1	Share Capital	1,040.22	1,357.60	Further allotment on merger
2	Free Reserves as per Section 2(43) of Companies Act 2013	4,475.66	4,475.66	Resulting Capital Reserves not included -
	<b>Net Worth</b>	<b>5,515.88</b>	<b>5,833.26</b>	

This certificate issued in continuance of our certificate S&CO/15-16/GG/023 dated 20<sup>th</sup> October 2015, wherein the Capital Redemption Reserve amounting to ₹.240.00 Lacs existing in Financial Statements and Resulting Capital reserves arising out of merger amounting to ₹.1930.81 has been taken. Now as per the requirement of NSE the net worth is calculated based on free reserves as per Section 2(43) Companies Act 2013. The Net worth in the referred certificate was ₹.5,755.88 & ₹.8004.07 Lacs pre and post merger respectively.

**For Sekhar & Co.,  
Chartered Accountants  
Firm Regd. No.003695-S**

**G.GANESH**

**Partner**

**Membership No.211704**

**Secunderabad  
10<sup>th</sup> November 2015**



# SEKHAR & CO.

CHARTERED ACCOUNTANTS

**PARTNERS :**

**K.C. Devdas**, B.Com., F.C.A

**C. Amarnath**, B.Com, L.L.B., F.C.A., DISA (ICA)

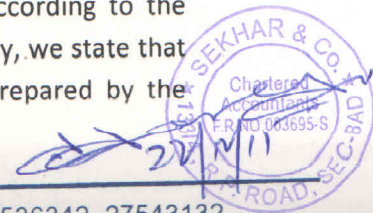
**G. Ganesh**, B.Com., F.C.A., DISA (ICA)

**S&CO/15-16/GG/033**

**22<sup>th</sup> December, 2015 Page 1/2**

**Bhagyanagar Properties Private Limited - Net Worth Certificate**  
**Resulting Company -2**

1. We, **Sekhar & Co.**, Chartered Accountants (**Firm Registration No.: 003695-S**), have examined the proposed Scheme of Arrangement between **Bhagyanagar India Limited** ("BIL" or "Demerged Company" or "the Company"), **Surana Telecom and Power Limited** ("STPL" or "Resulting Company 1") and **Bhagyanagar Properties Private Limited** ("BPPL" or "Resulting Company 2") and their respective shareholders and creditors ("the Scheme") under section 391 to 394 of the Companies Act, 1956 and applicable provisions of the Companies Act, 2013 ("the Act"), certified true copy of the Scheme duly signed by the Director / Authorised Signatory is attached herewith, for demerger of the Solar Power division & the Real Estate division of BIL with Appointed Date being the Effective Date. We have also examined the annexed "Statement of computation of Provisional pre-demerger and indicative post-demerger Net Worth of BPPL ("Net Worth Statement") as certified by the Company.
2. The management of the Company is responsible for the maintenance of proper books of accounts and such other relevant records as prescribed by applicable laws, which includes collecting, collating and validating data and designing, implementing and monitoring of internal controls relevant for the preparation and drawing up the financial statements of the Company including the Net worth Statement, that is free from material misstatement, whether due to fraud or error, in accordance with the scheme and the requirements for the purposes of clause 24(f) of the listing agreement.
3. Our responsibility, for the purposes of this certificate, is only limited to certifying the particulars contained in the Net Worth statement on the basis of the Management certified accounts of BPPL as on June 30, 2015, the Proposed Scheme and other information and records maintained by the Company and did not include the evaluation of the adherence by the Company with all the applicable guidelines. We conducted our verification in accordance with Guidance Note on Auditors Reports and Certificates for Special Purposes and Standards on Auditing issued by the Institute of Chartered Accountants of India.
4. On the basis of verification and examination of the proposed Scheme and according to the information and explanations provided to us by the Management of the Company, we state that we have examined the Net Worth Statement given below which has been prepared by the Company with:







# SEKHAR & CO.

CHARTERED ACCOUNTANTS

**PARTNERS :**

**K.C. Devdas**, B.Com., F.C.A

**C. Amarnath**, B.Com, L.L.B., F.C.A., DISA (ICA)

**G. Ganesh**, B.Com., F.C.A., DISA (ICA)

**S&CO/15-16/GG/033**

**22<sup>th</sup> December, 2015 Page 2/2**

- a. A certified copy of the proposed Scheme as approved by the Board of Directors of the Company as its meeting held on **12<sup>th</sup> October 2015**;
- b. The information, explanation and data given to us.

And found the Net worth statement in accordance therewith.

5. This Certificate is issued solely as per the requirements of the stock exchange(s) for filing under clause 24(f) of the listing Agreement along with the Proposed Scheme, which has been approved by the Board of Directors of **BPPL** on **12<sup>th</sup> October 2015** and not to be considered for any other purposes without our prior written consent.

**Statement of Net Worth of M/s. Bhagyanagar Properties Private Limited Prior to Merger of Demerged division of Bhagyanagar India Limited and Merger of Demerged Division.**

₹. in Lacs

S.No	PARTICULARS	NET WORTH		REMARKS
		PRE MERGER	POST MERGER	
1	Share Capital	400.00	639.90	Further allotment on merger
2	Reserves and Surplus arising out of demerger net of brought forward losses	(25.64)	8891.00	Transfer from Demerged Company
		374.36	9530.90	

*This certificate issued in supersession of our certificate S&CO/15-16/GG/024 & 028 dated 20-10-15 and 10-11-15 respectively. We have been informed that this being a scheme of demerger and not an amalgamation Net worth shall include the reserves emanating from the scheme of demerger. (Definition of Net worth under section 2(57) of Companies Act 2013.*

**For Sekhar & Co.,  
Chartered Accountants  
Firm Regd. No.003695-S**



**G.GANESH  
Partner  
Membership No.211704**

**Secunderabad  
22<sup>nd</sup> December 2015**





Surana Group

# BHAGYANAGAR INDIA LIMITED

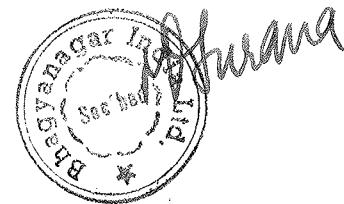
ISO 9001 - 2008 Certified Company

5th Floor, Surya Towers,  
Sardar Patel Road,  
Secunderabad-500 003. Telangana, India  
Tel : +91 40 27845119/27841198/44665700  
Fax : +91-40-27848851/27818868  
Website : www.surana.com  
E.mail : bil@surana.com  
CIN No.: L27201TG1991PLC012449

## ANNEXURE - VI

### Details of Capital evolution of Demerged Company - Bhagyanagar India Limited

Date of Issue	No. of shares issued	Issue Price (Rs)	Type of Issue (IPO/FPO/Preferential issue/ Scheme/ Bonus/ Rights Issue)	Cumulative Capital (No. of Shares)	Whether listed, if not listed, give reasons thereof
02.09.1985	70	10	Initial Subscription	70	Yes
	80,930	10	Private Placement	81,000	Yes
	1,00,000	10	Private Placement	1,81,000	Yes
26.11.1985	3,19,000	10	Public Issue	5,00,000	Yes
23.07.1990 (Order of BIFR)	12,478	For consideration other than cash on amalgamation	Amalgamation of Gangappa Ind Ltd	5,12,478	Yes
05.11.1991	5,12,478	-	Bonus Issue(1:1)	10,24,956	Yes
30.12.1992	15,37,434	-	Bonus Issue(3:2)	25,62,390	Yes
27.08.1994	70,000	300	Private Placement	26,32,390	Yes
27.09.1994	3,84,000	300	Private Placement	30,16,390	Yes
	1,96,000	240	Private Placement	32,12,390	Yes
11.10.1994	64,24,780	-	Bonus Issue(2:1)	96,37,170	Yes
21.07.1999	21,14,166	27	Buy Back	75,23,004	Yes
31.10.2000	7,50,000	80	Buy Back	67,73,004	Yes
01.10.2001	4,70,476	65	Buy Back	63,02,528	Yes
03.03.2005	3,15,12,640	NIL	Sub-Division	3,15,12,640	Yes
14.07.2005	54,87,360	27	Pref Allotment	3,70,00,000	Yes
08.09.2006	3,70,00,000	-	Bonus (1:1)	7,40,00,000	Yes
28.12.2006	5,00,000	40	Pref Allotment	7,45,00,000	Yes
18.05.2010	61,00,000	26.5	Buy Back	6,84,00,000	Yes
09.03.2012	4410000	18.61	Buy Back	639,90,000	Yes





# SURANA TELECOM AND POWER LTD.

(formerly Surana Telecom Ltd.)

Surana Group

ISO 9001 - 2008 Certified Company

5th Floor, Surya Towers,

Sardar Patel Road,

Secunderabad - 500 003. A.P., India

Tel : +91 40 27845119/44665700

Fax : 0091-40-27848851

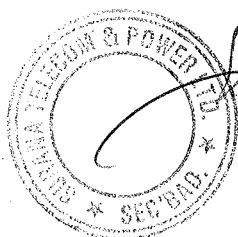
Website : [http:// www.surana.com](http://www.surana.com)

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

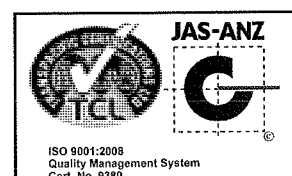
CIN No.: L23209AP1989PLC010336

## Details of Capital evolution of Resulting Company 1 - Surana Telecom and Power Limited

Date of Issue	No.of shares issued	Issue Price (Rs)	Type of Issue (IPO/FPO/Preferential issue/ Scheme/ Bonus/ Rights Issue)	Cumulative Capital (No.of Shares)	Whether listed, if not listed give reasons
14.08.1989	40	10	Initial Subscription	40	Yes
16.08.1989	200	10	Pref Allotment	240	Yes
29.11.1989	1,000	10	Pref Allotment	1,240	Yes
18.12.1989	1,010	10	Pref Allotment	2,250	Yes
23.03.1990	1,17,760	10	Pref Allotment	1,20,010	Yes
15.11.1992	1,20,010	NA	Bonus 1:1	2,40,020	Yes
01.07.1993	7,20,060	NA	Bonus 1:3	9,60,080	Yes
30.03.1994	10,00,000		Pref Allotment	19,60,080	Yes
09.01.1995	10,88,800	20	IPO	30,48,880	Yes
	13,06,200	25		43,55,080	Yes
17.03.2000	1,65,800	125	Pref Allotment	45,20,880	Yes
24.09.2001	67,81,320	NA	Bonus 2:3	113,02,200	Yes
03.03.2005		NA	Subdivision into Rs.5/- per share	226,04,400	Yes
16.01.2009	(18,00,000)	NA	Buyback	208,04,400	Yes
26.11.2014		NA	Subdivision into Re.1/- per share	1040,22,000	



*[Handwritten signature]*





# BHAGYANAGAR PROPERTIES PVT. LTD.

BHAGYANAGAR PROPERTIES PVT. LTD.

CIN - U70102742006PTC050010

5th Floor, Surya Towers,  
Sardar Patel Road,  
Secunderabad - 500 003. ~~777~~, India.  
Ph : 27845119 / 44665700  
Fax +91 40 27848851 / 27818868  
Email : surana@surana.com  
Website : www.surana.com

## Details of Capital evolution of Resulting Company 2 - Bhagyanagar Properties Private Limited

Date of Issue	No.of shares issued	Issue Price (Rs)	Type of Issue (IPO/FPO/Preferential issue/ Scheme/ Bonus/ Rights Issue)	Cumulative Capital (No.of Shares)	Whether listed, if not listed give reasons
27.04.2006	50000	10	Initial Subscription	50000	No*
19.09.2006	9,50,000	10	Preferential Allotment	10,00,000	No*
09.11.2006	3000000	10	Preferential Allotment	4000000	No*

\* Since the Company is unlisted company





Surana Group

# BHAGYANAGAR INDIA LIMITED

ISO 9001 - 2008 Certified Company

5th Floor, Surya Towers,  
Sardar Patel Road,  
Secunderabad-500 003. Telangana, India  
Tel : +91 40 27845119/27841198/44665700  
Fax : +91-40-27848851/27818868  
Website : www.surana.com  
E.mail : bil@surana.com  
CIN No.: L27201TG1991PLC012449

To,  
The General Manager,  
Department of Corporate Services,  
BSE Limited,  
P.J. Towers, Dalal Street,  
Mumbai – 400 001.

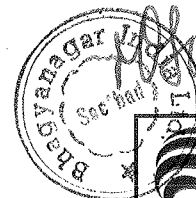
ANNEXURE - VII

Dear Sir,

**Sub: Application under Clause 24(f) of the listing agreement for the proposed scheme of arrangement between Bhagyanagar India Limited (BIL/ Demerged Company) and Surana Telecom and Power Limited (STPL/ Resulting Company 1) and Bhagyanagar Properties Private Limited (BPPL/ Resulting Company 2) and their respective Shareholders and Creditors.**

In connection with the above application, we hereby confirm that:

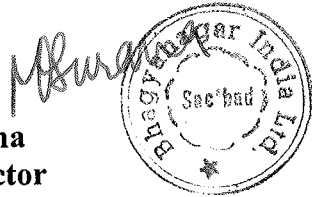
- a) The proposed scheme of amalgamation/ arrangement does not in any way violate or override or circumscribe the provisions of the SEBI Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, the Companies Act, 1956, the rules, regulations and guidelines made under these Acts, and the provisions as explained in clause 24(g) of the Listing agreement or the requirements of BSE Limited.
- b) In the explanatory statement to be forwarded by the company to the shareholders u/s 393 or accompanying a proposed resolution to be passed u/s 100 of the Companies Act, it shall disclose:
  - i) the pre and post-arrangement or amalgamation (expected) capital structure and shareholding pattern and
  - ii) the “fairness opinion” obtained from an Independent merchant banker on valuation of assets / shares done by the valuer for the company and unlisted company.
  - iii) The Complaint report as per Annexure III.
  - iv) The observation letter issued by the stock exchange
- c) The draft scheme of amalgamation/ arrangement together with all documents mentioned in Clause 5.16 (c) SEBI Circular no. CIR/CFD/DIL/8/2013 dated May 21, 2013, shall be disseminated on company’s website as per Website link given hereunder:  
<http://bhagyanagarindia.com/demerger.html>
- d) The company shall disclose the observation letter of the stock exchange on its website within 24 hours of receiving the same.



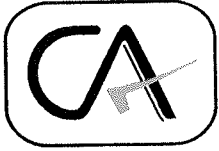
- e) The company shall obtain shareholders' approval by way of special resolution passed through postal ballot/ e-voting. Further, the company shall proceed with the draft scheme only if the vote cast by the public shareholders in favour of the proposal is more than the number of votes cast by public shareholders against it.
- f) The documents filed by the Company with the Exchange are same/ similar/ identical in all respect, which have been filled by the Company with Registrar of Companies/SEBI/Reserve Bank of India, wherever applicable.
- g) There will be no alteration in the Share Capital of the unlisted transferor company from the one given in the draft scheme of amalgamation/ arrangement.

**For Bhagyanagar India Limited**

**Devendra Surana**  
**Managing Director**



Date: 27. 10.2015  
Place: Secundearbad



# SEKHAR & CO.

CHARTERED ACCOUNTANTS

ANNEXURE - VIII

**PARTNERS :**

**K.C. Devdas**, B.Com., F.C.A

**C. Amarnath**, B.Com, L.L.B., F.C.A., DISA (ICA)

**G. Ganesh**, B.Com., F.C.A., DISA (ICA)

20<sup>th</sup> October, 2015

To,  
The Board of Directors,  
Bhagyanagar India Limited  
5<sup>th</sup> Floor Surya Towers S P Road  
Secunderabad 500 003

We, the statutory auditors of **Bhagyanagar India Limited**, (hereinafter referred to as "the Company"), have examined the proposed accounting treatment specified in *clause 12 Part I clause 23, Part III* of the Draft Scheme of **Demerger** between **Bhagyanagar India Limited, Surana Telecom and Power Limited, and Bhagyanagar Properties Private Limited** in terms of the provisions of sections 391 to 394 ) of the Companies Act, 1956 read with sections 78, 100 to 102 of Companies Act, 2013 with reference to its compliance with the applicable Accounting Standards notified under the Companies Act, 2013 and Other Generally Accepted Accounting Principles.


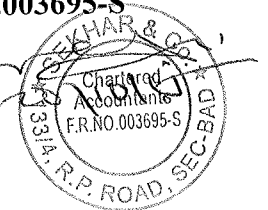
The responsibility for the preparation of the Draft Scheme and its compliance with the relevant laws and regulations, including the applicable Accounting Standards as aforesaid, is that of the Board of Directors of the Companies involved.

Our responsibility is only to examine and report whether the Draft Scheme complies with the applicable Accounting Standards and Other Generally Accepted Accounting Principles. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company. We carried out our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India.

Based on our examination and according to the information and explanations given to us, we confirm that the accounting treatment contained in the aforesaid scheme is in compliance with Clause 24(i) of the Listing Agreement and all the applicable Accounting Standards notified by the Central Government under the Companies Act, 1956/ Companies Act, 2013.

This Certificate is issued at the request of the **Bhagyanagar India Private Limited** pursuant to the requirements of clause 24(i) of the Listing Agreement for onward submission to the **Bombay Stock Exchange and National Stock Exchange**. This Certificate should not be used for any other purpose without our prior written consent.

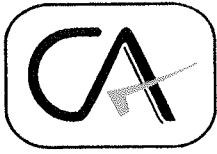
For Sekhar & Co.,  
Chartered Accountants  
Firm Regd. No.003695-S

**G.GANESH**  
Partner  
Membership No.211704

Secunderabad  
20<sup>th</sup> October 2015





# SEKHAR & CO.

CHARTERED ACCOUNTANTS

**PARTNERS :**

**K.C. Devdas**, B.Com., F.C.A

**C. Amarnath**, B.Com., L.L.B., F.C.A., DISA (ICA)

**G. Ganesh**, B.Com., F.C.A., DISA (ICA)

S&CO/15-16/GG/025

20<sup>th</sup> October, 2015

To,  
The Board of Directors,  
Surana Telecom and Power Limited  
5<sup>th</sup> Floor Surya Towers S P Road  
Secunderabad 500 003

We, the statutory auditors of **Surana Telecom and Power Limited**, (hereinafter referred to as "the Company"), have examined the proposed accounting treatment specified in clause 12, *Part II* of the Draft Scheme of **Demerger between Bhayanagar India Limited, Surana Telecom and Power Limited, and Bhayanagar Properties Private Limited** in terms of the provisions of sections 391 to 394 ) of the Companies Act, 1956 read with sections 78, 100 to 102 of Companies Act, 2013 with reference to its compliance with the applicable Accounting Standards notified under the Companies Act, 2013 and Other Generally Accepted Accounting Principles.

The responsibility for the preparation of the Draft Scheme and its compliance with the relevant laws and regulations, including the applicable Accounting Standards as aforesaid, is that of the Board of Directors of the Companies involved.


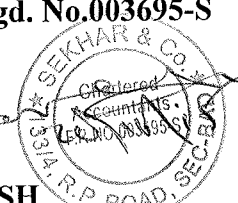
Our responsibility is only to examine and report whether the Draft Scheme complies with the applicable Accounting Standards and Other Generally Accepted Accounting Principles. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company. We carried out our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India.

Based on our examination and according to the information and explanations given to us, we confirm that the accounting treatment contained in the aforesaid scheme is in compliance with Clause 24(i) of the Listing Agreement and all the applicable Accounting Standards notified by the Central Government under the Companies Act, 1956/ Companies Act, 2013.

This Certificate is issued at the request of the **Surana Telecom and Power Limited** pursuant to the requirements of clause 24(i) of the Listing Agreement for onward submission to the **Bombay Stock Exchange and National Stock Exchange**. This Certificate should not be used for any other purpose without our prior written consent.

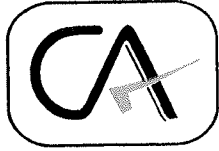
Secunderabad  
20<sup>th</sup> October 2015

**For Sekhar & Co.,  
Chartered Accountants  
Firm Regd. No.003695-S**

**G.GANESH  
Partner  
Membership No.211704**





# SEKHAR & CO.

CHARTERED ACCOUNTANTS

**PARTNERS :**

**K.C. Devdas**, B.Com., F.C.A

**C. Amarnath**, B.Com, L.L.B., F.C.A., DISA (ICA)

**G. Ganesh**, B.Com, F.C.A., DISA (ICA)

S&CO/15-16/GG/026

20<sup>th</sup> October, 2015

To,  
The Board of Directors,  
Bhagyanagar Properties Private Limited  
5<sup>th</sup> Floor Surya Towers S P Road  
Secunderabad 500 003

We, the statutory auditors of **Bhagyanagar Properties Private Limited**, (hereinafter referred to as "the Company"), have examined the proposed accounting treatment specified in clause 23, Part III of the Draft Scheme of Demerger between **Bhagyanagar India Limited, Surana Telecom and Power Limited, and Bhagyanagar Properties Private Limited** in terms of the provisions of sections 391 to 394 ) of the Companies Act, 1956 read with sections 78, 100 to 102 of Companies Act, 2013 with reference to its compliance with the applicable Accounting Standards notified under the Companies Act, 2013 and Other Generally Accepted Accounting Principles.

The responsibility for the preparation of the Draft Scheme and its compliance with the relevant laws and regulations, including the applicable Accounting Standards as aforesaid, is that of the Board of Directors of the Companies involved.

Our responsibility is only to examine and report whether the Draft Scheme complies with the applicable Accounting Standards and Other Generally Accepted Accounting Principles. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company. We carried out our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India.

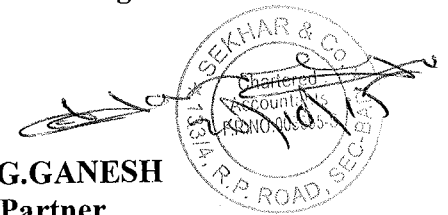
Based on our examination and according to the information and explanations given to us, we confirm that the accounting treatment contained in the aforesaid scheme is in compliance with Clause 24(i) of the Listing Agreement and all the applicable Accounting Standards notified by the Central Government under the Companies Act, 1956/ Companies Act, 2013.

This Certificate is issued at the request of the **Bhagyanagar Properties Private Limited** pursuant to the requirements of clause 24(i) of the Listing Agreement for onward submission to the **Bombay Stock Exchange and National Stock Exchange**. This Certificate should not be used for any other purpose without our prior written consent.

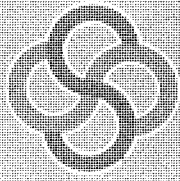
Secunderabad  
20<sup>th</sup> October 2015

For Sekhar & Co.,  
Chartered Accountants  
Firm Regd. No.003695-S

G.GANESH  
Partner  
Membership No.211704

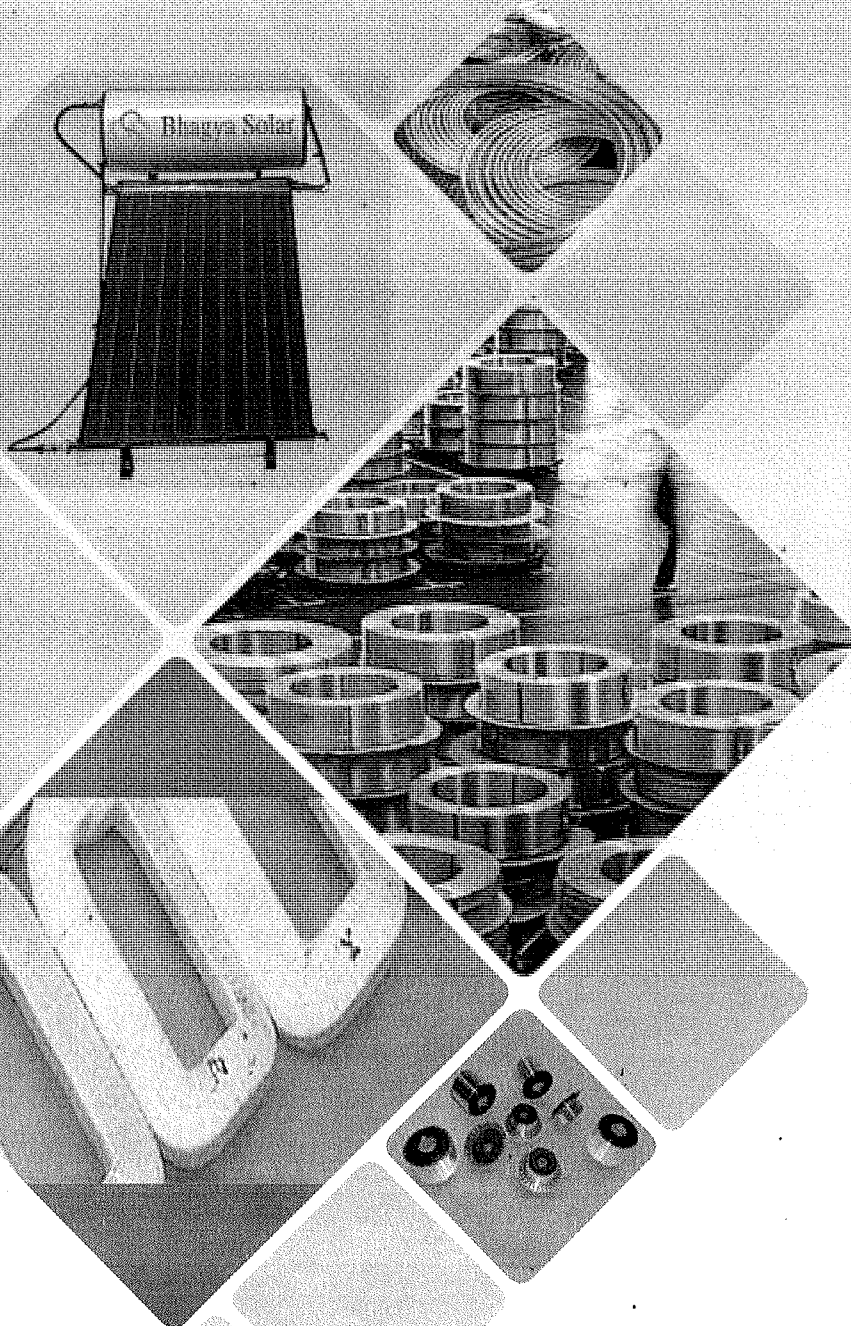






# BHAGYANAGAR INDIA LIMITED

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



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



# COPPER PRODUCT RANGE

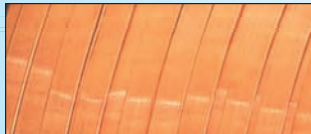
## ETP/OFC/SILVER BEARING COPPER PRODUCTS

**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

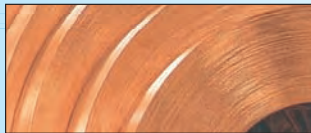
**Copper Tubes**  
 Sizes: 3/16", 1/4", 5/16", 3/8, 7/16  
 1/2", 9/16", 5/8, 11/16", 15/16, 1"  
 1 1/8", 1.1/4, 1.1/2" and  
 Thickness 16 SWG to 25 SWG



### 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 Munipally 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 re-payment 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:

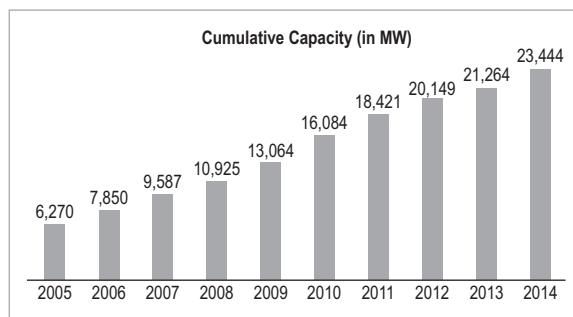
##### a) Wind Power:

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 Munoth, 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>	108,00,000	108,00,000	36,00,000	4,20,000	2,56,20,000

**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>	60000	90000	40000	90000	50000	-	330000

\* 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>	40,000	40,000

**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**

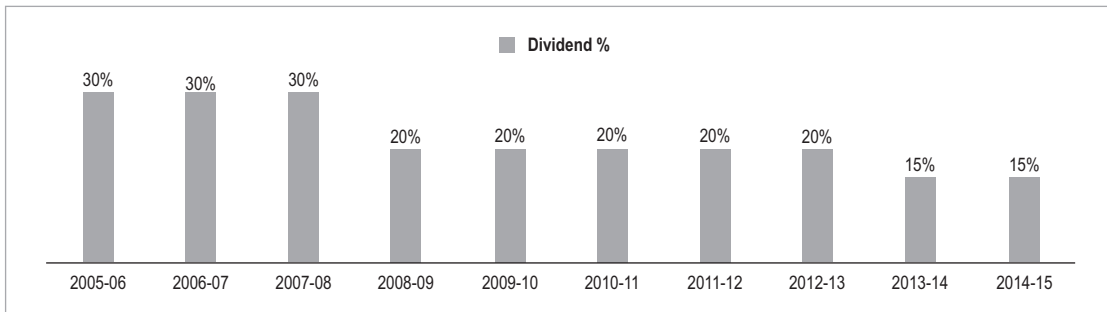
The official news releases are published in Business Standard and Surya (Telugu) Newspapers, Detailed presentations made to institutional investors, financial analyst, etc. are displayed on the Company's website [www.surana.com](http://www.surana.com) and [www.bhagyanagarindia.com](http://www.bhagyanagarindia.com).

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



**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 realizable 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>			
(a) Current Maturities on Long Term Debt			
(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

Particulars	Sub note	(Amount in ₹)	
		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		600,000	600,000
(b) Proposed Dividend	2.7(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:**

**2.7(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>	<b>2,622,960,001</b>
Less: Inter-Unit Sales		548,660	282,642
<b>GROSS SALES</b>		<b>2,875,497,878</b>	<b>2,622,677,359</b>
Less: Sales Tax		101,749,358	104,568,192
<b>NET SALES</b>		<b>2,773,748,520</b>	<b>2,518,109,167</b>
(b) Infrastructure Leasing and Sales		1,518,739	5,442,885
<b>TOTAL</b>		<b>2,775,267,259</b>	<b>2,523,552,052</b>

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>	<b>81,007,751</b>

**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	FY 2014-2015	FY 2013-2014	FY 2014-2015	FY 2013-2014	FY 2014-2015	FY 2013-2014	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	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	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	-	-	-	-	-	-
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	582,742	480,492
Current service cost	594,577	548,871
Benefits Paid	(193,483)	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	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: 2.31**
**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	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>	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	4,206	2,961	1,800,002,788	1,355,460,048
Scrap	MTs	1,499	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>	4,183	<b>2,424,806,248</b>	1,883,942,690
Less: Inter Unit Purchases				548,660	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>PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX</b>		<b>37,895,193</b>	54,279,365
<b>AMORTISATION OF FCMITD RESERVE</b>		<b>(19,753,717)</b>	(21,846,561)
<b>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 & 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

## 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 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. 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

<b>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)</b>				
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>			
<b>(a) Current Maturities on Long Term Debt</b>			
(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>		-	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		<b>316,440,442</b>	337,466,310
(b) Aggregate amount of Trade Receivables outstanding for a period exceeding than six months		<b>2,352,219</b>	2,149,215
<b>TOTAL</b>		<b>318,792,661</b>	339,615,525

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>	78,333,265
(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>	187,604,819
<b>TOTAL (A+B)</b>		<b>86,224,114</b>	265,938,084

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	<b>2.17 (a)</b>	<b>112,682,852</b>	96,126,444
(b) Advances to suppliers		<b>18,585,640</b>	53,093,698
(c) Sundry Advances		<b>10,792,403</b>	22,544,995
<b>TOTAL</b>		<b>142,060,895</b>	171,765,137

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		<b>112,682,852</b>	96,126,444
(Formerly Surana Ventures Ltd)			
		<b>112,682,852</b>	96,126,444

(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												(Amount in ₹)							
	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	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																				
Bhayanagar Infrastructure Limited																				
Scientia Infocom India Private Limited			520,472	2,521,481	-	-	-	-	-	-	-	-	-	-	-	-	-			

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	
	7,532,527						70,544,268		41,798,517				1,080,000	
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>							<b>70,544,268</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							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>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												
Devendra Surana										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

**Devendra Surana**  
 Managing Director

**Surendra Bhutoria**  
 Chief Financial Officer

## 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 - <b>Nil</b>					



# 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

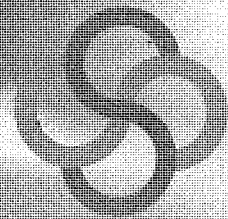
Fax : +91-040-27818868

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)



**SURANA TELECOM AND POWER LIMITED**

26<sup>th</sup> Annual Report  
2014-2015

Forging Ahead in Renewable Energy







Solar Street Light



Solar Lantern



## 5MW Solar Power Plant at Charanka, Gujarat



## BOARD OF DIRECTORS

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

### STATUTORY COMMITTEES

#### AUDIT COMMITTEE

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

#### STAKEHOLDERS RELATIONSHIP COMMITTEE

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

#### NOMINATION & REMUNERATION COMMITTEE:

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

#### RISK MANAGEMENT COMMITTEE:

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

### CHIEF FINANCIAL OFFICER

Archit Agarwal

### COMPANY SECRETARY

Dudam Srinivas

### BANKERS

State Bank of India  
Corporation Bank  
Indian Overseas Bank

### STATUTORY AUDITORS

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

### INTERNAL AUDITORS

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

### COST AUDITORS

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

### SECRETARIAL AUDITOR

M/s. Rakhi Agarwal & Associates  
A-10, Janata HSG. Society,  
Opp. Pantaloons, Shyamal Building,  
Begumpet, Hyderabad – 500 016.

### REGISTRAR & TRANSFER AGENT:

#### KARVY COMPUTERSHARE PRIVATE LIMITED

Karvy Selenium Tower B, Plot No 31 & 32  
Gachibowli, Financial District, Nanakramguda  
Serilingampally, Hyderabad - 500 032.  
Tel No. 040-67162222

E-mail : einward.ris@karvy.com

Web Site : www.karvy.com

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

### WORKS

#### Solar Power Project

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

#### Solar Module Manufacturing Unit

##### Hard Ware Park

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

#### Aluminum Wire Rods

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

#### Optic Fibre/Cable Plant

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

#### Non- Conventional Energy (Wind)

Kapatgudda, Gadag District,  
Karnataka, India.

### REGISTERED OFFICE

#### Surana Telecom and Power Limited

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

Tel: + 91 40 27845119, 44665750

Fax: + 91 40 27818868

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

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

CIN: L23209TG1989PLC010336



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## NOTICE OF 26<sup>th</sup> ANNUAL GENERAL MEETING

NOTICE is hereby given that the **26<sup>th</sup> Annual General Meeting** of the members of **SURANA TELECOM AND POWER LIMITED** will be held on Wednesday the 30<sup>th</sup> September, 2015 at 12.00 Noon at the Grand Solitaire Hotel, 1-240, 41 & 43, S.D.Road, Parklane, Secunderabad, Telangana - 500 003 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 Surana 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 25<sup>th</sup> Annual General Meeting, the appointment of M/s. Sekhar & Co., Chartered Accountants (Firm Regn No: 003695S) as Statutory Auditors of the Company, to hold office from the conclusion of this meeting until the conclusion of the 28<sup>th</sup> Annual General Meeting of the Company to be held in the year 2017, be ratified by the members on a remuneration as may be decided by the Board of Directors”.

### SPECIAL BUSINESS:

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, 161 and any other applicable provisions of the Companies Act, 2013 and Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) made there under read with Schedule V to the Act, **Ms. Vinita Surana (DIN: 02332288)**, who was appointed as an Additional Whole-time Director of the Company by the Board of Directors 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 the candidature for the office of the Director of the Company, be and is hereby appointed as Whole-time Director.”

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 196, 197, 203 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 for the time being in force), read with Schedule V to the Companies Act, 2013, Ms. Vinita Surana, be and is hereby appointed as Whole-time Director of the Company for a period of 5 years w.e.f 30.05.2015 up to 29.05.2020 on a managerial remuneration of ₹ 2,45,000/- per month.

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

**RESOLVED FURTHER THAT** the Board of Directors 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 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”.

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 Section 42, 62 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (share Capital and Debenture) Rules, 2014 and all other applicable provisions of the Companies Act, 2013, as applicable, and/or Foreign Exchange Management Act, 1999 (including any statutory modification(s) or re-enactment thereof), the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India), Regulations, 2000, as amended, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Deposit Receipt Mechanism) Scheme, 1993, as amended and the applicable Rules, Regulations,

Notifications and Circulars, if any, issued by Securities and Exchange Board of India (SEBI) from time to time, including the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the ICDR Regulations), Reserve Bank of India (RBI), Government of India or any other competent Authority and clarifications, if any, issued thereon from time to time by appropriate authorities, the Equity Listing Agreements (the "Listing Agreement") entered into by the Company with the Stock Exchanges where the Company's Equity Shares of face value of ₹ 1/-each (the "Equity Shares") are listed and other concerned and appropriate authorities, and other applicable laws, if any, and relevant provisions of the Memorandum and Articles of Association of the Company and subject to such approval(s), consent(s), permission(s) and/or sanction(s), if any, of the Government of India, RBI, SEBI and any other appropriate Authority(ies), Bank(s), Institution(s) or Body(ies), as may be necessary and subject to such conditions as may be prescribed by any of them in granting any such approval, consent, permission or sanction, as are accepted, the Board of Directors of the Company, (hereinafter referred to as the "Board", which term shall be deemed to include any duly constituted Committee thereof), be and is hereby authorized to create, offer, issue and allot Equity Shares/ Securities in one or more tranches, in the course of domestic or international offerings, by way of Follow-on Public Offer (FPO) and/or by way of a Qualified Institutions Placement (QIP) in terms of the Chapter VIII of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time and/ or Equity Shares in the form of Global Depository Receipts (GDRs), and/or American Depository Receipts (ADRs), and/ or External Commercial Borrowings (ECBs) with rights of conversion into shares, and/ or Foreign Currency Convertible Bonds (FCCBs) and/or Optionally or Compulsorily Convertible Redeemable Preference Shares (OCPS/CCPS), convertible into Equity Shares of the Company with voting rights or with differential rights as to voting, dividend or otherwise in accordance with such rules and subject to such conditions as may be prescribed or any other instrument convertible into Equity Shares with voting rights or with differential voting rights as to voting, dividend or otherwise (hereinafter referred to as the "Securities"), to be subscribed to, by International and/or Indian Banks, Institutions, Institutional Investors, Mutual Funds, companies, other Corporate Bodies, Resident/Non-Resident Indians, Foreign Nationals and other eligible Investors, as may be decided by the Board, (hereinafter referred to as "Investors"), whether or not such Investors are members of the Company or not (including the provisions for reservation on firm and/or competitive basis, of such part of issue and for such categories of persons including employees of the Company, group/associate company(ies) as may be permitted by the ICDR Regulations from time to time), at such time or times, at such price or prices, at discount / premium to the market or prices in such manner and on such terms and conditions including security, rate of interest etc. including the discretion to determine the categories of Investors to whom the offer, issue and

allotment shall be made to the exclusion of all other categories of Investors, as may be determined by the Board at the time of such issue and allotment, considering the then prevailing market conditions and other relevant factors wherever necessary, up to an aggregate of **US\$ 30 million** in any foreign currency or in Rupees (inclusive of such premium as may be determined) and such issue and allotment be made at such time or times, in such tranche or tranches, in such currency or currencies, in such manner and on such terms and conditions (including, if necessary, in relation to security on convertible debt instruments) as may be decided and deemed appropriate by the Board in its sole discretion at the time of issue / allotment."

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

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

**"RESOLVED FURTHER THAT** the Board be and is hereby authorized to issue and allot, from time to time, such number of Equity Shares at such premium as may be decided by the Board in its absolute discretion, upon conversion of such Securities or as may be necessary in accordance with the terms of the offering, including additional Equity Shares, and all such shares shall rank pari- passu with the then existing Equity Shares of the Company in all respects including to dividend."

**"RESOLVED FURTHER THAT** for the purpose of giving effect to any issue and/or allotment of Equity Shares in the Company or Securities or instruments or Securities representing or convertible into Equity Shares in the Company, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may at its discretion, deem necessary, appropriate or desirable for such purpose, including, without limitation, determining the form and manner of the issue, the class of investors to whom the Equity Shares/ Securities are to be issued and allotted, number of Equity Shares/Securities to be allotted in each tranche, issue price, face value, premium amount on issue/conversion of Securities/ exercise of warrants/redemption of Securities, rate of interest, redemption period, to appoint Lead Managers, Merchant Bankers, Global Business

Coordinators, Book Runners, Underwriters, Guarantors, Financial and/or Legal Advisors, Depositories, Custodians, Registrars, Trustees, Bankers and all other agencies, to enter into or execute all such agreements/ arrangements /MOUs/documents with any such agencies, as may be necessary; to list the Securities and the Equity Shares to be issued on conversion of the said Securities on any Indian and/or Foreign Stock Exchange(s), as it may in its absolute discretion deem fit.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorized to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of Equity Shares or Securities and utilization of the issue proceeds as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the members or otherwise, with the intent that the members shall be deemed to have given their approval thereto expressly by the authority of the aforesaid Resolution.”

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

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

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

Place : Secunderabad  
Date : 06.08.2015

**NARENDER SURANA**  
**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 @ 12% 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 dematerialised 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/III/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 - 500 032. Further, kindly note that members holding shares in physical form and intending to transfer their shares have to furnish the PAN particulars of transferee along with the share transfer deeds for affecting the physical share transfer.
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 **SURANA TELECOM AND POWER LIMITED**

Place : Secunderabad  
Date : 06.08.2015

**NARENDER SURANA**  
**DIRECTOR**



## EXPLANATORY STATEMENT

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

#### Item No. 5

Ms. Vinita Surana was appointed as an Additional Director of the Company by the Board of Directors at their meeting held on 27.03.2015 on recommendation of Nomination and Remuneration Committee and to hold office up to the date of this Annual General Meeting as per Section 161 of the Companies Act, 2013. Further she has been appointed as Whole-time Director w.e.f. 30.05.2015, subject to approval of the members at this Annual General Meeting. The Company has received a notice in accordance with Section 160 of the Companies Act, 2013 in writing signifying their intention to propose her as candidate for the office of Director of the Company. Ms. Vinita Surana is not disqualified from being appointed as a Director as per the provisions of the Companies Act, 2013.

The profile of Ms. Vinita Surana is annexed to Corporate Governance Report. The Board is of the view that the vast knowledge and experience of Ms. Vinita Surana will be of immense value and benefit to the Company and therefore recommends the resolution for the approval of the Members.

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

None of the Directors and Key Managerial Personnel of the Company other than Shri Narender Surana and Shri Devendra Surana are concerned or interested in the resolution.

#### Item No. 6

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. 7

The resolution contained in the AGM Notice relates to a proposal by the Company to create, offer, issue and allot Securities through further public offerings, preferential allotments, qualified institutions placements, issuance of Global Depository Receipts, American Depository Receipts and such other Securities in such manner as stated in the resolution. The Company intends to issue Securities for a value of up to US\$ 30 million. Subject to applicable laws and regulations, the Company intends to use the net proceeds of the Issue primarily for making acquisition, expansion and modernization of exiting 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 authorisation 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 Managers, 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. 8**

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 ₹ 10,000/- (Ten Thousand).

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 8 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 **SURANA TELECOM AND POWER LIMITED**

Place : Secunderabad  
Date : 06.08.2015

**NARENDER SURANA**  
**DIRECTOR**

## DIRECTORS' REPORT

To The Members of  
Surana Telecom and Power Limited

The Directors have pleasure in presenting the 26<sup>th</sup> Annual Report of your Company together with the Audited Balance Sheet as at 31<sup>st</sup> March 2015 and Statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2015.

### FINANCIAL RESULTS:

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

(Amount in ₹)

Particulars	Standalone Results		Consolidated Results	
	2014-15	2013-14	2014-15	2013-14
Sales and other Income	190,292,091	312,435,367	195,400,940	312,857,398
Profit before Depreciation and Interest	130,278,263	134,614,347	137,415,751	130,278,263
<b>DEDUCT:</b>				
Depreciation & Amortization	77,103,617	84,308,231	81,048,076	84,308,231
Interest	32,702,990	39,562,369	37,595,768	39,570,632
Profit for the year	24,841,578	6,683,559	18,805,745	6,399,400
Prior period Adjustments	(33,838)	--	(33,838)	--
<b>Profit before Taxation</b>	<b>24,807,740</b>	6,683,559	<b>18,771,907</b>	6,399,400
<b>Provision for Taxation:</b>				
Current Tax	4,000,000	250,000	4,000,000	250,000
Deferred Tax	937,000	(857,000)	(570,828)	(857,000)
MAT Entitlement Credit	--	--	--	--
Income Tax in respect of earlier years	--	--	26,064	--
<b>Profit after Tax</b>	<b>19,870,740</b>	7,290,559	<b>15,316,671</b>	7,006,400
Minority Interest (Current year's Profit/(loss))	--	--	(2,461,232)	(114,297)
Change in Reserves on divestment in subsidiary / Associate	--	--	--	--
Share in net assets of associate cos.	--	--	--	--
Surplus brought forward from previous year	187,321,117	199,634,697	186,790,114	199,273,557
Balance available for appropriation	207,191,857	206,925,256	204,568,017	206,394,254
<b>APPROPRIATION:</b>				
Dividend	12,482,640	12,482,640	12,482,640	12,482,640
Tax on Dividend	2,496,000	2,121,500	2,496,000	2,121,500
Transfer to General Reserves	5,000,000	5,000,000	5,000,000	5,000,000
Balance c/f to Balance Sheet	187,213,217	187,321,117	184,589,377	186,790,114
<b>TOTAL</b>	<b>207,191,857</b>	206,925,256	<b>204,568,017</b>	206,394,254

### PERFORMANCE:

During the year under review, the Income from Operations is ₹ 174,623,085 as against ₹ 290,278,338 for the corresponding previous year. The Profit Before Tax stood at ₹ 24,807,740 as against ₹ 6,683,559 for the previous year. The Profit After Tax stood at ₹ 19,870,740 as against ₹ 7,290,559 for the corresponding period. The Basic Earnings Per Share for the year-ended 31.03.2015 is ₹ 0.19 as against ₹ 0.07 for the corresponding previous year ended 31.03.2014.

### SUBSIDIARIES

Your company has 3 subsidiary companies as mentioned below. Further there has been no material change in the nature of business of the subsidiaries.

Sl. No.	Name of the Subsidiary	Percentage (%)
1.	Globecom Infotech Private Limited	100%
2.	Surana Solar Systems Private Limited	51%
3.	Celestial Solar Solutions Private Limited	51%

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



**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 @12% (₹ 0.12 per equity share of face value of ₹ 1/- 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 ₹ 1,49,78,640 (inclusive of tax thereon).

**RESERVES:**

During the year the Company has transferred an amount of ₹ 5,000,000 to General Reserves Account.

**FIXED DEPOSITS:**

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

**OPERATIONS:**

The Company's 5 MW Solar Power Project situated at Gujarat Solar Park, Charanaka Village, Santapur Taluk, Patan District is successfully running. During the year under review, the Capacity Utilisation Factor (CUF) is about 18% which is at par with the Industry Standard.

M/s Surana Solar Systems Private Limited a Subsidiary Company has started its Commercial Operation of 5MW Solar Power Plant situated at Sankapur Village, Medak District, Telangana commissioned in January, 2015 and is running smoothly.

The Company has been awarded 10MW Solar Power Project in Karnataka which will be implemented through, M/s. Celestial Solar Solutions Private Limited (SPV). The Company has divested 49% Equity in the SPV in favour of M/s NVR Infrastructure and Services Private Limited.

The Company has divested and exited from Joint Venture Company M/s Radiant Alliance Limited, Bangladesh by transferring its 49% shareholding during the financial year under review.

Due to slowdown in IT/ITES industry and in order to concentrate on its core business activity of Solar Power Development, the Company's subsidiary has surrendered the land allotted to Rajiv Gandhi Infotech Park, Hinjawadi, Phase 3, Pune.

**DIRECTORS:**

In terms of the provisions of Section 149 of Companies Act, 2013 and clause 49 of the Listing Agreement, Ms. Vinita Surana has been appointed as Additional Director of the Company w.e.f 27.03.2015 based on the recommendation of Nomination and Remuneration Committee. Further she has been appointed as Whole-time Director w.e.f. 30.05.2015, subject to approval of the members at this Annual General Meeting.

Pursuant to Section 161(1) of the Act, Ms. Vinita Surana holds office up to the date of forthcoming Annual General Meeting of the Company and is eligible for appointment as Whole-time 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 Surana, 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 is 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, Directors and Shri Baunakar Shekarnath, Whole-time Director, Shri. Archit Agarwal, Chief Financial Officer and Shri. Dudam Srinivas, Company Secretary 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 6 (Six) 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 25<sup>th</sup> Annual General Meeting of the Company held on 22<sup>nd</sup> September, 2014 till the conclusion of the 28<sup>th</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" to this Report.

**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.

**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" to this Report.

**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. This policy is posted on the website of company.

#### **HUMAN RESOURCES:**

Many initiatives have been taken to support business through organisational efficiency, process change support and various employee engagement programmes which has helped the Organisation 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 – None of the Directors are drawing remuneration.
- (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 - None of the Directors are drawing remuneration and Shri. Srinivas Dudam, Company Secretary has joined the Company w.e.f 01.12.2014 and since this information is for the financial year. Hence the same is not comparable.
- (iii) The percentage increase in the median remuneration of employees in the financial year – (4.51)
- (iv) The number of permanent employees on the rolls of company - 23
- (v) The explanation on the relationship between average increase in remuneration and company performance;

On an average, employees received an increase of 4.95%. 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 - None of the Directors are drawing remuneration and Shri. Srinivas Dudam, Company Secretary has joined the Company w.e.f 01.12.2014 and since this information is for the financial year. Hence the same is not comparable.
- (vii) variations in the market capitalization 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	₹	13.17	17.00
EPS	₹	0.19	0.07
No of Shares*		104022000	20804400
Market Capitalization	Rs/ Lac	13699.70	3536.75
Price Earnings ratio	Ratio	69.32	242.86
* The face value of Equity shares of ₹ 5/- each has been subdivided into 5 equity shares of ₹ 1/- each w.e.f. 26.11.2014.			

- (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 4.5%. Percentage increase in the managerial remuneration for the year – NA.

- (ix) Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company – Shri. Srinivas Dudam, Company Secretary has joined the Company w.e.f 01.12.2014 and since this information is for the financial year. Hence the same is not comparable.
- (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**

**DEVENDRA SURANA  
DIRECTOR**

**NARENDER SURANA  
DIRECTOR**

Place : Secunderabad  
Date : 06.08.2015

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

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

**FORM A**

**1. CONSERVATION OF ENERGY:**

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

Additional Investments and proposals, if any, being implemented for reduction of consumption of energy	Nil
Impact of the clause (1) and (2) above for reduction of energy consumption and consequent impact on the production of goods	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	NIL
4.	Expenditure on R & D	NIL

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

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

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

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

Total Foreign Exchange outflow and inflow:	
Total Foreign Exchange outflow:	₹ 186,346,320
Total Foreign Exchange inflow:	Nil

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

Place : Secunderabad  
Date : 06.08.2015

**DEVENDRA SURANA  
DIRECTOR**

**NARENDER SURANA  
DIRECTOR**



**MANAGEMENT DISCUSSION & ANALYSIS**

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

**SOLAR ENERGY**

**Introduction**

There has been a rising awareness worldwide that renewable energy and energy efficiency are critical not only for addressing climate change, but also for creating new economic opportunities and for providing energy access to the billions of people still living without modern energy services. Over the past decade, and particularly in recent years, advances in renewable energy technologies, global increases in capacity, and rapid cost reductions have been due largely to policy support, which has attracted significant investment and has further driven down costs through economies of scale. As per Global Status Report - REN 21, India's global position in renewable energy capacity installation is 5<sup>th</sup> in the world. Renewable energy continued to grow in 2014 against the backdrop of increasing global energy consumption and a dramatic decline in oil prices during the second half of the year. In 2014, renewable energy expanded significantly in terms of capacity installed and energy produced, with renewable energy investments in the power sector outpacing net investments in fossil fuel power plants. The most rapid growth and the largest increase in renewable capacity occurred in the power sector and was dominated by three technologies: wind, solar photovoltaic (PV), and hydropower.

India is the fourth largest primary energy consumer, after China, USA and Russia. It accounts for more than 4.5% of the total global annual energy consumption. In India 818 million people or around two-thirds of the population, rely on traditional biomass-almost twice as many as in China, which is ranked second in world. As per India Energy Congress (IEC)-2013 on Securing Tomorrow's Energy Today-Policy & Regulations, if India grows at the rate of 8% or more, higher than average demand for energy will persist.

**INDUSTRY ANALYSIS**

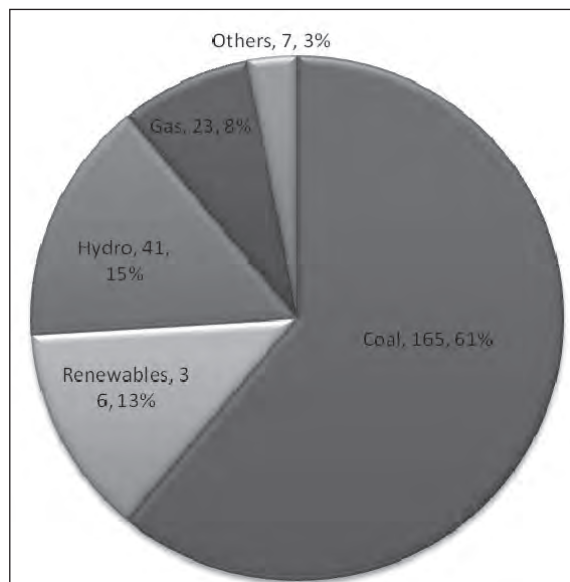
India is perhaps the most exciting solar market in the world helped by rapidly improving commercial viability of solar PV technology, its huge need for power and of course, its social

and environmental imperatives. Solar technology has many unique attributes which make it one of the most preferred sources of power particularly in India, a densely populated country with high energy deficit – it can be rapidly deployed across most parts of the country, it is modular in nature and it is environmentally friendly. The demand for electricity in the country has been growing at a rapid rate and is expected to grow further in the years to come. In order to meet the increasing requirement of electricity, massive addition to the installed generating capacity in the country is required. The energy deficit in India has reduced from 9.5 per cent to 4.5 per cent. The Government of India's focus to attain 'Power For All' has accelerated capacity addition in the country. At the same time, the competitive intensity is increasing on both market side as well as supply side (fuel, logistics, finances and manpower).

**Generation of Power:**

The installed generating capacity in the country as on 31<sup>st</sup> March 2015, was 272 GW (and an additional 43 GW of captive power). Grid capacity addition during the financial year for the country was 25 GW as compared to capacity addition of 20 GW during the previous financial year.

India generation mix (in GW) and share by generation source, as of 31<sup>st</sup> March 2015



(Source: CEA)

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. Further it is considering to bring long term policies and scheme for installing solar power plants with 1 lakh MW capacity in the

country. It has announced revision of the target of renewable energy capacity of the MNRE to 1,75,000 MW by 2022. The revised target of 1,75,000 MW comprises of capacity addition of 1,00,000 MW Solar, 60,000 MW Wind, 10,000 MW Biomass and 5,000 MW Small Hydro Power. 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 centres by creating intra-state and inter-state transmission infrastructure RE-INVEST 2015 Concludes with 2,66,000 MW Commitments of Green Energy. The Government has launched various schemes to set up grid-connected solar power plants. 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.

The Indian power sector has an investment potential of ₹ 15 trillion (US\$ 237.35 billion) in the next 4-5 years, providing immense opportunities in power generation, distribution, transmission and equipment. With an installed capacity of about 3000 MW solar power, the share of solar energy is about 2% in the power sector of the country. MNRE has proposed to scale up Grid Connected Solar Power targets from 20,000 MW to 1,00,000 MW by 2022. The target includes 40,000 MW roof-top solar photovoltaics, 57,000 MW large solar projects and 3,000 MW already installed. The Government has approved an outlay of ₹ 33,003 crore for MNRE for promotion of new and renewable energy during 12<sup>th</sup> Plan period. 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.

In 2015, IHS predicts that installation demand will grow at a double-digit rate of 16 to 25 percent and installations in the range of 53 to 57 GW. The drivers of growth will remain largely unchanged from 2014. Geographically, the largest markets again will be China, Japan and the United States, while the largest contributors in terms of absolute growth will be China, the U.S. and India.

## **BUSINESS OUTLOOK:**

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

## **WIND POWER GENERATION:**

### **Introduction:**

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. 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. The sector is growing rapidly and thus presents substantial opportunities for both the international and domestic players. 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.

## **INDUSTRY ANALYSIS:**

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 Central government has informed it has already started interactions with the State Governments to facilitate the fulfilment of the commitments received in the RE-INVEST 2015. The deliberation during 4th International Conference on Wind Energy (WE 20 by 2020) presents an opportunity and platform to build consensus on several policies, regulatory, technological, implementation aspects that would influence the future growth of the wind sector in India. 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.

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. Wind energy market of India is expected to attract about ₹ 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.

#### **BUSINESS OUTLOOK:**

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.

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

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

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

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

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

The company has an Internal Audit System commensurate with its size and nature of business. M/s Luharuka & Associates, a firm of Chartered Accountants, are acting as Internal Auditors of the Company. Periodic reports of Internal

Auditors are reviewed in the meeting of the Audit Committee of the Board. Compliance with laws and regulations is also ensured and confirmed by the Internal Auditors of the company. Standard operating procedures and guidelines are issued from time to time to support best practices for internal control.

#### **FINANCIAL PERFORMANCE & OPERATIONAL PERFORMANCE:**

##### **Financial Performance:**

##### **Capital Structure:**

The Equity Share Capital of the Company as on 31<sup>st</sup> March 2015 is ₹ 10,40,22,000/- comprising of 10,40,22,000 Equity Shares of ₹ 1/- each fully paid. (during the year, the Equity shares of ₹ 5/- each were sub-divided into 5 Equity Shares of Re. 1/- each, due to which, there is an increase in number of shares).

##### **Reserves and Surplus:**

The Reserves and Surplus of the Company for the current year is ₹ 494,118,536 and in the previous year was ₹ 497,339,466.

##### **Fixed Assets:**

During the year, the Company has added Fixed Assets amounting to ₹ 4,340,256 making the gross fixed assets as on 31.03.2015 to ₹ 1,136,457,255.

##### **Inventories:**

Inventories, as on 31<sup>st</sup> March, 2015 amounted to ₹ 189,302,432 and in the previous year is ₹ 37,170,237.

##### **Sundry Debtors:**

Sundry Debtors amounted to ₹ 30,437,218 as on 31<sup>st</sup> March, 2015 and ₹ 29,715,585 in the previous year.

##### **Cash and Bank Balances:**

Cash and Bank balances with Scheduled Banks, as on 31<sup>st</sup> March, 2015 amounted to ₹ 11,284,808 which includes amounts deposited with banks as Security and margin Money Deposit and accrued interest.

##### **Long Term Loans and Advances:**

Loans and Advances amounted to ₹ 61,359,355 as on 31<sup>st</sup> March, 2015 as against ₹ 126,633,388 in the previous year.

##### **Short Term Loans and Advances:**

Short Term Loans and Advances amounted to ₹ 1,987,033 as on 31<sup>st</sup> March, 2015 as against ₹ 8,363,234 in the previous year.

##### **Current Liabilities:**

Current Liabilities amounted to ₹ 196,904,083 as on 31<sup>st</sup> March, 2015 as against ₹ 156,597,050 in the previous year.

#### **6.2. Operational Performance:**

##### **Turnover:**

During the year 2014-15, the gross turnover of the Company was ₹ 174,623,085 and ₹ 290,278,338 in the previous year.

Other Income as on 31<sup>st</sup> March, 2015 is ₹ 15,669,006 and ₹ 22,157,029 in the previous year.



**Depreciation:**

The Company has incurred a sum of ₹ 77,103,617 towards depreciation and amortisation for the year and ₹ 84,308,231 in the previous year.

**Net Profit:**

The Net Profit of the Company after tax is ₹ 19,870,740 and ₹ 7,290,559 in the previous year.

**Earnings per Share:**

Basic Earnings Per Share for the year ended 31.03.2015 is ₹ 0.19 for Face Value of ₹ 1/- and ₹ 0.07 per share for the year ended 31.03.2014.

**HUMAN RESOURCE DEVELOPMENT AND INDUSTRIAL RELATIONS:**

The Company believes that the quality of its employees is the key to its success in the long run and is committed to provide necessary human resource development and training

opportunities to equip them with skills, which would enable them to adapt to contemporary technological advancements.

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

**CAUTIONARY STATEMENT:**

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

**FORM NO. AOC-2**

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

**1. Details of contracts or arrangements or transactions not at arm's length basis:**

No transactions.

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

Sl. No.	(a) 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>Surana Solar Limited</b> (Common Directors are holding more than 2% of the Share Capital of the Company)	Sale of Goods	01.04.2014 to 31.03.2015	Sale of Goods - ₹ 48.20 lakhs	NA	₹ 241.32 lakhs (Advance for supply of materials)
2	<b>Surana Solar Limited</b> (Common Directors are holding more than 2% of the Share Capital of the Company)	Purchase of Goods	01.04.2014 to 31.03.2015	Purchase of Goods - ₹ 561.75 lakhs	NA	-

**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	L23209TG1989PLC010336
Registration Date	14 <sup>th</sup> August, 1989
Name of the Company	<b>SURANA TELECOM AND POWER LIMITED</b>
Category / Sub-Category of the Company	Company limited by shares/ Indian Non-Govt. Company
Address of the Registered Office and contact details	5 <sup>th</sup> Floor, Surya Towers, Sardar Patel Road, Secunderabad-500 003. Ph: 040-44665700.
Whether listed company	Yes
Name, address and contact details of Registrar and Transfer Agent, if any	M/s Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot No 31 & 32 Gachibowli, Financial District, Nanakramguda, Serilingampally Hyderabad – 500 008 Phone # +91-40-67162222, Fax # 91-40-23001153, 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
Generation of solar energy	40106	72.12
Trading of solar modules	32105	21.40

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

Name and address of the Company	CIN / GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
Globecom Infotech Private Limited	U72900TG2008PTC060108	Subsidiary	99.98	2(87)
Surana Solar Systems Private Limited	U40108TG2012PTC084662	Subsidiary	51.00	2(87)
Celestial Solar Solutions Private Limited	U40102TG2013PTC085497	Subsidiary	51.00	2(87)



IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

i) Category-wise Shareholding:

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2014)			No. of Shares held at the end of the year (31.03.2015)			% Change during the year
	Demat	Physical	Total	Demat	Physical	Total	
<b>A. PROMOTERS</b>							
<b>(1) Indian</b>							
a) Individual / HUUF	12314052	-	12314052	63961215	-	63961215	2.3
b) Central Govt.	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-
d) Bodies Corporate	2650991	-	2650991	13294785	-	13294785	0.04
e) Banks / FI	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-
<b>Sub-Total (A)(1):</b>	<b>14965043</b>	<b>-</b>	<b>14965043</b>	<b>77256000</b>	<b>-</b>	<b>77256000</b>	<b>2.34</b>
<b>(2) Foreign</b>							
a) NRIs - Individuals	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-
<b>Sub-Total (A)(2):</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Shareholding of Promoters (A) = (A)(1)+(A)(2)</b>	<b>14965043</b>	<b>-</b>	<b>14965043</b>	<b>77256000</b>	<b>-</b>	<b>77256000</b>	<b>2.34</b>
<b>B. PUBLIC SHAREHOLDING</b>							
<b>(1) Institutions</b>							
a) Mutual Funds / UTI	8400	5800	14200	42000	29000	71000	0.07
b) Banks / FI	-	4200	4200	-	21000	21000	0.02
c) Central Govt.	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-
g) FIs	110000	2800	112800	1379001	14000	1393001	1.34
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-
<b>Sub-Total (B)(1):</b>	<b>118400</b>	<b>12,800</b>	<b>131200</b>	<b>1421001</b>	<b>64000</b>	<b>1485001</b>	<b>1.43</b>
<b>Sub-Total (B)(2):</b>							<b>0.8</b>

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2014)				No. of Shares held at the end of the year (31.03.2015)				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>(2) Non-Institutions</b>									
<b>a) Indian Bodies Corporate</b>	377865	31703	409568	1.97	1655982	158515	1814497	1.74	-0.23
<b>b) Individuals</b>									
i) Individual Shareholders holding nominal share capital upto ₹ 1 lakh	2859553	945129	3804682	18.29	11738952	4502645	16241597	15.61	-2.68
ii) Individual Shareholders holding nominal share capital in excess of ₹ 1 lakh	1235870	-	1235870	5.94	5480214	-	5480214	5.27	-0.67
<b>c) Others</b>									
i) Non Resident Indians	128738	2500	131238	0.63	1377780	12500	1390280	1.34	0.71
Clearing Members	62481	-	62481	0.30	61911	-	61911	0.06	0.30
Trusts	5818	-	5818	0.03	-	-	-	-	-
Overseas Bodies Corporate	-	58500	58500	0.28	-	292500	292500	0.28	-
Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
<b>Sub-Total B(2) :</b>	<b>4670325</b>	<b>1037832</b>	<b>5708157</b>	<b>27.44</b>	<b>20314839</b>	<b>4966160</b>	<b>25280999</b>	<b>24.30</b>	<b>-3.14</b>
<b>Total B=B(1)+B(2):</b>	<b>4788725</b>	<b>1050632</b>	<b>5839357</b>	<b>28.07</b>	<b>21735840</b>	<b>5030160</b>	<b>26766000</b>	<b>25.73</b>	<b>-2.34</b>
<b>C. SHARES HELD BY CUSTODIANS, AGAINST WHICH</b>	-	-	-	-	-	-	-	-	-
<b>GRAND TOTAL (A+B+C) :</b>	<b>19753768</b>	<b>19753768</b>	<b>20804400</b>	<b>100.00</b>	<b>98991840</b>	<b>5030160</b>	<b>104022000</b>	<b>100.00</b>	<b>-</b>

Note: The face value of Equity Share of ₹ 5/- each has been sub-divided into 5 Equity Shares of ₹ 1/-each w.e.f. 26.11.2014

**ii) Shareholding of Promoters:**

Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
	No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	
Advait Surana	524305	2.52	-	2621525	2.52	-	-
Bhagnagar India Ltd	339318	1.63	-	1734430	1.67	-	0.04
Bhagnagar India Ltd	1532144	7.36	-	7660720	7.36	-	-
Chand Kanwar	437398	2.10	-	2186990	2.10	-	-
Devendra Surana	2780178	13.36	-	13900890	13.36	-	-
Devendra Surana	175000	0.84	-	875000	0.84	-	-
Devendra Surana	25514	0.12	-	552125	0.53	-	0.41
GM Surana	823038	3.96	-	4115190	3.96	-	-
Mangilal Surana	61072	0.29	-	305360	0.29	-	-
Manish Surana	802013	3.86	-	4216658	4.05	-	0.19
Mitali Surana	244500	1.18	-	1222500	1.18	-	-
Namrata Surana	856408	4.12	-	4603455	4.43	-	0.31
Narender Surana	2073776	9.97	-	10368880	9.97	-	-
Narender Surana	1034905	4.97	-	6193800	5.95	-	0.98
Narender Surana	521879	2.51	-	2609395	2.51	-	-
Rahul Surana	305000	1.47	-	1525000	1.47	-	-
Shresha Surana	264545	1.27	-	1434367	1.38	-	0.11
Sresha Surana	250000	1.20	-	1250000	1.20	-	-
Sunita Surana	644035	3.10	-	3475675	3.34	-	0.24
Surana Infocom Private Limited	721584	3.47	-	3609910	3.47	-	-
Surana Infocom Private Limited	57945	0.28	-	289725	0.28	-	-
Vinita Surana	490486	2.36	-	2504405	2.41	-	0.05
<b>Total</b>	<b>14965043</b>	<b>71.96</b>	<b>-</b>	<b>77256000</b>	<b>74.27</b>	<b>-</b>	<b>2.34</b>

Note: The face value of Equity Share of ₹ 5/- each has been sub-divided into 5 Equity Shares of ₹ 1/-each w.e.f. 26.11.2014.

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

Sl. No.	Name of the Share Holder	Shareholding at the beginning of the Year		Increase/Decrease in share holding			Cumulative Shareholding during the Year	
		No of Shares	% of total shares of the company	Date	No. of Shares	Reason	No of Shares	% of total shares of the company
1.	Devendra Surana	2780178	13.36	01/04/2014			2780178	13.36
				26/11/2014	11120712	Subdivision	13900890	13.36
				31/03/2015			13900890	13.36
2.	Narender Surana	2073776	9.97	01/04/2014			2073776	9.97
				26/11/2014	8295104	Subdivision	10368880	9.97
				31/03/2015			10368880	9.97
3.	Bhagnagar India Ltd	1532144	7.36	01/04/2014			1532144	7.36
				26/11/2014	6128576	Subdivision	7660720	7.36
				31/03/2015			7660720	7.36

Sl. No.	Name of the Share Holder	Shareholding at the beginning of the Year		Increase/Decrease in share holding			Cumulative Shareholding during the Year	
		No of Shares	% of total shares of the company	Date	No.of Shares	Reason	No of Shares	% of total shares of the company
4.	Narender Surana	893219	4.29	01/04/2014			893219	4.29
				04/04/2014	36542	Purchase	929761	4.47
				11/04/2014	158589	Purchase	1088350	5.23
				18/04/2014	20025	Purchase	1108375	5.33
				25/04/2014	12552	Purchase	1120927	5.39
				02/05/2014	8526	Purchase	1129453	5.43
				09/05/2014	4572	Purchase	1134025	5.45
				16/05/2014	5595	Purchase	1139620	5.48
				23/05/2014	3580	Purchase	1143200	5.49
				30/05/2014	25	Purchase	1143225	5.50
				06/06/2014	9592	Purchase	1152817	5.54
				13/06/2014	11253	Purchase	1164070	5.60
				20/06/2014	11612	Purchase	1175682	5.65
				30/06/2014	1351	Purchase	1177033	5.66
				04/07/2014	1982	Purchase	1179015	5.67
				11/07/2014	1350	Purchase	1180365	5.67
				18/07/2014	36091	Purchase	1216456	5.85
				25/07/2014	10675	Purchase	1227131	5.90
				01/08/2014	1877	Purchase	1229008	5.91
				22/08/2014	4	Purchase	1229012	5.91
				29/08/2014	2060	Purchase	1231072	5.92
				05/09/2014	2100	Purchase	1233172	5.93
				31/10/2014	100	Purchase	1233272	5.93
				26/11/2014	4933088	Subdivision	6166360	5.93
				12/12/2014	6395	Purchase	6172755	5.93
				19/12/2014	4050	Purchase	6176805	5.94
31/12/2014	16845	Purchase	6193650	5.95				
09/01/2015	100	Purchase	6193750	5.95				
13/03/2015	50	Purchase	6193800	5.95				
31/03/2015			6193800	5.95				
5	Namrata Surana	856408	4.12	01/04/2014			856408	4.12
				04/04/2014	33000	Purchase	889408	4.28
				11/04/2014	10000	Purchase	899408	4.32
				18/04/2014	8200	Purchase	907608	4.36
				25/04/2014	10000	Purchase	917608	4.41
				06/06/2014	3083	Purchase	920691	4.43
				26/11/2014	3682764	Subdivision	4603455	4.43
				31/03/2015			4603455	4.43
6	G.M. Surana	823038	3.96	01/04/2014			823038	3.96
				26/11/2014	3292152	Subdivision	4115190	3.96
				31/03/2015			4115190	3.96
7	Manish Surana	802013	3.86	31/03/2015			802013	3.86
				04/04/2014	3000	Purchase	805013	3.87
				11/04/2014	3100	Purchase	808113	3.88
				23/05/2014	9516	Purchase	817629	3.93
				06/06/2014	9118	Purchase	826747	3.97
				20/06/2014	1165	Purchase	827912	3.98
30/06/2014	33	Purchase	827945	3.98				

Sl. No.	Name of the Share Holder	Shareholding at the beginning of the Year		Increase/Decrease in share holding			Cumulative Shareholding during the Year	
		No of Shares	% of total shares of the company	Date	No.of Shares	Reason	No of Shares	% of total shares of the company
				26/11/2014	3311780	Subdivision	4139725	3.98
				05/12/2014	5000	Purchase	4145890	3.99
				12/12/2014	10398	Purchase	4156288	4.00
				19/12/2014	49000	Purchase	4205288	4.04
				31/12/2014	9370	Purchase	4214658	4.05
				16/01/2015	2000	Purchase	4216658	4.05
				31/03/2015			4216658	4.05
8	Surana Infocom Private Limited	721584	3.47	01/04/2014			721584	3.47
				11/07/2014	10	Purchase	721594	3.47
				18/07/2014	388	Purchase	721982	3.47
				26/11/2014	2887928	Subdivision	3609910	3.47
				31/03/2015			3609910	3.47
9	Sunita Surana	644035	3.10	01/04/2014			644035	3.10
				04/04/2014	31000	Purchase	675035	3.24
				11/04/2014	3100	Purchase	678135	3.26
				18/04/2014	5000	Purchase	683135	3.28
				25/04/2014	10000	Purchase	693135	3.33
				23/05/2014	1000	Purchase	694135	3.34
				06/06/2014	1000	Purchase	695135	3.34
				26/11/2014	2780540	Subdivision	3475675	3.34
				31/03/2015			3475675	3.34
10	Advait Surana	524305	2.52	01/04/2014			524305	2.52
				26/11/2014	2097220	Subdivision	2621525	2.52
				31/03/2015			2621525	2.52
11	Narender Surana	521879	2.51	01/04/2014			521879	2.51
				26/11/2014	2087516	Subdivision	2609395	2.51
				31/03/2015			2609395	2.51
12	Vinita Surana	490486	2.36	01/04/2014			490486	2.36
				11/04/2014	3000	Purchase	493486	2.37
				23/05/2014	940	Purchase	494426	2.38
				18/07/2014	100	Purchase	494526	2.38
				05/09/2014	2000	Purchase	496526	2.39
				26/11/2014	1986104	Subdivision	2482630	2.39
				12/12/2014	19765	Purchase	2502405	2.41
				31/12/2014	2000	Purchase	2504405	2.41
				31/03/2015			2504405	2.41
13	Chand Kanwar	437398	2.10	01/04/2014			437398	2.10
				26/11/2014	1749592	Subdivision	2186990	2.10
				31/03/2015			2186990	2.10
14	Bhagyanagar India Limited	339318	1.63	01/04/2014			339318	1.63
				01/08/2014	7568	Purchase	346886	1.67
				26/11/2014	1387544	Subdivision	1734430	1.67
				31/03/2015			1734430	1.67
15	Rahul Surana	305000	1.47	01/04/2014			305000	1.47
				26/11/2014	1220000	Subdivision	1525000	1.47
				31/03/2015			1525000	1.47



Sl. No.	Name of the Share Holder	Shareholding at the beginning of the Year		Increase/Decrease in share holding			Cumulative Shareholding during the Year	
		No of Shares	% of total shares of the company	Date	No.of Shares	Reason	No of Shares	% of total shares of the company
16	Shresha Surana	264545	1.27	01/04/2014			264545	1.27
				04/04/2014	2000	Purchase	266545	1.28
				11/04/2014	3000	Purchase	269545	1.30
				18/04/2014	1500	Purchase	271045	1.30
				16/05/2014	2542	Purchase	273587	1.32
				19/09/2014	2000	Purchase	275587	1.32
				31/10/2014	1048	Purchase	276635	1.33
				07/11/2014	5	Purchase	276640	1.33
				26/11/2014	1106560	Subdivision	1383200	1.33
				05/12/2014	2000	Purchase	1385200	1.33
				12/12/2014	9917	Purchase	1395117	1.34
				19/12/2014	13000	Purchase	1408117	1.35
				31/12/2014	26000	Purchase	1434117	1.38
17	Sresha Surana	250000	1.20	01/04/2014			250000	1.20
				26/11/2014	1000000	Subdivision	1250000	1.20
				31/03/2015			1250000	1.20
18	Mitali Surana	244500	1.18	01/04/2014			244500	1.18
				26/11/2014	978000	Subdivision	1222500	1.18
				31/03/2015			1222500	1.18
19	Devendra Surana	175000	0.84	01/04/2014			175000	0.84
				26/11/2014	700000	Subdivision	875000	0.84
				31/03/2015			875000	0.84
20	Mangilal Surana	61072	0.29	01/04/2014			61072	0.29
				26/11/2014	244288	Subdivision	305360	0.29
				31/03/2015				
21	Surana Infocom Private Limited	57945	0.28	01/04/2014			57945	0.28
				26/11/2014	231780	Subdivision	289725	0.28
				31/03/2015			289725	0.28
22	Devendra Surana	25514	0.12	01/04/2014			25514	0.12
				04/04/2014	36100	Purchase	61614	0.30
				11/04/2014	17000	Purchase	78614	0.38
				18/04/2014	14010	Purchase	92624	0.45
				25/04/2014	10000	Purchase	102624	0.49
				06/06/2014	3000	Purchase	105624	0.51
				30/06/2014	4201	Purchase	109825	0.53
				26/11/2014	439300	Subdivision	549125	0.53
				12/12/2014	1000	Purchase	550125	0.53
				31/12/2014	2000	Purchase	552125	0.53
				31/03/2015			552125	0.53

Note: The face value of Equity Share of ₹ 5/- each has been sub-divided into 5 Equity Shares of ₹ 1/-each w.e.f.26.11.2014

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

Sl. No.	Name of the Share Holder	Shareholding at the beginning of the Year		Increase/Decrease in share holding			Cumulative Shareholding during the Year	
		No of Shares	% of total shares of the company	Date	No.of Shares	Reason	No of Shares	% of total shares of the company
1	Anil Kumar Jain	211342	1.02	01/04/2014			211342	1.02
				26/11/2014	845368	Subdivision	1056710	1.02
				31/03/2015			1056710	1.02
2	Savita Jain	194718	0.94	01/04/2014			194718	0.94
				26/11/2014	778872	Subdivision	973590	0.94
				31/03/2015			973590	0.94
3	Gaurav Mutha	119816	0.58	01/04/2014			119816	0.58
				19/09/2014	-2000	Transfer	117816	0.57
				10/10/2014	-1000	Transfer	116816	0.56
				26/11/2014	467264	Subdivision	584080	0.56
				23/01/2015	-24000	Transfer	560080	0.54
				30/01/2015	-6336	Transfer	553744	0.53
				06/02/2015	-2000	Transfer	551744	0.53
				31/03/2015			551744	0.53
4	Emerging India Focus Funds	110000	0.53	01/04/2014			110000	0.53
				26/11/2014	440000	Subdivision	550000	0.53
				31/03/2015			550000	0.53
5	Vaibhav Mutha	107011	0.51	01/04/2014			107011	0.51
				26/11/2014	428044	Subdivision	535055	0.51
				31/03/2015			535055	0.51
6	Sunil Jain	85139	0.41	01/04/2014			85139	0.41
				26/11/2014	340556	Subdivision	425695	0.41
				31/03/2015			425695	0.41
7	Davos International Fund	0	0.00	01/04/2014			0	0.00
				23/01/2015	400000	Purchase	400000	0.38
				31/03/2015			400000	0.38
8	Anil Kumar Jain	288145	1.39	01/04/2014			288145	1.39
				04/04/2014	-89383	Transfer	198762	0.96
				11/04/2014	-55113	Transfer	143649	0.69
				18/04/2014	-43400	Transfer	100249	0.48
				25/04/2014	-18693	Transfer	81556	0.39
				16/05/2014	-8983	Transfer	72573	0.35
				26/11/2014	20292	Subdivision	362865	0.35
				31/03/2015			362865	0.35
9	Leman Diversified Fund	0	0.00	01/04/2014			0	0.00
				20/02/2015	125001	Purchase	125001	0.12
				27/02/2015	195000	Purchase	320001	0.31
				06/03/2015	-48500	Transfer	271501	0.26

Sl. No.	Name of the Share Holder	Shareholding at the beginning of the Year		Increase/Decrease in share holding			Cumulative Shareholding during the Year	
		No of Shares	% of total shares of the company	Date	No.of Shares	Reason	No of Shares	% of total shares of the company
				13/03/2015	-17500	Transfer	254001	0.24
				27/03/2015	100000	Purchase	354001	0.34
				31/03/2015			354001	0.34
10	Moneyway Ltd	58000	0.28	01/04/2014			58000	0.28
				26/11/2014	232000	Subdivision	290000	0.28
				31/03/2015			290000	0.28

**Note:** The face value of Equity Share of ₹ 5/- each has been subdivided into 5 Equity Shares of ₹ 1/-each w.e.f. 26.11.2014.

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

Sl. No.	Name of the Directors	Shareholding at the beginning of the year		Change in Shareholding		Shareholding at the end of the year	
		No. of Shares	% of total shares of the Company	Increase	Decrease	No. of Shares	% of total shares of the Company
1	Narender Surana	3630560	17.45	1019275	-	19172075	18.43
2	Devendra Surana	2980692	14.32	424555	-	15328015	14.73
3	D. Venkatasubbiah	-	-	-	-	-	-
4	Dr. R.N Sreenath	-	-	-	-	-	-
5	Nirmal Kumar Jain	-	-	-	-	-	-
6	Baunakar Shekarnath	-	-	-	-	-	-
7	Vinita Surana*	490486	2.36	51975	-	2504405	2.41

**Note:** The face value of Equity Share of ₹ 5/- each has been sub-divided into 5 Equity Shares of ₹ 1/-each w.e.f.26.11.2014.  
\* has been appointed as Director w.e.f 27.03.2015

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.	Srinivas Dudam Company Secretary	-	-	-	-	-	-

**V. INDEBTEDNESS:**

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

(₹ Crores)

		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>					
i)	Principal Amount	20.31	6.25	-	26.56
ii)	Interest due but not paid	-	-	-	-
iii)	Interest accrued but not due	3.05	0.51	-	3.56
	<b>Total (i+ii+iii)</b>	<b>23.36</b>	<b>6.76</b>	<b>-</b>	<b>30.12</b>
<b>Change in Indebtedness during the financial year</b>					
	Addition	-	-	-	-
	Reduction	(2.99)	(1.81)	-	(4.80)
	<b>Net Increase/(Decrease)</b>	<b>(2.99)</b>	<b>(1.81)</b>	<b>-</b>	<b>(4.80)</b>

Indebtedness at the end of the financial year					
i)	Principal Amount	17.89	4.44	-	22.33
ii)	Interest due but not paid	-	-	-	-
iii)	Interest accrued but not due	2.48	0.51	-	2.99
	<b>Total (i+ii+iii)</b>	<b>20.37</b>	<b>4.95</b>	<b>-</b>	<b>25.32</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

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

### B. Remuneration to other Directors:

#### 1. Independent Directors:

(Amount in ₹)

Sl. No.	Particulars of remuneration	Name of Director			Total Amount
		D. Venkata subbiah	Dr. R.N Sreenath	Nirmal Kumar Jain	
1	Fee for attending Board/ Committee Meetings	24000	27000	30000	81000
2	Commission	-	-	-	-
3	Others, please specify	-	-	-	-
	<b>Total (B)(1)</b>	<b>24000</b>	<b>27000</b>	<b>30000</b>	<b>81000</b>

#### 2 Other Non Executive Directors: NIL

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

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

(Amount in ₹)

Sl.No.	Particulars of Remuneration	*Srinivas Dudam Company Secretary	Total Amount
1	Gross Salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	260,000	260,000
	(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>	<b>260,000</b>	<b>260,000</b>

\*has been appointed as Company Secretary w.e.f. 01.12.2014.

## 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			None		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			None		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			None		
Punishment					
Compounding					

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

Pursuant to Section 204 (1) of the Companies Act, 2013 and the Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2015**

To  
The members of  
Surana Telecom and Power 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. Surana Telecom and Power Limited (hereinafter called as "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.
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 31<sup>st</sup> 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 31<sup>st</sup> 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 trading of Solar Module and generation of solar and wind energy. Accordingly, the industry specific major law that is applicable to the Company is The Electricity Act, 2003.

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 shareholders have approved for sub-division of equity shares of ₹ 5/- each into five equity shares of ₹ 1/- each, consequently the Memorandum and Articles of Association has been amended.

For **RAKHI AGARWAL & ASSOCIATES**

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

Place: Hyderabad  
Date: 06.08.2015

## REPORT ON CORPORATE GOVERNANCE

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

Surana Telecom and Power Limited commitment to good corporate governance practices predates SEBI and clause 49 of the Listing Agreements with Stock Exchanges. Transparency, fairness, disclosure and accountability are the main thrust to the working of the Company. Surana Telecom and Power Limited maintain the same tradition and commitment. The Company believes that its systems and actions must be integrated for enhancement of Corporate Performance resulting in the maximization of shareholders value in the long run.

### 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:

- 3 Independent Non-executive Directors;
- 2 Executive Directors;
- 2 Non-Executive Directors.

#### 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. Narender Surana	Non executive	6	Present
2	Shri. Devendra Surana	Non executive	6	Present
3	Dr R. N. Sreenath	Non executive - Independent	5	Present
4	Shri. D Venkata Subbaiah	Non executive - Independent	5	Present
5	Shri. Nirmal Kumar Jain	Non executive - Independent	6	Present
6	Shri Baunakar Shekarnath	Executive	6	Present
7	Ms. Vinita Surana*	Executive	-	-

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

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

Sl. No	Name of the Director	Other Directorships	Committee Membership	Committee Chairmanship
1	Shri. Narender Surana	19	3	3
2	Shri. Devendra Surana	18	3	-
3	Dr R. N. Sreenath	6	2	-
4	Shri. D Venkata Subbaiah	2	4	3
5	Shri. Nirmal Kumar Jain	1	1	-
6	Shri Baunakar Shekarnath	1	-	-
7	Ms. Vinita Surana*	17	-	-

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

#### 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, 6 (Six) 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:

13.05.2014	08.08.2014	22.09.2014	11.11.2014	11.02.2015	27.03.2015
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#### 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 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. Nirmal Kumar Jain	Chairman
2	Shri. D Venkata Subbaiah	Member
3	Dr. R.N. Sreenath	Member

The Company continued to derive immense benefit from the deliberation of the Audit Committee comprising of all three Non-Executive Independent Directors. As Shri Nirmal Kumar Jain who is heading the Audit Committee as Chairman is a Qualified Chartered Accountant 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 13.05.2014, 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:

Sl. No.	Name of the Director	No. of Meetings Attended
1	Shri. Nirmal Kumar Jain	4
2	Shri. D Venkata Subbiah	3
3	Dr. R.N. Sreenath	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 13<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 the Director	Designation
1.	Shri. Nirmal Kumar Jain	Chairman
2.	Dr. R.N Sreenath	Member
3.	Shri. D Venkata Subbaiah	Member

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

The Remuneration Committee met 2 (Two) times, during the financial year under review, on 11.02.2015 and 27.03.2015 and the attendance of the meeting by the members of the Committee as recorded is as under:

Sl. No.	Name of the Director	No. of Meetings Attended
1.	Shri. Nirmal Kumar Jain	2
2.	Dr. R.N Sreenath	2
3.	Shri. D Venkata Subbaiah	1

**REMUNERATION POLICY:**

The nomination and remuneration committee has adopted a Nomination and Remuneration Policy which, inter alia, deals with the manner of selection of Board of Directors, KMP & other senior management and their remuneration. 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 ₹ 3,000/- for each meeting. The details of Sitting Fees paid to the Non-executive Directors for attending Board Meetings and Committee Meetings during the financial year 2014-15 are as follows:

Sl. No.	Name of the Director	Amount in ₹
1.	Shri. Nirmal Kumar Jain	30,000
2.	Dr. R.N Sreenath	27,000
3.	Shri. D Venkata Subbaiah	24,000
	<b>Total</b>	<b>81,000</b>

**(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.

**(iii) Details of Remuneration to Executive Directors: No executive director, during the year under review, is drawing remuneration.****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 13<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 inter alia 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 the Director	Designation
1.	Shri. D Venkata Subbiah	Chairman
2.	Shri. Narender Surana	Member
3.	Shri. Devendra Surana	Member

Shri Dudam Srinivas, Company Secretary 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 18. 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
25 <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	10.00A.M.
24 <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	12.30 P.M.
23 <sup>th</sup> AGM (2011-12)	Taj Tristar, 1-1-40, Seven Hills, Sarojini Devi Road, Secunderabad-500003	29 <sup>th</sup> September, 2012	02.30 P.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) Appointment of Shri Baunakar Shekarnath as Whole Time Director of the Company:
- ii) To authorize the Board to borrow money in Excess of Paid-up Capital and Free Reserves under section 180 (1)(c) of Companies Act, 2013.
- iii) To authorize the Board to sell, Lease or dispose the undertaking under section 180(1)(a) of Companies Act, 2013.

- iv) To authorize the Board to raise the funds through issue of convertible securities/GDRs/ADRs/FCCBs/ECBs etc.

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

**2011-12:** In the AGM held on 27<sup>th</sup> September, 2013 the company has passed no Special Resolutions.

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

During the year 2014-15 your Company, in accordance with the provisions of Section 110 of the Companies Act, 2013, has conducted a Postal Ballot for obtaining the approval of the Shareholders by way of Special Resolution for Split-up of Equity Share of ₹ 5/- (Rupees Five only) each into 5 Equity Shares of ₹ 1/- (Rupee One only) each and the consequent amendment to the Memorandum of Association and Articles of Association of the Company.

**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.surana.com](http://www.surana.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) & [www.suranatele.com](http://www.suranatele.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) & [www.suranatele.com](http://www.suranatele.com).

**Website:**

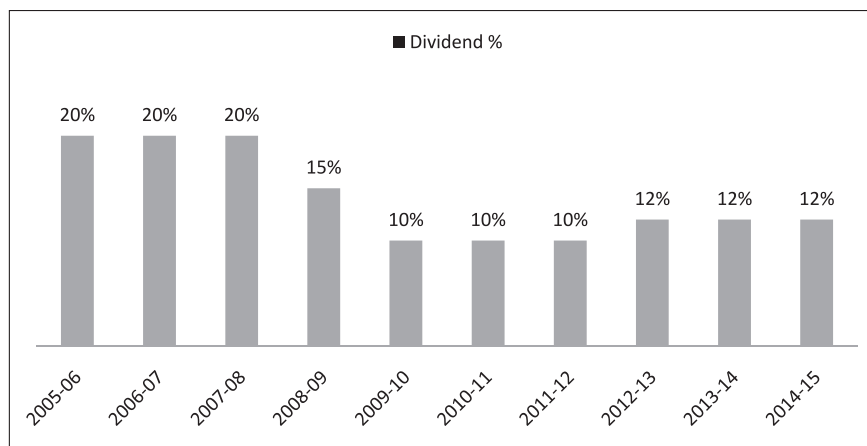
The website [www.suranatele.com](http://www.suranatele.com) contains a separate dedicated section for the Company's "Investor Relations" where shareholders' information is available. The full Annual Report, shareholding pattern etc. is also available in the 'Investor Relations' sections on the website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

**CEO/ CFO Certification**

In line with the requirements of Clause 49 (V) of the Listing Agreement, Shri Narender Surana, Shri Devendra Surana, Directors, Shri Baunakar Shekarnath, Whole Time Director have submitted a certificate to the Board, certifying inter-alia, that the Financial Statements and the Cash Flow Statement for the year ended March 31, 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 unencashed dividend warrants pertaining to the above years to our RTA for revalidation or issuance of Demand Draft in lieu thereof and encash them before the due dates for transfer to the IEPF. It may also be noted that once the Unclaimed Dividend is transferred to the Investor Education and Protection Fund, no claim shall lie in respect thereof.

**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:**

Annual General Meeting	Date : 30 <sup>th</sup> September, 2015
	Time : 12.00 Noon
	Venue : Grand Solitaire Hotel, 1-240, 41 & 43, Parklane, S.D. Road, Secunderabad- 500003
Financial Calendar	April 1st to March 31 <sup>st</sup>
Date of Book Closure	25.09.2015 to 30.09.2015 (both days inclusive)
Dividend Payment Date	07.10.2015
Listing on Stock Exchanges	BSE Ltd
	National Stock Exchange of India Limited
Stock Code	517530 on BSE
	SURANAT&P on NSE
ISIN Number for NSDL & CDSL	INE130B01031

**i. MARKET PRICE DATA**

Month	NSE		BSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
Apr- 2014	18.50	15.20	17.50	14.50
May- 2014	21.50	15.05	20.85	15.05
Jun- 2014	23.20	17.30	23.50	17.60
Jul- 2014	26.00	20.75	26.15	20.40
Aug- 2014	36.40	23.25	36.40	22.90
Sep- 2014	47.20	32.35	46.80	32.50
Oct -2014	55.00	37.55	56.80	39.00
Nov- 2014	49.25	7.75	51.65	7.80
Dec-2014	9.35	6.10	9.60	6.90
Jan- 2015	12.45	7.60	12.50	8.07
Feb - 2015	13.00	10.30	13.14	10.35
Mar - 2015	15.35	12.10	15.40	12.30

\*Note: The face value of equity shares of ₹ 5/- each has been sub-divided into 5 Equity Shares of ₹ 1/- each w.e.f 26.11.2014.

**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)	16.80	13.17	- 21.61
SENSEX (closing)	22446.44	27957.49	24.55

\*Note: The face value of equity shares of ₹ 5/- each has been sub-divided into 5 Equity Shares of ₹ 1/- each w.e.f 26.11.2014.

**ii. Registrar and Transfer Agents**

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

**M/s KARVY COMPUTERSHARE PRIVATE LIMITED**  
 Karvy Selenium Tower B, Plot No 31 & 32, Gachibowli,  
 Financial District, Nanakramguda,  
 Serilingampally, Hyderabad – 500 032  
 Phone # +91-40-67162222, Fax # 91-40-23001153,  
 Toll Free No.1800-3454-001  
 Email ID: einward.ris@karvy.com,  
 Website: http://www.karvy.com

**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 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	7428	93.40
5001	- 10000	243	3.06
10001	- 20000	144	1.81
20001	- 30000	46	0.58
30001	- 40000	11	0.14
40001	- 50000	16	0.20
50001	- 100000	18	0.23
100001	& Above	47	0.59
<b>Total</b>		<b>7953</b>	<b>100.00</b>

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

Category	No. of Shares	% Holding
Promoters	63961215	61.49
Promoters Bodies Corporate	13294785	12.78
Resident Individuals	21336943	20.51
Bodies Corporate	1814497	1.75
Foreign Institutional Investors	993001	0.96
Non Resident Indians	1390280	1.34
Foreign Portfolio Investors	400000	0.38
Overseas Corporate Bodies	292500	0.28
Clearing Members	61911	0.060
Mutual Funds	71000	0.068
Banks	21000	0.020
HUF	384868	0.37
<b>Total</b>	<b>104022000</b>	<b>100.00</b>

**vi. 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.



## vii. Plant Locations:

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

## viii. 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>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: einward.ris@karvy.com Website : www.karvy.com
2.	Investor Correspondence / Queries on Annual Report, Revalidation of Dividend Warrants, Sub-Division, etc.	<b>Dudam Srinivas</b> Company Secretary  <b>Surana Telecom and Power Limited</b> 5th Floor, Surya Towers, S.P.Road, Secunderabad – 500 003. Ph Nos. 040 - 27845119/ 44665750 E-mail : cs@surana.com Investorservices_stl@surana.com Website : www.surana.com www.suranatele.com

## 11. Depository Services:

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

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

<b>Name of Director</b>	<b>SHRI. NARENDER SURANA</b>	<b>MS. VINITA SURANA</b>
Expertise in specific functional areas	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.	Ms.Vinita Surana holds a degree in MSc International Business and Management, Manchester Business School, Manchester, UK and International Diploma Program (Business Administration) University of California, Berkeley Ext., CA, USA. Ms.Vinita Surana also holds MBA from The Wharton School, University of Pennsylvania being one of the Top 3 Universities in USA. She was awarded by Womens Leader in India (2010). She is also a member of YEO, YI, YFLO. She is the Founder and President of V-Care Welfare Association, an NGO in Hyderabad, Telangana.
Date of Birth	06.07.1960	27.06.1984
Qualification	B.E (Chemical)	1. M.Sc (International Business & Management), Manchester Business School, UK. 2. International Diploma Program (Business Administration) University of California, USA. 3. MBA, The Wharton School of University, USA
List of other Companies in which Directorship is held as on 31 <sup>st</sup> March, 2015.	1. Bhagyanagar India Limited 2. Surana Solar Ltd 3. Surana Infocom Pvt Ltd 4. Bhagyanagar Securities Pvt Ltd 5. Bhagyanagar Energy And Telecom Pvt Ltd 6. Innova Technologies Pvt Ltd 7. Scientia Infocom India Pvt Ltd 8. Royal Skyscrapers India Pvt Ltd 9. Bhagyanagar Properties Pvt Ltd 10. Bhagyanagar Infrastructure Ltd 11. Saphthagiri Infrastructure & Developers Pvt Ltd 12. AP Golden Apparels Pvt Ltd 13. Genten Infra Projects Pvt Ltd 14. Bhagyanagar Industrial Park 15. Surana Solar Systems Pvt Ltd 16. Celestial Solar Solutions Pvt Ltd 17. Indian Solar Power Producers Association 18. Tejas India Solar Energy Pvt Ltd 19. Arhyama Energy Pvt Ltd	1. Bhagyanagar Entertainment Limited 2. Corpmedia Publications India Private Limited 3. Bhagyanagar Energy & Telecom Private Limited 4. Solar Dynamics Private Limited 5. Innova Technologies Private Limited 6. VPower Solutions Private Limited 7. Shahsons Private Limited 8. Stealth Energy Private Limited 9. SuranaBiochemicals Private Limited 10. Value Infrastructure and Properties Pvt.Ltd 11. Tejas Technopark Private Limited (Formerly Known as Surana Technopark Private Limited) 12. Epicenter Entertainment Private Limited 13. Innova Biotech India Private Limited 14. Every time Foods Industries Private Limited 15. Green Energy Systems Private Limited 16. Crescentia Solar Private Limited
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	1. Bhagyanagar India Ltd (Member of Stakeholders Relationship Committee) 2. Bhagyanagar India Ltd (Member of Risk Management Committee) 3. Surana Solar Ltd (Member of Stakeholders Relationship Committee) 4. Surana Solar Ltd (Member of Risk Management Committee) 5. Surana Solar Ltd (Member of CSR Committee) 6. Surana Telecom and Power Ltd (Member of Stakeholders Relationship Committee) 7. Surana Telecom and Power Ltd (Member of Risk Management Committee).	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> October, 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**  
DIRECTOR

**AUDITORS' CERTIFICATE REGARDING CORPORATE GOVERNANCE**

To  
The Members of  
Surana Telecom and Power Limited

We have examined the compliance of conditions of Corporate Governance by **M/s Surana Telecom and Power 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 and on behalf of  
**M/s. Sekhar & Co**  
Chartered Accountants  
(FRN- 003695S)

Place : Secunderabad  
Date : 06.08.2015

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

## INDEPENDENT AUDITORS' REPORT

To The Members of

**Surana Telecom and Power Limited**

### Report on the Financial Statements

We have audited the accompanying financial statements of Surana Telecom and Power Limited ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> 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 2.23(ii) of the financial statements wherein the management has disclosed the details of Claims against the company not acknowledged as debts in respect of matters under dispute with statutory authorities.

*Our opinion is not modified in this matter.*

### Report on other Legal and Regulatory Requirements

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 31<sup>st</sup> March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> 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 2.23(ii)
- to the financial statements and also included in the Emphasis of Matter paragraph above;
- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

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

Place : Secunderabad  
Date : 30-May-2015



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

Re: *Surana Telecom and Power Limited*

- i. a) The Company has maintained proper records showing full particular including quantitative details and situation of fixed assets.  
b) As explained to us, the fixed assets have been physically verified by the management 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 three parties covered in the register maintained under section 189 of the Act. The maximum amount involved during the year is ₹ 9,42,68,520 and the year-end outstanding is ₹ 2,45,61,695.  
a) In our opinion and as per the records examined by us, the payment of principal amount and interest thereon is regular.  
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	(1,40,32,981) 1,40,32,981	2004-05	CESTAT – Mumbai
			17,12,827 (3,13,24,943)	2007-08	Supreme Court of India
			1,87,495 (1,87,495)	2007-09	CESTAT – Bangalore
2	Service Tax	Input Credit	17,24,796 (24,63,994)	2010-11	CESTAT – Bangalore
3	Customs Act, 1964	Custom Duty	12,75,654 (22,75,654)	2009-10	CESTAT – Bangalore
4	A. P. General Sales Tax Act	Income Tax	10,80,332 (21,60,663)	1994-95	Commercial Tax Officer

The above amounts are net of taxes paid under protest at ₹ 3,29,40,558 in Long Term Advances which are part amounts paid pending final decision of the matter under dispute.

- 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

Place : Secunderabad  
Date : 30-May-2015

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

**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</b>	<b>EQUITY AND LIABILITIES</b>			
	<b>(1) SHAREHOLDERS' FUNDS</b>			
	(a) Share Capital	2.1	104,022,000	104,022,000
	(b) Reserves and Surplus	2.2	494,118,536	497,339,466
			598,140,536	601,361,466
	<b>(2) NON-CURRENT LIABILITIES</b>			
	(a) Long-Term Borrowings	2.3	151,853,386	202,675,028
	(b) Deferred Tax Liabilities (Net)		3,384,080	2,447,080
			155,237,466	205,122,108
	<b>(3) CURRENT LIABILITIES</b>			
	(a) Short-Term Borrowings	2.4	22,081,138	4,852,555
	(b) Trade Payables	2.5	69,080,422	51,508,061
	(c) Other Current Liabilities	2.6	90,738,883	85,632,295
	(d) Short-Term Provisions	2.7	15,003,640	14,604,140
			196,904,083	156,597,050
	<b>TOTAL</b>		<b>950,282,085</b>	<b>963,080,624</b>
<b>II</b>	<b>ASSETS</b>			
	<b>(1) NON-CURRENT ASSETS</b>			
	(a) Fixed Assets			
	(i) Tangible Assets	2.8	492,665,255	573,726,995
	(b) Non-Current Investments	2.9	126,669,300	139,581,078
	(c) Long-Term Loans and Advances	2.10	61,359,355	126,633,388
			680,693,910	839,941,461
	<b>(2) CURRENT ASSETS</b>			
	(a) Inventories	2.11	189,302,432	37,170,237
	(b) Trade Receivables	2.12	30,437,218	29,715,585
	(c) Cash and Bank Balances	2.13	11,284,808	10,790,658
	(d) Short-Term Loans and Advances	2.14	1,987,033	8,363,234
	(e) Other Current Assets	2.15	36,576,684	37,099,450
			269,588,175	123,139,163
	<b>TOTAL</b>		<b>950,282,085</b>	<b>963,080,624</b>
	Significant Accounting Policies and Notes on Accounts	1 & 2		

As per our report of even date attached

For Surana Telecom and Power Limited

 For **Sekhar & Co**

Chartered Accountants

Firm's Registration Number : 003695-S

**G.Ganesh**

Partner

Membership No: 211704

**Narender Surana**

Chairman

**Devendra Surana**

Director

**D. Srinivas**

Company Secretary

Place : Secunderabad

Date : May 30 , 2015



**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</b>	<b>INCOME FROM OPERATIONS (Net of sales tax)</b>	2.16	<b>175,169,534</b>	292,698,924
	Less: Exice duty		<b>546,449</b>	2,420,586
	<b>NET INCOME FROM OPERATIONS</b>		<b>174,623,085</b>	290,278,338
<b>II</b>	<b>OTHER INCOME</b>	2.17	<b>15,669,006</b>	22,157,029
	<b>TOTAL REVENUE</b>		<b>190,292,091</b>	312,435,367
<b>III</b>	<b>EXPENSES</b>			
	Cost of Materials Consumed	2.18	<b>34,310,127</b>	154,599,182
	Employee Benefit Expenses	2.19	<b>2,403,305</b>	2,789,029
	Finance Costs	2.20	<b>32,702,990</b>	39,562,369
	Depreciation and Amortisation Expenses	2.21	<b>77,103,617</b>	84,308,231
	Other Expenses	2.22	<b>18,930,474</b>	24,492,997
	<b>TOTAL EXPENSES</b>		<b>165,450,513</b>	305,751,808
<b>IV</b>	<b>PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX</b>		<b>24,841,578</b>	6,683,559
<b>V</b>	<b>PRIOR PERIOD ADJUSTMENT</b>		<b>(33,838)</b>	-
<b>VI</b>	<b>PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX</b>		<b>24,807,740</b>	6,683,559
<b>VII</b>	<b>PROFIT BEFORE TAX</b>		<b>24,807,740</b>	6,683,559
<b>VIII</b>	<b>TAX EXPENSE</b>			
	<b>1. Current tax</b>		<b>4,000,000</b>	250,000
	<b>2. Deferred tax</b>		<b>937,000</b>	(857,000)
<b>IX</b>	<b>PROFIT AFTER TAX</b>		<b>19,870,740</b>	7,290,559
<b>X</b>	<b>Earning Per Equity Share</b>			
	(a) Basic		<b>0.19</b>	0.07
	(b) Diluted		<b>0.19</b>	0.07
	No. of Shares		<b>104,022,000</b>	104,022,000
	Significant Accounting Policies and Notes on Accounts	1 & 2		

As per our report of even date attached

For Surana Telecom and Power Limited

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

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

**Narender Surana**  
Chairman

**Devendra Surana**  
Director

**D. Srinivas**  
Company Secretary

Place : Secunderabad  
Date : May 30 , 2015

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

(Amount in ₹)

	Particulars	2014-15	2013-14
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Net Profit before tax as per annexed profit and loss account	<b>24,807,740</b>	6,683,559
	<b>Adjustments for :</b>		
	Depreciation & Amortisations	<b>77,103,617</b>	83,971,151
	Bad Debts Written Off & Provision for Bad Debts	<b>467,665</b>	53,302
	Balances / Provisions no longer required written back	<b>(7,779)</b>	(788,766)
	(Profit)/Loss on Sale of Investments(Net)	<b>3,076,920</b>	-
	Interest Expense	<b>32,702,990</b>	39,562,369
	Interest Income	<b>(3,703,132)</b>	(3,176,007)
	Dividend Income	<b>(5,119,503)</b>	(5,479,468)
		<b>104,520,778</b>	114,142,581
	<b>Operating Profit before Working Capital Changes</b>	<b>129,328,518</b>	120,826,140
	<b>Adjustments for :</b>		
	Inventories	<b>(152,132,195)</b>	(1,794,071)
	Loans and Advances	<b>(879,860)</b>	5,136,961
	Other Current Assets	<b>522,766</b>	(1,925,664)
	Sundry Debtors	<b>(1,164,299)</b>	52,018,596
	Trade Payables and other Liabilities	<b>31,802,714</b>	(2,421,834)
		<b>(121,850,874)</b>	51,013,987
	<b>Cash generated from Operations</b>	<b>7,477,644</b>	171,840,127
	<b>Adjustments for :</b>		
	Income Taxes (Paid) / Refund	<b>3,120,020</b>	1,017,535
	Prior Period adjustment	<b>33,838</b>	-
		<b>3,153,858</b>	1,017,535
	<b>Net Cash from Operating Activities</b>	<b>10,631,501</b>	172,857,663
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Purchase of Fixed Assets & Changes in CWIP	<b>(4,340,256)</b>	(14,751,598)
	Loans & advance to subsidiary companies	<b>64,512,092</b>	(51,176,309)
	Investment in of Shares & Other Investments (Net)	<b>9,834,858</b>	(25,500,000)
	Dividend Received	<b>5,119,503</b>	5,479,468
	Interest Received	<b>4,727,626</b>	4,411,731
	<b>Net Cash (used in) / from Investing Activities</b>	<b>79,853,823</b>	(81,536,708)

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

(Amount in ₹)

	Particulars	2014-15		2013-14	
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
	Increase/(Decrease) in Secured Loans	(24,138,662)		(37,776,853)	
	Increase/(Decrease) in Un Secured Loans	(18,043,194)		(11,724,106)	
	Interest Paid	(32,841,739)		(38,646,907)	
	Dividend Paid	(14,967,580)		(15,326,986)	
	Decrease/ (Increase) in restricted deposits	5,239,162		2,194,699	
	<b>Net Cash (used in) / from Financing Activities</b>		<b>(84,752,013)</b>		<b>(101,280,153)</b>
	<b>NET CASH GENERATED / (UTILISED)</b>		<b>5,733,312</b>		<b>(9,959,198)</b>
	<b>Reconciliation : See Note 2 &amp; 3 below</b>				
	Opening Cash and Cash Equivalent		983,991		10,943,189
	<b>Closing Cash and Cash Equivalent</b>		<b>6,717,303</b>		983,991
	<b>Net Increase/(decrease) in Cash &amp; Cash Equivalents</b>		<b>5,733,312</b>		<b>(9,959,198)</b>
<b>Notes:</b>					
<b>1</b>	<b>Components of Cash and Cash Equivalents</b>		<b>2014-15</b>	2013-14	Change Over previous Year
	Cash in Hand		134,717	122,642	12,075
	Balances with Banks		6,582,586	861,349	5,721,237
	<b>Total</b>		<b>6,717,303</b>	983,991	5,733,312
<b>2</b>	Previous Figures are regrouped wherever required to make them comparable with current year				
<b>3</b>	Notes to Accounts form an integral part of Cash Flow Statement				

As per our report of even date attached

**For Surana Telecom and Power Limited**For **Sekhar & Co**

Chartered Accountants

Firm's Registration Number : 003695-S

**G.Ganesh**

Partner

Membership No: 211704

**Narendra Surana**

Chairman

**Devendra Surana**

Director

**D. Srinivas**

Company Secretary

Place : Secunderabad

Date : May 30 , 2015

## 1. Significant Accounting Policies

### i. Company Information

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

### ii. Basis of Preparation of Financial Statements

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

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

with the generally accepted accounting principles in India and the provisions

of the Companies Act, 2013 (" the Act) including the accounting standard notified under the Act.

### ii. Use of Estimates

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

### iii. Own Fixed Assets

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

### iv. Leased Assets

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

### v. Depreciation

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

### vi. Impairment of Assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Profit and Loss

account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

### vii. Investments

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

### viii. Inventories

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

### ix. Foreign Currency Transactions

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

### x. Employee Retirement / Terminal Benefits

The employees of the company are covered under Group Gratuity Scheme of Life Insurance Corporation of India. The premium paid thereon is charged to Profit and Loss Account. Leave Encashment liability is provided on the basis of actuarial valuation on actual entitlement of eligible employees at the end of the year.

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

Provisions involving substantial degree of estimation in measurement are recognized when

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

**xii. Turnover**

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

**xiii. Revenue Recognition**

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

**xiv. Government Grants**

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

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

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

**xv. Segment Reporting**

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

Inter-Segment transfers are done at cost.

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

**xvi. Provision for Taxation**

Income taxes/ Taxation is made for Income Tax, estimated to arise on the results for the year, at the current rate of tax, in accordance with the Income Tax Act, 1961. Taxation deferred as a

result of timing difference, between the accounting & taxable profits, is accounted for on the liability method, at the current rate of tax, to the extent that the timing differences are expected to crystallize. Deferred tax asset is recognized only to the extent there is reasonable certainty of realization in future. Deferred tax assets are reviewed, as at each Balance Sheet date to re-assess realization.

**xvii. Prior Period Expenses / Income**

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

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

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

**xix. Borrowing Costs**

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

**xx. Earnings per Share**

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

## Notes to Balance Sheet

(Amount in ₹)

Particulars	Sub Note	As at 31.03.2015	As at 31.03.2014
<b>Note : 2.1</b>			
<b>Share Capital</b>			
<b>a. Authorized</b>			
15,00,00,000 Equity shares of ₹ 1/-each (March 31, 2014 : 3,00,00,000 Equity shares of ₹ 5/- each)			
<b>TOTAL</b>		<b>150,000,000</b>	150,000,000
<b>b. Issued, Subscribed and Paid-Up Capital</b>			
10,40,22,000 Equity shares of ₹ 1/- each (March 31, 2014: 2,08,04,400 Equity shares of ₹ 5/- each)			
<b>TOTAL</b>		<b>104,022,000</b>	104,022,000

### c. Reconciliation of shares outstanding at the beginning of the Reporting Period

	No of shares	As at 31.03.2015	No of shares	As at 31.03.2014
At beginning of the year	20,804,400	<b>104,022,000</b>	20,804,400	104,022,000
Outstanding at the end of the year	104,022,000	<b>104,022,000</b>	20,804,400	104,022,000

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

ii) During the year, the Equity shares of ₹ 5/- each were sub-divided into Equity shares of ₹ 1/- each, due to which, there is an increase in no. of shares

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

Name of Shareholder	As at 31.03.2015		As at 31.03.2014	
	%	No of shares	%	No of shares
Bhagyanagar India Limited	9.03	<b>9,395,150</b>	8.95	1,871,462
Narender Surana	18.43	<b>19,172,075</b>	17.45	3,630,560
Devendra Surana	14.73	<b>15,328,015</b>	14.32	2,980,692
<b>TOTAL</b>		<b>43,895,240</b>		8,482,714

**Note:** There is a subdivision of shares of ₹ 5/- each into 5 equity shares of ₹ 1/- each w.e.f 26.11.2014

Particulars	Sub Note	As at 31.03.2015	As at 31.03.2014
<b>Note : 2.2</b>			
<b>Reserves and Surplus</b>			
<b>(i) General Reserves</b>			
Balance at Beginning of the Year		<b>255,570,967</b>	250,570,967
Depreciation adjustment		<b>(218,389)</b>	-
Add: Transferred from Profit & Loss Account		<b>5,000,000</b>	5,000,000
<b>Balance at the year end</b>		<b>260,352,578</b>	255,570,967
<b>(ii) Captial Redemption Reserve</b>			
Balance at Beginning of the Year		<b>24,000,000</b>	24,000,000
Balance at the year end		<b>24,000,000</b>	24,000,000

Particulars	Sub Note	As at 31.03.2015	As at 31.03.2014
<b>(iii) Revaluation Reserve</b>			
Balance at Beginning of the Year		26,947,382	27,824,564
Adjusted Against Depreciation		(7,894,640)	(877,182)
<b>Balance at the year end</b>		<b>19,052,742</b>	26,947,382
<b>(iv) Central Subsidy</b>		<b>3,500,000</b>	3,500,000
<b>(v) Surplus</b>			
Balance of Profit and Loss account Available for Appropriation		187,321,117	199,634,697
Add: Profit During the Year		19,870,740	7,290,559
Amount Available for Appropriation		207,191,857	206,925,256
Less: Appropriations			
Proposed Equity Dividend		12,482,640	12,482,640
Tax on Proposed Equity Dividend		2,496,000	2,121,500
Transfer to General Reserve		5,000,000	5,000,000
<b>Balance at the year end</b>		<b>187,213,217</b>	187,321,117
<b>TOTAL</b>		<b>494,118,537</b>	497,339,466

Particulars	Sub Note	As at 31.03.2015	As at 31.03.2014
<b>Note : 2.3</b>			
<b>Long-Term Borrowings</b>			
<b>Secured</b>			
(a) Term Loan from Bank	2.3 (a)	116,853,386	158,220,630
<b>Un Secured</b>			
(a) Loan from Body Corporate	2.3 (b) (i)	35,000,000	35,000,000
(b) Deferred Sales Tax	2.3 (b) (ii)	-	9,454,398
<b>TOTAL</b>		<b>151,853,386</b>	202,675,028

**Notes:**

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

2.3 (b)

- There is no sepecific schedule for repayment of Unsecured Loan taken from Body Corporate.
- Represents the interest free sales tax deferment (loan) availed from Government of Andhra Pradesh and the repayment is based on regulations specified in the eligibilty certificates issued by Department of Industries. Accordingly due with in a year is ₹ 94,54,398/- which is classified under Other Current Liabilities.

Particulars	Sub Note	As at 31.03.2015	As at 31.03.2014
<b>Note: 2.4</b>			
<b>Short-Term Borrowings</b>			
<b>Secured</b>			
(a) Cash Credit	2.4 (a)	22,081,137	4,852,555
<b>TOTAL</b>		<b>22,081,137</b>	4,852,555

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

Particulars	Sub Note	As at 31.03.2015	As at 31.03.2014
<b>Note: 2.5</b>			
<b>Trade Payables</b>			
Sundry Creditors - Others	2.5 (a)	69,080,422	51,508,061
<b>TOTAL</b>		<b>69,080,422</b>	<b>51,508,061</b>

**Notes:**

2.5 (a) Name of the related party	Balance as on 31.03.2015	Balance as on 31.03.2014
Surana Solar Ltd (formerly Surana Ventures Ltd)	56,174,514	-
<b>Total</b>	<b>56,174,514</b>	<b>-</b>

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 Maturity on Long Term Debt (Secured)</b>			
- Term Loan from Bank		40,000,000	40,000,000
- Deferred Sales tax		9,454,204	18,043,000
<b>(b) Unclaimed Dividends</b>		<b>3,064,620</b>	<b>3,428,060</b>
<b>(c) Other Payables</b>			
- Book Overdraft		-	4,090,613
- Other Liabilities		4,160,858	1,643,371
- Lease Deposits		6,202,395	6,202,395
- Advance from Customers	2.6 (c)	27,856,807	12,224,856
<b>TOTAL</b>		<b>90,738,884</b>	<b>85,632,295</b>

Name of the related party	Balance as on 31.03.2015	Balance as on 31.03.2014
<b>Note: 2.6 (c)</b>		
Surana Solar Ltd (formerly Surana Ventures Ltd)	24,131,951	-
<b>TOTAL</b>	<b>24,131,951</b>	<b>-</b>

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 Bonus		25,000	-
(b) Proposed Dividend	2.7 (a)	12,482,640	12,482,640
(c) Tax on Dividend		2,496,000	2,121,500
<b>TOTAL</b>		<b>15,003,640</b>	<b>14,604,140</b>

**Notes:**

- 2.7 (a) The Board of Directors have recommended a dividend of ₹ 0.12/- per share for the year ended 31<sup>st</sup> March, 2015 (Previous Year ₹ 0.12/- per share. There is a sub-division of shares of ₹ 5/- each in to 5 equity shares of ₹ 1/- each during the year. Hence, dividend per share for the previous year is restated to make it comparable.



(Amount in ₹)

## Annexure: 2.8 Fixed Assets

Particulars	Freehold Land	Leasehold Land	Factory Buildings	P & M- Others	P & M- Solar Power	P & M- wind Power	Office Equipment	Vehicles	Furniture & Fixtures	Computer	Computer software	Grand Total
<b>A. Gross Block</b>												
At 1st April, 2013	35,998,049	36,747,198	75,517,252	350,610,464	517,658,568	63,550,092	19,037,115	3,510,839	11,392,177	3,282,624	-	1,117,304,378
Additions	-	11,704,168	799,230	2,248,200	-	-	-	2,509,347	-	-	-	17,260,945
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
At 31 <sup>st</sup> March, 2014	35,998,049	48,451,366	76,316,482	352,858,664	517,658,568	63,550,092	19,037,115	6,020,186	11,392,177	3,282,624	-	1,134,565,323
Additions	-	2,414,994	-	-	-	-	164,948	-	1,617,094	-	143,220	4,340,256
Disposals	-	-	-	-	-	-	(575,056)	(661,184)	(358,281)	(853,803)	-	(2,448,324)
<b>At 31<sup>st</sup> Mar, 2015</b>	<b>35,998,049</b>	<b>50,866,360</b>	<b>76,316,482</b>	<b>352,858,664</b>	<b>517,658,568</b>	<b>63,550,092</b>	<b>18,627,007</b>	<b>5,359,002</b>	<b>12,650,990</b>	<b>2,428,821</b>	<b>143,220</b>	<b>1,136,457,255</b>
<b>B. Depreciation</b>												
At 1st April, 2013	-	1,502,289	38,530,571	305,393,989	84,818,102	20,141,849	12,112,640	3,248,988	7,041,896	3,199,679	-	475,989,998
Charge for the Year	-	2,373,051	3,718,649	6,545,510	66,354,443	3,355,445	963,194	717,463	787,402	33,176	-	84,848,333
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
At 31 <sup>st</sup> March, 2014	-	3,875,340	42,249,219	311,939,498	151,172,545	23,497,294	13,075,834	3,966,451	7,829,298	3,232,855	-	560,838,331
Charge for the period	-	1,900,537	1,233,048	2,429,641	67,580,023	2,458,353	411,128	304,458	772,958	-	13,472	77,103,617
Disposals	-	-	-	-	-	-	(459,387)	(640,578)	(328,985)	(834,026)	-	(2,262,976)
Adjustment	-	-	-	4,300,289	-	-	3,812,739	-	-	-	-	8,113,027
<b>At 31<sup>st</sup> Mar, 2015</b>	<b>-</b>	<b>5,775,876</b>	<b>43,482,267</b>	<b>318,669,428</b>	<b>218,752,568</b>	<b>25,955,647</b>	<b>16,840,315</b>	<b>3,630,331</b>	<b>8,273,271</b>	<b>2,398,829</b>	<b>13,472</b>	<b>643,792,000</b>
<b>C. Net Block (A-B)</b>												
At 31 <sup>st</sup> March, 2014	35,998,049	44,576,026	34,067,263	40,919,166	366,486,023	40,052,798	5,961,281	2,053,735	3,562,879	49,769	-	573,726,992
<b>At 31<sup>st</sup> Mar, 2015</b>	<b>35,998,049</b>	<b>45,090,484</b>	<b>32,834,215</b>	<b>34,189,236</b>	<b>298,906,000</b>	<b>37,594,445</b>	<b>1,786,692</b>	<b>1,728,671</b>	<b>4,377,719</b>	<b>29,992</b>	<b>129,748</b>	<b>492,665,255</b>

**Note:**

- 1) 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.
- 2) Depreciation expenses for the year ended 31<sup>st</sup> March 2015, are higher by ₹ 52,75,190/- due to the implementation of new method in pursuant to the requirement of Companies Act, 2013.

Particulars	Sub Note	As at 31.03.2015	As at 31.03.2014
<b>Note: 2.9</b>			
<b>Non-Current Investments</b>			
(Long Term at Cost, Unless Otherwise Specified)			
<b>A) Unquoted Investments (At Cost)</b>			
<b>a) In Subsidiary Companies</b>			
50,000 (March 31, 2014: 50,000) Equity Shares of ₹ 10/- each of Globecom Infotech Private Ltd Partly Paid Up @ 2/- each.		<b>100,000</b>	100,000
5100 (March 31, 2014: 10,000) Equity Shares of ₹ 10/- each of Celestial Solar Solutions Private Limited Fully Paid Up @ 10/- each.		<b>51,000</b>	100,000
25,50,000 (March 31, 2014: 25,50,000 ) Equity Shares of ₹ 10/- each of Surana Solar Systems Private Limited Fully Paid Up @ 10/- each.		<b>25,50,000</b>	25,50,000
<b>b) In Companies under the same management</b>			
1,50,000 (March 31, 2014: 1,50,000) Equity Shares of ₹ 10/- each of Bhagyanagar Securities Pvt Ltd		<b>18,000,000</b>	18,000,000
<b>c) In Joint Venture Company (foreign)</b>			
Nil (March 31, 2014: 1,49,745) Equity Shares of 100 taka each in Bangladesh Currency of Radiant Alliance Ltd.	<b>See note 2.26 (d)</b>	-	9,212,065
<b>SUB TOTAL</b>		<b>43,651,000</b>	52,912,065
<b>B) Quoted Investments (At Cost)</b>			
<b>a) In Companies under the Same Management</b>			
22,90,331 (March 31, 2014: 22,90,331) Equity Shares of ₹ 2/- each of Bhagyanagar India Ltd		<b>35,201,302</b>	35,201,302
88,20,000 (March 31, 2014: 44,10,000 Equity Shares of ₹ 10/-) Equity shares of ₹ 5/- each of Surana Solar Ltd (formerly Surana Ventures Ltd)		<b>44,100,000</b>	44,100,000
<b>SUB TOTAL</b>		<b>79,301,302</b>	79,301,302
<b>b) In Other Companies (At Cost)</b>			
200 (March 31, 2014: 200 ) Equity Shares of ₹ 10/- each of Linde India Ltd (Formerly BOC India Ltd)		<b>45,510</b>	45,510
50,000 (March 31, 2014: 50,000 ) Equity Shares of ₹ 10/- each of Dolphin Medical Services Limited		<b>600,000</b>	600,000
300 (March 31, 2014: 300 ) Equity Shares of ₹ 10/- each of Parrys Sugar Industries Ltd		<b>25,482</b>	25,482
Nil (March 31, 2014: 1,50,000 ) Equity Shares of ₹ 10/- each of Indosolar Limited		-	3,650,713
100 (March 31, 2014: 100 ) Equity Shares of ₹ 10/- each of Indswift Laboratories Limited		<b>14,700</b>	14,700
17,315 (March 31, 2014: 17,315) Equity Shares of ₹ 10/- each of Megasoft Limited		<b>2,407,415</b>	2,407,415
45 (March 31, 2014: 45) Equity Shares of ₹ 10/- each of Mahindra Lifespace Developers Limited		<b>23,307</b>	23,307
610 (March 31, 2014: 610) Equity Shares of ₹ 10/- each of Mahanagar Telephone Nigam Limited		<b>85,368</b>	85,368
6 (March 31, 2014: 6) Equity Shares of ₹ 10/- each of Prithvi Information Solutions Limited		<b>301</b>	301
10,000 (March 31, 2014: 10,000) Equity Shares of ₹ 10/- each of Sree Shakti Paper Mills Limited		<b>300,000</b>	300,000
2,107 (March 31, 2014: 2,107) Equity Shares of ₹ 10/- each of Talbors Automotive Components Limited		<b>214,915</b>	214,915
<b>SUB TOTAL</b>		<b>3,716,998</b>	7,367,711
<b>GRAND TOTAL</b>		<b>126,669,300</b>	139,581,078
<b>Aggregate Market Value of Quoted Investments</b>		<b>618,554,534</b>	106,070,718

Particulars	Sub Note	As at 31.03.2015	As at 31.03.2014
<b>Note: 2.10</b>			
<b>Long Term Loans and Advances</b>			
(Unsecured, Considered Good)			
<b>a) Loans and advances to related parties</b>			
Loan to Subsidiary Companies	<b>2.10 (a)</b>	<b>24,561,695</b>	89,983,124
<b>b) Security Deposits</b>			
Deposits		<b>3,857,102</b>	3,709,706
<b>c) Taxes paid under protest</b>		<b>32,940,558</b>	32,940,558
<b>TOTAL</b>		<b>61,359,355</b>	126,633,388

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

Name of the Company	Balance as on 31.03.2015	Balance as on 31.03.2014
Globecom Infotech Private Limited	<b>8,202,057</b>	37,302,057
Surana Solar Systems Private Limited	<b>14,574,242</b>	52,681,067
Celestial Solar Solutions Private Limited	<b>1,785,396</b>	-
<b>Total</b>	<b>24,561,695</b>	<b>89,983,124</b>

Particulars	Sub Note	As at 31.03.2015	As at 31.03.2014
<b>Note: 2.11</b>			
<b>Inventories</b>			
(Valued at Lower of Cost and Net Realizable Value)			
a) Raw Materials		<b>182,000</b>	1,306,675
b) Traded Goods		<b>189,120,432</b>	35,863,562
<b>TOTAL</b>		<b>189,302,432</b>	37,170,237

Particulars	Sub Note	As at 31.03.2015	As at 31.03.2014
<b>Note: 2.12</b>			
<b>Trade Receivables</b>			
(Unsecured, considered good unless stated otherwise)			
(i) Aggregate amount of Trade Receivables Outstanding for a Period Less Than Six Months		<b>22,046,913</b>	25,331,731
(ii) Aggregate amount of Trade Receivables Outstanding for a Period Exceeding Than Six Months	<b>2.12(a)</b>	<b>8,390,305</b>	4,383,854
<b>TOTAL</b>		<b>30,437,218</b>	29,715,585

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

Name of the Company	Balance as on 31.03.2015	Balance as on 31.03.2014
Bhagyanagar Green Energy Ltd	<b>2,700,267</b>	
<b>Total</b>	<b>2,700,267</b>	-

Particulars	Sub Note	As at 31.03.2015	As at 31.03.2014
<b>Note: 2.13</b>			
<b>Cash and Bank Balances</b>			
<b>(a) Cash and Cash Equivalents</b>			
Current Account with Bank		6,582,586	861,349
Cash on hand		134,717	122,642
<b>Sub-Total (A)</b>		<b>6,717,303</b>	983,991
<b>(b) Other Balances</b>			
Dividend Account		3,064,620	3,428,060
Deposit Held to the Extent of Margin Money		1,384,049	5,463,135
Accrued interest on deposits with banks		118,836	915,472
<b>Sub-Total (B)</b>		<b>4,567,505</b>	9,806,667
<b>TOTAL (A+B)</b>		<b>11,284,808</b>	10,790,658

Particulars	Sub Note	As at 31.03.2015	As at 31.03.2014
<b>Note: 2.14</b>			
<b>Short-Term Loans and Advances</b>			
(Unsecured, Considered Good)			
(a) Advance Tax & TDS (Net of Provisions)		561,769	7,681,789
(b) Other Advances		425,264	681,445
(c) Deposits			
E.M.D		1,000,000	-
<b>TOTAL</b>		<b>1,987,033</b>	8,363,234

Particulars	Sub Note	As at 31.03.2015	As at 31.03.2014
<b>Note: 2.15</b>			
<b>Other Current Assets</b>			
<b>(Un Secured and considered good)</b>			
(a) Loan against pledge of securities	2.15 (a)	18,394,171	18,394,171
(b) Balances with Statutory Authorities		18,182,513	18,705,279
<b>TOTAL</b>		<b>36,576,684</b>	37,099,450

**Notes**

2.15 (a) Loan against pledge of securities are partly secured and repayable on demand without any end-use specification

## NOTES TO STATEMENT OF PROFIT &amp; LOSS ACCOUNT

Particulars	Sub Note	For the year 31.03.2015	For the year 31.03.2014
<b>Note: 2.16</b>			
<b>Revenue from Operations</b>			
(a) Sale of products			
Solar Power		116,332,275	116,030,745
Wind Power		5,616,573	6,474,883
Electric Power Cable / Components		4,820,284	22,877,272
Traded Goods/ Solar Modules		34,520,267	141,383,140
<b>Gross Sales</b>		<b>161,289,399</b>	286,766,040
Lesss: sales tax		243,246	7,393,416
<b>Net Sales</b>		<b>161,046,153</b>	279,372,624
(b) Infrastructure Leasing		14,123,381	13,326,300
<b>TOTAL</b>		<b>175,169,534</b>	292,698,924

Particulars	Sub Note	For the year 31.03.2015	For the year 31.03.2014
<b>Note: 2.17</b>			
<b>Other Income</b>			
(a) Interest Income			
Interest on Loans, Deposits and Others (Gross)		3,703,132	3,176,007
(b) Dividend Income		5,119,503	5,479,468
(c) Other Non-Operating Income			
Miscellaneous Income		432,825	269,238
Gain on Foreign Exchange Fluctuation		6,307,229	-
Balances no Longer Payable Written Back		-	788,766
Balances Written off in Earlier Years Received Back		106,317	12,443,550
<b>TOTAL</b>		<b>15,669,006</b>	22,157,029

Particulars	Sub Note	For the year 31.03.2015	For the year 31.03.2014
<b>Note: 2.18</b>			
<b>Cost of Raw Material and Traded Goods</b>			
Opening Stock - Raw Materials		1,306,675	3,682,950
Opening Stock - Traded Goods		35,863,562	31,693,216
Add: Purchase of Traded Goods		186,442,322	156,393,253
Less: Closing Stock- Raw Materials		182,000	1,306,675
Less: Closing Stock - Traded Goods		189,120,432	35,863,562
<b>TOTAL</b>		<b>34,310,127</b>	154,599,182

Particulars	Sub Note	For the year 31.03.2015	For the year 31.03.2014
<b>Note: 2.19</b>			
<b>Employee Benefits Expense</b>			
Salaries, Wages and Other Benefits		2,276,277	2,739,205
Contribution to Provident and Other Funds		127,028	49,824
<b>TOTAL</b>		<b>2,403,305</b>	2,789,029

Particulars	Sub Note	For the year 31.03.2015	For the year 31.03.2014
<b>Note: 2.20</b>			
<b>Finance Costs</b>			
Interest Expense			
On Cash Credit & Others		7,157,451	6,503,826
On Term Loan		22,771,593	29,158,400
Financial Charges		2,773,946	3,900,143
<b>TOTAL</b>		<b>32,702,990</b>	<b>39,562,369</b>

Particulars	Sub Note	For the year 31.03.2015	For the year 31.03.2014
<b>Note: 2.21</b>			
<b>Depreciation and Amortisation Expenses</b>			
Depreciation	See note	75,189,608	81,598,100
Amortisation Expenses - Lease Premium/ Rent	2.8	1,914,009	2,710,131
<b>TOTAL</b>		<b>77,103,617</b>	<b>84,308,231</b>

Particulars	Sub Note	For the year 31.03.2015	For the year 31.03.2014
<b>Note: 2.22</b>			
<b>Other Expenses</b>			
Consumption of Stores and Spare Parts		1,078,624	420,948
Travelling & Conveyance		371,667	602,712
Advertisement & Business Promotion		303,783	139,295
Director's Sitting fees		90,270	69,000
Watch & ward		959,752	-
Power and Fuel		2,704,881	2,005,770
Professional & Consultancy Charges		1,705,126	835,059
Repairs			
Buildings		1,094,292	425,066
Machinery		3,380,068	4,939,221
Others		11,905	34,168
Insurance		607,585	573,489
Rates and Taxes		511,589	377,762
Packing & Forwarding		28,157	1,093,164
Loss on Foreign Exchange Fluctuation		-	11,179,962
Loss on sale of Investments (Net of gains)		3,076,920	-
Sundry Balances Written Off		442,665	53,302
Miscellaneous Expenses		2,450,830	1,631,719
Payments to the Auditor			
for Statutory Audit		78,652	78,652
for Tax Audit		33,708	33,708
<b>TOTAL</b>		<b>18,930,474</b>	<b>24,492,997</b>

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

Particulars	As at 31.03.2015	As at 31.03.2014
<b>Note: 2.23</b>		
<b>Commitments and Contingent Liabilities</b>		
<b>i Commitments/ Contingent Liabilities</b>		
a Unexpired Letters of Credit	-	51,513,158
b Counter Guarantees given to the Bankers	10,000,000	1,344,600
<b>Sub Total (A)</b>	<b>10,000,000</b>	<b>52,857,758</b>
<b>ii Claims against the company not acknowledged as debts in respect of</b>		
a Excise Matters, under Dispute	51,541,068	51,541,068
b Sales Tax Matters, under Dispute	1,080,332	1,080,332
<b>Sub Total (A) (see note below)</b>	<b>52,621,400</b>	<b>52,621,400</b>
<b>Grand Total (A+B)</b>	<b>62,621,400</b>	<b>105,479,158</b>

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

Particulars	for the year ended 31.03.2015	for the year ended 31.03.2014
	Basic and diluted	Basic and diluted
<b>Note: 2.24</b>		
<b>Earnings Per Share (EPS)</b>		
Net Profit After Tax	19,870,740	7,290,559
Net Profit available for Equity Share-Holders	19,870,740	7,290,559
No of Equity Shares- Basic	104,022,000	104,022,000
Nominal Value of each Equity Share (₹)	1.00	1.00
Basic Earning per Share	0.19	0.07

**Note :** There is subdivision of shares of ₹ 5/- each into 5 equity shares of ₹ 1/- each w.e.f 26.11.2014. Hence, previous year's shares are restated in order to make the Earning Per Share comparable.

Particulars	As at 31.03.2015	As at 31.03.2014
<b>Note: 2.25</b>		
<b>Deferred Tax Liability</b>		
Deferred Tax adjustments recognised in the Financial Statements are as under		
Deferred Tax Liability as at the beginning of the year	2,447,080	3,304,080
Liability / (Asset) arising during the year	937,000	(857,000)
Deferred Tax Liability as at the end of the year	3,384,080	2,447,080

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

Note: 2.26

**Related Party Disclosure**

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

1	Bhagyanagar India Limited	4	Bhagyanagar Energy and Telecom and Private Ltd
2	Surana Solar Systems Private Limited	5	Bhagyanagar Green Energy Ltd
3	Surana Solar Limited (formerly Surana Ventures Ltd)	6	Globecom Infotech Private Ltd
		7	Celestial Solar Solutions Private Limited

**d Key Managerial Personnel**

<b>b Subsidiary Company</b>	Narender Surana
Globecom Infotech Private Limited	Devendra Surana
Celestial Solar Solutions Private Limited	D.Srinivas-CS (From December, 2014)
Surana Solar Systems Private Limited	R.Laxman Raju-CFO-(Till September, 2014)

<b>c Joint Venture Company</b>	<b>e Relatives of Key Managerial Personnel</b>
Radiant Alliance Limited	GM Surana
	ChandKanwar
	Manish Surana
	Vinita Surana
	Sresha Surana

**Note :** The Company has exited from the Joint Venture Company M/s Radiant Alliance Limited by transferring its 49% shareholding during the financial year 2014-15

Particulars	for the year ended 31.03.2015	for the year ended 31.03.2014
<b>f The following is the summary of Related Party Transactions</b>		
i Sale of Goods	39,340,551	129,801,995
ii Purchase of Goods	56,174,514	14,330,184
iii Interest Paid	-	739,242
iv Interest Received	3,088,014	1,496,106
v Amount paid (acquisition of shares)	-	25,500,000
vi Dividend Income	5,097,100	5,326,133
vii Loans/ advances taken by the company	-	80,726,574
viii Loans/ advances given by the company	135,138,475	77,208,059
ix Loans Repaid by the company	-	80,726,574
x Loans Repaid to the company	199,741,501	25,882,139
xi Advance from Customers	24,131,951	-
xii Remuneration to Key Managerial Personnel	563,199	600,000



## The following are the significant related parties transactions

Particulars	for the year ended 31.03.2015	for the year ended 31.03.2014
<b>i Sales of goods</b>		
Surana Solar Limited (formerly Surana Ventures Ltd)	4,820,284	129,801,995
Bhagyanagar Green Energy Limited	34,520,267	-
<b>Total</b>	<b>39,340,551</b>	<b>129,801,995</b>
<b>ii Purchases of goods</b>		
Bhagyanagar India Ltd		14,330,184
Surana Solar Ltd (formerly Surana Ventures Ltd)	56,174,514	-
<b>Total</b>	<b>56,174,514</b>	<b>14,330,184</b>
<b>iii Amount paid (Acquisition of shares)</b>		
Surana Solar Systems Pvt Ltd	-	25,500,000
<b>Total</b>	<b>-</b>	<b>25,500,000</b>
<b>iv Interest Paid</b>		
Surana Solar Ltd (formerly Surana Ventures Ltd)	-	739,242
<b>Total</b>	<b>-</b>	<b>739,242</b>
<b>v Interest Received</b>		
Surana Solar Ltd (formerly Surana Ventures Ltd)	1,560,991	-
Surana Solar Systems Pvt Ltd	1,515,307	1,496,106
Celestial Solar Solutions Private Ltd	11,716	-
<b>Total</b>	<b>3,088,014</b>	<b>1,496,106</b>
<b>vi Loans/ Advances Taken by the company</b>		
Surana Solar Ltd (formerly Surana Ventures Ltd)		80,726,574
<b>Total</b>	<b>-</b>	<b>80,726,574</b>
<b>vii Loans/ Advances Given by the company</b>		
Surana Solar Ltd (formerly Surana Ventures Ltd)	91,200,000	-
Surana Solar Systems Private Limited	42,068,623	77,208,059
Celestial Solar Solutions Private Ltd	1,869,852	-
<b>Total</b>	<b>135,138,475</b>	<b>77,208,059</b>
<b>viii Loans/ Advances Repaid by company</b>		
Surana Solar Ltd (formerly Surana Ventures Ltd)	-	80,726,574
<b>Total</b>	<b>-</b>	<b>80,726,574</b>
<b>ix Loans/ Advances Repaid to the company</b>		
Surana Solar Ltd (formerly Surana Ventures Ltd)	91,200,000	-
Celestial Solar Solutions Private Limited	95,000	8,652
Surana Solar Systems Private Limited	79,346,501	25,873,487
Globecom Infotech Private Limited	29,100,000	-
<b>Total</b>	<b>199,741,501</b>	<b>25,882,139</b>
<b>x Advance from Customers</b>		
Surana Solar Ltd (formerly Surana Ventures Ltd)	24,131,951	-
<b>Total</b>	<b>24,131,951</b>	<b>-</b>

Particulars		for the year ended 31.03.2015	for the year ended 31.03.2014
<b>xi</b>	<b>Remuneration to Key Managerial Personnel</b>		
	D.Srinivas -CS- (from December, 2014)	249,167	-
	R. Laxman Raju- CFO-(till September, 2014)	314,032	600,000
	<b>Total</b>	<b>563,199</b>	<b>600,000</b>

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

Particulars		As at 31.03.2015	As at 31.03.2014
<b>i</b>	<b>Due to Related Parties</b>		
	Surana solar Limited (formerly Surana Ventures Ltd)	80,306,465	-
	<b>Total</b>	<b>80,306,465</b>	<b>-</b>
<b>ii</b>	<b>Due from Related Parties</b>		
	Celestial Solar Solutions Private Limited	1,785,396	-
	Globecom Infotech Private Limited	8,202,057	37,302,057
	Surana Solar Systems Private Limited	14,574,242	52,681,067
	Bhagyanagar Green Energy Limited	2,700,267	-
	<b>Total</b>	<b>27,261,962</b>	<b>89,983,124</b>

**Note: 2.27**

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

(Value in ₹)

Sl. No.	Name of the Company	Balance as at		Maximum Outstanding during	
		31.03.2015	31.03.2014	31.03.2015	31.03.2014
<b>A.</b>	<b>Subsidiaries</b>				
	Globecom Infotech Private Limited	8,202,057	37,302,057	37,302,057	37,302,057
	Celestial Solar Solutions Private Limited	1,785,396	-	1,785,396	8,652
	Surana Solar Systems Private Limited	14,574,242	52,681,087	55,181,067	-

Particulars		for the year ended 31.03.2015	for the year ended 31.03.2014
<b>Note: 2.28</b>			
<b>Raw Material and Traded goods Consumed during the year</b>			
<b>Traded Goods</b>			
i	Alluminium Scrap	1,124,675	2,376,275
ii	Solar related Products	31,076,531	136,349,937
iii	Others including incidental charges	2,108,921	15,872,970
	<b>Total</b>	<b>34,310,127</b>	<b>154,599,182</b>

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

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

Particulars	for the year ended 31.03.2015		for the year ended 31.03.2014	
	Value	% of total Consumption	Value	% of total Consumption
<b>Traded Goods</b>				
Imported	33,015,950	96.23	124,396,028	80.46
Indigenous	1,294,177	3.77	30,203,154	19.54
<b>Total</b>	<b>34,310,127</b>	<b>100.00</b>	154,599,182	100.00

Particulars	for the year ended 31.03.2015	for the year ended 31.03.2014
<b>Note: 2.30</b>		
<b>CIF Value of imports</b>		
Traded Goods	186,346,320	126,252,424
<b>Total</b>	<b>186,346,320</b>	126,252,424

Particulars	for the year ended 31.03.2015	for the year ended 31.03.2014
<b>Note: 2.31</b>		
<b>Expenditure in foreign Currency</b>		
Travelling	-	142,275
<b>Total</b>	-	142,275

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

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

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

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

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

Particulars	Gratuity	
	2014-15	2013-14
<b>a Expenses recognised in the Profit &amp; Loss Account</b>		
Current Service Cost	22,340	28,071
Interest Cost	5,368	3,604
Expected Return on Planned Assets	(9,766)	8,730
Net Actuarial (Gain) / Loss recognised in the year	(74,997)	(9,622)
<b>Expenses recognised in Statement of Profit and loss</b>	<b>(57,055)</b>	13,323
<b>b Change in Present value of obligation during the year ended 31<sup>st</sup> March, 2015</b>		
Present Value of obligation as at beginning of the year	67,103	45,050
Interest cost	5,368	3,604
Current service cost	22,340	28,071
Benefits Paid-Actuals	-	-
Actuarial (gain) /loss	(74,997)	(9,622)
<b>Present Value of obligation as at end of the year</b>	<b>19,814</b>	67,103
<b>c Change in fair value of Plan Assets during the year ended 31<sup>st</sup> March, 2015</b>		
Fair value of Plan Assets as at the beginning of the year	108,506	99,776
Expected return on Plan Assets	9,766	8,730
Contributions	-	-
Benefits Paid	-	-
<b>Fair value of Plan Assets as at the end of the year</b>	<b>118,272</b>	108,506
<b>d Actuarial Gain/ loss recognized</b>		
Actuarial (gain) / loss for the year -Obligation	74,997	(9,622)
Actuarial (gain) / loss for the year -Plan Assets	-	-
Total (gain)/ Loss for the Year	(74,997)	(9,622)
Actuarial (gain) / loss recognized in the year	(74,997)	(9,622)
<b>e Actuarial assumption</b>		
Discount rate used	8%	8%
Salary escalation	4%	6%

**Note: 2.33**

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

As per our report of even date attached

**For Surana Telecom and Power Limited**

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

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

**Narender Surana**  
Chairman

**Devendra Surana**  
Director

**D. Srinivas**  
Company Secretary

Place : Secunderabad

Date : May 30 , 2015

## INDEPENDENT AUDITORS' REPORT

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

### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Surana Telecom and Power Limited ("the Holding Company") and its subsidiaries (holding company and subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31<sup>st</sup> 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 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 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, 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 as at March 31, 2015, and its consolidated profit and its consolidated cash flows for the year ended on that date.

### Emphasis of Matter

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



2. We draw your attention to Note 2.10(a) of the consolidated financial statements regarding receivable from MIDC which is under dispute.

*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, based on the comments in the auditor's reports of the Holding Company and Subsidiary 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.
  - 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<sup>st</sup> March, 2015, taken on record by the Board of Directors of the Holding Company and the Subsidiary Companies, none of the directors of the Group Company is disqualified as on 31<sup>st</sup> 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 2.23(ii) to the consolidated financial statements;
    - ii. The Group does 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 and its subsidiaries.

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

Place : Secunderabad  
Date : 30-May-2015

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

## **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 and Subsidiary Companies, to which the Order is applicable, which have been audited by us.

- i. In respect of the fixed assets of the Holding Company and subsidiary 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 and subsidiary 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 and subsidiary 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 and Subsidiary 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, 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.
- vii. According to the information and explanations given to us, in respect of statutory dues of the Holding Company and Subsidiary 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:

SI. No.	Name of Statute	Nature of Dues	Amount not paid/ (Amount involved in dispute)	Period to which it relates	Forum where dispute is pending
1	Central Excise Act, 1944	Excise Duty	(1,40,32,981) 1,40,32,981	2004-05	CESTAT – Mumbai
			17,12,827 (3,13,24,943)	2007-08	Supreme Court of India
			1,87,495 (1,87,495)	2007-09	CESTAT – Bangalore
2	Service Tax	Input Credit	17,24,796 (24,63,994)	2010-11	CESTAT – Bangalore
3	Customs Act, 1964	Custom Duty	12,75,654 (22,75,654)	2009-10	CESTAT – Bangalore
4	A. P. General Sales Tax Act	Income Tax	10,80,332 (21,60,663)	1994-95	Commercial Tax Officer

The above amounts are net of taxes paid under protest at ₹ 3,29,40,558 in Long Term Advances which are part amounts paid pending final decision of the matter under dispute.

- 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 has no accumulated losses at the end of the financial year on a consolidated basis and the Group has 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 and subsidiary 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 and subsidiary 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 and subsidiary 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 and subsidiary 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

Place : Secunderabad  
Date : 30-May-2015

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



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</b>	<b>EQUITY AND LIABILITIES</b>			
	<b>(1) SHAREHOLDERS' FUNDS</b>			
	(a) Share Capital	2.1	104,022,000	104,022,000
	(b) Reserves and Surplus	2.2	491,494,697	496,808,463
			595,516,697	600,830,463
	<b>(2) MINORITY INTEREST</b>	2.2 (a)	21,973,471	24,385,703
	<b>(3) NON-CURRENT LIABILITIES</b>			
	(a) Long-Term Borrowings	2.3	323,373,623	292,078,009
	(b) Deferred Tax Liabilities (Net)		1,876,253	2,447,080
			325,249,876	294,525,089
	<b>(4) CURRENT LIABILITIES</b>			
	(a) Short-Term Borrowings	2.4	747,081,137	4,852,555
	(b) Trade Payables	2.5	70,069,403	69,095,632
	(c) Other Current Liabilities	2.6	124,558,051	86,397,246
	(d) Short-Term Provisions	2.7	15,003,640	14,604,140
			956,712,231	174,949,573
	<b>TOTAL</b>		<b>1,899,452,275</b>	<b>1,094,690,828</b>
<b>II</b>	<b>ASSETS</b>			
	<b>(1) NON-CURRENT ASSETS</b>			
	(a) Fixed Assets			
	(i) Tangible Assets	2.8	753,457,098	620,237,027
	(ii) Capital work in progress		1,162,981	185,350,421
	(b) Non-Current Investments	2.9	101,018,300	113,881,078
	(c) Long-Term Loans and Advances	2.10	44,388,968	36,650,264
			900,027,347	956,118,790
	<b>(2) CURRENT ASSETS</b>			
	(a) Inventories	2.11	189,302,432	37,170,236
	(b) Trade Receivables	2.12	30,437,218	29,715,585
	(c) Cash and Bank Balances	2.13	18,652,322	22,405,403
	(d) Short-Term Loans and Advances	2.14	724,456,272	12,181,364
	(e) Other Current Assets	2.15	36,576,684	37,099,450
			999,424,928	138,572,038
	<b>TOTAL</b>		<b>1,899,452,275</b>	<b>1,094,690,828</b>
	Significant Accounting Policies and Notes on Accounts	1 & 2		

As per our report of even date attached

For Surana Telecom and Power Limited

For **Sekhar & Co**

Chartered Accountants

Firm's Registration Number : 003695-S

**G.Ganesh**

Partner

Membership No: 211704

**Narender Surana**

Chairman

**Devendra Surana**

Director

**D. Srinivas**

Company Secretary

Place : Secunderabad

Date : May 30 , 2015

**CONSOLIDATED 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</b>	<b>INCOME FROM OPERATIONS (Net of sales tax)</b>	2.16	<b>179,919,447</b>	292,698,924
	Less: Exice duty		<b>546,449</b>	2,420,586
	<b>NET INCOME FROM OPERATIONS</b>		<b>179,372,998</b>	290,278,338
<b>II</b>	<b>OTHER INCOME</b>	2.17	<b>16,027,942</b>	22,579,060
	<b>TOTAL REVENUE</b>		<b>195,400,940</b>	312,857,398
<b>III</b>	<b>EXPENSES</b>			
	Cost of Materials Consumed	2.18	<b>34,310,127</b>	154,599,182
	Employee Benefit Expenses	2.19	<b>2,860,448</b>	2,897,962
	Finance Costs	2.20	<b>37,595,768</b>	39,570,632
	Depreciation and Amortisation Expenses	2.21	<b>81,048,076</b>	84,308,231
	Other Expenses	2.22	<b>20,780,776</b>	25,081,991
	<b>TOTAL EXPENSES</b>		<b>176,595,195</b>	306,457,998
<b>IV</b>	<b>PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX</b>		<b>18,805,745</b>	6,399,400
<b>V</b>	<b>PRIOR PERIOD ADJUSTMENT</b>		<b>(33,838)</b>	-
<b>VI</b>	<b>PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX</b>		<b>18,771,907</b>	6,399,400
<b>VII</b>	<b>PROFIT BEFORE TAX</b>		<b>18,771,907</b>	6,399,400
<b>VIII</b>	<b>TAX EXPENSE</b>			
	<b>1. Current tax</b>		<b>4,000,000</b>	250,000
	<b>2. Deferred tax</b>		<b>(570,828)</b>	(857,000)
	<b>3. Tax for earlier years</b>		<b>26,064</b>	-
<b>IX</b>	<b>PROFIT AFTER TAX</b>		<b>15,316,671</b>	7,006,400
<b>X</b>	<b>Earning Per Equity Share</b>			
	(a) Basic		<b>0.15</b>	0.07
	(b) Diluted		<b>0.15</b>	0.07
	No. of Shares		<b>104,022,000</b>	104,022,000
	Significant Accounting Policies and Notes on Accounts	1 & 2		

As per our report of even date attached

**For Surana Telecom and Power Limited**

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

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

**Narender Surana**  
 Chairman

**Devendra Surana**  
 Director

**D. Srinivas**  
 Company Secretary

 Place : Secunderabad  
 Date : May 30 , 2015

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

(Amount in ₹)

	Particulars	2014-15	2013-14
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	<b>Net Profit before tax as per annexed profit and loss account</b>	<b>18,771,907</b>	6,399,400
	Adjustments for :		
	Depreciation & Amortisations	<b>81,048,076</b>	83,971,151
	Preliminary Expenses	-	35,582
	Bad Debts/CWIP Written Off & Provision for Bad Debts	<b>714,366</b>	53,302
	Balances / Provisions no longer required written back	<b>(7,779)</b>	(788,766)
	Profit/ (Loss) on Sale of Investments(Net)	<b>3,076,920</b>	-
	Loss on surrender of land	<b>31,100</b>	-
	Interest Expense	<b>37,595,768</b>	39,570,632
	Interest Income	<b>(4,062,068)</b>	(3,598,038)
	Dividend Income	<b>(5,119,503)</b>	(5,479,468)
		<b>113,276,880</b>	113,764,395
	<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>132,048,787</b>	120,163,795
	<b>Adjustments for :</b>		
	Inventories	<b>(152,132,195)</b>	(1,794,071)
	Loans and Advances	<b>(727,160,521)</b>	1,390,085
	Other Current Assets	<b>522,766</b>	(1,925,664)
	Sundry Debtors	<b>(1,164,298)</b>	52,018,595
	Trade Payables and other Liabilities	<b>27,349,925</b>	15,820,725
		<b>(852,584,323)</b>	65,509,670
	<b>CASH GENERATED FROM OPERATIONS</b>	<b>(720,535,536)</b>	185,673,465
	<b>Adjustments for :</b>		
	Income Taxes (Paid) / Refund	<b>3,123,701</b>	946,283
	Prior Period adjustment	<b>33,838</b>	-
		<b>3,157,539</b>	946,283
	<b>Net Cash from Operating Activities</b>	<b>(717,377,997)</b>	186,619,748
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Purchase of Fixed Assets & Changes in CWIP	<b>(38,625,789)</b>	(209,492,250)
	Net cash on acquisition of New Subsidiary	-	(254,790)
	Investment in of Shares & Other Investments (Net)	<b>9,785,858</b>	-
	Dividend Received	<b>5,119,503</b>	5,479,468
	Interest Received	<b>4,203,624</b>	6,329,868
	<b>Net Cash (used in) / from Investing Activities</b>	<b>(19,516,804)</b>	(197,937,704)

**CONSOLIDATED CASH FLOW STATEMENT Continues.....**

(Amount in ₹)

Particulars		2014-15		2013-14	
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
	Proceeds from issue of Shares to Minority	-		24,500,000	
	Increase/(Decrease) in Secured Loans	<b>85,884,934</b>		(21,101,346)	
	Increase/(Decrease) in Un Secured Loans	<b>700,050,467</b>		61,003,368	
	Interest Paid	<b>(37,826,102)</b>		(38,563,585)	
	Dividend Paid	<b>(14,967,580)</b>		(15,326,986)	
	Decrease (Increase) in restricted deposits	<b>13,267,602</b>		(8,456,078)	
	<b>Net Cash (used in) / from Financing Activities</b>		<b>746,409,321</b>		2,055,373
	<b>NET CASH GENERATED / (UTILISED)</b>		<b>9,514,521</b>		(9,262,583)
<b>Reconciliation : See Note 2 &amp; 3 below</b>					
	Opening Cash and Cash Equivalent		<b>1,947,959</b>		11,058,037
	Add: Upon addition of Subsidiary		-		152,505
	<b>Closing Cash and Cash Equivalent</b>		<b>11,462,480</b>		1,947,959
	<b>Net Increase/(decrease) in Cash &amp; Cash Equivalents</b>		<b>9,514,521</b>		(9,262,583)

Notes:				
1	Components of Cash and Cash Equivalents	2014-15	2013-14	Change Over previous Year
	Cash in Hand	<b>225,273</b>	136,906	88,367
	Balances with Banks	<b>11,237,207</b>	1,811,053	9,426,154
	<b>Total</b>	<b>11,462,480</b>	1,947,959	9,514,521
2	Previous Figures are regrouped wherever required to make them comparable with current year			
3	Notes to Accounts form an integral part of Cash Flow Statement			

As per our report of even date attached

**For Surana Telecom and Power Limited**

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

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

**Narender Surana**  
 Chairman

**Devendra Surana**  
 Director

**D. Srinivas**  
 Company Secretary

 Place : Secunderabad  
 Date : May 30 , 2015

## 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 Surana Telecom and Power Limited.

**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>			
<b>a. Authorized</b>			
15,00,00,000 Equity shares of ₹ 1/-each (March 31, 2014 : 3,00,00,000 Equity shares of ₹ 5/- each)			
<b>TOTAL</b>		<b>150,000,000</b>	150,000,000
<b>b. Issued, Subscribed and Paid-Up Capital</b>			
10,40,22,000 Equity shares of ₹ 1/- each (March 31, 2014: 2,08,04,400 Equity shares of ₹ 5/- each)			
<b>TOTAL</b>		<b>104,022,000</b>	104,022,000

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

	No of shares	As at 31.03.2015	No of shares	As at 31.03.2014
At beginning of the year	20,804,400	<b>104,022,000</b>	20,804,400	104,022,000
Outstanding at the end of the year	104,022,000	<b>104,022,000</b>	20,804,400	104,022,000

i) There were no Bonus shares, forefieted shares and buy back of shares in last five years.

ii) During the year, the Equity shares of ₹ 5/- each were sub-divided into Equity shares of ₹ 1/- each, due to which, there is an increase in no. of shares

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

Name of Shareholder	As at 31.03.2015		As at 31.03.2014	
	%	No of shares	%	No of shares
Bhagyanagar India Limited	9.03	9,395,150	8.95	1,871,462
Narender Surana	18.43	19,172,075	17.45	3,630,560
Devendra Surana	14.73	15,328,015	14.32	2,980,692
<b>TOTAL</b>		<b>43,895,240</b>		8,482,714

**Note:** There is a subdivision of shares of ₹ 5/- each into 5 equity shares of ₹ 1/- each w.e.f 26.11.2014

Particulars	Sub Note	As at 31.03.2015	As at 31.03.2014
<b>Note : 2.2</b>			
<b>Reserves and Surplus</b>			
<b>(i) General Reserves</b>			
Balance at Beginning of the Year		<b>255,570,967</b>	250,570,967
Depreciation adjustment		<b>(218,389)</b>	-
Add: Transferred from Profit & Loss Account		<b>5,000,000</b>	5,000,000
<b>Balance at the year end</b>		<b>260,352,578</b>	255,570,967
<b>(ii) Captial Redemption Reserve</b>			
Balance at Beginning of the Year		<b>24,000,000</b>	24,000,000
<b>Balance at the year end</b>		<b>24,000,000</b>	24,000,000

(Amount In ₹)

Particulars	Sub Note	As at 31.03.2015	As at 31.03.2014
<b>(iii) Revaluation Reserve</b>			
Balance at Beginning of the Year		26,947,382	27,824,564
Adjusted Against Depreciation		(7,894,640)	(877,182)
<b>Balance at the year end</b>		<b>19,052,742</b>	26,947,382
<b>(iv) Central Subsidy</b>		<b>3,500,000</b>	3,500,000
<b>(v) Surplus</b>			
<b>Balance of Profit and Loss account Available for Appropriation</b>		<b>186,790,114</b>	199,273,557
Add: Profit During the Year		15,316,671	7,006,400
Add: Minority Interest (Current Year's Profit/(loss))		2,461,232	114,297
Amount Available for Appropriation		204,568,017	206,394,254
Less: Appropriations			
Proposed Equity Dividend		12,482,640	12,482,640
Tax on Proposed Equity Dividend		2,496,000	2,121,500
Transfer to General Reserve		5,000,000	5,000,000
<b>Balance at the year end</b>		<b>184,589,378</b>	186,790,114
<b>TOTAL</b>		<b>491,494,697</b>	496,808,463

Particulars	Sub Note	As at 31.03.2015	As at 31.03.2014
<b>Note: 2.2 (a)</b>			
<b>Minority Interest</b>			
<b>Opening Balance as on 01.04.14</b>		24,385,703	-
Add: Minority Interest of subsidiary company		49,000	24,500,000
Current year's Profit & loss Account		(2,461,232)	(114,297)
<b>TOTAL</b>		<b>21,973,471</b>	24,385,703

	Sub Note	As at 31.03.2015	As at 31.03.2014
<b>Note : 2.3</b>			
<b>Long-Term Borrowings</b>			
<b>Secured</b>			
(a) Term Loan from Bank	2.3 (a)	222,552,489	174,896,137
<b>Un Secured</b>			
(a) Loan from Body Corporate	2.3 (b) (i)	100,821,135	80,917,474
(b) Loan from Shareholder/ Director		-	26,810,000
(c) Deferred Sales Tax	2.3 (b) (ii)	-	9,454,398
<b>TOTAL</b>		<b>323,373,624</b>	292,078,009

**Notes:**

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

- (ii) Term Loan from Indian Overseas Bank (for SSSPL) is secured by way of exclusive charge on the Solar Power Project assets. Further, it has been guaranteed by the some of the directors of the company. The loan is repayable in 28 quarterly installments beginning from October 2014. Accordingly due with in a Year is ₹ 2,10,00,000/- which is classified under "Other Current Liabilities"

**2.3 (b)** (Amount In ₹)

- (i) There is no sepecific schedule for repayment of Unsecured Loan taken from Body Corporate.

	Balance as on 31.03.2015	Balance as on 31.03.2014
<b>Name of the Related Party</b>		
Bhagyanagar Securities Private Ltd	64,310,060	5,625,580
Surana Infocom Private Ltd	1,501,075	40,291,894
<b>TOTAL</b>	<b>65,811,135</b>	<b>45,917,474</b>

- (ii) Represents the interest free sales tax deferment (loan) availed from Government of Andhra Pradesh and the repayment is based on regulations specified in the eligibilty certificates issued by Department of Industries. Accordingly due with in a year is ₹ 94,54,204/- which is classified under Other Current Liabilities.

Particulars	Sub Note	As at 31.03.2015	As at 31.03.2014
<b>Note: 2.4</b>			
<b>Short-Term Borrowings</b>			
<b>Secured</b>	2.4 (a)		
(a) Cash Credit		22,081,137	4,852,555
<b>Un Secured</b>			
(b) Loan from Director	2.4 (b)	725,000,000	-
<b>TOTAL</b>		<b>747,081,137</b>	<b>4,852,555</b>

**Notes:**

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

2.4 (b) Name of the Director	Balance as on 31.03.2015	Balance as on 31.03.2014
Vishal Atha	620,000,000	-
Bharat Atha	105,000,000	-
<b>TOTAL</b>	<b>725,000,000</b>	<b>-</b>

	Sub Note	As at 31.03.2015	As at 31.03.2014
<b>Note: 2.5</b>			
<b>Trade Payables</b>			
Sundry Creditors - Others	2.5 (a)	70,069,403	69,095,632
<b>TOTAL</b>		<b>70,069,403</b>	<b>69,095,632</b>



**Notes:**

(Amount In ₹)

2.5 (a) Name of the related party	Balance as on 31.03.2015	Balance on 31.03.2014
Surana Solar Ltd (formerly Surana Ventures Ltd)	56,174,514	-
	56,174,514	-

	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 Maturity on Long Term Debt (Secured)</b>			
- Term Loan from Bank		61,000,000	40,000,000
- Deferred Sales tax		9,454,204	18,043,000
(b) Unclaimed Dividends		3,064,620	3,428,060
<b>(c) Other Payables</b>			
- Book Overdraft		-	4,090,613
- Other Liabilities		9,447,498	2,408,322
- Lease Deposits		6,202,395	6,202,395
- Advance from Customers	2.6 (c)	35,389,334	12,224,856
<b>TOTAL</b>		<b>124,558,051</b>	<b>86,397,246</b>

**Notes: Advance from Customers**

2.6 (c) Name of the related party	Balance as on 31.03.2015	Balance on 31.03.2014
Surana Solar Ltd (formerly Surana Ventures Ltd)	24,131,951	-
Bhayanagar India Ltd	7,532,527	-
Total	31,664,478	

	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 Bonus		25,000	-
(b) Proposed Dividend	2.7 (a)	12,482,640	12,482,640
(c) Tax on Dividend		2,496,000	2,121,500
<b>TOTAL</b>		<b>15,003,640</b>	<b>14,604,140</b>

**Notes:**

- 2.7 (a)** The Board of Directors have recommended a dividend of ₹ 0.12/- per share for the year ended 31<sup>st</sup> March, 2015 (Previous Year ₹ 0.12/- per share. There is a subdivision of shares of ₹ 5/- each into 5 equity shares of ₹ 1/- each during the year. Hence, the dividend per share for the previous year is restated to make it comparable.



(Amount in ₹)

## Annexure: 2.8 Fixed Assets

Particulars	Freehold Land	Leaseold Land	Factory Buildings	P & M- Others	P & M- Solar Power	P & M- wind Power	Office Equipment	Vehicles	Furniture & Fixtures	Computer software	Computer	Grand Total
<b>A. Gross Block</b>												
At 1st April, 2013	72,871,149	36,747,198	75,517,252	350,610,464	517,658,568	63,550,092	19,037,115	6,020,186	11,392,185	3,282,619	-	1,156,686,828
Additions	9,636,932	11,704,168	799,230	2,248,200	-	-	-	-	-	-	-	24,388,530
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
At 31 <sup>st</sup> March, 2014	82,508,081	48,451,366	76,316,482	352,858,664	517,658,568	63,550,092	19,037,115	6,020,186	11,392,185	3,282,619	-	1,181,075,358
Additions	65,000	2,414,994	60,000	-	254,974,372	-	164,948	-	1,617,094	-	143,220	259,439,628
Disposals	(36,873,100)	-	-	-	-	-	(575,056)	(661,184)	(358,281)	(853,803)	-	(99,321,424)
<b>At 31<sup>st</sup> March, 2015</b>	<b>45,699,981</b>	<b>50,866,360</b>	<b>76,376,482</b>	<b>352,858,664</b>	<b>772,632,940</b>	<b>63,550,092</b>	<b>18,627,007</b>	<b>5,359,002</b>	<b>12,650,998</b>	<b>2,428,816</b>	<b>143,220</b>	<b>1,401,193,562</b>
<b>B. Depreciation</b>												
At 1st April, 2013	-	1,502,289	38,530,571	305,393,989	84,818,102	20,141,849	12,112,640	3,248,988	7,041,896	3,199,679	-	475,990,003
Charge for the Year	-	2,373,051	3,718,649	6,545,510	66,354,443	3,355,445	963,194	717,463	787,402	33,176	-	84,848,333
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
At 31 <sup>st</sup> March, 2014	-	3,875,340	42,249,219	311,939,498	151,172,545	23,497,294	13,075,834	3,966,451	7,829,298	3,232,855	-	560,838,336
Charge for the Year	-	1,900,537	1,233,048	2,429,641	71,524,481	2,458,353	411,128	304,458	772,958	13,472	-	81,048,076
Disposals	-	-	-	-	-	-	(459,387)	(640,578)	(328,985)	(834,026)	-	(2,262,976)
Adjustment	-	-	-	4,300,289	-	-	3,812,739	-	-	-	-	8,113,028
<b>At 31<sup>st</sup> March, 2015</b>	<b>-</b>	<b>5,775,876</b>	<b>43,482,267</b>	<b>318,669,428</b>	<b>222,697,026</b>	<b>25,955,647</b>	<b>16,840,315</b>	<b>3,630,331</b>	<b>8,273,271</b>	<b>2,398,829</b>	<b>13,472</b>	<b>647,736,464</b>
<b>C. Net Block (A-B)</b>												
At 31 <sup>st</sup> March, 2014	82,508,081	44,576,026	34,067,263	40,919,166	366,486,023	40,052,798	5,961,281	2,053,735	3,562,887	49,764	-	620,237,022
<b>At 31<sup>st</sup> March, 2015</b>	<b>45,699,981</b>	<b>45,090,484</b>	<b>32,894,215</b>	<b>34,189,236</b>	<b>549,935,914</b>	<b>37,594,445</b>	<b>1,786,692</b>	<b>1,728,671</b>	<b>4,377,727</b>	<b>29,987</b>	<b>129,748</b>	<b>753,457,098</b>

## Note:

- 1) 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.
- 2) Depreciation expenses for the year ended 31<sup>st</sup> March 2015, are higher by ₹ 52,75,190/- due to the implementation of new method in pursuant to the requirement of Companies Act, 2013.

(Amount In ₹)

	Sub Note	As at 31.03.2015	As at 31.03.2014
<b>Note: 2.9</b>			
<b>Non-Current Investments</b>			
(Long Term at Cost, Unless Otherwise Specified)			
<b>A) Unquoted Investments (At Cost)</b>			
<b>a) In Companies under the same management</b>			
1,50,000 (March 31, 2014: 1,50,000) Equity Shares of ₹ 10/- each of Bhagyanagar Securities Pvt Ltd		<b>18,000,000</b>	18,000,000
<b>b) In Joint Venture Company (foreign)</b>			
Nil (March 31, 2014: 1,49,745) Equity Shares of 100 taka each in Bangladesh Currency of Radiant Alliance Ltd.	See note 2.26 (e )	-	9,212,065
<b>SUB TOTAL</b>		<b>18,000,000</b>	27,212,065
<b>B) Quoted Investments (At Cost)</b>			
<b>a) In Companies under the Same Management</b>			
22,90,331 (March 31, 2014: 22,90,331) Equity Shares of ₹ 2/- each of Bhagyanagar India Ltd		<b>35,201,302</b>	35,201,302
88,20,000 (March 31, 2014: 44,10,000) Equity Shares of ₹ 10/-) Equity shares of ₹ 5/- each of Surana Solar Ltd (formerly Surana Ventures Ltd)		<b>44,100,000</b>	44,100,000
<b>SUB TOTAL</b>		<b>79,301,302</b>	79,301,302
<b>b) In Other Companies (At Cost)</b>			
200 (March 31, 2014: 200 ) Equity Shares of ₹ 10/- each of Linde India Ltd (Formerly BOC India Ltd)		<b>45,510</b>	45,510
50,000 (March 31, 2014: 50,000 ) Equity Shares of ₹ 10/- each of Dolphin Medical Services Limited		<b>600,000</b>	600,000
300 (March 31, 2014: 300 ) Equity Shares of ₹ 10/- each of Parrys Sugar Industries Ltd		<b>25,482</b>	25,482
Nil (March 31, 2014: 1,50,000 ) Equity Shares of ₹ 10/- each of Indosolar Limited		-	3,650,713
100 (March 31, 2014: 100 ) Equity Shares of ₹ 10/- each of Indswift Laboratories Limited		<b>14,700</b>	14,700
17,315 (March 31, 2014: 17,315) Equity Shares of ₹ 10/- each of Megasoft Limited		<b>2,407,415</b>	2,407,415
45 (March 31, 2014: 45) Equity Shares of ₹ 10/- each of Mahindra Lifespace Developers Limited		<b>23,307</b>	23,307
610 (March 31, 2014: 610) Equity Shares of ₹ 10/- each of Mahanagar Telephone Nigam Limited		<b>85,368</b>	85,368
6 (March 31, 2014: 6) Equity Shares of ₹ 10/- each of Prithvi Information Solutions Limited		<b>301</b>	301
10,000 (March 31, 2014: 10,000) Equity Shares of ₹ 10/- each of Sree Shakti Paper Mills Limited		<b>300,000</b>	300,000
2,107 (March 31, 2014: 2,107) Equity Shares of ₹ 10/- each of Talbors Automotive Components Limited		<b>214,915</b>	214,915
<b>SUB TOTAL</b>		<b>3,716,998</b>	7,367,711
<b>GRAND TOTAL</b>		<b>101,018,300</b>	113,881,078
<b>Aggregate Market Value of Quoted Investments</b>		<b>618,554,534</b>	106,070,718

(Amount In ₹)

	Sub Note	As at 31.03.2015	As at 31.03.2014
<b>Note: 2.10</b>			
<b>Long Term Loans and Advances</b>			
(Unsecured, Considered Good)			
<b>b) Other Receivables</b>			
Receivable from MIDC	2.10(a)	7,591,308	-
<b>c) Security Deposits</b>			
Deposits		3,857,102	3,709,706
<b>d) Taxes paid under protest</b>		32,940,558	32,940,558
<b>TOTAL</b>		<b>44,388,968</b>	36,650,264

**Notes: 2.10 (a)**

Land allotted by MIDC in the IT/ITES Park at Pune has been surrendered during the year. MIDC has repaid substantial part of amount after deducting ₹ 75,91,308/- which is stated as receivable from MIDC. The Company considers the above amount as recoverable and it has also filed a legal suit in appropriate court to recover the same. The realization of the amount is subject to outcome of court judgement.

	Sub Note	As at 31.03.2015	As at 31.03.2014
<b>Note: 2.11</b>			
<b>Inventories</b>			
(Valued at Lower of Cost and Net Realizable Value)			
a) Raw Materials		182,000	1,306,675
b) Traded goods		189,120,432	35,863,562
<b>TOTAL</b>		<b>189,302,432</b>	37,170,237

	Sub Note	As at 31.03.2015	As at 31.03.2014
<b>Note: 2.12</b>			
<b>Trade Receivables</b>			
(Unsecured, considered good unless stated otherwise)			
(i) Aggregate amount of Trade Receivables Outstanding for a Period Less Than Six Months		22,046,913	25,331,731
(ii) Aggregate amount of Trade Receivables Outstanding for a Period Exceeding Than Six Months	2.12 (a)	8,390,305	4,383,854
<b>TOTAL</b>		<b>30,437,218</b>	29,715,585

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

Name of the Company	Balance as on 31.03.2015	Balance as on 31.03.2014
Bhagyanagar Green Energy Ltd	2,700,267	
<b>TOTAL</b>	<b>2,700,267</b>	-

(Amount In ₹)

	Sub Note	As at 31.03.2015	As at 31.03.2014
<b>Note: 2.13</b>			
<b>Cash and Cash Equivalents</b>			
(a)	Cash and Cash Equivalents		
	Current Account with Bank	11,237,207	1,811,053
	Cash on hand	225,273	136,906
	<b>Sub-Total (A)</b>	<b>11,462,480</b>	<b>1,947,959</b>
(b)	Other Balances		
	Dividend Account	3,064,620	3,428,060
	Deposit Held to the Extent of Margin Money	3,834,049	15,881,507
	Accrued interest on deposits with banks	291,173	1,147,877
	<b>Sub-Total (B)</b>	<b>7,189,842</b>	<b>20,457,444</b>
	<b>Grand Total (A+B)</b>	<b>18,652,322</b>	<b>22,405,403</b>

	Sub Note	As at 31.03.2015	As at 31.03.2014
<b>Note: 2.14</b>			
<b>Short-Term Loans and Advances</b>			
(Unsecured, Considered Good)			
(a)	<b>Capital Advances</b>		
	Advance for machinery and other Capital Goods	720,700,000	-
(b)	Advance Tax & TDS (Net of Provisions)	603,278	7,753,043
(c)	Advances to Suppliers	1,727,730	3,746,876
(d)	Other Advances	425,264	681,445
(e)	Deposits		
	E.M.D	1,000,000	-
	<b>TOTAL</b>	<b>724,456,272</b>	<b>12,181,364</b>

	Sub Note	As at 31.03.2015	As at 31.03.2014
<b>Note: 2.15</b>			
<b>Other Current Assets</b>			
<b>(Un Secured, and Considered good)</b>			
(a)	Loan against pledge of securities	2.15 (a)	18,394,171
(b)	Balances with Statutory Authorities	18,182,513	18,705,279
(c)	Preliminary Expenses (Opening Balance)	-	35,582
	Less: written off during the year	-	35,582
	Closing Balance	-	-
	<b>TOTAL</b>	<b>36,576,684</b>	<b>37,099,450</b>

**Note:**

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

**NOTES TO PROFIT & LOSS ACCOUNT**

(Amount In ₹)

	Sub Note	For the year 31.03.2015	For the year 31.03.2014
<b>Note: 2.16</b>			
<b>Revenue from Operations</b>			
(a) Sale of products			
Solar Power		121,082,188	116,030,745
Wind Power		5,616,573	6,474,883
Electric Power Cable / Components		4,820,284	22,877,272
Traded Goods/ Solar Modules		34,520,267	141,383,140
<b>Gross Sales</b>		<b>166,039,312</b>	<b>286,766,040</b>
Lesss: sales tax		243,246	7,393,416
<b>Net Sales</b>		<b>165,796,066</b>	<b>279,372,624</b>
(b) Infrastructure Leasing		14,123,381	13,326,300
<b>TOTAL</b>		<b>179,919,447</b>	<b>292,698,924</b>

	Sub Note	For the year 31.03.2015	For the year 31.03.2014
<b>Note: 2.17</b>			
<b>Other Income</b>			
(a) Interest Income			
Interest on Loans, Deposits and Others (Gross)		4,062,068	3,598,038
(b) Dividend Income		5,119,503	5,479,468
(c) Other Non-Operating Income			
Miscellaneous Income		432,825	269,238
Gain on Foreign Exchange Fluctuation		6,307,229	-
Balances no Longer Payable Written Back		-	788,766
Balances Written off in Earlier Years Received Back		106,317	12,443,550
<b>TOTAL</b>		<b>16,027,942</b>	<b>22,579,060</b>

	Sub Note	For the year 31.03.2015	For the year 31.03.2014
<b>Note: 2.18</b>			
<b>Cost of Raw Material and Traded Goods</b>			
Opening Stock - Raw Materials		1,306,675	3,682,950
Opening Stock - Traded Goods		35,863,562	31,693,216
Add: Purchase of Traded Goods		186,442,322	156,393,253
Less: Closing Stock- Raw Materials		182,000	1,306,675
Less: Closing Stock - Traded Goods		189,120,432	35,863,562
<b>TOTAL</b>		<b>34,310,127</b>	<b>154,599,182</b>

	Sub Note	For the year 31.03.2015	For the year 31.03.2014
<b>Note: 2.19</b>			
<b>Employee Benefits Expense</b>			
Salaries, Wages and Other Benefits		2,733,419	2,848,138
Contribution to Provident and Other Funds		127,028	49,824
<b>TOTAL</b>		<b>2,860,447</b>	<b>2,897,962</b>

(Amount In ₹)

	Sub Note	For the year 31.03.2015	For the year 31.03.2014
<b>Note: 2.20</b>			
<b>Finance Costs</b>			
Interest Expense			
On Cash Credit & Others		11,988,361	6,506,210
On Term Loan		22,771,593	29,158,400
Financial Charges		2,835,814	3,906,022
<b>TOTAL</b>		<b>37,595,768</b>	<b>39,570,632</b>

	Sub Note	For the year 31.03.2015	For the year 31.03.2014
<b>Note: 2.21</b>			
<b>Depreciation and Amortisation Expenses</b>			
Depreciation		79,134,067	81,598,100
Amortisation Expenses - Lease Premium/ Rent	See note 2.8	1,914,009	2,710,131
<b>TOTAL</b>		<b>81,048,076</b>	<b>84,308,231</b>

	Sub Note	For the year 31.03.2015	For the year 31.03.2014
<b>Note: 2.22</b>			
<b>Other Expenses</b>			
Consumption of Stores and Spare Parts		1,078,624	420,948
Travelling & Conveyance		448,220	615,335
Advertisement & Business Promotion		303,783	156,380
Director's Sitting fees		90,270	69,000
Watch & ward		959,752	-
Power and Fuel		2,806,290	2,005,770
Professional & Consultancy Charges		1,715,138	840,807
Repairs			
Buildings		1,094,292	425,066
Machinery		3,808,242	4,939,221
Others		11,905	34,168
Insurance		613,630	578,989
Rates and Taxes		514,089	389,222
Packing & Forwarding		115,159	1,093,164
Loss on Foreign Exchange Fluctuation		-	11,179,962
Loss on sale of Investments (Net of gains)		3,076,920	-
Sundry Balances Written Off		442,665	53,302
Miscellaneous Expenses		3,555,729	2,151,444
Payments to the Auditor			
for Statutory Audit		112,360	95,505
for Tax Audit		33,708	33,708
<b>TOTAL</b>		<b>20,780,776</b>	<b>25,081,991</b>

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

Note: 2.23

(Amount In ₹)

Commitments and Contingent Liabilities		As at 31.03.2015	As at 31.03.2014
<b>i</b>	<b>Commitments/ Contingent Liabilities</b>		
a	Unexpired Letters of Credit	1443200	79160139
b	Counter Guarantees given to the Bankers	11,000,000	1,344,600
c	Capital Commitment	-	60,600,000
	<b>Sub Total (A)</b>	<b>12,443,200</b>	<b>141,104,739</b>
<b>ii</b>	<b>Claims against the company not acknowledged as debts in respect of</b>		
a	Excise Matters, under Dispute	52,621,400	18,933,753
b	Sales Tax Matters, under Dispute	1,080,332	1,080,332
	<b>Sub Total (B)</b> (see note below)	<b>53,701,732</b>	<b>20,014,085</b>
	<b>Grand Total (A+B)</b>	<b>66,144,932</b>	<b>161,118,824</b>

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

Note: 2.24 Earnings Per Share (EPS)

(Amount In ₹)

Particulars	for the year ended 31.03.2015 Basic and diluted	for the year ended 31.03.2014 Basic and diluted
Net Profit After Tax	15,316,671	7,006,400
Net Profit available for Equity Share-Holders	15,316,671	7,006,400
No of Equity Shares- Basic	104,022,000	104,022,000
Nominal Value of each Equity Share (₹)	1.00	1.00
Basic Earning per Share	0.15	0.07

**Note :** There is subdivision of shares of ₹ 5/- each into 5 equity shares of ₹ 1/- each w.e.f 26.11.2014, hence, previous year's shares are restated in order to make Earning per share comparable.

Note: 2.25 Deferred Tax Liability

(Amount In ₹)

	As at 31.03.2015	As at 31.03.2014
Deferred Tax adjustments recognised in the Financial Statements are as under		
Deferred Tax Liability as at the beginning of the year	2,447,080	3,304,080
Liability / (Asset) arising during the year	(570,828)	(857,000)
Deferred Tax Liability as at the end of the year	1,876,252	2,447,080

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



## Note: 2.26

## Related Party Disclosure

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

1	Bhagyanagar India Limited	3	Bhagyanagar Energy and Telecom and Private Ltd
2	Surana Solar Limited (formerly Surana Ventures Ltd)	4	Bhagyanagar Green Energy Ltd

**b Key Managerial Personnel**

Narender Surana	GM Surana
Devendra Surana	ChandKanwar
D.Srinivas-CS (From December, 2014)	Manish Surana
R.Laxman Raju-CFO-(Till September, 2014)	Vinita Surana

**c Relatives of Key Managerial Personnel**

Sresha Surana
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**d Joint Venture Company**

Radiant Alliance Limited
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**e** The Company has exited from the Joint Venture Company M/s Radiant Alliance Limited by transferring its 49% shareholding during the financial year 2014-15

(Amount In ₹)

Particulars	for the year ended 31.03.2015	for the year ended 31.03.2014
<b>d The following is the summary of Related Party Transactions</b>		
i Sale of Goods	44,090,464	129,801,990
ii Purchase of Goods	56,174,514	14,330,184
iii Interest Paid	1,667,861	3,110,880
iv Interest Received	1,660,938	-
v Dividend Income	5,097,100	5,326,133
vi Loans/ advances taken by the company	809,943,480	159,409,574
vii Loans/ advances given by the company	158,362,379	-
viii Loans Repaid by the company	69,350,894	112,826,574
ix Loans Repaid to the company	158,362,379	-
x Advance from Customers	31,664,478	-
xi Remuneration to Key Managerial Personnel	563,199	600,000

Particulars	for the year ended 31.03.2015	for the year ended 31.03.2014
<b>e The following are the significant related parties transactions</b>		
<b>i Sales of goods</b>		
Surana Solar Limited (formerly Surana Ventures Ltd)	4,820,284	129,801,990
Bhagyanagar Green Energy Limited	34,520,267	-
Bhagyanagar India Ltd	4,749,913	-
<b>Total</b>	<b>44,090,464</b>	<b>129,801,990</b>
<b>ii Purchases of goods</b>		
Bhagyanagar India Ltd	-	14,330,184
Surana Solar Ltd (formerly Surana Ventures Ltd)	56,174,514	-
<b>Total</b>	<b>56,174,514</b>	<b>14,330,184</b>

Particulars		for the year ended 31.03.2015	for the year ended 31.03.2014
<b>iii</b>	<b>Interest Paid</b>		
	Surana Solar Ltd (formerly Surana Ventures Ltd)	-	739,242
	Surana Infocom Private Ltd Bhagyaganagar Securities Pvt Ltd	1,667,861	2,343,216 28,422
	<b>Total</b>	<b>1,667,861</b>	<b>3,110,880</b>
<b>iv</b>	<b>Interest Received</b>		
	Surana Solar Ltd (formerly Surana Ventures Ltd)	1,660,938	-
	<b>Total</b>	<b>1,660,938</b>	<b>-</b>
<b>v</b>	<b>Loans/ Advances Taken by the company</b>		
	Surana Solar Ltd (formerly Surana Ventures Ltd)	-	80,726,574
	Surana Infocom Private Ltd Bhagyaganagar Securities Pvt Ltd	13,859,000 71,084,480	70,283,000 5,600,000
	Manish Surana Vishal Atta Bharat Atta	- 620,000,000 105,000,000	2,800,000 - -
	<b>Total</b>	<b>809,943,480</b>	<b>159,409,574</b>
<b>vi</b>	<b>Loans/ Advances Given by the company</b>		
	Surana Solar Ltd (formerly Surana Ventures Ltd)	158,362,379	-
	<b>Total</b>	<b>158,362,379</b>	<b>-</b>
<b>vii</b>	<b>Loans/ Advances Repaid by company</b>		
	Surana Solar Ltd (formerly Surana Ventures Ltd)	-	80,726,574
	Surana Infocom Private Ltd Bhagyaganagar Securities Pvt Ltd	54,150,894 12,400,000	32,100,000
	Manish Surana	2,800,000	
	<b>Total</b>	<b>69,350,894</b>	<b>112,826,574</b>
<b>viii</b>	<b>Loans/ Advances Repaid to the company</b>		
	Surana Solar Ltd (formerly Surana Ventures Ltd)	158,362,379	-
	<b>Total</b>	<b>158,362,379</b>	<b>-</b>
<b>ix</b>	<b>Advance from Customers</b>		
	Surana Solar Ltd Bhagyanagar India Ltd	24,131,951 7,532,527	- -
	<b>Total</b>	<b>31,664,478</b>	<b>-</b>
<b>x</b>	<b>Remuneration to Key Managerial Personnel</b>		
	D.Srinivas -CS- (from December, 2014) R. Laxman Raju- CFO-(till September, 2014)	249,167 314,032	- 600,000
	<b>Total</b>	<b>563,199</b>	<b>600,000</b>

(Amount In ₹)

	As at 31.03.2015	As at 31.03.2014
<b>f The company has the following amounts due to/ from related parties</b>		
<b>i Due to Related Parties</b>		
Surana solar Limited	80,306,465	-
Bhagyanagar Securities Pvt Ltd	64,310,060	5,625,580
Surana Infocom Private Ltd	1,501,075	40,291,894
Bhagyanagar India Ltd	7,532,527	
Vishal Atha	620,000,000	
Bharat Atha	105,000,000	
Manish Surana	-	2,800,000
<b>Total</b>	<b>878,650,127</b>	<b>48,717,474</b>
<b>ii Due from Related Parties</b>		
Bhagynagar Green Energy Ltd	2,700,267	-
<b>Total</b>	<b>2,700,267</b>	<b>-</b>

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

	for the year ended 31.03.2015	for the year ended 31.03.2014
<b>Traded Goods</b>		
i Aluminium Scrap	1,124,675	2,376,275
ii Solar related Products	31,076,531	136,349,937
iii Others including incidental charges	2,108,921	15,872,970
<b>Total</b>	<b>34,310,127</b>	<b>154,599,182</b>

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

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

Particulars	for the year ended 31.03.2015		for the year ended 31.03.2014	
	Value	% of total Consumption	Value	% of total Consumption
Imported	33,015,950	96.23	124,396,028	80.46
Indigenous	1,294,177	3.77	30,203,154	19.54
<b>Total</b>	<b>34,310,127</b>	<b>100.00</b>	<b>154,599,182</b>	<b>100.00</b>

**Note: 2.29****CIF Value of imports**

Particulars	for the year ended 31.03.2015	for the year ended 31.03.2014
Traded goods	186,346,320	126,252,424
<b>Total</b>	<b>186,346,320</b>	<b>126,252,424</b>

**Note: 2.30**

(Amount In ₹)

**Expenditure in foreign Currency**

Particulars	for the year	
	ended 31.03.2015	ended 31.03.2014
Travelling	-	142,275
<b>Total</b>	<b>-</b>	<b>142,275</b>

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

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

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

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

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

**a Expenses recognised in the Profit & Loss Account**

Particulars	Gratuity	
	2014-15	2013-14
Current Service Cost	<b>22,340</b>	28,071
Interest Cost	<b>5,368</b>	3,604
Expected Return on Planned Assets	<b>(9,766)</b>	8,730
Net Actuarial (Gain) / Loss recognised in the year	<b>(74,997)</b>	(9,622)
<b>Expenses recognised in Statement of Profit and loss</b>	<b>(57,055)</b>	13,323

**b Change in Present value of obligation during the year ended 31<sup>st</sup> March, 2015**

Particulars	Gratuity	
	2014-15	2013-14
Present Value of obligation as at beginning of the year	<b>67,103</b>	45,050
Interest cost	<b>5,368</b>	3,604
Current service cost	<b>22,340</b>	28,071
Benefits Paid-Actuals	-	-
Actuarial (gain) /loss	<b>(74,997)</b>	(9,622)
<b>Present Value of obligation as at end of the year</b>	<b>19,814</b>	67,103

<b>c Change in fair value of Plan Assets during the year ended 31<sup>st</sup> March, 2015</b>		(Amount In ₹)
<b>Particulars</b>	<b>Gratuity</b>	
	<b>2014-15</b>	2013-14
Fair value of Plan Assets as at the beginning of the year	<b>108,506</b>	99,776
Expected return on Plan Assets	<b>9,766</b>	8,730
Contributions	-	-
Benefits Paid	-	-
<b>Fair value of Plan Assets as at the end of the year</b>	<b>118,272</b>	108,506

<b>d Actuarial Gain/ loss recognized</b>		
<b>Particulars</b>	<b>Gratuity</b>	
	<b>2014-15</b>	2013-14
Actuarial (gain) / loss for the year -Obligation	<b>74,997</b>	(9,622)
Actuarial (gain) / loss for the year -Plan Assets	-	-
Total (gain)/ Loss for the Year	<b>(74,997)</b>	(9,622)
Actuarial (gain) / loss recognized in the year	<b>(74,997)</b>	(9,622)

<b>e Actuarial assumption</b>		
<b>Particulars</b>	<b>Gratuity</b>	
	<b>2014-15</b>	2013-14
Discount rate used	<b>8%</b>	8%
Salary escalation	<b>4%</b>	6%

**Note: 2.32**

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

(Amount in ₹)

Note: 2.33 Segemnt information

Sl. No.	Particulars	Solar Products		Wind Power		Others		Total	31.03.2014
		31.03.2015	31.03.2014	31.03.2015	31.03.2014	31.03.2015	31.03.2014		
1	<b>REVENUE</b>								
	Net sales	121,082,188	116,030,745	5,616,573	6,474,883	38,550,856	154,446,410	165,249,617	276,952,038
	Other operating income	-	-	-	-	14,123,381	13,326,300	14,123,381	13,326,300
	<b>Total revenue (net of tax &amp; duty)</b>	<b>121,082,188</b>	<b>116,030,745</b>	<b>5,616,573</b>	<b>6,474,883</b>	<b>52,674,237</b>	<b>167,772,710</b>	<b>179,372,998</b>	<b>290,278,338</b>
2	<b>RESULTS</b>								
	Segment results	39,291,757	40,767,890	1,667,727	2,529,951	15,620,976	(1,237,038)	56,580,460	42,060,803
	Unallocable income/(Expenses)							(212,785)	3,909,229
	Operating profit							56,367,675	45,970,032
	Interest expenses			-	-			37,595,768	39,570,632
	Income taxes							3,455,236	(607,000)
	Profit from ordinary activities							15,316,671	7,006,400
	<b>Net profit</b>							<b>15,316,671</b>	<b>7,006,400</b>
3	<b>Other information</b>								
	Segment assets	1,358,421,724	644,356,987	38,696,628	41,213,368	365,308,189	261,230,660	1,762,426,541	946,801,014
	Unallocable assets							137,025,735	147,889,814
	<b>Total assets</b>	<b>1,358,421,724</b>	<b>644,356,987</b>	<b>38,696,628</b>	<b>41,213,368</b>	<b>365,308,189</b>	<b>261,230,660</b>	<b>1,899,452,276</b>	<b>1,094,690,829</b>
	Segment liabilities	761,930,819	20,272,798	-	815	86,351,947	77,555,352	848,282,766	97,828,965
	Unallocable liabilities							108,429,465	77,120,609
	<b>Total liabilities</b>	<b>761,930,819</b>	<b>20,272,798</b>	<b>-</b>	<b>815</b>	<b>86,351,947</b>	<b>77,555,352</b>	<b>956,712,231</b>	<b>174,949,573</b>
	Capital expenditure	73,738,575	150,589,389	-	-	1,617,094	3,047,430	75,355,669	153,636,819
	Unallocable capital expenditure							143,220	-
	<b>Total capital expenditure</b>	<b>73,738,575</b>	<b>150,589,389</b>	<b>-</b>	<b>-</b>	<b>1,617,094</b>	<b>3,047,430</b>	<b>75,498,889</b>	<b>153,636,819</b>
	Depreciation & Amortisation	73,471,458	69,273,341	2,533,353	3,430,445	4,778,625	10,978,738	80,783,436	83,682,524
	Unallocable depreciation			-	-			264,640	625,707
	<b>Total depreciation</b>	<b>73,471,458</b>	<b>69,273,341</b>	<b>2,533,353</b>	<b>3,430,445</b>	<b>4,778,625</b>	<b>10,978,738</b>	<b>81,048,076</b>	<b>84,308,231</b>

As per our report of even date attached

**For Sekhar & Co**

Chartered Accountants

Firm's Registration Number : 003695-S

**G.Ganesh**

Partner

Membership No: 211704

Place : Secunderabad

Date : May 30 , 2015

**Narender Surana**

Chairman

**Devendra Surana**

Director

**D. Srinivas**

Company Secretary

**For Surana Telecom and Power Limited**

## 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	Sl. No.	1	2	3
2	Name of the Subsidiary	Globecom Infotech Private Limited	Celestial Solar Solutions Private Limited	Surana Solar Systems Private 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
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
5	Share Capital	100,000	100,000	50,000,000
6	Reserves & Surplus	(587,186)	(732,308)	(3,879,873)
7	Total Assets	7,743,359	726,164,325	266,983,031
8	Total Liabilities	7,743,359	726,164,325	266,983,031
9	Investments	-	-	-
10	Turnover	-	-	4,749,913
11	Profit before taxation	(294,617)	(715,122)	(5,026,093)
12	Provision for taxation	-	-	(1,481,764)
13	Profit after taxation	(294,617)	(715,122)	(3,544,329)
14	Proposed Dividend	-	-	-
15	% of shareholding	100	51	51
1	Names of subsidiaries which are yet to commence operations			
2	Names of subsidiaries which have been liquidated or sold during the year			

## Part "B": Associates and Joint Ventures

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

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

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**ELECTRONIC CLEARING SERVICES (CREDIT CLEARING)  
MANDATE FORM FOR PAYMENT OF DIVIDEND**

To,  
**KARVY COMPUTERSHARE PRIVATE LIMITED**  
Unit : Surana Telecom and Power 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)	• Savings
	• Current
	• 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. Surana Telecom and Power 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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 **Surana Telecom and Power Limited**

Regd. Office: 5<sup>th</sup> Floor, Surya Towers, Sardar Patel Road, Secunderabad - 500 003.  
(CIN: L23209TG1989PLC010336) Ph: 040-44665700, Fax : 040-27818868,  
E-mail: investorservices\_stfl@surana.com ; URL: www.suranatele.com

**26<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 26<sup>th</sup> Annual General Meeting of the Company, at Grand Solitaire Hotel, 1-240, 41 & 43, S.D.Road, Parklane, Secunderabad, Telangana - 500003 at 12.00 Noon on Wednesday, the 30<sup>th</sup> September, 2015.

\_\_\_\_\_  
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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# Surana Telecom and Power Limited

Regd. Office: 5<sup>th</sup> Floor, Surya Towers, Sardar Patel Road, Secunderabad - 500 003.  
(CIN: L23209TG1989PLC010336) Ph: 040-44665700, Fax : 040-27818868,  
E-mail: investorservices\_stl@surana.com ; URL: www.suranatele.com

## 26<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 Surana Telecom and Power Limited, holding \_\_\_\_\_ shares of the Company, hereby appoint:

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

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

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

Or failing him/her

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

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

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

Or failing him/her

I/We hereby exercise my/our vote in respect of the Resolution(s) to be passed for the business stated in the notice dated 6<sup>th</sup> August, 2015, convening the 26<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 Surana (DIN -00075086) 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. Vinita Surana (DIN-02332288) as Whole Time Director	Ordinary Resolution			
6.	Approval of new set of Article of Association (AOA) of the Company in consonance with the Companies Act, 2013	Special Resolution			
7.	Raise Funds through Issue of Convertible Securities/GDR's/ADR's/ FCCB's/ECB's etc	Special Resolution			
8.	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 12% ( Rs.0.12/- 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 INE130B01031. 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**

**SURANA TELECOM AND POWER LIMITED**  
(Formerly Surana Telecom Limited)

**REGISTERED OFFICE:**

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

CIN: L23209TG1989PLC010336

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

Investor Complaints: [cs@surana.com](mailto:cs@surana.com), [investorservices\\_stl@surana.com](mailto:investorservices_stl@surana.com)  
Website: [www.surana.com](http://www.surana.com), [www.suranatele.com](http://www.suranatele.com)



# **BHAGYANAGAR PROPERTIES PRIVATE LIMITED**

**9<sup>TH</sup> ANNUAL REPORT**

**2014-2015**



# **BHAGYANAGAR PROPERTIES PRIVATE LIMITED**

## **BOARD OF DIRECTORS:**

NARENDER SURANA	-	DIRECTOR
DEVENDRA SURANA	-	DIRECTOR
MANISH SURANA	-	DIRECTOR

## **AUDITORS:**

M/S. SEKHAR & CO.  
CHARTERED ACCOUNTANTS  
133/4, R P ROAD,  
SECUNDERABAD - 500 003.

## **REGISTERED OFFICE:**

5<sup>TH</sup> FLOOR, SURYA TOWERS,  
SARDAR PATEL ROAD,  
SECUNDERABAD - 500 003.

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given to all members of the Company that the 9<sup>th</sup> Annual General Meeting of **Bhagyanagar Properties Private Limited** will be held on Tuesday the 15<sup>th</sup> September, 2015 at 10.00 A.M. at the Registered Office of the Company at 5<sup>th</sup> Floor, Surya Towers, S P Road, Secunderabad - 500 003 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 and Loss for the year ended 31<sup>st</sup> March, 2015 along with Auditors' Report & Directors' Report thereon.
2. To appoint a Director in place of Shri. Devendra Surana who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sec 139 and other applicable provisions of the Companies Act, 2013 and the rules framed there under, as amended from time to time, M/s. Sekhar & Co., Chartered Accountants, (Registration No. 003695S), be and are hereby appointed as Auditors of the Company, to hold office for a period of 5 (Five) years from the conclusion of 9<sup>th</sup> Annual General Meeting (AGM) till the conclusion of 14<sup>th</sup> Annual General Meeting (AGM) of the Company to be held in the year 2020 (subject to ratification of their appointment at every AGM) on such remuneration as shall be fixed by the Board of Directors.”

### **SPECIAL BUSINESS:**

4. 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 4 and 13 of the Companies Act, 2013 (the Act) read with the Companies (Incorporation) Rules, 2014 and all other applicable provisions, if any, of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to the approval of the Registrar of Companies and / or any other authority in this behalf, the existing Memorandum of Association of the Company be and is hereby replaced in entirety in conformity with the requirements of provisions of the Companies Act, 2013 as per the draft presented before this meeting and duly initialled by the Chairman for the purpose of identification.

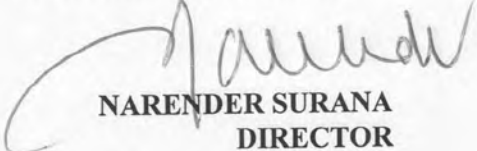
**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution”.

5. 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”.

**By Order of the Board  
For BHAGYANAGAR PROPERTIES PRIVATE LIMITED**

  
**NARENDER SURANA  
DIRECTOR**

Place: Secunderabad  
Date: 27.07.2015

**NOTE:**

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies, to attend and vote instead of himself/ herself and the proxy need not be a member of the company. proxies in order to be effective must be deposited at the registered office of the company not less than 48 hours before the commencement of the meeting.
2. The Explanatory Statement under Section 102 of the Companies Act, 2013 is annexed herewith and forms part of the notice.

**ANNEXURE**

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

**ITEM NO. 4:**

The existing Memorandum of Association are in line with the erstwhile Companies Act 1956, which are thus no longer in full conformity with the Companies Act, 2013 ('New Act'). It is thus expedient to adopt new set of Memorandum of Association without changing the Main Objects as well as Capital Clause in conformity with the requirements of provisions of Companies Act, 2013.

As per the provisions of Section 13 of the Companies Act, 2013, any alteration to the memorandum requires the approval of the shareholders of the Company by means of Special Resolution duly passed in a General Meeting of the Company and hence the proposed resolution. Your directors feel that this proposal is at the best interest of the company.

A copy of the Memorandum of Association as would appear after carrying out the alterations aforesaid is available at the Registered Office of the Company for inspection by the members during the business hours of the Company on working days up to the date of this General Meeting.

None of the directors of the Company is concerned or interested in any way in the special resolution except to the extent of shareholdings.

Your Directors recommends the resolution for your approval.

**ITEM NO.5:**

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 Board of Directors recommends the Special Resolution for your approval.

No Director is concerned or interested financially or otherwise in this item of business except to the extent to shares held by them.

**By Order of the Board  
For BHAGYANAGAR PROPERTIES PRIVATE LIMITED**

**Place: Secunderabad  
Date: 27.07.2015**

  
**NARENDER SURANA  
DIRECTOR**

## DIRECTORS REPORT

To  
The Members of  
**Bhagyanagar Properties Private Limited**

Your Directors have pleasure in presenting the 9<sup>th</sup> Annual Report together with the Audited Accounts of the Company for the Year ended 31<sup>st</sup> March, 2015 and the Auditor's Report thereon.

### FINANCIAL RESULTS:

Your company financial results for the year 2014-15 are given below in summarized format:

Particulars	(Amount in Rs.)	
	Year ended March 31, 2015	Year ended March 31, 2014
Income from operations	-	-
Other Income	-	-
Expenditure	131,583	35,548
Profit / (Loss) before Tax	(131,583)	(35,548)
Less: Provision for Taxation	-	-
Profit / (Loss) after Taxation	(131,583)	(35,548)
Balance Carried to Balance Sheet	(2,564,393)	(2,432,810)
EPS-Basic & Diluted	(0.03)	(0.01)

### DIVIDEND:

Your directors do not recommend any dividend on equity shares for the financial year ended March 31, 2015.

### OPERATIONS AND FUTURE OUTLOOK:

The Company's land admeasuring 16.62 Acres at Vattinagulapally village, Rajendranagar Mandal, R.R. District was modified by the Government from residential zone as Bio-conservative zone and covered under G.O. Ms No. 111 of M.A. 1996. Therefore, the Company based upon reports from a Central Govt. Agency i.e., Environment Protection Training and Research Institute (EPTRI), filed Writ Petitions in year 2010 & 2012 respectively before the Hon'ble High Court of A.P. seeking the relief of vacating the operation the G.O. Ms No. 111 of M.A. 1996 on the property of the Company and also to declare the land as residential zone as per G.O. Ms. No 257 of M.A. 2000. The matter is pending with Hon'ble High Court, AP.

### SUBSIDIARY/ JV/ ASSOCIATE COMPANY:

The Company does not have any Subsidiary, Joint venture or Associate Company.

### RESERVES:

During the year under review, no Amount is allocated or transferred to Reserves.

### FIXED DEPOSITS:

The Company has not accepted any public deposits during the financial year 2014-2015.



**DIRECTORS:**

Shri Devendra Surana Director of the Company retires at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment.

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

The details of loans, guarantees and investments under section 186 of the Companies Act, 2013 are given in the notes to the financial statements.

**PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

All related party transactions that were entered into during the financial year were on arm's length basis and were in ordinary course of business. The disclosure on related party transactions are made in the Financial Statements of the Company. There are no materially significant related party transactions made by the company with promoters, Key managerial personnel or other designated persons which may have potential conflict with interest of company at large.

**MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:**

There are no significant material changes and commitments occurred between the end of the financial year of the company to which the financial statements relate and the date of the report, affecting the financial position of the company.

**BOARD MEETINGS:**

During the year 2014-15, 5 (Five) Board Meetings were duly convened and held. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

**SHARE CAPITAL**

There is no change in the Share Capital of the Company during the Financial Year.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors of the Company confirms that:

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

- e) The directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **AUDITORS:**

M/s. Sekhar & Co, Chartered Accountants, Auditors of the Company retire at the conclusion of this Annual General Meeting are eligible for re-appointment. The Company is in receipt of confirmation from M/s Sekhar & Co that in the event of their re-appointment as Statutory Auditors of the Company at the ensuing Annual General Meeting, such re-appointment will be in accordance with the Section 139, 142 and other applicable provision of the Companies Act, 2013 read with Companies (Audit and Auditor) Rules, 2014.

#### **AUDITORS REPORT:**

The Auditors' Report to the shareholders does not contain any qualifications. The Secretarial Audit Report is not applicable to the Company.

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

The extract of annual return of the Company for the financial year 2014–2015 as provided under sub-section (3) of section 92, in the Form No.MGT.9 is annexed herewith.

#### **CORPORATE SOCIAL RESPONSIBILITY:**

The Company does not fall under the criteria specified in Section 135 of the Companies Act, 2013 and hence no policy was developed by the company on corporate social responsibility.

#### **RISK MANAGEMENT:**

The Company does not have any Risk Management Policy as the elements of risk threatening the Company's existence are very minimal.

#### **PARTICULARS OF EMPLOYEES AND OTHER ADDITIONAL INFORMATION:**

Your Company has no employees requiring disclosure pursuant to Section 197 of the Companies Act, 2013 read with Rule, 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company.

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo particulars required under section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed herewith.

#### **DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:**

There is an adequate internal control system commensurate with the size of the Company and the nature of business.

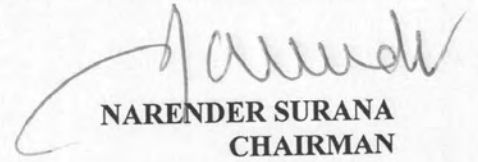


**ACKNOWLEDGMENTS:**

Your Directors place on record their appreciation for the co-operation and assistance received from the bankers, Central and State Government authorities and members during the period under review.

**By Order of the Board  
For BHAGYANAGAR PROPERTIES PRIVATE LIMITED**

**Place: Secunderabad  
Date: 08.05.2015**

  
**NARENDER SURANA  
CHAIRMAN**

## ANNEXURE TO THE DIRECTORS REPORT

Information under Section 134(3)(c) of the Companies Act, 2013 read with the Companies (Disclosure of particulars in the Report of Board of Directors ) Rules, 1988, and forming part of the Directors Report:

### 1. CONSERVATION OF ENERGY:

Energy conservation measures taken: The Company is very careful in using the power to reduce the cost of maintenance and conserve the resources.

Additional Investments and proposals, if any, being implemented for reduction of consumption of energy: Nil

Impact of the clause (1) and (2) above for reduction of energy consumption and consequent impact on the production of goods : N.A

### 2. TECHNOLOGY ABSORPTION:

#### FORM B:

(Disclosure of particulars with respect to technology absorption)

#### A. RESEARCH AND DEVELOPMENT (R&D)

Specific areas in which R& D carried out by the Company	:	Nil
Benefits derived as a result of the above R& D	:	Nil
Future plan of action	:	Nil
Expenditure on R & D	:	

#### B. TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION

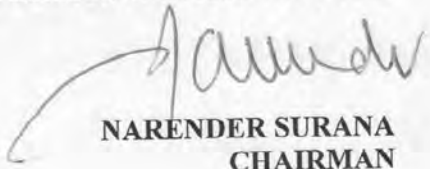
The Company is making all efforts for improving productivity, product quality and reducing consumption of scarce raw material and fuels.

### 3. FOREIGN EXCHANGE EARNINGS AND OUTGO:

Activities relating to exports, initiatives taken to increase exports, development of new export market for products and services and export plans:

Foreign Exchange inflow	:	NIL
Foreign Exchange Outgo	:	NIL

By Order of the Board  
For BHAGYANAGAR PROPERTIES PRIVATE LIMITED

  
NARENDER SURANA  
CHAIRMAN

Place: Secunderabad  
Date: 08.05.2015

**EXTRACT OF ANNUAL RETURN**  
 ason 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	U70102TG2006PTC050010
Registration Date	25 <sup>th</sup> April, 2006
Name of the Company	<b>BHAGYANAGAR PROPERTIES PRIVATE LIMITED</b>
Category/Sub-Category of the Company	Company Limited by shares/ Indian Non-Govt Company
Address of the Registered Office and contact details	5 <sup>th</sup> Floor, Surya Towers, S. P. Road, Secunderabad-03.
Whether listed company	No
Name, address and contact details of Registrar and Transfer Agent, if any	NA

**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
-	-	-

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

Name and address of the Company	CIN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
Bhagyanagar India Limited	L27201AP1991PLC012449	Holding	100.00	2(87)

**IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):**

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2014)				No. of Shares held at the end of the year (31.03.2015)				%	Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares		
<b>A. PROMOTERS</b>										
<b>(1) Indian</b>										
a) Individual / HUF	-	50	50	0.001	-	50	50	0.001	-	-
b) Central Govt.	-	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	-	3999950	3999950	99.999	-	3999950	3999950	99.999	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-	-
<b>Sub-Total (A)(1):</b>		<b>4000000</b>	<b>4000000</b>	<b>100.00</b>	-	<b>4000000</b>	<b>4000000</b>	<b>100.00</b>	-	-
<b>(2) Foreign</b>	<b>NIL</b>									
<b>Sub-Total (A)(2):</b>	<b>NIL</b>									
<b>Total Shareholding of</b>		<b>4000000</b>	<b>4000000</b>	<b>100.00</b>	-	<b>4000000</b>	<b>4000000</b>	<b>100.00</b>	-	-

Promoters (A) = (A)(1)+(A)(2)									
B. PUBLIC SHAREHOLDING	NIL								
Sub-Total B(2) :	NIL								
Total B=B(1)+B(2):	NIL								
C. SHARES HELD BY CUSTODIANS, AGAINST WHICH	NIL								
GRAND TOTAL (A+B+C) :	-	4000000	4000000	100.00	-	4000000	4000000	100.00	-

ii) Shareholding of Promoters:

Sl. No	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	
1	<b>M/s. Bhagyanagar India Limited</b> 5 <sup>th</sup> Floor, Surya Towers, S.P. Road, Secunderabad-003	3999950	99.999	-	3999950	99.999	-	-
2	<b>Narender Surana</b> S/o. Shri G M Surana SY-622, PT-02, Arihant Enclave, Akbar Road, Opp. Adrin HSG Complex, Secunderabad-09	10	0.002	-	10	0.002	-	-
3	<b>Devendra Surana</b> S/o Shri G M Surana 21, P & T Colony, Trimulgherry Secunderabad - 09.	10	0.002	-	10	0.002	-	-
4	<b>Sunita Surana</b> W/o. Shri Narender Surana SY-622, PT-02, Arihant Enclave, Akbar Road, Opp. Adrin HSG Complex Secunderabad- 09	10	0.002	-	10	0.002	-	-
5	<b>Namrata Surana</b> W/o. Shri Devendra Surana 21, P & T Colony, Trimulgherry Secunderabad- 09	10	0.002	-	10	0.002	-	-
6	<b>Manish Surana</b> S/0. Shri Narender Surana, 21, P&T Colony, Tarbund, Secunderabad-03	10	0.002	-	10	0.002	-	-

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

Sl. No		Shareholding at the beginning of the year		Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	At the beginning of the year	NIL			
	Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/ bonus/sweat equity etc):				
	At the end of the year				

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

Sl. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	For Each of the Top 10 Shareholders	NIL			
	At the beginning of the year				
	Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/ bonus/sweat equity etc):				
	At the end of the year				

v) Shareholding of Directors and Key Managerial Personnel:

S. No.	Name of the Directors	Shareholding at the beginning of the year		Change in Shareholding		Shareholding at the end of the year	
		No. of Shares	% of total shares of the Company	Increase	Decrease	No. of Shares	% of total shares of the Company
1	Narender Surana	10	0.00	-	-	10	0.00
2	Devendra Surana	10	0.00	-	-	10	0.00
3	Manish Surana	10	0.00	-	-	10	0.00
	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
NIL							



## V. INDEBTEDNESS:

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness (Rs. in Crores)
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount		56.39		56.39
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>		<b>56.39</b>		<b>56.39</b>
<b>Change in Indebtedness during the financial year</b>				
Addition				
Reduction	NIL	0.85	NIL	0.85
<b>Net Change</b>				
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount		55.54		55.54
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	<b>NIL</b>	<b>55.54</b>	<b>NIL</b>	<b>55.54</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Narender Surana, Director	Devendra Surana, Director	Manish Surana, Director	Total Amount
1	Gross Salary	-	-	-	-
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	-	-	-	-
	(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 i. Deferred bonus (pertaining to the current Financial year payable in 2018) ii. Retirals	-	-	-	-
	<b>Total (A)</b>	-	-	-	-

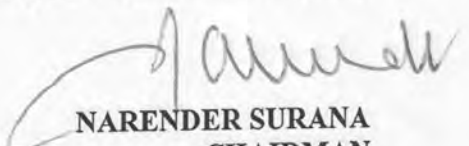
**B. REMUNERATION TO OTHER DIRECTORS: NIL****C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD: NIL**

Sl.No.	Particulars of Remuneration	Total Amount
1	Gross Salary	NIL
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	
	(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 - Retirals	
	<b>Total (C)</b>	

**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			NIL		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			NIL		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			NIL		
Punishment					
Compounding					

By Order of the Board  
For BHAGYANAGAR PROPERTIES PRIVATE LIMITED

  
NARENDER SURANA  
CHAIRMAN

Place: Secunderabad  
Date: 08.05.2015



# SEKHAR & CO.

CHARTERED ACCOUNTANTS

**PARTNERS :**

**K.C. Devdas**, B.Com., F.C.A

**C. Amarnath**, B.Com, L.L.B., F.C.A., DISA (ICA)

**G. Ganesh**, B.Com., F.C.A., DISA (ICA)

## INDEPENDENT AUDITORS' REPORT

To The Members of  
**Bhagyanagar Properties Private Limited**

### Report on the Financial Statements

We have audited the accompanying financial statements of Bhagyanagar Properties Private 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 loss and its cash flows for the year ended on that date.

### **Report on other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 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 31 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:
- The Company does not have any pending litigations which would impact its financial position
  - The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses
  - There were no amounts which required to be transferred to the Investor Education and Protection Fund by the Company

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



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

Place: Secunderabad  
Date: 08-May-2015



# SEKHAR & CO.

CHARTERED ACCOUNTANTS

**PARTNERS -**

**K.C. Devdas**, B.Com., F.C.A

**C. Amarnath**, B.Com, L.L.B., F.C.A., DISA (ICA)

**G. Ganesh**, B.Com., F.C.A., DISA (ICA)

**Annexure referred to in paragraph 1 of our report of even date**  
**Re: Bhagyanagar Properties Private 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. The Company does not maintain inventory and therefore we have not reported on the related matters of this clause and sub-clauses (a), (b) and (c)
- iii. No loans were granted by the Company, to any of the parties covered in the register maintained under section 189 of the Act. Hence we have not reported on the related matters of this clause and sub-clauses (a) and (b).
- 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. Maintenance of Cost Records under Section 148(1) of the Act, is not required for the activity carried out by the Company.
- 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) According to the information and explanations given to us, there are no dues of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax or cess which have not been deposited on account of any dispute.
- d) In our opinion, there are no amounts required to be transferred to the investor education and protection fund by the Company.
- viii. In our opinion, the accumulated losses of the Company are not more than fifty percent of its net worth. The Company has incurred a cash loss of ₹ 28,159 in the current year and ₹ 11,213 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. We have not reported on this clause as no term loans were obtained by the Company according to the information and explanations given to us.
- 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: 08-May-2015

**BHAGYANAGAR PROPERTIES PRIVATE LIMITED**  
BALANCE SHEET AS AT 31ST MARCH, 2015

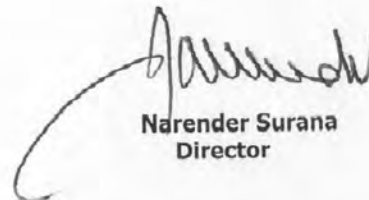
(Amount in Rs.)

	Particulars	Note No.	As at 31.03.2015	As at 31.03.2014
<b>I</b>	<b>EQUITY AND LIABILITIES</b>			
	<b>1. SHAREHOLDERS' FUNDS</b>			
	a. Share Capital	B	40,000,000	40,000,000
	b. Reserves and Surplus	C	(2,564,393)	(2,432,810)
			37,435,607	37,567,190
	<b>2. NON-CURRENT LIABILITIES</b>			
	a. Long-Term Borrowings	D	555,439,048	563,924,048
	<b>3. CURRENT LIABILITIES</b>			
	a. Other Current Liabilities	E	11,234	5,616
	<b>TOTAL</b>		<b>592,885,889</b>	<b>601,496,854</b>
<b>II</b>	<b>ASSETS</b>			
	<b>1. NON-CURRENT ASSETS</b>			
	a. Fixed Assets			
	(1) Tangible Assets	F	592,835,325	592,938,749
	b. Long-Term Loans and Advances	G	-	8,500,000
	<b>2. CURRENT ASSETS</b>			
	a. Cash and Cash Equivalents	H	50,563	58,104
	<b>TOTAL</b>		<b>592,885,889</b>	<b>601,496,854</b>
	Significant Accounting Policies and Notes to Accounts	A		

As per our report of even date attached  
For Sekhar & Co.,  
Chartered Accountants,  
Firm Reg No.003695-S

for and on behalf of the Board,

  
G. Ganesh,  
Partner  
M. No. 211704

  
Narender Surana  
Director

  
Devendra Surana  
Director

Place: Secunderabad,  
Date : 8th May, 2015




**BHAGYANAGAR PROPERTIES PRIVATE LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2015**

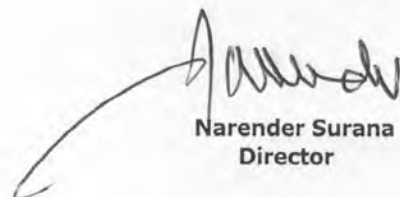
(Amount in Rs.)


	Note No.	For the Year 31.03.2015	For the Year 31.03.2014
<b>I. REVENUE FROM OPERATIONS</b>		-	-
<b>II. OTHER INCOME</b>		-	-
<b>III. TOTAL REVENUE</b>		-	-
<b>IV. EXPENSES</b>			
Finance Costs	1	56	-
Other Expenses	2	28,103	11,213
Depreciation	F	103,424	24,335
<b>TOTAL EXPENSES</b>		<b>131,583</b>	<b>35,548</b>
<b>V. PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX</b>		(131,583)	(35,548)
<b>VI. PRIOR PERIOD ADJUSTMENT</b>		-	-
<b>VII. PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX</b>		(131,583)	(35,548)
<b>VIII. PROFIT BEFORE TAX</b>		<b>(131,583)</b>	<b>(35,548)</b>
<b>IX. TAX EXPENSE:</b>			
1. Current Tax		-	-
<b>X. PROFIT AFTER TAX</b>		<b>(131,583)</b>	<b>(35,548)</b>
<b>EPS-BASIC &amp; DILUTED</b>		<b>(0.03)</b>	<b>(0.01)</b>
Significant Accounting Policies and Notes to Accounts	A		

As per our report of even date attached  
For Sekhar & Co.,  
Chartered Accountants,  
Firm Reg No.003695-S

  
G. Ganesh,  
Partner  
M. No. 211704

for and on behalf of the Board,

  
Narender Surana  
Director

  
Devendra Surana  
Director

Place: Secunderabad,  
Date : 8th May, 2015

# BHAGYANAGAR PROPERTIES PRIVATE LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

(Amount in Rs.)

	Particulars	2014-15	2013-14
<b>A</b>	<b>Cash Flow From Operating Activities</b>		
	Net Profit before Tax	(131,583)	(35,548)
	Add: Adjustment for: Depreciation	103,424	24,335
	<b>Operating profit before working capital changes</b>	<b>(28,159)</b>	<b>(11,213)</b>
	Increase /Decrease in Current Liabilities	5,618	(2)
	<b>Net cash (used in)/from Operating Activities(A)</b>	<b>(22,541)</b>	<b>(11,215)</b>
<b>B</b>	<b>Cash flow from Investment Activities</b>		
	Long term Loans & Advances	8,500,000	21,500,000
	<b>Net Cash (used in)/from Investing Activities (B)</b>	<b>8,500,000</b>	<b>21,500,000</b>
<b>C</b>	<b>Cash flow from Financing Activities</b>		
	Repayment of Loans (Net of Loan taken)	(8,485,000)	(21,490,000)
	<b>Net Cash (used in)/from Financing Activities (C)</b>	<b>(8,485,000)</b>	<b>(21,490,000)</b>
	<b>Net Increase / Decrease in cash and Cash Equivalents (A+B+C)</b>	<b>(7,541)</b>	<b>(1,215)</b>
	Cash and Cash Equivalents Opening Balance	58,104	59,320
	Cash and Cash Equivalents Closing Balance	<b>50,563</b>	<b>58,104</b>
	<b>Change in Cash and Cash Equivalents</b>	<b>(7,541)</b>	<b>(1,215)</b>

As per our report of even date attached  
For Sekhar & Co.,  
Chartered Accountants,  
Firm Reg No.003695-S



for and on behalf of the Board,

**Narender Surana**     **Devendra Surana**  
 Director                      Director

Place: Secunderabad,  
Date : 8th May, 2015

## **A. Significant Accounting Policies and Notes on Accounts Forming Part of Balance Sheet and Profit & Loss Account**

### **A-1. Significant Accounting Policies**

#### **I. Basis of Preparation of Financial Statements.**

The financial statements are prepared under the Historical cost convention on 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. 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. Depreciation**

Depreciation is provided on straight line method in the manner prescribed in Schedule II to the Companies Act, 2013. However till previous year, depreciation was provided on written down value method at the rate and in the manner prescribed in Schedule XIV of the Companies Act, 1956.

#### **V. 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.

#### **VI. 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.

#### **VII. Revenue Recognition**

Revenue is recognized to the extent that is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

#### **VIII. 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.



## Bhagyanagar Properties Private Limited 2014-15

### A-2 Notes to Accounts

I. Estimated Contractual liability on account of Capital Commitment & Contingent Liability– NIL.

II. The Company is exploring various opportunities in the field of Infrastructure.

### III. **Related party disclosures**

#### a. **Names of Related Parties**

i. Holding Company : Bhagyanagar India Limited

ii. Fellow Subsidiaries :

Bhagyanagar Metals Limited                      Solar Dynamics Private Limited

Metropolitan Ventures India Limited          Scientia Infocom India Private Limited

iii. Key Management Personnel

Narender Surana

Devendra Surana

Manish Surana

#### b. **Related party transactions during the period ended**

Particulars	31.03.2015	31.03.2014
	Amount (Rs.)	
Loan from Directors – Devendra Surana	15,000	-Nil-
Repayment of Long Term Loan taken from Holding Company – Bhagyanagar India Limited	85,00,000	2,14,90,000

IV. The Company has filed a case against the Government of Telangana for usage of Land. This has no impact on financial statements.

## Notes to Balance Sheet

Note : B Share Capital	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
a Authorized Capital :50,00,000 equity shares of Rs.10 each	50,000,000	50,000,000
b Issued, Subscribed and Paid Up 40,00,000 equity shares of Rs.10 each at par fully paid carrying equal rights and obligations (Options, contracts and commitments outstanding -Nil)	40,000,000	40,000,000
c Particulars of Shareholders holding more than 5% of issued Share Capital		
Name of Shareholder	No.of shares	No.of shares
Bhagyanagar India Limited (99.999% of paid up Share Capital)	3,999,950	3,999,940

Note : C Reserves and Surplus	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
a Surplus		
Balance of Profit & Loss account available for appropriation	(2,432,810)	(2,397,262)
Add: Profit during the year/period	(131,583)	(35,548)
Balance at the year end	<b>(2,564,393)</b>	<b>(2,432,810)</b>

Note : D Long-Term Borrowings	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
a Loan from Holding Company	555,424,048	563,924,048
b Loan from Directors	15,000	-
<b>TOTAL</b>	<b>555,439,048</b>	<b>563,924,048</b>

The loan from Holding Company and directors is interest free and is repayable after completion of the project

Note: E Other Current Liabilities	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
a Audit Fees Payable	11,234	5,616
<b>TOTAL</b>	<b>11,234</b>	<b>5,616</b>

## BHAGYANAGAR PROPERTIES PRIVATE LIMITED

### Note: F - Fixed Assets

Particulars	Land	Building	Grand Total
<b>A. Gross Block</b>			
At 1st April, 2013	592,719,734	243,350	592,963,084
Additions	-	-	-
Disposals	-	-	-
At 31st March, 2014	592,719,734	243,350	592,963,084
Additions	-	-	-
Disposals	-	-	-
<b>At 31st March, 2015</b>	<b>592,719,734</b>	<b>243,350</b>	<b>592,963,084</b>
<b>B. Depreciation</b>			
At 1st April, 2013	-	-	-
Charge for the Year	-	24,335	24,335
Disposals	-	-	-
At 31st March, 2014	-	24,335	24,335
Charge for the Year	-	103,424	103,424
Disposals	-	-	-
<b>At 31st March, 2015</b>	<b>-</b>	<b>127,759</b>	<b>127,759</b>
<b>C. Net Block (A-B)</b>			
At 31st March, 2014	592,719,734	219,015	592,938,749
<b>At 31st March, 2015</b>	<b>592,719,734</b>	<b>115,591</b>	<b>592,835,325</b>

**ASSETS**

<b>Note: G</b> <b>Long-Term Loans and Advances</b>	<b>As at</b> <b>31.03.2015</b> <b>Rs.</b>	<b>As at</b> <b>31.03.2014</b> <b>Rs.</b>
Loans and Advances	-	8,500,000
<b>TOTAL</b>	<b>-</b>	<b>8,500,000</b>

<b>Note: H</b> <b>Cash and Cash Equivalents</b>	<b>As at</b> <b>31.03.2015</b> <b>Rs.</b>	<b>As at</b> <b>31.03.2014</b> <b>Rs.</b>
(a) Balance with Banks In Current Account	17,389	14,863
(b) Cash in Hand	33,174	43,241
<b>TOTAL</b>	<b>50,563</b>	<b>58,104</b>

**Notes to Profit & Loss Account**

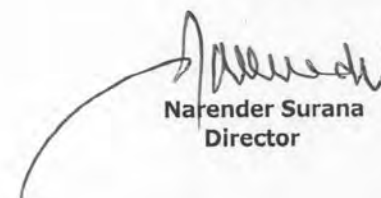
<b>Note: 1</b> <b>Finance Costs</b>	<b>As at</b> <b>31.03.2015</b> <b>Rs.</b>	<b>For the Period</b> <b>31.03.2014</b> <b>Rs.</b>
Bank Charges	56	-
<b>TOTAL</b>	<b>56</b>	<b>-</b>


<b>Note: 2</b> <b>Other Expenses</b>	<b>As at</b> <b>31.03.2015</b> <b>Rs.</b>	<b>For the Period</b> <b>31.03.2014</b> <b>Rs.</b>
Statutory Audit Fees	11,236	5,618
Electricity Exp.	8,691	-
Filing Fees	6,800	3,060
Conveyance	626	2,435
Other Expenses	-	100
Printing & Stationery	750	-
<b>TOTAL</b>	<b>28,103</b>	<b>11,213</b>

As per our report of even date attached  
For Sekhar & Co.,  
Chartered Accountants,  
Firm Reg No.003695-S

  
8/5/15  
**G. Ganesh,**  
Partner  
M. No. 211704

for and on behalf of the Board,

  
Narender Surana  
Director

  
Devendra Surana  
Director

Place: Secunderabad,  
Date : 8th May, 2015



Surana Group

# BHAGYANAGAR INDIA LIMITED

ISO 9001 - 2008 Certified Company

5th Floor, Surya Towers,  
Sardar Patel Road,  
Secunderabad-500 003, Telangana, India  
Tel : +91 40 27845119/27841198/44665700  
Fax : +91-40-27848851/27818868  
Website : www.surana.com  
E.mail : bil@surana.com  
CIN No.: L27201TG1991PLC012449

Following additional documents are required to be submitted for Demerger cases wherein a division of a listed company is hived off into an unlisted company or where listed company is getting merged with an unlisted company:

1. Clarification as to what will be listing status of the Resulting/Transferee Company/ies.

Upon the scheme being sanctioned by the Court U/s 394 of the Act and on its becoming effective, the shares to be allotted to the members of the Demerged company i.e. BIL by 2<sup>nd</sup> Resulting Company i.e. BPPL, shall be listed and/ or admitted to trading on the relevant Stock Exchange(s) in India, where the equity shares of BIL are listed and/ or admitted to trading as on the effective date. Accordingly, the 2<sup>nd</sup> Resulting Company shall take steps for listing simultaneously on all such Stock Exchange(s) within a reasonable period of the receipt of the final order of the High Court sanctioning the Scheme. The 2<sup>nd</sup> Resulting Company shall also apply to Securities and Exchange Board of India through Stock Exchange for seeking relaxation under Rule 19(2)(b) of Securities Contract (Regulation) Rules, 1957.

2. Details of Assets and Liabilities of the Demerged division that are being transferred:

Particulars	BIL-Real Estate Division, Loans & Advances & Investments in subsidiaries transferred
<b>Non-Current Assets</b>	
Fixed Assets	-
Investments	76,049,910
Long Term Loans & Advances	879,560,305
<b>Current Assets</b>	
Investments	-
Inventories	-
Trade Receivables	-
Cash & Cash equivalents	-
Short Term Loans & Advances	-
Other Current Assets	-
<b>Non-Current Liabilities</b>	
Long Term Borrowings	-
Deferred Tax Liabilities	-
<b>Current Liabilities</b>	
Short term Borrowings	-
Trade Payables	-
Other Current Liabilities	-
Short Term Provisions	-
NAV	955,610,215

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# BHAGYANAGAR PROPERTIES PVT. LTD.

BHAGYANAGAR PROPERTIES PVT. LTD.

CIN - U70102TG2006PTC050010

5th Floor, Surya Towers,  
Sardar Patel Road,  
Secunderabad - 500 003, India.  
Ph : 27845119 / 44665700  
Fax +91 40 27848851 / 27818868  
Email : surana@surana.com  
Website : www.surana.com

**Date: 27.10.2015**

To,  
The General Manager,  
Department of Corporate Services,  
BSE Limited,  
P.J. Towers, Dalal Street,  
Mumbai – 400 001.

Dear Sir/ Madam,

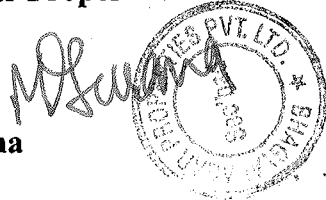
**Sub: Confirmation – reg.**

With reference to an application under Clause 24(f) of the listing agreement for the proposed scheme of arrangement between Bhagyanagar India Limited ('BIL' / 'Demerged Company') and Surana Telecom and Power Limited ('STPL' / 'Resulting Company 1') and Bhagyanagar Properties Private Limited ('BPPL' / 'Resulting Company 2') and their respective Shareholders and Creditors, we hereby confirm that:

- There will be no change in Share Capital of the resulting/transferee company till the listing of the equity shares of the company on BSE Limited.
- The shares allotted by the resulting company pursuant to the Scheme shall remain frozen in the depositories system till listing/trading permission is given by the designated stock exchange.

**For Bhagyanagar Properties Private Limited**

**Devendra Surana**  
**Director**





Surana Group

# SURANA TELECOM AND POWER LTD.

(formerly Surana Telecom Ltd.)

ISO 9001 - 2008 Certified Company

5th Floor, Surya Towers,  
Sardar Patel Road,  
Secunderabad - 500 003. A.P., India  
Tel : +91 40 27845119/44665700  
Fax : 0091-40-27848851  
Website : [http:// www.surana.com](http://www.surana.com)  
E.mail : [surana@surana.com](mailto:surana@surana.com)  
CIN No.: L23209AP1989PLC010336

**Date: 27.10.2015**

To,  
The General Manager,  
Department of Corporate Services,  
BSE Limited,  
P.J. Towers, Dalal Street,  
Mumbai – 400 001.

Dear Sir/ Madam,

**Sub: Confirmation – reg.**

With reference to an application under Clause 24(f) of the listing agreement for the proposed scheme of arrangement between Bhagyanagar India Limited ('BIL' / 'Demerged Company') and Surana Telecom and Power Limited ('STPL' / 'Resulting Company 1') and Bhagyanagar Properties Private Limited ('BPPL' / 'Resulting Company 2') and their respective Shareholders and Creditors, we hereby confirm that:

- a) Equity shares issued by the company pursuant to the scheme of amalgamation/ arrangement shall be listed on the BSE Limited, subject to SEBI granting relaxation from applicability under Rule 19(2) (b) of the Securities Contract (Regulation) Rules, 1957.
- c) The company shall comply with all the provisions contained in SEBI circular no. CIR/CFD/DIL/5/2013 dated February 4, 2013 **read with circular no. CIR/CFD/DIL/8/2013 dated May 21, 2013.**
- d) The company shall also fulfil the Exchange's criteria for listing and shall also comply with Rules, Byelaws, and Regulations of the Exchange and other applicable statutory requirements.

**FOR SURANA TELECOM AND POWER LIMITED**

  
**NARENDER SURANA**  
**DIRECTOR**



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# BHAGYANAGAR PROPERTIES PVT. LTD.

BHAGYANAGAR PROPERTIES PVT. LTD.  
CIN. - U70102TG2006PTC050010

5th Floor, Surya Towers,  
Sardar Patel Road,  
Secunderabad - 500 003. ~~India~~, India.  
Ph : 27845119 / 44665700  
Fax +91 40 27848851 / 27818868  
Email : surana@surana.com  
Website : www.surana.com

**Date: 27. 10.2015**

To,  
The General Manager,  
Department of Corporate Services,  
BSE Limited,  
P.J. Towers, Dalal Street,  
Mumbai – 400 001.

Dear Sir/ Madam,

**Sub: Confirmation – reg.**

With reference to an application under Clause 24(f) of the listing agreement for the proposed scheme of arrangement between Bhagyanagar India Limited ('BIL' / 'Demerged Company') and Surana Telecom and Power Limited ('STPL' / 'Resulting Company 1') and Bhagyanagar Properties Private Limited ('BPPL' / 'Resulting Company 2') and their respective Shareholders and Creditors, we hereby confirm that:

- Equity shares issued by the company pursuant to the scheme of amalgamation/ arrangement shall be listed on the BSE Limited, subject to SEBI granting relaxation from applicability under Rule 19(2) (b) of the Securities Contract (Regulation) Rules, 1957.
- The company shall comply with all the provisions contained in SEBI circular no. CIR/CFD/DIL/5/2013 dated February 4, 2013 read with circular no. CIR/CFD/DIL/8/2013 dated May 21, 2013.
- The company shall also fulfil the Exchange's criteria for listing and shall also comply with Rules, Byelaws, and Regulations of the Exchange and other applicable statutory requirements.

**FOR BHAGYANAGAR PROPERTIES PRIVATE LIMITED**

**DEVENDRA SURANA  
DIRECTOR**







# SEKHAR & CO.

CHARTERED ACCOUNTANTS

**PARTNERS :**

**K.C. Devdas**, B.Com., F.C.A

**C. Amarnath**, B.Com, L.L.B., F.C.A., DISA (ICA)

**G. Ganesh**, B.Com., F.C.A., DISA (ICA)

S&CO/15-16/GG/031

10<sup>th</sup> November, 2015

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**Certificate percentage Net Worth, Turnover and profitability as per clause 24(f) of Listing Agreement requirements**

1. We have verified the documents and information relating to Solar division & Real Estate division of Bhagyanagar India Limited ("the Company" or "BIL") and the proposed Scheme with a view to certify the percentage turnover and profitability of the business being demerged i.e. Solar division & Real Estate division vis-à-vis the remaining business of the Company.
2. The management of the Company is responsible for the maintenance of proper books of accounts and such other relevant records as prescribed by applicable laws, which includes, collecting, collating and validating data and designing, implementing and monitoring of internal controls relevant for the preparation and drawing up the financial statements of the Company including the statement below, that is free from material misstatements, whether due to fraud or error, in accordance with the Scheme and the requirements for the purposes of clause 24(f) of the listing agreement.
3. Our responsibility, for the purposes of this certificate, is only limited to certifying the particulars contained in the statement on the basis of the Management certified accounts of BIL as on June 30, 2015, the Proposed Scheme and other information and records maintained by the company and did not include the evaluation of the adherence by the Company with all the applicable guidelines. We conducted our verification in accordance with Guidance Note on Auditors Reports and Certificates for Special Purposes and Standards on Auditing issued by the Institute of Chartered Accountants of India.
4. In this regard, we have relied upon the following:
  - a. Audited Financial Statements of BIL as on June 30, 2015;
  - b. Audited Financial Statements of BIL as on March 31, 2015;
  - c. Audited Financial Statements of BIL as on March 31, 2014; and
  - d. The proposed structure and the Scheme.
5. On the basis of such verification, information and explanations given to us, we certify the percentage of turnover and profitability of the Solar division & the Real Estate division vis-à-vis the Remaining Business of BIL for the above period is as set out in the statement below.
6. This Certificate is issued solely as per the requirements of the stock exchange(s) for filing under clause 24(f) of the listing Agreement along with the Proposed Scheme, which has been approved by the Board of Directors of BIL on 12<sup>th</sup> October 2015 and not to be considered for any other purpose without our prior written consent.





# SEKHAR & CO.

CHARTERED ACCOUNTANTS

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**Percentage of Net Worth of the Company that is being transferred in the form of Solar division and Real Estate division & percentage wise contribution of these divisions to the total Turnover and Income of the Company:**

(Rs. in Lacs)

Particulars	Net Worth	% of Total	Turnover	% of Total	Profit after Tax	% of Total
<b>For the Quarter ended June 30, 2015</b>						
<b>Demerged Divisions</b>						
Solar division	2300.11	11.18	141.71	2.00	60.79	78.96
Real Estate division	9611.08	46.71	-	-	-	0.00
<b>Residual Divisions</b>	<b>8663.43</b>	<b>42.11</b>	<b>6941.22</b>	<b>98.00</b>	<b>16.20</b>	<b>21.04</b>
<b>Total</b>	<b>20574.62</b>	<b>100.00</b>	<b>7082.93</b>	<b>100.00</b>	<b>76.99</b>	<b>100.00</b>
<b>For FY 2014-15</b>						
<b>Demerged Divisions</b>						
Solar division	2415.57	11.79	366.86	1.40	-23.82	-11.60
Real Estate division	9556.10	46.62	-	-	-	0
<b>Residual Divisions</b>	<b>8525.96</b>	<b>41.59</b>	<b>25767.77</b>	<b>98.6</b>	<b>228.85</b>	<b>111.60</b>
<b>Total</b>	<b>20497.63</b>	<b>100.00</b>	<b>26134.63</b>	<b>100.00</b>	<b>205.03</b>	<b>100.00</b>
<b>For FY 2013-14</b>						
<b>Demerged Divisions</b>						
Solar division	3345.96	16.37	62.88	0.27	-113.85	-43.21
Real Estate division	9411.48	46.03	-	-	-	0
<b>Residual Divisions</b>	<b>7687.39</b>	<b>37.60</b>	<b>23323.56</b>	<b>99.73</b>	<b>377.31</b>	<b>143.21</b>
<b>Total</b>	<b>20444.83</b>	<b>100.00</b>	<b>23386.44</b>	<b>100.00</b>	<b>263.46</b>	<b>100.00</b>

This certificate issued in continuance of our certificate S&CO/15-16/GG/021 dated 20<sup>th</sup> October 2015, wherein the Capital Redemption Reserve amounting to ₹.376.96 Lacs has been included in the Net worth of Residual division in all the three periods. The same is now excluded.

**For Sekhar & Co.,  
Chartered Accountants  
Firm Regd. No.003695-S**



**G.GANESH**

**Partner**

**Membership No.211704**

**Secunderabad  
10<sup>th</sup> November 2015**