



# SURANA TELECOM AND POWER LIMITED

**31<sup>st</sup> Annual Report  
2019-20**





Solar Street Light



Solar Farm



## BOARD OF DIRECTORS

Narender Surana	-	Managing Director
Devendra Surana	-	Non-Executive Director
Mayank Sanghani	-	Independent Director
Dr. R.N. Sreenath	-	Independent Director
Sanjana Jain	-	Independent Director
Baunakar Shekarnath	-	Whole-time Director

### STATUTORY COMMITTEES

#### AUDIT COMMITTEE:

Mayank Sanghani	-	Chairman
Sanjana Jain	-	Member
Dr. R.N. Sreenath	-	Member
Narender Surana	-	Member

#### NOMINATION & REMUNERATION COMMITTEE:

Dr. R.N. Sreenath	-	Chairman
Mayank Sanghani	-	Member
Sanjana Jain	-	Member

#### STAKEHOLDERS RELATIONSHIP COMMITTEE:

Mayank Sanghani	-	Chairman
Narender Surana	-	Member
Devendra Surana	-	Member

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

Narender Surana	-	Chairman
Devendra Surana	-	Member
Dr. R.N. Sreenath	-	Member

#### CHIEF FINANCIAL OFFICER:

Vinita Surana

#### COMPANY SECRETARY:

Srinivas Dudam

#### BANKERS:

HDFC Bank Limited  
Indian Overseas Bank

#### STATUTORY AUDITORS:

##### Luharuka & Associates

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

#### INTERNAL AUDITORS:

##### Sekhar & Co.,

Chartered Accountants  
133/4, R. P. Road,  
Secunderabad – 500 003.

#### COST AUDITORS:

##### Lavanya & Associates

H. No. 8-3-976/29, Shalivahana Nagar,  
Srinagar Colony (Post),  
Hyderabad – 500 073

#### SECRETARIAL AUDITOR:

##### Rakhi Agarwal

Company Secretary in Practice  
6-3-660, Flat 520, Block 4,  
Amrit Apartments, Kapadia Lane,  
Somajiguda, Hyderabad - 500 082

#### REGISTRAR & TRANSFER AGENT:

##### KFin Technologies Private Limited

KFintech, Tower B, Plot No 31 & 32  
Selenium Building, Financial District, Nanakramguda,  
Gachibowli, Hyderabad - 500 032.  
Tel No. 040-67162222 / 040-79611000  
E-mail: einward.ris@kfintech.com  
Website: www.kfintech.com

#### 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.

##### Non- Conventional Energy (Wind)

Kapatgudda, Gadag District,  
Karnataka, India.

#### REGISTERED OFFICE:

##### Surana Telecom and Power Limited

5<sup>th</sup> Floor, Surya Towers, Sardar Patel Road,  
Secunderabad – 500 003. India.  
Tel: 040 - 27845119, 040 - 44665750  
Fax: + 91 40 27818868  
E-mail: surana@surana.com.

#### Investors complaints: cs@surana.com,

investorservices\_stl@surana.com

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

CIN: L23209TG1989PLC010336



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## NOTICE OF 31<sup>ST</sup> ANNUAL GENERAL MEETING

NOTICE is hereby given that the 31<sup>st</sup> Annual General Meeting of the members of Surana Telecom and Power Limited will be held on Wednesday the 30<sup>th</sup> September, 2020 at 11.30 A.M (IST), through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") facility to transact the following businesses.

The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM.

### ORDINARY BUSINESS:

1. To receive, consider and adopt:
  - a) the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2020, together with the Reports of the Board of Directors and the Auditors thereon; and
  - b) the Audited Consolidated Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2020, together with the Report of the Auditors thereon.
2. To appoint a Director in place of Shri. Devendra Surana (holding DIN 00077296), who retires by rotation and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS:

3. **Re-appointment of Shri. Baunakar Shekarnath (DIN-03371339) as Whole-time Director of the Company.**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder [including any statutory modification(s) or re-enactment thereof], read with Schedule V to the Companies Act, 2013, as recommended by the Nomination and Remuneration Committee, the consent of members be and is hereby accorded to ratify the re-appointment of Shri. Baunakar Shekarnath (DIN: 03371339), as Whole-Time Director of the Company for a period of three years w.e.f. 9<sup>th</sup> January, 2020 to 8<sup>th</sup> January, 2023, without any managerial remuneration and that he shall be liable to retire by rotation.

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

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to alter or vary the scope of remuneration of Shri. Baunakar Shekarnath, Whole-time Director, including the monetary value thereof, to the extent recommended by the Nomination and Remuneration Committee from time to time as may

be considered appropriate, subject to the overall limits specified by this resolution and the Companies Act, 2013.

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

#### 4. To ratify and approve the Related Party Transactions:

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 Section 188 of the Companies Act, 2013 and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the members of the Company do hereby confirm, ratify and approve the material related party transactions as detailed below entered/ to be entered into by the Company, and authorise the Audit Committee and the Board of Directors of the Company to enter into arrangements/ transactions with the following entities and finalize all such terms and conditions, as it may deem fit, within the limits mentioned below:

Name of the Related Party	Maximum Transaction Value (₹ in Cr.)	Nature of Transaction
<b>Related party transactions during the year 2019-20:</b>		
Surana Solar Limited	4.14	Purchase of Solar Modules
	4.45	Purchase of Solar Plant
Bhagyanagar Copper Private Limited	9.05	Intercorporate Lending
Globecom Infotech Private Limited	6.00	Intercorporate Lending
<b>Related party transactions for the year 2020-21:</b>		
Surana Solar Limited	5.00	Sale of Aluminium Channels/ingots
	10.00	Purchase/ Sale of Solar Products
Tejas India Solar Energy Pvt. Ltd.	10.00	Purchase/Sale of solar products
Bhagyanagar Green Energy Pvt. Ltd.	2.00	Sale/ Purchase of solar products
Surana Solar Systems Pvt. Ltd.	5.00	Sale/ Purchase of solar products
Bhagyanagar Securities Pvt. Ltd.	5.00	Intercorporate Lending/Borrowing
Surana Solar Systems Pvt. Ltd.	15.00	Intercorporate Lending/Borrowing
Tejas India Solar Energy Pvt. Ltd.	10.00	Intercorporate Lending/Borrowing

Aryavaan Renewable Energy Pvt. Ltd.	10.00	Intercorporate Lending/Borrowing
Surana Solar Limited	20.00	Intercorporate Lending/Borrowing
Bhagyanagar Green Energy Pvt. Ltd.	10.00	Intercorporate Lending/Borrowing
Tejas Technopark Pvt. Ltd.	10.00	Intercorporate Lending/Borrowing
Bhagyanagar Properties Limited	30.00	Intercorporate Lending/Borrowing
Bhagyanagar Copper Private Limited	10.00	Intercorporate Lending/Borrowing
Globecom Infotech Private Limited	15.00	Intercorporate Lending/investment
Hyderabad Solar Private Limited	15.00	Intercorporate Lending/investment

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

**5. Approval for giving Loans, providing Guarantee or Security u/s 185 of the Companies Act, 2013:**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 185 of the Companies Act, 2013, as amended by the Companies (Amendment) Act, 2017, the shareholders of the company do hereby ratify the loans given and accord their consent to the Board of Directors of the Company for giving loan(s) in one or more tranches including loan(s) represented by way of book debt (the “Loan”) to, and/or giving of guarantee(s), and/or providing of security(ies) in connection with any Loan taken/to be taken by the following entities, which are falling under the category of ‘a person in whom any of the director of the company is interested’ as specified in the explanation of 185(2)(b), within the limits as mentioned below for each entity, in its absolute discretion deemed beneficial and in the best interest of the company:

Name of the Related Party	Maximum Transaction Value (₹ in Cr.)	Nature of Transaction
<b>Loans given during the year 2019-20:</b>		
Bhagyanagar Green Energy Pvt. Ltd.	4.00	Intercorporate Lending
Bhagyanagar Properties Limited	15.05	Intercorporate Lending
Globecom Infotech Private Limited	6.00	Intercorporate Lending
<b>Loans/Providing Guarantee/Security during the year 2020-21:</b>		
Bhagyanagar Securities Pvt. Ltd.	5.00	Intercorporate Lending

Surana Solar Systems Pvt. Ltd.	15.00	Intercorporate Lending
Tejas India Solar Energy Pvt .Ltd.	10.00	Intercorporate Lending
Aryavaan Renewable Energy Pvt. Ltd.	10.00	Intercorporate Lending
Surana Solar Limited	20.00	Intercorporate Lending
Bhagyanagar Green Energy Pvt. Ltd.	5.00	Intercorporate Lending
Tejas Technopark Pvt. Ltd.	10.00	Intercorporate Lending
Bhagyanagar Properties Limited	30.00	Intercorporate Lending
Globecom Infotech Private Limited	15.00	Intercorporate Lending
Hyderabad Solar Private Limited	15.00	Intercorporate Lending

“**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to negotiate, finalise and agree the terms and conditions of the aforesaid loan/guarantee/security, and to take all necessary steps, to execute all such documents, instruments and writings and to do all necessary acts, deed and things in order to comply with all the legal and procedural formalities and to do all such acts, deeds or things incidental or expedient thereto and as the Board may think fit and suitable.”

**6. To approve and ratify the remuneration of Cost Auditors for the financial year 2020-21:**

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 Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactments thereof, for the time being in force), the cost audit fees of ₹ 10,000/- (Rupees Ten Thousand) to be paid to M/s Lavanya & 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 2020-21 be and is hereby ratified and approved.

**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**

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

Place: Secunderabad  
Date: 08.08.2020

**NOTES:**

1. Considering the present Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read together with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") permitted convening the Annual General Meeting ("AGM" / "Meeting") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), without the physical presence of the members at a common venue. In accordance with the MCA Circulars, provisions of the Companies Act, 2013 ('the Act') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.

KFin Technologies Private Limited, Registrar & Transfer Agent of the Company, (earlier known as Karvy Fintech Private Limited) ("KFin" or "KFinTech") shall be providing facility for remote e-voting, facility for participation in the AGM through VC/OAVM and e-voting during the AGM. The instructions for participation by Members are given in the subsequent paragraphs. Participation at the AGM through VC/OAVM shall be allowed on a first-come-first-serve basis.

2. Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on resolution(s) by poll instead of himself and the proxy need not be a member of the Company. Since this AGM is being held through VC/OAVM pursuant to the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed hereto.
3. Members attending the AGM through VC/OAVM will be reckoned for the purpose of quorum under Section 103 of the Act.
4. Since the AGM will be held through VC/OAVM, the route map of the venue of the Meeting is not annexed hereto.
5. The Register of Members and Share Transfer Books of the Company will remain closed from 25.09.2020 to 30.09.2020 (both days inclusive) for the purpose of Annual General Meeting.
6. Details of Directors retiring by rotation / seeking appointment / re-appointment at this Meeting are provided in the "Annexure" to the Notice. Director seeking appointment/re-appointment have furnished requisite declarations under Section 164(2) and other applicable provisions of the Companies Act, 2013 including rules framed thereunder.
7. **Dispatch of Annual Report through electronic mode:** In accordance with the MCA General Circular No. 20/2020 dated 5<sup>th</sup> May, 2020 and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12<sup>th</sup> May, 2020, in view of the prevailing situation and owing to

the difficulties involved in dispatching physical copies of the financial statements (including Board's Report, Auditor's Report or other documents required to be attached therewith) for the financial year ended 31<sup>st</sup> March, 2020 pursuant to Section 136 of the Act and Notice calling the Annual General Meeting pursuant to Section 101 of the Act read with the Rules framed thereunder, such statements including the Notice of AGM are being sent only in electronic mode to those Members whose e-mail addresses are registered with the Company/ KFinTech or the Depository Participant(s). The Company will not be dispatching physical copies of such statements and Notice of AGM to any Member.

A copy of the Notice of this AGM alongwith Annual Report for the Financial Year 2019-2020 is available on the website of the Company at [www.suranatele.com](http://www.suranatele.com), website of the Stock Exchanges where the shares of the Company are listed i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and on the website of KFin at <https://evoting.karvy.com>.

8. Members are requested to register/update their email addresses for receiving all communications (including Annual Report) from the Company electronically:
  - a) Members holding shares in physical form and who have not registered / updated their email addresses with the Company are requested to register / update the same by writing to the Company with details of folio number and attaching a self-attested copy of PAN card at [investorservices\\_stl@surana.com](mailto:investorservices_stl@surana.com) or to KFin Tech at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).
  - b) Members holding shares in dematerialised form are requested to register / update their email addresses with the relevant Depository Participant.
9. A statement pursuant to Section 102(1) of the Act, relating to the Special Business to be transacted at the AGM is annexed hereto.
10. In accordance with the proviso to Regulation 40(1) of the SEBI Listing Regulations, effective from April 1, 2019, transfers of securities of the Company shall not be processed unless the securities are held in dematerialized form with a depository. Accordingly, shareholders holding equity shares in physical form are urged to have their shares dematerialized so as to be able to freely transfer them and participate in corporate actions.
11. **Compulsory transfer of Equity Shares to Investor Education and Protection Fund (IEPF) Authority:** Pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, all shares on which dividend has not been claimed for seven consecutive years or more shall be transferred to IEPF Authority.

The Company has transferred 2,10,349 equity shares to Investor Education and Protection Fund during the financial year ended 31<sup>st</sup> March, 2020.

To claim the equity shares and dividend which were transferred to IEPF, the shareholders may claim the same from IEPF Authority by submitting an online application in web Form No. IEPF-5 available on the website [www.iepf.gov.in](http://www.iepf.gov.in) and sending a physical copy of the same, duly signed to the Company, along with requisite documents enumerated in the Form No. IEPF-5. No claims shall lie against the Company in respect of the dividend / shares so transferred.

In accordance with the IEPF Rules, the Company has sent individual communication to all Members to claim their dividends before due date to avoid transfer of dividends / shares to IEPF Authority and a Notice in this regard is also published in the Newspapers. It may be noted that unclaimed dividend for the financial year 2012-13 declared on 27.09.2013 is due to be transferred to the IEPF on 27.10.2020 and accordingly the shareholders are requested to claim their unclaimed dividend on or before the said due date. The details of unclaimed dividends and shareholders whose shares are liable to be transferred to the IEPF Authority have been uploaded on company's website at <http://suranatele.com/unclaimed-dividend.html>.

Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded the details of unclaimed dividend amounts lying with the Company as on 21<sup>st</sup> September, 2019 (date of last Annual General Meeting) on the website of the Company ([www.suranatele.com](http://www.suranatele.com)) and also on the website of Ministry of Corporate Affairs.

The Shareholders who have not encashed their dividends are requested to make their claim either to M/s. KFin Technologies Private Limited, Registrar and Share Transfer Agent or to Registered Office of the Company.

#### **INSTRUCTIONS FOR THE MEMBERS FOR ATTENDING THE AGM THROUGH VC / OAVM:**

- 1. Attending the AGM:** Members may access the platform to attend the AGM through VC at <https://emeetings.kfintech.com> by using their remote e-voting credentials. The link for the AGM will be available in the shareholder/Members login where the "Event" and the "Name of the company" can be selected. Please note that the Members who have not registered their e-mail addresses or do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in this Notice.
- 2.** The facility for joining the AGM shall open 15 minutes before the scheduled time for commencement of the AGM and shall be closed after the expiry of 15 minutes after such scheduled time.
- 3.** Members are encouraged to join the Meeting using Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge or Mozilla Firefox 22.
- 4.** Members will be required to grant access to the web-cam to enable two-way video conferencing.

- 5.** Members are advised to use stable Wi-Fi or LAN connection to participate at the AGM through VC in a smooth manner. Participants may experience audio/video loss due to fluctuation in their respective networks.
- 6. Submission of questions / queries prior to AGM:** The shareholders who do not wish to speak during the AGM but desiring any additional information with regards to Accounts/ Annual Reports or has any question or query are requested to write to the Company at email id: [investorservices\\_stl@surana.com](mailto:investorservices_stl@surana.com) mentioning their name, demat account number/folio number, email id and mobile number. Questions/queries received by the Company till 5.00 P.M. on Sunday, 27<sup>th</sup> September, 2020 will only be considered and responded during the AGM.
- 7. Speaker Registration before AGM:** Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by visiting the link <https://ris.kfintech.com/agmvcspeakerregistrationon> or before 27<sup>th</sup> September, 2020, 5.00 P.M. (IST). **Due to limitations of transmission and coordination during the AGM, the Company may have to dispense with or curtail the Speaker Session during the AGM, hence shareholders are encouraged to send their questions etc. in advance.**

Those Members who register themselves as speaker will only be allowed to express views/ask questions during the AGM. The Company reserves the right to restrict the number of questions, number of speakers and time for each speaker depending upon the availability of time for the AGM.
- 8.** Facility of joining the AGM through VC / OAVM shall be available for 1000 members on first come first serve basis. However, the participation of members holding 2% or more shares, promoters, Institutional Investors, Directors, Key Managerial Personnels, Chairperson of Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and Auditors are not restricted on first come first serve basis.
- 9.** Members who need technical assistance before or during the AGM, can contact KFinTech at <https://ris.kfintech.com/agmqa/agmqa/login.aspx>.
- 10.** Corporate members intending to send their authorised representatives to attend the Annual General Meeting through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") pursuant to the provisions of Section 113 of Companies Act, 2013 are requested to send a certified copy of the relevant Board resolution to the Company.

#### **INSTRUCTIONS FOR E-VOTING:**

In terms of the provisions of Section 108 and 109 of the Companies Act, 2013 (the Act) read with Rule 20 and 21 of the Companies (Management and Administration) Rules, 2014 (hereinafter called "the Rules" for the purpose of this Section of the Notice) and Regulation 44 of the SEBI Listing Regulations, the Company is providing facility to exercise votes on the items of business given in the Notice through

electronic voting system to members holding shares as on 23<sup>rd</sup> September, 2020 (end of day) being the Cut-off date fixed for determining voting rights of members, entitled to participate in the e-voting process and poll.

The procedure and instructions for e-voting are as follows:

1. Open your web browser during the voting period and navigate to <https://evoting.karvy.com>.
2. Enter the login credentials (i.e., user-id & password). Your folio/DP and Client ID will be your User-ID.

User - ID for Members holding shares in Demat Form:

- For NSDL: 8 Character DP ID followed by 8 Digits Client ID.
- For CDSL: 16 digits beneficiary ID.

For Members holding shares in Physical Form:

- EVENT No. followed by Folio Number registered with the Company.

Password: Your unique password is printed on separate sheet / via email forwarded through the electronic notice.

Enter the Verification code i.e., please enter the alphabets and numbers in the exact way as they are displayed for security reasons.

3. Please contact our toll free no. [1800 3454 001] for any further clarifications.
4. Members can cast their vote online from 09.00 A.M. (IST) on 26<sup>th</sup> September, 2020 to 5.00 P.M. (IST) on 29<sup>th</sup> September, 2020.
5. After entering these details appropriately, click on "LOGIN".
6. Members will now reach 'Password Change' menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be of minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0- 9) and a special character. Kindly note that this password can be used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that Company opts for e-voting through KFIN Technologies Private Limited e-voting platform. System will prompt you to change your password and update any contact details like mobile no., email ID, etc. on first login. You may also enter the 'Secret Question' and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
7. You need to login again with the new credentials.
8. On successful login, system will prompt to select the 'Event' i.e. 'Surana Telecom and Power Limited'.
9. If you are holding shares in Demat form and had logged on to "<https://evoting.karvy.com>" and casted your vote earlier for any Company where the System Provider was KFIN Technologies Private Limited, then

your existing login id and password given earlier are to be used.

10. On the voting page, you will see Resolution description and against the same the option FOR/AGAINST/ABSTAIN for voting. Enter the number of shares (which represents number of votes) under 'FOR/AGAINST/ABSTAIN' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR/ AGAINST' taken together should not exceed your total shareholding. If the Member do not wish to cast vote, then select 'ABSTAIN'. After selecting the resolution(s) you have decided to vote on, and click on 'SUBMIT'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'OK', else to change your vote, click on 'CANCEL' and accordingly modify your vote.
11. Once you 'CONFIRM' your vote on the Resolution, you will not be allowed to modify your vote.

#### **INSTRUCTIONS FOR MEMBERS FOR VOTING DURING THE AGM SESSION:**

1. The e-voting window shall be activated upon instructions of the Chairman during the AGM.
2. E-voting during the AGM is integrate with the VC platform and no separate login is required for the same. The shareholders shall be guided on the process during the AGM.
3. Members / shareholders, attending the AGM through Video Conference and who have not cast their vote on resolutions through remote e-voting shall be eligible to cast their vote through e-voting system available during the AGM.
4. Members who have voted through remote e-voting will be eligible to attend the AGM, however, they will not be allowed to cast their vote again during the AGM.

#### **GENERAL INFORMATION:**

1. 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, 5<sup>th</sup> 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.
2. Members are requested to send all communication relating to shares (Physical and Electronic) to the Company's Registrar and Share Transfer Agent at KFIN Technologies Private Limited (Unit: Surana Telecom and Power Limited Limited), Kfintech, Tower B, Plot 31 &32, Selenium Building, Financial District, Nanakramguda, Gachibowli, Hyderabad – 500032, Telangana State, India.
3. All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to [investorservices\\_stl@surana.com](mailto:investorservices_stl@surana.com).



**GENERAL INSTRUCTIONS:**

1. Members holding shares either in demat or physical mode who are in receipt of Notice, may cast their votes through e-voting.
2. Members opting for e-voting, for which the USER ID and initial password are provided in a separate sheet. Please follow steps from Sl. No. (1) to (11) under heading 'INSTRUCTIONS FOR E-VOTING' above to vote through e-voting platform.
3. The e-voting period commences from 09.00 A.M. (IST) on 26<sup>th</sup> September, 2020 to 5.00 P.M. (IST) on 29<sup>th</sup> September, 2020. During this period, the members of the Company, holding shares either in physical form or in demat form, as on the cut-off date of 23<sup>rd</sup> September, 2020 may cast their votes electronically. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
4. The Company has appointed Mrs. Rakhi Agarwal, Company Secretary in Practice, Hyderabad, as the Scrutinizer to conduct the voting process (e-voting) in a fair and transparent manner.
5. The Scrutinizer shall, within a period not exceeding 48 hours from the conclusion of the Annual General meeting unlock the votes in the presence of at least two (2) witnesses, not in the employment of the Company and make a Scrutinizer's Report containing the details with respect to votes cast in favour, against, neutral/abstained, shall submit the Report to the Chairman of the Company.
6. Subject to the receipt of sufficient votes, the resolution shall be deemed to be passed at the 31<sup>st</sup> Annual General Meeting of the Company scheduled to be held on 30<sup>th</sup> September, 2020, the results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.suranatele.com](http://www.suranatele.com), within 48 hours of conclusion of the Annual General Meeting.

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

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

Place: Secunderabad  
Date: 08.08.2020

## EXPLANATORY STATEMENT

### Pursuant to Section 102(1) of the Companies Act, 2013

#### Item No. 3:

Shri. Baunakar Shekarnath is serving as Whole-time Director on the Board of the Company since 09.01.2014. The term of appointment of Shri. Baunakar Shekarnath as a Whole-time Director of the Company expired on 8<sup>th</sup> January, 2020, the Board of Directors at its meeting held on 09.11.2019 on the recommendations of the Nomination and Remuneration Committee re-appointed him as Whole-time Director of the Company for a further period of 3 years w.e.f. 09.01.2020 without remuneration, subject to approval of shareholders and compliance of all applicable provisions of the Companies Act, 2013. A brief profile of Shri Baunakar Shekarnath is annexed in the Annual Report.

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

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested financially or otherwise in the resolution.

#### Item No. 4:

Your company has entered into transactions with the entities, as mentioned in the resolution, which are falling under the definition of "related party" as defined under Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

Pursuant to provisions of Section 188(1) of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014, the Related Party Transactions as mentioned in clause (a) to (g) of the said Section requires a Company to obtain prior approval of the Board of Directors and subsequently the Shareholders of the Company by way of an Ordinary Resolution in case the value of the Related Party Transactions exceeds the stipulated thresholds prescribed in Rule 15(3) of the said Rules. Further, as required under Regulation 23 of SEBI Listing Regulations, all material related party transactions shall require approval of the shareholders through an Ordinary Resolution.

The Company, in ordinary course of its business, regularly does the transactions with the related parties including those mentioned in the Notice on an arm's length basis. On basis of the same, the Company hereby proposes to seek shareholders' approval for the said transactions by way of an Ordinary Resolution under Section 188 of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 and Regulation 23 of SEBI Listing Regulations, to enable the Company to enter into Related Party Transactions in one or more tranches.

The particulars of the Related Party Transactions, which are required to be stated in the Explanatory Statement, as per Rule 15(3) of the Companies (Meetings of Board and its Powers) Rules, 2014 are mentioned in the said resolution item no. 4 of the Notice.

All entities falling under definition of related party shall abstain from voting irrespective of whether the entity is party to the particular transaction or not.

The Board of Directors recommends the resolution set forth in item no.4 for approval of the Shareholders as an Ordinary Resolution.

None of the Directors, Key Managerial Personnel of the Company or any of their relatives, are concerned or interested, financially or otherwise, in the proposed resolution, except to their equity holdings and Directorships in the Company, if any.

#### Item No. 5:

The Company may be required to make loan(s) including loan represented by way of Book Debt to, and/or give guarantee(s) and/or provide security(ies) in connection with any loan, including loan represented by way of Book debt, if any, by the entities, mentioned in the resolution item no. 5 of the Notice, which are falling under the category of 'a person in whom any of the director of the company is interested' as specified in the explanation to Sub-section 2 of the Section 185 of Companies Act, 2013.

The Board of Directors seek consent of the Members by way of a Special Resolution pursuant to Section 185 of the Act (as amended by the Companies (Amendment) Act, 2017) for making loan(s) or providing financial assistance or providing guarantee or securities in connection with the loans taken or to be taken by the entities (mentioned in the resolution in item no. 5 of the Notice) for the capital expenditure of the projects and/or working capital requirements including purchase of fixed assets as may be required from time to time for the expansion of its principal business activities and other matters connected and incidental thereto.

The Members may note that Board of Directors would carefully evaluate proposals and provide such loan, guarantee or security through deployment of funds out of internal resources/ accruals and/or any other appropriate sources, from time to time, only for principal business activities of such Entities.

The Board of Directors recommend the resolution given in this Notice for your approval as a Special Resolution.

None of the Directors, Key Managerial Personnel of the Company or any of their relatives, are concerned or interested in the above proposed resolution, except to their equity holdings and Directorships in the Company, if any.

#### Item No. 6:

The Board of Directors, on recommendation of the Audit committee, at their meeting held on 23.06.2020 has approved the appointment and remuneration of the M/s. Lavanya & 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 at 31.03.2021 on a remuneration of ₹ 10,000/- (Rupees Ten Thousand).



In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at item no. 6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31.03.2021.

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**

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

Place: Secunderabad  
Date: 08.08.2020

## ANNEXURE

Particulars of Directors seeking appointment/ re-appointment at the ensuing Annual General Meeting pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions:-

## 1) Shri. Baunakar Shekarnath, Whole-time Director:

<b>Name of Director</b>	Baunakar Shekarnath
<b>DIN</b>	03371339
<b>Date of Birth</b>	15.06.1965
<b>Qualification</b>	M.Com
<b>Expertise in specific functional areas</b>	Shri. Baunakar Shekarnath is a Post Graduate in Commerce and has been associated with the Company for more than 28 years. He has vast experience in the field of ferrous, telecom industry and manufacturing of solar modules.
<b>Inter-se relationship with other Directors and Key Managerial Personnel</b>	Nil
<b>Nature of appointment (appointment/ reappointment)</b>	Re-appointment
<b>List of other Companies in which Directorship is held as on 31<sup>st</sup> March, 2020.</b>	Bhagyanagar Energy and Telecom Private Limited
<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, 2020.</b>	Nil

## 2) Shri Devendra Surana, Non- Executive Director:

<b>Name of Director</b>	Devendra Surana
<b>DIN</b>	00077296
<b>Date of Birth</b>	08.02.1965
<b>Qualification</b>	B.E (Mechanical), PDGM (IIM, Bangalore)
<b>Expertise in specific functional areas</b>	<p>Shri. Devendra Surana is a Mechanical Engineer and holds a Post Graduate Diploma in Management from Indian Institute of Management (IIM), Bangalore and was chosen as the Brain of the Batch.</p> <p>Shri. Devendra Surana is acting as the Managing Director of M/s. Bhagyanagar India Limited. He is also a Director of Surana Solar Limited, Surana Telecom and Power Ltd. and other companies of Surana Group. He has been in the field of Ferrous &amp; Non Ferrous metals and Telecom Industry for more than 40 years and have more than 20 years of experience in the field of Renewable Energy.</p> <p>He is the Past President of Federation of Andhra Pradesh Chambers of Commerce and Industry (FAPCCI), Telangana State Council of FICCI and Rotary Club of Hyderabad Deccan. He is also the Founder President of Young Entrepreneur Organization for Hyderabad Chapter of Rotary Club of Hyderabad Deccan. At present he is a Member of National Executive Committee for Federation of Indian Chambers of Commerce and Industry (FICCI).</p>
<b>Inter-se relationship with other Directors and Key Managerial Personnel</b>	Shri Devendra Surana is the brother of Shri. Narender Surana, Managing Director of the Company.
<b>Nature of appointment (appointment/ reappointment)</b>	Retires by rotation and offers himself for re-appointment



<b>List of other Companies in which Directorship is held as on 31<sup>st</sup> March, 2020.</b>	<ol style="list-style-type: none"><li>1. Bhagyanagar India Limited</li><li>2. Surana Solar Limited</li><li>3. Bhagyanagar Properties Limited</li><li>4. Surana Infocom Private Limited</li><li>5. Everytime Foods Industries Private Limited</li><li>6. Scientia Infocom India Private Limited</li><li>7. AP Golden Apparels Private Limited</li><li>8. Globecom Infraventures India Private Limited</li><li>9. Bhagyanagar Securities Private Limited</li><li>10. Value Infrastructure and Properties Pvt. Ltd.</li><li>11. Metropolitan Ventures India Limited</li><li>12. Shahsons Private Limited</li><li>13. Bhagyanagar Green Energy Private Limited</li><li>14. Surana Solar Systems Private Limited</li><li>15. Solar Dynamics Private Limited</li><li>16. Tejas India Solar Energy Private Limited</li><li>17. Bhagyanagar Copper Private Limited</li></ol>
<b>Chairman/ Member of the Committees of the Board of other Companies in which he is a Director as on 31<sup>st</sup> March, 2020.</b>	<ol style="list-style-type: none"><li>1. Bhagyanagar India Limited (Audit Committee-Member)</li><li>2. Bhagyanagar India Limited (Stakeholders Relationship Committee- Member)</li><li>3. Bhagyanagar India Limited (CSR Committee-Member)</li><li>4. Surana Solar Limited (Stakeholders Relationship Committee- Member)</li><li>5. Surana Solar Limited (CSR Committee- Member)</li><li>6. Bhagyanagar Properties Limited (Stakeholders Relationship Committee- Member)</li><li>7. Bhagyanagar Properties Limited (CSR Committee-Member)</li></ol>
<b>Number of shares held:</b>	2,06,39,453

## DIRECTORS' REPORT

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

The Directors have pleasure in presenting the 31<sup>st</sup> Annual Report of your Company and the Audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2020, 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	
	2019-20	2018-19	2019-20	2018-19
Sales and other Income	29,19,56,222	25,66,81,658	36,83,98,701	35,35,28,383
Profit before Depreciation and Interest	19,77,55,490	16,13,21,172	25,94,29,028	24,87,77,157
<b>LESS :</b>				
Depreciation & Amortization	7,55,13,854	7,02,34,933	13,03,71,465	13,10,45,655
Interest	3,59,95,389	3,31,24,228	4,91,83,660	4,97,18,338
Profit for the year	8,62,46,247	5,79,62,011	7,98,73,903	6,80,13,164
Profit before Taxation	8,62,46,247	5,79,62,011	7,98,73,903	6,80,13,164
<b>Provision for Taxation :</b>				
Current Tax	1,42,19,000	1,19,33,000	1,43,11,200	1,47,58,000
Deferred Tax	(3,27,000)	(14,49,000)	(36,84,247)	(43,37,092)
Profit after Tax	7,23,54,247	4,74,78,011	6,92,46,949	5,75,92,256
Add: Other Comprehensive Income	(3,12,73,415)	20,32,393	(3,12,73,415)	20,32,393
<b>Total Comprehensive Income for the year</b>	<b>4,10,80,832</b>	<b>4,95,10,404</b>	<b>3,79,73,534</b>	<b>5,96,24,649</b>
Less: Minority Interest (Current year's Profit/loss)	-	-	(14,90,765)	49,55,981
Add: Share in Net Profit of Associate Company	-	-	26,25,691	(1,76,85,474)
Surplus brought forward from previous year	32,34,87,053	27,39,76,649	35,85,30,164	32,15,46,969
Balance carried forward to Balance Sheet	36,45,67,885	32,34,87,053	40,06,20,153	35,85,30,164

### PERFORMANCE:

During the year under review, the Income from Operations of the Company is ₹ 19,91,98,937 as against ₹ 24,05,10,037 in the previous year. The Profit before Tax (PBT) stood at ₹ 8,62,46,247 as against ₹ 5,79,62,011 in the previous year. The Profit after Tax (PAT) stood at ₹ 7,23,54,247 as against ₹ 4,74,78,011 in the previous year. The Basic Earnings per Share (BEPS) for the year ended 31.03.2020 is ₹ 0.53 as against ₹ 0.35 in the previous year ended 31.03.2019.

### OPERATIONS:

The Company's solar power projects of 5 MW each, one located at Gujarat Solar Park, Charanka Village, Santalpur Taluq, Patan District, Gujarat State and other at Munipally Village, Sadashivpet, Medak District, Telangana State are operating successfully and generating steady income. The later project is supplying power to Tata Communications Ltd through open access route under PPA for a period of 10 years.

The Subsidiaries viz., Surana Solar Systems Pvt. Ltd (SSSPL) and Aryavaan Renewable Energy Pvt. Ltd (AEPL) are having 5 MW Solar Power projects each, situated at Shankapur

Village, Shankarampet Mandal, Medak District, Telangana State and Barhara Village, Sarila Tehsil, Hamirpur District, Uttar Pradesh respectively. SSSPL has renewed its PPA with Bhagyanagar India Limited for a period of 10 years. Whereas AEPL has entered into long term PPA with Uttar Pradesh Power Corporation Ltd.

Tejas India Solar Energy Pvt. Ltd., a wholly owned subsidiary has completed erection of 3 MW grid connected solar power plant at Gajwel Mandal, Medak District, Telangana and is making required efforts to obtain approvals for synchronisation of the project to the grid and sale of power under open access route.

During the year under review, 1 MW solar power plant situated at Urukonda village, Nagarkurnool District, Telangana State, of Surana Solar Limited was transferred to the Company through Slump Sale Agreement. PPA was entered with Suryalata Spinning Mills Limited for supply of power for a period of 25 years at a price of ₹ 5.00 per unit under RESCO model.

The Company has installed cumulative capacity of 1 MW roof top solar project through EPC for various customers in Telangana State.

**Impact of Covid-19 Pandemic:** The outbreak of novel Coronavirus (COVID-19) pandemic globally and in India and the consequent lockdown restrictions imposed by national government is causing significant disturbance and slowdown of economic activity across the globe. The Company has assessed the possible effects that may arise from the COVID-19 pandemic on the business. As on the current date, based on the assessment, the Company has concluded that the impact of COVID - 19 pandemic is not material on the carrying values of the assets of the business, however this has effected the operations of the company and has had impact on sales and profitability among others. Due to the nature of the pandemic and the resultant operational guidelines that may be announced by the governments in future, the Company will continue to monitor the developments to identify significant impact, if any, in the future period.

#### **VOLUNTARY DELISTING:**

The Company received an intention letter dated 18<sup>th</sup> June, 2020 from the Promoter and Promoter Group to acquire, either individually or along with one or more members of the Promoter and Promoter Group, as the case may be, all the equity shares of the company which are held by the public shareholders, subject to necessary approvals and if the delisting offer is successful, to voluntarily delist the equity shares of the Company from BSE Limited and National Stock Exchange of India Limited, where the company's equity shares are listed, in accordance with the SEBI Delisting Regulations.

The Board in their meeting held on 23<sup>rd</sup> June, 2020, inter alia, has considered and took on record the Delisting Proposal and appointed M/s. Karvy Investor Services Limited as Merchant Bankers for the purposes of carrying out the due diligence and other related matters. Further the Board of Directors at their meeting held on 08.08.2020 considered the request made by the acquirers, apprising the Board of the difficulties which would arise in the process of delisting due to current Covid-19 pandemic and to initiate the process of voluntary delisting in the month of October/November, 2020, subject to normalization of COVID 19 situation in India.

#### **SUBSIDIARIES / ASSOCIATES:**

Your company has two (2) subsidiary companies, one (1) Wholly Owned Subsidiary (WOS) and one associate company as on 31.03.2020 as mentioned below. Further there has been no material change in the nature of business of the subsidiaries.

Sl. No.	Name of the Company	Percentage (%) of Shareholding
<b>Subsidiary/Wholly Owned Subsidiary Companies:</b>		
1.	Surana Solar Systems Private Limited	51.00
2.	Tejas India Solar Energy Private Limited	100.00
3.	Aryavaan Renewable Energy Private Limited	51.00
<b>Associate Company:</b>		
1.	Surana Solar Limited	40.79

In terms of proviso to sub-section (3) of Section 129 of the Companies Act, 2013, 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 Companies Act, 2013, the consolidated financial statements of the company along with relevant documents are made available on the website of the Company.

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

The Consolidated Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013.

The Consolidated Financial Statements for the financial year ended 31st March, 2020 forms part of the Annual Report. As per the provisions of Section 136 of the Companies Act, 2013, the Company has placed separate Audited accounts of its Subsidiaries on its website [www.suranatele.com](http://www.suranatele.com) and a copy of separate Audited Financial Statements of its Subsidiaries will be provided to shareholders upon their request.

#### **SECRETARIAL STANDARDS:**

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

#### **SHARE CAPITAL:**

The paid-up Share Capital of the Company as on 31<sup>st</sup> March, 2020 is ₹ 13,57,59,963 divided into 13,57,59,963 equity shares of Re.1/- each. During the year under review, there is no change in share capital of the company.

#### **TRANSFER TO RESERVES:**

The Board of Directors of the Company have not recommended for transfer of any amount to the General Reserve for the financial year ended 31<sup>st</sup> March, 2020.

#### **DIVIDEND:**

The Board of Directors have not recommended dividend for the financial year 2019-20, due to low profitability and capex plans the company has for the year 2020-21.

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

The Management Discussion and Analysis Report as required under Schedule-V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms an integral part of this Report and gives details of the overall industry structure, developments, performance and state of affairs of the Company's business, internal controls and their adequacy, risk management systems and other material developments during the financial year.

Management Discussion and Analysis Report is presented in a separate section and forms part of the Annual Report as Annexure-II.

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

The Company considers social responsibility as an integral

part of its business activities. 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 Company had taken an initiative in the direction and the journey was embarked in the year 1987 by Shri G. Mangilal Surana in the memory of his father Shri Gulab Chand Surana by starting a hospital "Gulab Chand Surana Charitable Hospital" is purely for the purpose of providing medical relief to the people who are below poverty line. It is being run by qualified and registered doctors.

In compliance with requirements of Section 135 of the Companies Act, 2013, the Company has laid down a CSR Policy. The composition of the Committee, contents of CSR Policy and report on CSR activities carried out during the financial year ended 31<sup>st</sup> March, 2020 in the format prescribed under Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed herewith as Annexure III.

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

Pursuant to the requirement under Section 134 of the Companies Act, 2013, with respect to the Directors' Responsibility Statement, the Board of Directors of the Company hereby confirms:

- (a) That the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) That the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year 2019-20 and of the profit and loss of the company for that period;
- (c) That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) That the directors have prepared the annual accounts for the financial year ending on 31<sup>st</sup> March, 2020, on a going concern basis; and
- (e) That the directors have laid down Internal Financial Controls to be followed by the company and that such Internal Financial Controls are adequate and were operating effectively; and
- (f) That the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

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

The Independent Directors have submitted the declaration of independence, as required pursuant to sub-section (7) of

section 149 of the Companies Act, 2013 and Regulation 25(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stating that they meet the criteria of independence as provided in sub-section (6) of Section 149 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

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

#### **PARTICULARS OF LOANS, GUARANTEES, SECURITIES AND INVESTMENTS:**

The details of Loans, Guarantees, Securities and Investments made during the financial year ended 31<sup>st</sup> March, 2020, are given in the notes to the Financial Statements in compliance with the provisions of Section 186 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014.

#### **RELATED PARTY TRANSACTIONS:**

All transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. All Related Party Transactions are placed before the Audit Committee and 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 <http://www.suranatele.com/codes-and-policies.html>

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

#### **AUDIT COMMITTEE:**

The Audit Committee consists of Shri. Mayank Sanghani (Independent Director) as Chairman, Dr. R.N.Sreenath (Independent Director), Smt. Sanjana Jain (Independent Director) and the Managing Director, Shri. Narender Surana as members. The Committee, inter alia, reviews the Internal Control System, Reports of Internal Auditors and Compliance of various regulations. The Committee also reviews the financial statements before they are placed before the Board.

**EXTRACT OF ANNUAL RETURN:**

The Extracts of Annual Return as per the provisions of Section 92 of the Companies Act, 2013 and Rule 12 of Companies (Management and Administration) Rules, 2014, in Form MGT-9 is enclosed as 'Annexure-V' to this Report and also has been uploaded on company's website at <http://www.suranatele.com>.

**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 'Annexure-I' forming part of this Report.

**RISK MANAGEMENT POLICY:**

In terms of the requirement Section 134(3)(n) of the Companies Act, 2013 and Regulation 21 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has developed and implemented the Risk Management Policy. 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 report, which forms part of this report. At present the Company has not identified any element of risk which may threaten the existence of the company.

**BOARD EVALUATION:**

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

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

**DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

Shri. Devendra Surana, Non-Executive Director of the Company will retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Further, the term of appointment of Shri Baunakar Shekarnath as a Whole-time Director of the Company expired on 8<sup>th</sup> January, 2020. The Board of Directors of the Company at their meeting held on 9<sup>th</sup> November, 2019, on the recommendation of the Nomination & Remuneration Committee, re-appointed him for a further period of 3 (three) years from 9<sup>th</sup> January, 2020 to 8<sup>th</sup> January, 2023, subject to the approval of the members of the company in this Annual General Meeting.

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

Pursuant to the provisions of Section 203 of the Companies Act, 2013, Shri. Narendra Surana, Managing Director, Shri. Baunakar Shekarnath, Whole-time Director, Ms. Vinita Surana, Chief Financial Officer (CFO) and Shri. Srinivas Dudam, Company Secretary (CS) were formalized as Key Managerial Personnel of the Company.

**MEETINGS OF THE BOARD:**

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

**DEPOSITS:**

The Company has not accepted any deposits in terms of Section 73 or Section 76 of the Companies Act, 2013 and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet.

**LISTING OF EQUITY SHARES:**

The Company's equity shares are listed on the following Stock Exchanges:

- (i) **BSE Limited**, Phiroze JeeJeebhoy Towers, Dalal Street, Mumbai – 400 001, Maharashtra, India; and
- (ii) **National Stock Exchange of India Limited**, Exchange Plaza, Floor 5, Plot No. C/1, G Block, Bandra – Kurla Complex, Bandra (East), Mumbai – 400 051, Maharashtra, India.

The Company has paid the Annual Listing Fees to the Stock Exchanges for the Financial Year 2020-21.

**STATUTORY AUDITORS:**

M/s Luharuka & Associates, Chartered Accountants were appointed as Statutory Auditors of your Company at the Annual General Meeting held on 26<sup>th</sup> September, 2017, for a term of five consecutive years subject to ratification by Members at every Annual General Meeting.

However, in accordance with the Companies Amendment Act, 2017, enforced on 7<sup>th</sup> May, 2018, by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting. M/s. Luharuka & Associates, Chartered Accountants, have confirmed that they are not disqualified from continuing as Auditors of the Company.

There are no qualifications, reservations or adverse remarks made by M/s Luharuka & Associates, Chartered Accountants, Statutory Auditors, in their report for the Financial Year ended 31<sup>st</sup> March, 2020.

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

**INTERNAL AUDITORS:**

The Board of Directors of the Company has appointed M/s Sekhar & Co., Chartered Accountants, as Internal Auditors

to conduct Internal Audit for the Financial Year ended 31<sup>st</sup> March, 2021.

#### **COST AUDITORS:**

M/s Lavanya & Associates, Cost Accountants, Hyderabad, has been appointed by the Board, on recommendations of Audit Committee, as Cost Auditors for conducting the audit of cost records maintained by the Company relating to Electricity for the financial year 2020-21.

The Company has made and maintained the cost records as specified under Section 148(1) of the Companies Act, 2013.

#### **SECRETARIAL AUDITORS:**

The Board of Directors of the Company has appointed Mrs. Rakhi Agarwal, Company Secretary in Practice, Hyderabad, to conduct the Secretarial Audit for the financial year 2020-21.

The Secretarial Audit Report issued by Mrs. Rakhi Agarwal, Company Secretary in Practice, for the financial year 2019-20, is annexed herewith as 'Annexure -VI'.

The Secretarial Audit Report does not contain any qualifications, reservation or adverse remarks. During the year under review, the Company has complied with the applicable provisions of the Secretarial Standards.

#### **SECRETARIAL AUDIT OF MATERIAL UNLISTED INDIAN SUBSIDIARIES:**

Surana Solar Systems Private Limited and Aryavaan Renewable Energy Private Limited, Material Subsidiaries of the Company undertakes Secretarial Audit every year under Section 204 of the Companies Act, 2013. The Secretarial Audit of both the material subsidiaries for the financial year 2019-20 was carried out pursuant to Section 204 of the Companies Act, 2013 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Secretarial Audit Reports submitted by Mrs. Rakhi Agarwal, Company Secretary in Practice, does not contain any qualification, reservation or adverse remark or disclaimer.

#### **ANNUAL SECRETARIAL COMPLIANCE REPORT:**

The Company has undertaken an audit for the financial year 2019-20 for all applicable compliances as per Securities and Exchange Board of India Regulations and Circulars/Guidelines issued thereunder. The Annual Secretarial Compliance Report duly signed by Mrs. Rakhi Agarwal, Company Secretary in Practice, has been submitted to the Stock Exchanges and is annexed at 'Annexure VII' to this Board's Report.

#### **REPORTING OF FRAUDS BY AUDITORS:**

During the year under review, the Statutory Auditors, Internal Auditors and Secretarial Auditor have not reported any instances of frauds committed in the Company by its Officers or Employees to the Audit Committee under section 143(12) of the Companies Act, 2013, details of which needs to be mentioned in this Report.

#### **CORPORATE GOVERNANCE:**

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

A separate report on corporate governance practices

followed by the Company together with a Certificate from the Company's Auditors confirming compliances forms an integral part of this Report.

#### **VIGIL MECHANISM:**

The Company has adopted a Whistle Blower Policy establishing vigil mechanism to provide a formal mechanism to the Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of Code of Conduct and Ethics. It also provides for adequate safeguards against the victimization of employees who avail of the mechanism and provides direct access to the Chairperson of the Audit Committee in exceptional cases. It is affirmed that no personnel of the Company has been denied access to the Audit Committee. The policy of vigil mechanism is available on the Company's website. The Whistle Blower Policy aims for conducting the affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior.

#### **PARTICULARS OF EMPLOYEES:**

- A. 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;

Name of the Director	Ratio to Median Remuneration
Shri. Narender Surana, MD	27.44
Shri. Devendra Surana, Director	Nil
Shri. Baunakar Shekarnath, WTD	Nil
Smt. Vinita Surana, WTD & CFO*	9.60

\*Resigned from Directorship w.e.f. 20.07.2019

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

Name of Person	% increase in remuneration
Shri. Narender Surana, MD	0
Shri. Baunakar Shekarnath, WTD	NA
Shri. Devendra Surana, Director	NA
Shri. Srinivas Dudam, CS	9.78

- (iii) The percentage increase in the median remuneration of employees in the financial year is -1.54%
- (iv) The number of permanent employees on the rolls of company – 25.
- (v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;

The average increase in salaries of employees other than managerial personnel in 2019-20 was 29.98%. Percentage increase in the managerial remuneration for the year was Nil.

- (vi) Affirmation that the remuneration is as per the remuneration policy of the company - Yes.
- B. The statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the Members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection and any member interested in obtaining a copy of the same may write to the Company Secretary.

#### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

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

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

#### **CHANGE IN NATURE OF BUSINESS:**

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

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

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

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

There are no material changes and commitments, affecting the financial position of the Company which occurred between the end of the financial year 31<sup>st</sup> March, 2020 to which the financial statements relates and the date of signing of this report.

#### **HUMAN RESOURCES:**

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

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

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

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

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

The Internal Complaints Committee (ICC) has been setup to redress complaint received regarding sexual harassment. During the period under review, no complaints was received by the ICC.

#### **CAUTIONARY STATEMENT:**

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

#### **ACKNOWLEDGEMENTS:**

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

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

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

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

Place: Secunderabad  
Date: 08.08.2020

**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:**

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

**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 towards technology absorption, adaption and innovation for improving productivity, product quality.

**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	:	₹ 28,75,106
Total Foreign Exchange inflow	:	₹ Nil

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

Place: Secunderabad  
Date: 08.08.2020

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

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

## 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 facility. In order to reflect the diversity, the name of the Company was again changed to “Surana Telecom and Power Limited” on 11.10.2007. In 2008, taking cue from the increasing recognition for non-conventional energy and anticipating demand primarily in the field of Solar Photovoltaic cells, the company ventured into manufacturing of Solar Modules and other Solar photovoltaic products.

During the year 2009-2010, a Scheme of arrangement was entered by the Company with M/s Surana Ventures Limited which was sanctioned by Hon'ble High Court of Andhra Pradesh on 28.06.2010 and became effective from 28.07.2010, pursuant to which the “Solar Undertaking” was merged with M/s Surana Ventures Limited (the name has been changed to Surana Solar Ltd). The Company is into the business of generation of solar energy. In the year 2011-12, the Company had set up 5 MW Solar Power Project in Gujarat, with this it has successfully ventured into Solar Power Generation. Currently, the total installed and under execution capacity is 23 MW in the Company and through its subsidiaries in the states of Gujarat, Uttar Pradesh and Telangana. The Company has wind power with installed capacity of 1.25 MW in the state of Karnataka.

### 1. SOLAR ENERGY:

- a) **Industry Structure and Developments:** India has low conventional energy resources compared to its required energy needs driven by huge population and rapidly increasing economy. But India can harness the huge potential of solar energy as it receives sunshine most of the year. India had 87.26 GW of renewable energy capacity as on April 2020, including 34.81 GW from solar and 37.74 GW from wind power. According to the data released by the Central Electricity Authority (CEA), solar-generated electricity accounted for 50.1 billion units (BU) in FY 2019-20. This shows a growth of 28% year-over-year (YoY) compared to the FY 2018-19, where the total solar energy generated was 39.3 BUs. However, the YoY increase was the lowest in the past six years as solar installations have slowed down considerably.

The Government's commitment towards carbon reduction accompanied by declining costs of renewables, have provided the impetus for rapid increase in renewable based capacities. The

overall renewables addition during FY20 was 9 GW as against 8.6 GW during the previous year. Issues like safeguard duty, renegotiation of contracts, land availability, financing constraints and delayed payments by Discoms, have impacted RE projects. The tariffs have also risen from the lows of ₹ 2.44/unit to the range of ₹ 2.8-2.9/unit, with the rise in ceiling tariffs.

- b) **Business Outlook:** Solar power in India at current levels is already cheaper than electricity generated through coal, natural gas or other fossil fuel options. Support from various central and states government for solar power industry is continuously increasing. The Government of India has set an ambitious target of achieving 175 GW of renewable energy capacity by 2022 which includes 100 GW of solar power and 60 GW of wind power. With this the market players in India now have enough incentive to move to clean sources of energy. In view of the huge demand for solar power and company having considerable market in this line of activity, the company expects to benefit by the same.

### 2. WIND POWER:

- a) **Industry Structure and Developments:** Wind power generation capacity in India has significantly increased in recent years. The total installed wind power capacity was 37.69 GW, the fourth largest installed wind power capacity in the world. During the FY 2019-20, Wind power installations in India rose to 2.07 GW, a 31% increase as compared to 1.58 GW in the FY 2018-19. The cumulative installations stood at 37.69 GW as compared to 35.63 GW for the FY 2018-19. Good wind potential exists in the states of Tamil Nadu, Gujarat, Rajasthan, Andhra Pradesh, and Maharashtra. However, wind installations levels have significantly declined, after the reverse auction mechanism was introduced in the wind sector after several years of growth. Mercom reported that India's wind sector, along with the rest of the renewable energy industry, has been facing multiple challenges on various fronts over the past few years, and 2019 was no different. The sector was grappling with the slowing economy, low tariffs, tariff caps, curtailment, infrastructure constraints, and a plethora of duties and tariffs.

- b) **Outlook:** The Government is committed to increased use of clean energy sources and is already undertaking various large-scale sustainable power projects and promoting green energy heavily with a target to reduce the emissions intensity of GDP by 33% - 35% below the 2005 levels and increase share of non-fossil fuel in total capacity to 40% by 2030. The Ministry of New and Renewable Energy (MNRE) has set

an ambitious target to set up renewable energy capacities to the tune of 175 GW by 2022, of which about 100 GW is planned for solar, 60 GW for wind and other for hydro and bio among other. The outlook remains same.

**COVID-19 Pandemic:** The Financial Year 2021-20 ended with the COVID-19 pandemic disrupting the global economy and supply chains. The rampant spread of COVID-19 outbreak, across borders and geographies, has severely impacted almost the whole world and triggered significant downside risks to the overall global economic outlook. The Company has assessed the possible effects that may arise from the COVID-19 pandemic on the business. As on the current date, based on the assessment, the Company has concluded that the impact of COVID - 19 pandemic is not material on the carrying value of the assets of the business, however this has effected the operations of the company and has had impact on sales and profitability among others. We remain confident that we will overcome these challenges and Rise in the post-COVID-19 world.

### 3. RISKS AND CONCERNS:

Your company being in the business of generation of solar and wind energy have risks with land acquisition, tariff bidding, government policies etc. 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.

### 4. 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.

The company has an Internal Audit System commensurate with its size and nature of business. M/s Sekhar & Co., 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.

## 5. FINANCIAL PERFORMANCE & OPERATIONAL PERFORMANCE:

### A. FINANCIAL PERFORMANCE:

#### Capital Structure:

The Equity Share Capital of the Company as on 31<sup>st</sup> March 2019 is ₹ 13,57,59,963 comprising of 13,57,59,963 Equity Shares of Re. 1 each fully paid.

#### Other Equity:

The Other Equity of the Company for the current year is ₹ 85,04,46,743 and in the previous year was ₹ 81,47,78,271

#### Property, Plant and Equipment:

During the year, the Company has added Property, Plant and Equipment amounting to ₹ 5,03,29,200 as against ₹ 58,74,490 in the previous year. The total net block of assets as on 31.03.2020 is ₹ 49,88,76,082.

#### Inventories:

Inventories as on 31<sup>st</sup> March, 2020, amounted to ₹ 98,70,000 as against Nil in previous year.

#### Trade Receivables:

Trade Receivables amounted to ₹ 2,46,32,357 as on 31<sup>st</sup> March, 2020 and ₹ 2,39,91,308 in the previous year.

#### Cash and Bank Balances:

Cash and Bank balances with Scheduled Banks, as on 31<sup>st</sup> March, 2020, amounted to ₹ 1,13,94,301 which includes amounts deposited with banks as Security and margin Money Deposit and accrued interest.

#### Loans (Noncurrent):

Loans and Advances amounting to ₹ 52,42,63,324 as on 31<sup>st</sup> March, 2020, as against ₹ 38,56,75,918 in the previous year.

#### Other Current Assets:

Short Term Loans and Advances amounted to ₹ 85,61,780 as on 31<sup>st</sup> March, 2020, as against ₹ 45,37,354 in the previous year.

#### Current Liabilities:

Current Liabilities amounting to ₹ 9,64,93,427 as on 31<sup>st</sup> March, 2020, as against ₹ 9,08,31,100 in the previous year.

### B. OPERATIONAL PERFORMANCE:

#### Turnover:

During the year 2019-20, the Net turnover of the Company was ₹ 19,91,98,937 and ₹ 24,05,10,037 in the previous year.

Other Income as on 31<sup>st</sup> March, 2020 is ₹ 9,27,57,285 as against ₹ 1,61,71,621 in the previous year.

**Depreciation and Amortization:**

The Company has incurred a sum of ₹ 7,55,13,854 towards depreciation and amortization for the year and ₹ 7,02,34,933 in the previous year.

**Net Profit:**

The Net Profit of the Company after tax is ₹ 7,23,54,247 and ₹ 4,74,78,011 in the previous year.

**Earnings per Share:**

Basic Earnings per Share for the year ended 31.03.2020 is ₹ 0.53 for Face Value of Re. 1 and ₹ 0.35 per share for the year ended 31.03.2019.

**6. DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS:**

Ratios	2019-20	2018-19	Change (%)
Debtors Turnover (no. of days)	44	35	26
Inventory Turnover (no. of days)	18	-	0
Interest Coverage Ratio	5.49	4.87	13
Current Ratio	0.56	0.47	20
Debt Equity Ratio	0.29	0.21	35
Operating Profit Margin	52.71	60.35	-13
Net Profit Margin	0.36	0.20	84
Return on Net Worth	0.07	0.05	47

**Notes:**

- Debtors Turnover:** The receivables have slightly gone up due to delayed realisation from debtors in March, 2020 due to lock down.
- Debt Equity Ratio:** Debt Equity Ratio has marginally gone up due to increase in borrowings from Banks/ other financial institutions.
- Net Profit Margin:** Increase in Net Profit is on account of profit on sale of a parcel of factory land of the company.
- Return on Net Worth:** Substantial increase in other income has resulted the increase in Net Profit thereby increase in Return on net worth.

**7. 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.

**8. 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.

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

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

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

Place: Secunderabad  
 Date: 08.08.2020

### Report on Corporate Social Responsibility as per Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014:

1. A brief outline of Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs:

Promoting health care including preventive health care services to the people below and on poverty line. The CSR Policy of the Company is available on the website of the Company i.e. <http://www.suranatele.com/policies-and-documents.html>

2. The composition of the CSR Committee:

Sl. No.	Name	Designation
1.	Shri Narender Surana	Chairman (Executive Director)
2.	Shri Devendra Surana	Member (Non-Executive Director)
3.	Dr.R.N.Sreenath	Member (Independent Director)

3. Average Net Profit of the Company for last three financial years:

Net Profit (As per Section 198 of Companies Act,2013)	For the financial year ended 31 <sup>st</sup> March (Amount in ₹)		
	2018-19	2017-18	2016-17
Average Net Profit for the preceding three financial years	5,84,71,971	2,89,53,581	2,05,95,803
	<b>3,60,07,118</b>		

4. Prescribed CSR Expenditure (2% of the amount as in item No. 3 above): ₹ 7,20,142

5. Details of CSR spent during the financial year:

- (a) Total amount to be spent for the financial year.

Particulars	Amount (₹)
Amount of CSR liability for the financial year 2019-20 (as per item no.4 above)	7,20,142
Add: Outstanding amount carried forward of FY 2018-19	NIL
<b>Total</b>	<b>7,20,142</b>

(b) Amount spent during the year : ₹ 2,80,000

(c) Amount unspent, if any : ₹ 4,40,142

(d) Manner in which the amount spent during the financial year is detailed below:

Sl. No.	CSR project / activity identified	Sector in which the Project is covered	Projects / Programmes 1. Local area/ others- 2. Specify the state and district where projects or programmes were undertaken	Amount outlay (budget) project/ programs wise (₹)	Amount spent on the project / programs Subheads: 1) Direct expenditure on project, 2) Overheads	Cumulative spend up to the reporting period	Amount spent: Direct/ through implementing agency*
1.	Providing healthcare services to meet the immediate health care needs of the marginalized community in rural areas.	Healthcare/ Preventive Healthcare Project	Medical treatment for the people below and on poverty line in rural areas and conducting medical camps for eye care, dental care and vaccinations for children and treatment of various diseases. The Charitable Hospital is located at Bollarum Village, Secunderabad, Telangana State.	2,80,000	2,80,000 (Direct)	2,80,000	Through Gulabchand Surana Charitable Hospital.
<b>TOTAL</b>				<b>2,80,000</b>	<b>2,80,000</b>	<b>2,80,000</b>	

**6. In case the Company fails to spend the 2% of the Average Net Profit (INR) of the last 3 financial years, the reasons for not spending the amount shall be stated in the Board's report:**

The Company is making the efforts to identify the projects for spending the unspent amount. The Board approved that unspent amount will be carried forward to the next financial year 2020-21.

**7. We hereby confirm that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.**

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

Place: Secunderabad  
Date: 08.08.2020

**NARENDER SURANA  
CHAIRMAN OF THE COMMITTEE**

**DEVENDRA SURANA  
MEMBER OF THE COMMITTEE**

**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: NIL.
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> (Associate Company)	Purchase of Goods	01.04.2019 to 31.03.2020	₹ 413.63 lakhs	07.08.2019 09.11.2019 08.02.2020 23.06.2020	-
2.	<b>Shasons Private Limited</b> (Common Director)	Purchase of Goods	01.04.2019 to 31.03.2020	₹ 2.02 lakhs	07.08.2019	-
3.	<b>Surana Solar Limited (1 MW Solar Power Plant )</b> (Associate Company)	Purchase of Goods	01.04.2019 to 31.03.2020	₹ 466 lakhs	23.05.2019 09.11.2019	-
4.	<b>Metropolitan Ventures India Limited</b> (Common Directors)	Sale of Goods	01.04.2019 to 31.03.2020	₹ 109.14 lakhs	23.05.2019	-
5.	<b>Bhagyanagar Energy and Telecom Private Limited</b> (A Private Company in which director is a member)	Sale of Goods	01.04.2019 to 31.03.2020	₹ 16.41 lakhs	08.02.2020 23.06.2020	-
6.	<b>Aryavaan Renewable Energy Pvt. Ltd.</b> (Subsidiary Company)	Lease Rent	01.04.2019 to 31.03.2020	₹ 1.17 lakhs	23.05.2019	-
7.	<b>Tejas India Solar Energy Pvt. Ltd.</b> (Wholly Owned Subsidiary) (Post Acquisition as reported herein)	Acquisition of shares	01.04.2019 to 31.03.2020	₹ 245 lakhs	23.05.2019	-

For and on behalf of the Board of Directors

Place: Secunderabad  
Date: 08.08.2020

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

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

**EXTRACT OF ANNUAL RETURN**

as on the financial year ended 31.03.2020

[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 No.: 040-44665700
Whether listed company	Yes
Name, address and contact details of Registrar and Transfer Agent, if any	<b>M/s KFin Technologies Private Limited,</b> KFintech, Tower B, Plot No 31 & 32 Selenium Building, Financial District, Nanakramguda, Gachibowli, Hyderabad - 500 032. Phone: +91-40-67162222, Fax: 91-40-23001153, Email ID: einward.ris@kfintech.com Website: http://www.kfintech.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/wind energy	35105/35106	89.63
Trading of solar modules	4652	10.37

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

Name and address of the Company	CIN / GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
Surana Solar Systems Private Limited	U40108TG2012PTC084662	Subsidiary	51.00	2(87)
Tejas India Solar Energy Private Limited	U40106TG2015PTC098247	Wholly Owned Subsidiary	100.00	2(87)
Aryavaan Renewable Energy Pvt. Ltd.	U40300TG2015PTC100834	Subsidiary	51.00	2(87)
Surana Solar Limited	L45200TG2006PLC051566	Associate Company	40.79	2(6)

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

## i) Category-wise Shareholding:

Category Code	Category of Shareholder	No. of shares held at the beginning of the year 01/04/2019				No. of shares held at the end of the year 31/03/2020				% Change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
<b>(A)</b>	<b>Promoter and Promoter Group</b>									
(1)	<b>INDIAN</b>									
(a)	Individual /HUF	91317480	0	91317480	67.26	91333254	0	91333254	67.28	0.02
(b)	Central Government/ State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	10502487	0	10502487	7.74	10485987	0	10485987	7.72	-0.02
(d)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-Total A(1) :</b>	<b>101819967</b>	<b>0</b>	<b>101819967</b>	<b>75.00</b>	<b>101819241</b>	<b>0</b>	<b>101819241</b>	<b>75.00</b>	<b>0.00</b>
<b>(2)</b>	<b>Foreign</b>									
(a)	Individuals (NRIs/ Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Others	0	0	0	0.00	0	0	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</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
	<b>Total A=A(1)+A(2)</b>	<b>101819967</b>	<b>0</b>	<b>101819967</b>	<b>75.00</b>	<b>101819241</b>	<b>0</b>	<b>101819241</b>	<b>75.00</b>	<b>0.00</b>
<b>(B)</b>	<b>Public Shareholding</b>									
<b>(1)</b>	<b>Institutions</b>									
(a)	Mutual Funds /UTI	42000	6999	48999	0.04	42000	6666	48666	0.04	0.00
(b)	Financial Institutions /Banks	637935	18500	656435	0.48	637935	18500	656435	0.48	0.00
(c)	Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Foreign Institutional Investors	0	0	0	0.00	0	0	0	0.00	0.00
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-Total B(1) :</b>	<b>679935</b>	<b>25499</b>	<b>705434</b>	<b>0.52</b>	<b>679935</b>	<b>25166</b>	<b>705101</b>	<b>0.52</b>	<b>0.00</b>
<b>(2)</b>	<b>Non-Institutions</b>									
(a)	Bodies Corporate	1419619	30137	1449756	1.07	854112	30137	884249	0.65	-0.42
(b)	Individuals									
	(i) Individuals holding nominal share capital upto ₹ 1 lakh	17731282	2871504	20602786	15.18	17135653	2620104	19755757	14.55	-0.63
	(ii) Individuals holding nominal share capital in excess of ₹ 1 lakh	8175378	0	8175378	6.02	9441006	0	9441006	6.95	0.93

Category Code	Category of Shareholder	No. of shares held at the beginning of the year 01/04/2019				No. of shares held at the end of the year 31/03/2020				% Change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(c)	Others									
	Clearing Members	16688	0	16688	0.01	17209	0	17209	0.01	0.00
	I E P F	2107712	0	2107712	1.55	2318061	0	2318061	1.71	0.16
	NBFC	4238	0	4238	0.00	0	0	0	0.00	0.00
	Non-resident Indian	684025	12500	696525	0.51	628011	12500	640511	0.47	-0.04
	NRI Non-Repatriation	181146	0	181146	0.13	178495	0	178495	0.13	0.00
	Trusts	333	0	333	0.00	333	0	333	0.00	0.00
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-Total B(2) :</b>	<b>30320421</b>	<b>2914141</b>	<b>33234562</b>	<b>24.48</b>	<b>30572880</b>	<b>2662741</b>	<b>33235621</b>	<b>24.48</b>	<b>0.00</b>
	<b>Total B=B(1)+B(2) :</b>	<b>31000356</b>	<b>2939640</b>	<b>33939996</b>	<b>25.00</b>	<b>31252815</b>	<b>2687907</b>	<b>33940722</b>	<b>25.00</b>	<b>0.00</b>
	<b>Total (A+B) :</b>	<b>132820323</b>	<b>2939640</b>	<b>135759963</b>	<b>100.00</b>	<b>133072056</b>	<b>2687907</b>	<b>135759963</b>	<b>100.00</b>	<b>0.00</b>
<b>(C)</b>	<b>Shares held by custodians, against which Depository Receipts have been issued.</b>									
(1)	Promoter and Promoter Group									
(2)	Public	0	0	0	0.00	0	0	0	0.00	0.00
	<b>GRAND TOTAL (A+B+C):</b>	<b>132820323</b>	<b>2939640</b>	<b>135759963</b>	<b>100.00</b>	<b>133072056</b>	<b>2687907</b>	<b>135759963</b>	<b>100.00</b>	

**ii) Shareholding of Promoters:**

Shareholders Name	Shareholding at the beginning of the year 01.04.2019			Shareholding at the end of the year 31.03.2020			% 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	2836913	2.09	-	2836913	2.09	-	0.00
Bhagyanagar Securities Pvt. Ltd.	803400	0.59	-	803400	0.59	-	0.00
Devendra Surana	20639453	15.20	-	20639453	15.20	-	0.00
Devendra Surana (HUF)	90000	0.07	-	90000	0.07	-	0.00
Mangilal Surana	6701870	4.94	-	0	0.00	-	-4.94
G.M. Surana (HUF)	221840	0.16	-	221840	0.16	-	0.00
G.M. Surana (MHUF)	238366	0.18	-	238366	0.18	-	0.00
Manish Surana	7733177	5.70	-	7733177	5.70	-	0.00
Mitali Surana	1622500	1.20	-	1622500	1.20	-	0.00
Namrata Surana	7176884	5.29	-	10527819	7.75	-	2.46
Narender Surana	27058884	19.93	-	27059284	19.93	-	0.00
Narender Surana (HUF)	142000	0.10	-	142000	0.10	-	0.00
Rahul Surana	3397666	2.50	-	3397666	2.50	-	0.00
Shresha Surana	3534168	2.60	-	3545541	2.61	-	0.01
Sunita Surana	5773110	4.25	-	9124045	6.72	-	2.47
Surana Infocom Pvt. Ltd.	9699087	7.14	-	9682587	7.13	-	-0.01
Vinita Surana	3687316	2.72	-	3691317	2.72	-	0.00
Nivruti Surana	463333	0.34	-	463333	0.34	-	0.00
<b>Total</b>	<b>101819967</b>	<b>75.00</b>	<b>-</b>	<b>101819241</b>	<b>75.00</b>	<b>-</b>	<b>0.00</b>

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

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year.		Increase/ Decrease in shareholding during the year			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.	Narender Surana	27058884	19.93	01/04/2019			27058884	19.93
				13/12/2019	400	Purchase	27059284	19.93
				31/03/2020			27059284	19.93
2.	Devendra Surana	20639453	15.20	01/04/2019			20639453	15.20
				12/07/2019	875000	Purchase	21514453	15.85
				12/07/2019	-875000	Sale	20639453	15.20
				31/03/2020			20639453	15.20
3.	Surana Infocom Private Limited	9699087	7.14	01/04/2019			9699087	7.14
				13/09/2019	-14500	Sale	9684587	7.13
				27/09/2019	-2000	Sale	9682587	7.13
				31/03/2020			9682587	7.13
4.	Manish Surana	7733177	5.70	01/04/2019			7733177	5.70
				31/03/2020			7733177	5.70
5.	Namrata Surana	7176884	5.29	01/04/2019			7176884	5.29
				28/06/2019	3581038	Purchase	10757922	7.92
				29/06/2019	-230103	Sale	10527819	7.75
				31/03/2020			10527819	7.75
6.	Mangilal Surana	6701870	4.94	01/04/2019			6701870	4.94
				28/06/2019	-6701870	Sale	0	0.00
				31/03/2020			0	0.00
7.	Sunita Surana	5773110	4.25	01/04/2019			5773110	4.25
				28/06/2019	3581038	Purchase	9354148	6.89
				29/06/2019	-230103	Sale	9124045	6.72
				31/03/2020			9124045	6.72
8.	Vinita Surana	3687316	2.72	01/04/2019			3687316	2.72
				12/07/2019	-1000	Sale	3686316	2.72
				19/07/2019	1	Purchase	3686317	2.72
				30/08/2019	5000	Purchase	3691317	2.72
				31/03/2020			3691317	2.72
9.	Shresha Surana	3534168	2.60	01/04/2019			3534168	2.60
				26/07/2019	1	Purchase	3534169	2.60
				09/08/2019	501	Purchase	3534670	2.60
				23/08/2019	4303	Purchase	3538973	2.61
				30/08/2019	200	Purchase	3539173	2.61
				06/09/2019	5000	Purchase	3544173	2.61
				13/09/2019	1000	Purchase	3545173	2.61
				20/09/2019	368	Purchase	3545541	2.61
31/03/2020			3545541	2.61				

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year.		Increase/ Decrease in shareholding during the year			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
10.	Rahul Surana	3397666	2.50	01/04/2019			3397666	2.50
				31/03/2020			3397666	2.50
11.	Advait Surana	2836913	2.09	01/04/2019			2836913	2.09
				31/03/2020			2836913	2.09
12.	Mitali Surana	1622500	1.20	01/04/2019			1622500	1.20
				31/03/2020			1622500	1.20
13.	Bhagyanagar Securities Private Limited	803400	0.59	01/04/2019			803400	0.59
				31/03/2020			803400	0.59
14.	Nivruthi Surana	463333	0.34	01/04/2019			463333	0.34
				31/03/2020			463333	0.34
15.	G M Surana (MHUF)	238366	0.18	01/04/2019			238366	0.18
				28/06/2019	-238366	Sale	0	0.00
				29/06/2019	238366	Purchase	238366	0.18
				31/03/2020			238366	0.18
16.	G M Surana (HUF)	221840	0.16	01/04/2019			221840	0.16
				28/06/2019	-221840	Sale	0	0.00
				29/06/2019	221840	Purchase	221840	0.16
				31/03/2020			221840	0.16
17.	Narender Surana (HUF)	142000	0.10	01/04/2019			142000	0.10
				31/03/2020			142000	0.10
18.	Devendra Surana (HUF)	90000	0.07	01/04/2019			90000	0.07
				31/03/2020			90000	0.07

**iv) Shareholding Pattern of Top Ten (10) Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year		Increase/ Decrease in shareholding during the year			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.	Investor Education and Protection Fund Authority	2107712	1.55	01/04/2019			2107712	1.55
				13/12/2019	210349	Purchase	2318061	1.71
				31/03/2020			2318061	1.71
2.	Sambhav Munoth	1097333	0.81	01/04/2019			1097333	0.81
				31/03/2020			1097333	0.81
3.	Anil Kumar Jain	939790	0.69	01/04/2019			939790	0.69
				31/03/2020			939790	0.69
4.	Vaibhav Mutha	801544	0.59	01/04/2019			801544	0.59
				31/03/2020			801544	0.59

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year		Increase/ Decrease in shareholding during the year			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
5.	Dundoo Ajit Kumar	687397	0.51	01/04/2019			488792	0.36
				05/04/2019	3297	Purchase	690694	0.51
				12/04/2019	8606	Purchase	699300	0.52
				31/03/2020			699300	0.52
6.	United India Insurance Company Ltd.	633475	0.47	01/04/2019			633475	0.47
				31/03/2020			633475	0.47
7.	Ankit Luharuka	566397	0.42	01/04/2019			566397	0.42
				05/04/2019	44616	Purchase	611013	0.45
				12/04/2019	13500	Purchase	624513	0.46
				14/06/2019	200	Purchase	624713	0.46
				12/07/2019	-9874	Sale	614839	0.45
				02/08/2019	30250	Purchase	645089	0.48
				09/08/2019	3257	Purchase	648346	0.48
				31/12/2019	23264	Purchase	671610	0.49
				31/03/2020			671610	0.49
8.	Nikita Luharuka	544015	0.40	01/04/2019			544015	0.40
				27/09/2019	38880	Purchase	582895	0.43
				11/10/2019	5433	Purchase	588328	0.43
				18/10/2019	13582	Purchase	601910	0.44
				24/01/2020	50143	Purchase	652053	0.48
				31/01/2020	10955	Purchase	663008	0.49
				14/02/2020	17596	Purchase	680604	0.50
				21/02/2020	20731	Purchase	701335	0.52
				28/02/2020	108624	Purchase	809959	0.60
				06/03/2020	1755	Purchase	811714	0.60
				31/03/2020			811714	0.60
9.	Gaurav Mutha	528077	0.39	01/04/2019			528077	0.39
				31/03/2020			528077	0.39
10.	Savita Jain	505152	0.37	01/04/2019			505152	0.37
				31/03/2020			505152	0.37

v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name of the Director	Shareholding at the beginning of the year as on 01/04/2019		Change in Shareholding during the year		Shareholding at the end of the year as on 31/03/2020	
		No. of Shares	% of total shares of the Company	Increase	Decrease	No. of Shares	% of total shares of the Company
1.	Narender Surana	27058884	19.93	400	-	27059284	19.93
2.	Devendra Surana	20639453	15.20	-	-	20639453	15.20
3.	Dr. R.N. Sreenath	-	-	-	-	-	-
4.	Baunakar Shekarnath	-	-	-	-	-	-
5.	Sanjana Jain	-	-	-	-	-	-
6.	Mayank Sanghani	-	-	-	-	29132	0.02

Sl. No.	Name of the Key Managerial Personnel	Shareholding at the beginning of the year as on 01/04/2019		Change in Shareholding		Shareholding at the end of the year as on 31/03/2020	
		No. of Shares	% of total shares of the Company	Increase	Decrease	No. of Shares	% of total shares of the Company
1.	Vinita Surana, CFO	3687316	2.72	4001	-	3691317	2.72
2.	Srinivas Dudam, Company Secretary	-	-	-	-	-	-

**V. INDEBTEDNESS:**

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount (A)	2,486.60	50.00	-	2536.60
ii) Interest due but not paid	16.19	-	-	16.19
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>2,502.79</b>	<b>50.00</b>	<b>-</b>	<b>2552.79</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	893.45	-	-	893.45
Reduction	-	50.00	-	50.00
<b>Net Increase/(Decrease) (B)</b>	<b>893.45</b>	<b>(50.00)</b>		<b>843.45</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount (C= A+B)	3,380.05	-	-	3380.05
ii) Interest due but not paid	24.22	-	-	24.22
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>3,404.27</b>	<b>-</b>	<b>-</b>	<b>3,404.27</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, Managing Director	Baunakar Sekharnath, Whole Time Director	Total Amount (₹)
1.	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	84,00,000	-	<b>84,00,000</b>
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-	-
2.	Stock Options	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - Others, specify....			
5.	Others, please specify	-	-	-
	<b>Total (A)</b>	<b>84,00,000</b>	<b>-</b>	<b>84,00,000</b>

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

Sl. No.	Particulars of remuneration	Name of Director					Total Amount (₹)	
		Mayank Sanghani	Dr. R.N. Sreenath	D. Venkata Subbiah*	Nirmal Kumar Jain**	Sandeep Jain***		Sanjana Jain
1.	Sitting Fee for attending Board/ Committee Meetings	15,000	27,000	15,000	15,000	6,000	9,000	87,000
2.	Commission	-	-	-	-	-	-	-
3.	Others, please specify.	-	-	-	-	-	-	-
<b>Total (B)(1)</b>		<b>15,000</b>	<b>27,000</b>	<b>15,000</b>	<b>15,000</b>	<b>6,000</b>	<b>9,000</b>	<b>87,000</b>

\* Retired from the Board w.e.f. 21.09.2019

\*\* Retired from the Board w.e.f. 21.09.2019

\*\*\* Resigned from the Board w.e.f. 20.06.2019

**2. Other Non-Executive Directors: NIL****C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD:**

Sl. No.	Particulars of Remuneration	Srinivas Dudam, Company Secretary	Vinita Surana, Chief Financial Officer*	Total Amount
1.	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	12,12,000	29,40,000	41,52,000
	(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>12,12,000</b>	<b>29,40,000</b>	<b>41,52,000</b>

\* Appointed as CFO w.e.f. 08.04.2019

**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					

For and on behalf of the Board of Directors

Place: Secunderabad  
Date: 08.08.2020NARENDER SURANA  
MANAGING DIRECTOR  
(DIN-00075086)DEVENDRA SURANA  
DIRECTOR  
(DIN-00077296)

**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, 2020**

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

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

1. Based on my 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 me and explanations furnished and representations made to me by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has during the audit period covering the Financial Year ended on 31<sup>st</sup> March, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.
2. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2020 ("Audit Period") according to the provisions of:
  - i) The Companies Act, 2013 (the Act) and the rules made there-under;
  - ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there-under;
  - iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there-under;
  - iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there-under to the Extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
  - v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
    - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; Not applicable during the audit period.
    - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; Not applicable during the audit period.
    - (e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; Not applicable during the audit period
    - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not applicable during the audit period
    - (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
    - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not applicable during the audit period
    - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not applicable during the audit period
  - vi) The Company's main business is into trading of Solar Modules and generation of solar and wind energy. Accordingly, the industry specific major law that is applicable to the Company is The Electricity Act, 2003.

- vii) I have also examined compliance with the applicable clauses of the following:
- (a) The Listing Agreement entered into by the Company with the Stock Exchanges and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
  - (b) Secretarial Standards issued by the Institute of Company Secretaries of India in respect of Board and General Meetings of the Company.

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

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

Place: Hyderabad  
Date: 29.07.2020

**Rakhi Agarwal**  
**Company Secretary in Practice**  
**FCS No.7047**  
**CP No.6270**  
**UDIN: F007047B000522001**

**Secretarial Compliance Report of Surana Telecom and Power Limited  
for the year ended 31<sup>st</sup> March, 2020**

*(Pursuant to SEBI - CIR/CFD/CMD/1127/2019, Dated 8<sup>th</sup> February, 2019)*

I, Rakhi Agarwal, Practicing Company Secretary, (FCS No.7047, Certificate of Practice No. 6270) have examined:

- (a) all the documents and records made available to us and explanation provided by M/s Surana Telecom and Power Limited ("the listed entity"),
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the year ended 31<sup>st</sup> March, 2020 ("Review Period") in respect of compliance with the provisions of:

- (a) The Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- (b) The Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the Company as there was no reportable event during the audit period)**
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company as there was no reportable event during the audit period)**
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the Company as there was no reportable event during the audit period)**
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company as there was no reportable event during the audit period)**
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; **(Not applicable to the Company as there was no reportable event during the audit period)**
- (h) Securities and Exchange Board of India (Prohibition of insider Trading) Regulations, 2015;
- (i) Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018;

and circulars/ guidelines issued thereunder;

and based on the above examination, I hereby report that, during the Review period:

- (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

Sr.No	Compliance Requirement (Regulations/circulars/ guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
		None	

- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my/our examination of those records.

- (c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (*including under the Standard Operating Procedures issued by SEBI through various circulars*) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr.No	Action taken by	Details of Violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ Remarks of the Practicing Company Secretary, if any
None				

- (d) The listed entity has taken the following actions to comply with the observations made in previous reports – **Not applicable as no observations were made in the previous report.**

Date: 14.05.2020  
Place: Hyderabad

**Rakhi Agarwal**  
**Practicing Company Secretary**  
FCS No.:7047  
CP No.: 6270  
UDIN: F007047B000237453

## REPORT ON CORPORATE GOVERNANCE

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

Commitment to good corporate governance practices serves as the foundation for long term success of Surana Telecom and Power Limited ('STPL' or 'the Company'). STPL views corporate governance more as way of business life than a mere legal obligation. Corporate Governance has been the hallmark of the Company's identity long before the term became a part of the corporate lexicon. Integrity, transparency, fairness, accountability and compliance with the law are embedded in the Company's business practices, ensuring ethical and responsible leadership at the Board as well as at the Management level. Your Company strongly believes that the solid Corporate Governance practices, which have evolved from the dynamic culture and positive thought processes, have been key enablers in infusing stakeholders' trust and confidence, attracting and retaining financial and human capital, and in meeting societal aspirations. The Company has rigorously abided by the core principles of Corporate Governance, which have been the bedrock of its two-fold governance, with the Board of Directors and the Committees of the Board at the apex level and the management structure at the operational level. The Board and its Committees guide, support and complement the management team, which in turn assumes accountability and endeavours to achieve the set objectives and enhances stakeholder value.

### 2. BOARD OF DIRECTORS:

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

The Board of Directors is entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company and has been vested with requisite powers, authorities and duties.

In terms of compliance with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, "SEBI Listing Regulations", the Company endeavor 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 March 31, 2020, the Board of Directors ("Board") comprises of Six Directors, out of which four (4) are Non-Executive Directors and two (2) are Executive Directors. The Company has three (3) Independent Directors who makes half of the total strength of the Board. The composition and category of the Board of Directors is as follows:

Sl. No	Name of Director	Designation	Category
1.	Shri. Narender Surana	Managing Director	Executive Director (Promoter)
2.	Shri. Devendra Surana	Director	Non-executive Director (Promoter)
3.	Dr. R. N. Sreenath	Director	Independent Non- Executive Director
4.	Shri. Mayank Sanghani	Director	Independent Non- Executive Director
5.	Smt. Sanjana Jain	Director	Independent Non- Executive Director
6.	Shri. Baunakar Shekarnath	Whole Time Director	Executive Director

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

The particulars of attendance of Board Meetings and Annual General Meeting by Directors for the financial year ended 31.03.2020 has been set out here below:

Sl. No	Name of Director	No. of Board Meetings		Attendance at last AGM on 21.09.2019
		Held	Attended	
1.	Shri. Narender Surana	6	6	Present
2.	Shri. Devendra Surana	6	6	Present
3.	Ms. Vinita Surana*	6	2	N/A
4.	Dr R. N. Sreenath	6	5	Present
5.	Shri. D. Venkata Subbaiah**	6	3	Present
6.	Shri. Nirmal Kumar Jain***	6	3	Present
7.	Shri. Sandeep Jain#	6	2	Absent
8.	Shri. Baunakar Shekarnath	6	6	Present
9.	Shri. Mayank Sanghani##	6	3	N/A
10.	Smt. Sanjana Jain###	6	2	Present

\*Resigned from the Board w.e.f. 20.07.2019

\*\*Retired from the Board w.e.f. 21.09.2019

\*\*\*Retired from the Board w.e.f. 21.09.2019

#Resigned from the Board w.e.f. 20.06.2019

##Appointed to the Board w.e.f. 21.09.2019

###Appointed to the Board w.e.f. 07.08.2019

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

Sl. No.	Name of the Director	Directorship in other listed entities (category of directorship)	Other Directorships*	Other Committee Membership	Other Committee Chairmanship
1.	Shri. Narender Surana	1. Bhagyanagar India Limited (Managing Director) 2. Surana Solar Limited (Non-Independent, Non-Executive) 3. Bhagyanagar Properties Limited (Non-Independent, Non-Executive)	16	4	-
2.	Shri. Devendra Surana	1. Bhagyanagar India Limited (Managing Director) 2. Surana Solar Limited (Non-Independent, Non-Executive) 3. Bhagyanagar Properties Limited (Whole-time Director)	17	4	-
3.	Dr. R.N. Sreenath	1. Surana Solar Limited (Independent, Non-Executive) 2. Bhagyanagar Properties Limited (Independent, Non-Executive)	5	2	1
4.	Shri. Mayank Sanghani	Nil	1	-	-
5.	Smt. Sanjana Jain	Bhagyanagar Properties Limited (Independent Director)	1	1	-
6.	Shri. Baunakar Shekarnath	Nil	1	-	-

\* includes Private Companies.

None of the Directors on the Board is a member of more than ten Committees or Chairman of more than five Committees across all the companies in which they are Directors. Chairmanships / Memberships of Committees include only Audit and Stakeholders' Relationship Committee as covered under Regulation 26 of the SEBI Listing Regulations, 2015, as per the disclosures made by the Directors.

**d) Number of Board Meetings held during the year and their respective dates:**

In terms of compliance with the requirement of Regulation 17(2) of SEBI (LODR) Regulations, 2015, Six(6) Meetings of the Board were held during the financial year ended 31.03.2020, as against the minimum requirement of four (4) meetings. The maximum time gap between any of two consecutive meetings did not exceed One Hundred and Twenty (120) days.

The dates on which the Board meetings were held are:

08.04.2019	23.05.2019	07.08.2019	21.09.2019	09.11.2019	08.02.2020
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**e) Disclosure of relationship between directors inter-se:**

Shri. Narender Surana, Managing Director and Shri. Devendra Surana, Non-Executive Director, of the Company are brothers. Except Shri. Narender Surana and Shri. Devendra Surana none of the Directors are related to any other Director.

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

The number of equity shares of the Company held by the non-executive directors, as on 31.03.2020 are as follows:

Sl. No.	Name of the Director	No of Equity Shares
1.	Shri. Devendra Surana	2,06,39,453
2.	Dr. R. N. Sreenath	Nil
3.	Shri. Mayank Sanghani	29,132
4.	Smt. Sanjana Jain	Nil



**g) Familiarization Programmes imparted to Independent Directors:**

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. During the year 2019-20, periodic presentations are made at the Board Meetings on business and performance, long term strategy, initiatives and risks involved. Independent Directors have been taken through various aspects of Business and operations. The framework on familiarisation programme has been posted in the website of the Company. The details of familiarization program is available on the website: <http://www.suranatele.com/codes-and-policies.html>

**h) Chart / matrix setting out the skills/expertise/competence of the Board of Directors:**

The Board comprises of qualified members who possess required skills, expertise and competencies that allow them to make effective contributions to the Board and its Committees. The following skills / expertise / competencies have been identified for the effective functioning of the Company and are currently available with the Board:

- Leadership / Operational experience.
- Strategic Planning.
- Industry Experience, Research & Development and Innovation.
- Financial, Regulatory / Legal & Risk Management.
- Corporate Governance.

Sl. No	Name of the Director	Skill/Expertise/Competency of the Director
1.	Shri. Narender Surana	Leadership / Operational experience.
		Industry Experience, Research & Development and Innovation.
		Financial, Regulatory / Legal & Risk Management.
		Strategic Planning.
2.	Shri. Devendra Surana	Leadership / Operational experience.
		Strategic Planning.
		Industry Experience, Research & Development and Innovation.
		Financial, Regulatory / Legal & Risk Management.
		Corporate Governance.
3.	Shri. Mayank Sanghani	Financial, Regulatory / Legal & Risk Management.
		Corporate Governance.
4.	Dr. R.N. Sreenath	Leadership / Operational experience.
		Industry Experience, Research & Development and Innovation.
5.	Smt. Sanjana Jain	Financial, Regulatory / Legal & Risk Management.
		Corporate Governance.
6.	Shri. Baunakar Shekarnath	Leadership / Operational experience.
		Industry Experience, Research & Development and Innovation.

**i) Confirmation from the Board:**

The Board of Directors be and hereby confirm that in the opinion of the Board, the Independent Directors fulfill the conditions specified by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and they are independent of the management.

**j)** During the financial year ended 31<sup>st</sup> March, 2020, Shri Sandeep Jain, Independent Director of the Company has resigned from the Directorship before the expiry of term of appointment, due to his pre-occupation and various other commitments. Further pursuant to Clause 7B of Para-A of Part-A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 he has confirmed that there are no other material reasons for his resignation other than the said reasons.

**BOARD COMMITTEES:**

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

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

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

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

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

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

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

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

During the period under review, the Audit Committee was re-constituted with appointment of Shri. Mayank Sanghani, Independent Director as Chairman and Smt. Sanjana Jain, Independent Director, as member of the Committee. Shri. Nirmal Kumar Jain and Shri. D. Venkata Subbaiah retired as Directors of the Company w.e.f. 21.09.2019 and hence ceased to be the Chairman and Member of the Committee respectively.

As on March 31, 2020, the Audit Committee of the Board comprises of three (3) Independent Directors and one (1) Executive Director. The Chairman of the Audit Committee is an Independent Director. The composition of the Committee is in compliance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Sl. No.	Name of Director	Designation
1.	Shri. Mayank Sanghani*	Chairman (Independent Director)
2.	Smt. Sanjana Jain**	Member (Independent Director)
3.	Dr. R.N. Sreenath	Member (Independent Director)
4.	Shri. Narender Surana	Member (Executive Director)

\* Appointed to the Board w.e.f. 21.09.2019

\*\* Appointed to the Board w.e.f. 07.08.2019

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

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

- During the financial year ended March 31, 2020, four (4) Audit Committee meetings were held on:

23.05.2019	07.08.2019	09.11.2019	08.02.2020
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- All the recommendations made by the Audit Committee were accepted by the Board unanimously.

- Attendance at the Audit Committee Meeting:**

Sl. No.	Name of the Director	Number of Meetings	
		Held	Attended
1.	Shri. Nirmal Kumar Jain *	4	2
2.	Shri. D. Venkata Subbaiah **	4	2
3.	Dr. R.N. Sreenath	4	4
4.	Shri. Narender Surana	4	4
5.	Shri. Mayank Sanghani #	4	2
6.	Smt. Sanjana Jain ##	4	1

\*Retired from the Board w.e.f. 21.09.2019

\*\*Retired from the Board w.e.f.21.09.2019

# Appointed to the Board w.e.f. 21.09.2019

## Appointed to the Board w.e.f. 07.08.2019

The Director, Head of Accounts & Finance, CFO, 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 (Shri. Nirmal Kumar Jain, who resigned from the board w.e.f. 21.09.2019) has attended the 30<sup>th</sup> Annual General Meeting to answer the queries raised by the Shareholders regarding Audit and Accounts.

#### 4. NOMINATION & REMUNERATION COMMITTEE:

**a. Brief description of terms of reference**

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

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

The Nomination and Remuneration Committee was re-constituted by the Board during the financial year with inclusion of Shri Mayank Sanghani as member of the committee, Shri D Venkata Subbiah retired as a director of the company w.e.f. 21.09.2019 and hence ceased to be a member. The committee has three (3) Independent Directors. The following is the composition of the Committee.

Sl. No.	Name of Director	Designation
1.	Dr. R.N. Sreenath	Chairman (Independent Director)
2.	Shri. Mayank Sanghani*	Member (Independent Director)
3.	Smt. Sanjana Jain**	Member (Independent Director)

\* Appointed to the Board w.e.f. 21.09.2019

\*\* Appointed to the Board w.e.f. 07.08.2019

- The Company Secretary acts as the Secretary of the Committee.
- The minutes of the meetings of the Nomination and Remuneration Committee are circulated to all the members of the Board.
- The Chairman of the Committee, (Shri. Nirmal Kumar Jain, who resigned from the board w.e.f. 21.09.2019) was present at the last Annual General Meeting.

**c. Meetings and Attendance during the year:**

During the period from 1<sup>st</sup> April, 2019 to 31<sup>st</sup> March, 2020, Nomination and Remuneration Committee Meetings were held on 07.08.2019 and 09.11.2019.

- Attendance at the Nomination and Remuneration Committee Meetings:

Sl. No.	Name of the Director	Number of Meetings	
		Held	Attended
1.	Shri. Nirmal Kumar Jain*	2	1
2.	Dr. R.N Sreenath	2	2
3.	Shri. D. Venkata Subbaiah**	2	1
4.	Shri. Mayank Sanghani#	2	1
5.	Smt. Sanjana Jain##	2	1

\* Retired from the Board w.e.f.21.09.2019

\*\*Retired from the Board w.e.f.21.09.2019

# Appointed to the Board w.e.f. 21.09.2019

## Appointed to the Board w.e.f. 07.08.2019

**d. Performance evaluation of Directors.**

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

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

**e. Nomination and Remuneration policy**

- In compliance with the requirements of Section 178 of the Companies Act, 2013, Rules framed thereunder and pursuant to the provisions of Regulation 19(4) of the Listing Regulations, the Board of Directors of the Company has formulated a Nomination and Remuneration Policy for the Directors, Key Managerial Personnel, Functional Heads and other employees of the Company. The Policy provides for criteria and qualifications for appointment of Director, Key Managerial Personnel (KMPs) and remuneration to them, Board diversity etc. The said policy is available on the Company's website: <http://www.suranatele.com/codes-and-policies.html>
- The Non-executive directors are paid sitting fees for attending meetings of Board/ Committee.

**5. INDEPENDENT DIRECTORS' MEETING:**

A separate meeting of the Independent Directors was held on 8<sup>th</sup> February, 2020 under the Chairmanship of Dr. R.N.Sreenath, Independent Director, inter alia, to discuss evaluation of the performance of Non-independent Directors, the Board as a whole, evaluation of the performance of the Chairman, taking into account the views of the Executive and Non-executive Directors and the evaluation of the quality, content and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

The Independent Directors expressed satisfaction with the overall performance of the Directors and the Board as a whole.

**6. REMUNERATION OF DIRECTORS:**

**(a) Details of remuneration paid to Non-Executive Directors:**

- There were no pecuniary transactions with any Non-executive Director of the Company;
- The criteria for making payment to Non-executive Directors is available on the website of the Company i.e., [www.suranatele.com](http://www.suranatele.com);
- Non-executive Directors are paid sitting fees.

Following are the details of Sitting Fees paid to the Non-Executive Directors during the Financial Year ended 31<sup>st</sup> March, 2020:

Sl. No.	Name of Director	Sitting Fees paid (₹)
1.	Dr. R.N. Sreenath	27,000
2.	Shri. D.Venkata Subbaiah *	15,000
3.	Shri. Nirmal Kumar Jain **	15,000
4.	Shri. Sandeep Jain ***	6,000
5.	Shri. Mayank Sanghani #	15,000
6.	Smt. Sanjana Jain ##	9,000
<b>Total</b>		<b>87,000</b>

\* Retired from the Board w.e.f. 21.09.2019

\*\* Retired from the Board w.e.f. 21.09.2019

\*\*\* Resigned from the Board w.e.f. 20.06.2019

# Appointed to the Board w.e.f. 21.09.2019

## Appointed to the Board w.e.f. 07.08.2019

**(b) Details of Remuneration paid to Executive Directors:**

The remuneration paid to the Managing Director / Whole-time Director during the financial year are as follows:

(Amount in ₹)

Name of Director	Designation	Salary	H R A	Total
Shri Narender Surana	Managing Director	55,99,980	28,00,020	84,00,000
Shri Baunakar Shekarnath	Whole-time Director	0	0	0
<b>Total</b>		<b>55,99,980</b>	<b>28,00,020</b>	<b>84,00,000</b>

There were no severance fees and stock option plan. The appointment of the Managing Director /Whole-time Director is on the basis of the terms and conditions laid down in the respective resolutions passed by the members in the General Meetings.

**7. STAKEHOLDERS RELATIONSHIP COMMITTEE:**

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

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

**(b) Composition:**

Sl. No.	Name of Director	Designation
1.	Shri. Mayank Sanghani*	Chairman (Independent Director)
2.	Shri. Narender Surana	Member (Executive Director)
3.	Shri. Devendra Surana	Member (Non-Executive Director)

\* Appointed as director w.e.f. 21.09.2019

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

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

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

During the year ended 31<sup>st</sup> March, 2020, the Company has received and resolved 3 complaints.

**(e) Number of complaints not resolved to the satisfaction of shareholders is Nil.**

**(f) There were no pending complaints as at the year end.**

## 8. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

As per the requirement of Section 135 and Schedule VII of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, every Company which either has a net worth of ₹ 500 Crore or a turnover of ₹ 1,000 Crore or net profit of ₹ 5 Crore during the immediately preceding financial year, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on Corporate Social Responsibility activities by formulating a Corporate social Responsibility (CSR) Committee. The Company reached the threshold limit as per the audited financial statements for the financial year ended 2018-19 and accordingly has constituted a Committee and formulated a Policy on Corporate Social Responsibility (CSR).

### (a) Brief description of terms of reference:

The terms of reference of Corporate Social Responsibility (CSR) Committee are as follows:

- To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Companies Act, 2013;
- To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the company;
- To monitor the CSR policy of the Company from time to time;
- Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

The Board has adopted the CSR Policy as formulated and recommended by the Committee. The same is displayed on the website of the Company at <http://www.suranatele.com/codes-and-policies.html>

### (b) Meetings held:

During the year under review, two (2) meetings were held on 7<sup>th</sup> August, 2019 and 8<sup>th</sup> February, 2020.

#### Composition and Attendance during the year:

During the period under review, the CSR Committee was constituted with Shri Narender Surana (Executive Director) as Chairman, Shri Devendra Surana (Non-Executive Director) and Dr. R.N. Sreenath (Independent Director) as member on 07.08.2019.

Sl. No.	Name of the Director	Designation	Number of Meetings	
			Held	Attended
1.	Shri. Narender Surana	Chairman	2	2
2.	Shri. Devendra Surana	Member	2	2
3.	Dr. R.N. Sreenath	Member	2	2

## 9. GENERAL BODY MEETINGS:

### (i) Venue and Time, where last three Annual General Meetings held:

Year	Venue	Date	Time
30 <sup>th</sup> AGM (2018-19)	Hotel Parklane, 115, Parklane, Secunderabad – 500003	21 <sup>st</sup> September, 2019	03.00 PM
29 <sup>th</sup> AGM (2017-18)	The Grand Solitaire Hotel, 1-240,41 & 43, SD Road, Parklane, Secunderabad – 500003	24 <sup>th</sup> September, 2018	03.30 PM
28 <sup>th</sup> AGM (2016-17)	The Grand Solitaire Hotel, 1-240,41 & 43, SD Road, Parklane, Secunderabad – 500003	26 <sup>th</sup> September, 2017	12.00 Noon

### (ii) Whether any Special Resolutions passed in the previous three (3) Annual General Meetings:

**2018-19:** In the AGM held on 21<sup>st</sup> September, 2019, the Company has passed the following Special Resolutions:

- (i) Re-appointment of Shri. Narender Surana as Managing Director of the Company;
- (ii) Re-appointment of Dr. R.N. Sreenath as an Independent Director of the Company;
- (iii) To raise funds through issue of shares/convertible securities/ADR/GDR/FCCBs/ECBs etc.

**2017-18:** In the AGM held on 24<sup>th</sup> September, 2018, the Company has passed the following Special Resolutions:

- (i) Appointment of Shri. D.Venkata Subbaiah as Non-Executive Independent Director;

- (ii) Appointment of Dr. R.N. Sreenath as Non-Executive Independent Director of the Company;
- (iii) Ratify the remuneration of Ms.Vinita Surana, whole-time director of the Company;
- (iv) Approve the overall limits u/s 186 for loans/guarantees/securities/investments by the Company;
- (v) Authorisation to raise funds through issue of Convertible Securities /GDRs/ADRs /FCCBs/ECBs etc.

**2016-17:** In the AGM held on 26<sup>th</sup> September, 2017, the Company has passed the following Special Resolutions:

- (i) Appointment of Shri. Baunakar Shekarnath as Whole Time Director of the Company;
- (ii) Authorisation to raise funds through issue of Convertible Securities /GDRs/ADRs /FCCBs/ECBs etc.

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

No Special Resolution was passed through Postal Ballot during the financial year 2019-20.

**iv) Whether any Special resolution is proposed to be conducted through postal ballot:** No

**10. MEANS OF COMMUNICATION:**

**(a) Quarterly Financial Results:**

The quarterly financial results of the Company are published in accordance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in newspapers namely Business Standard/Financial Express (English daily) and Nava Telangana (Telugu daily).

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

The financial results of the Company are published in newspapers namely Business Standard/Financial Express (English daily) and Nava Telangana (Telugu daily).

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

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

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

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

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

There are no presentations made to the investors/ analysts.

**(f) 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.

**11. GENERAL SHAREHOLDER INFORMATION:**

<b>Annual General Meeting</b>	Wednesday, 30 <sup>th</sup> September, 2020 at 11.30 a.m. through Video Conferencing / Other Audio Visual Means as set out in the Notice convening the Annual General Meeting
<b>Financial Calendar</b>	1 <sup>st</sup> April to 31 <sup>st</sup> March.
<b>Date of Book Closure</b>	25.09.2020 to 30.09.2020 (both days inclusive)
<b>Dividend Payment Date</b>	N.A.
<b>Listing on Stock Exchanges</b>	<b>BSE Ltd.</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 <b>National Stock Exchange of India Limited</b> Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051
<b>Scrip/Stock Code</b>	517530 on BSE SURANAT&P on NSE
<b>ISIN Number for NSDL &amp; CDSL</b>	INE130B01031

The Listing fee for the year 2020-21 has been paid to the above stock exchanges.

**(a) MARKET PRICE DATA:**

Month	NSE		BSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
Apr-2019	4.45	4.05	4.48	4.02
May-2019	5.30	3.80	5.15	3.80
Jun-2019	4.35	3.15	4.40	3.42
Jul-2019	5.80	3.20	5.73	3.50
Aug-2019	4.45	3.35	4.29	3.50
Sep-2019	4.35	3.10	4.15	3.01
Oct-2019	3.80	3.10	3.69	3.18
Nov-2019	4.00	3.00	3.78	3.10
Dec-2019	4.00	3.05	3.84	3.11
Jan-2020	4.80	3.25	4.96	3.35
Feb-2020	4.55	3.15	4.50	3.37
Mar-2020	4.00	1.95	4.24	2.31

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

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

	1 <sup>st</sup> April, 2019	31 <sup>st</sup> March, 2020	% Change
Company Share Price (closing)	4.20	2.50	-40.47
SENSEX (closing)	38,871.87	29,468.49	-24.19

(c) There was no suspension of trading in Securities of the Company during the year under review.

**(d) Registrar to an Issue & Share Transfer Agent:**

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

**KFin Technologies Private Limited**

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

Tel No.040-67162222 / 040-79611000

E-mail: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)/ [nageswara.raop@kfintech.com](mailto:nageswara.raop@kfintech.com)

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

**(e) Share Transfer System**

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended, securities can be transferred only in dematerialized form w.e.f. April 1, 2019, except in case of request received for transmission or transposition of securities. Members/Shareholders holding equity shares in physical form are urged to have their shares dematerialized so as to be able to freely transfer them and participate in various corporate actions.

(f) Shareholding Pattern as on 31<sup>st</sup> March, 2020:

Sl. No.	Category	No. of. Shares	% Holding
1.	Promoters	9,13,33,254	67.27
2.	Resident Individuals	2,86,41,497	21.09
3.	Promoters Bodies Corporate	104,85,987	7.72
4.	I E P F	23,18,061	1.70
5.	Bodies Corporate	8,84,249	0.65
6.	Non Resident Indians	6,40,511	0.47
7.	Non Resident Indian Non Repatriable	1,78,495	0.13
8.	Mutual Funds	48,666	0.03
9.	Clearing Members	17,209	0.01
10.	Indian Financial Institutions	6,33,475	0.47
11.	HUF	5,55,266	0.41
12.	Banks	22,960	0.01
13.	Trusts	333	0.00
<b>Total</b>		<b>13,57,59,963</b>	<b>100.00</b>

(g) Distribution of shareholding as on 31<sup>st</sup> March, 2020:

Shareholding of nominal value of	No. of Shareholders	No. of Shares	% of total shares
1 - 5000	15,164	1,20,34,739	8.86
5001 - 10000	357	27,59,364	2.03
10001 - 20000	159	23,40,968	1.72
20001 - 30000	53	13,04,411	0.96
30001 - 40000	18	6,20,030	0.46
40001 - 50000	16	7,58,897	0.56
500001 - 100000	22	14,54,644	1.07
100001 & Above	46	11,44,86,910	84.33
<b>Total</b>	<b>15,835</b>	<b>13,57,59,963</b>	<b>100.00</b>

## (h) Dematerialization of Shares &amp; Liquidity

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

13,30,72,056 equity shares representing 98.02% of the total paid up equity share capital of the Company are held in dematerialized as on 31.03.2020.

(i) There are no outstanding Global Depository Receipts/ American Depository Receipts or Warrants or any convertible instruments as on the date of 31.03.2020.

## (j) Commodity price risk or foreign exchange risk and hedging activities:

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

## (k) Plant Locations:

<b>Solar Power Project:</b> Gujarat Solar Park, Charanka Village, Santalpur Taluk, Patan District, Gujarat.	<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	

## (I) 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>KFin Technologies Private Limited</b> KFinTech, Tower – B, Plot No 31 & 32, Selenium Building, Financial District, Nanakramguda, Gachibowli, Hyderabad – 500 032 Tel No.040-67162222 / 040-79611000 E-mail : <a href="mailto:einward.ris@kfintech.com">einward.ris@kfintech.com</a> / <a href="mailto:nageswara.raop@kfintech.com">nageswara.raop@kfintech.com</a> Website : <a href="http://www.kfintech.com">www.kfintech.com</a>
2.	Investor Correspondence / Queries on Annual Report, Revalidation of Dividend Warrants, Sub-Division, etc.	<b>Company Secretary</b> Surana Telecom and Power Limited 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_stl@surana.com">Investorservices_stl@surana.com</a> Website: <a href="http://www.suranatele.com">www.suranatele.com</a>

## (m) Credit ratings obtained by the Company during financial year 2019-20:

Name of the instrument	Rating
Fund-based - LT-Term Loan/Cash Credit/Line of Credit	BWR BBB- Stable
Non-fund-based – LT/ST Letter of Credit/Bank Guarantee	BWR A3

## 12. OTHER DISCLOSURES:

## (a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large:

During the financial year ended 31<sup>st</sup> March, 2020, there were no materially significant related party transactions, which had potential conflict with the interests of the Company at large. The transactions with related parties are disclosed in the Notes to financial statements.

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

None.

## (c) Details of establishment of Vigil Mechanism, Whistle Blower Policy, and affirmation that no personnel has been denied access to the audit committee:

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated Whistle Blower Policy for Vigil Mechanism for Directors and employees to report to the management about the unethical behavior, fraud or violation of Company's Code of Conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee. The policy is available on the Company website, [www.suranatele.com](http://www.suranatele.com). During the financial year under review, no Complaint has been received.

## (d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

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

## (e) Web link where Policy for determining 'material' subsidiaries is disclosed:

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

## (f) Web link where Policy on dealing with related party transactions:

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

## (g) Disclosure of commodity price risks and commodity hedging activities: Not applicable

**(h) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):**

The Company has not raised any funds through preferential allotment or qualified institutions placement during the Financial Year ended 31<sup>st</sup> March, 2020.

**(i) Certificate from Practicing Company Secretary:**

The Company has received a certificate from Mrs. Rakhi Agarwal, Practising Company Secretary, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/ Ministry of Corporate Affairs or any such statutory authority.

**(j) Instances of not accepting any recommendation of the Committee by the Board:**

There is no such instance where Board had not accepted any recommendation of any committee of the Board which is mandatorily required, in the relevant financial year.

**(k) Fees to the Statutory Auditors of the Company:**

Details of total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to M/s Luharuka & Associates, Chartered Accountants, Statutory Auditors and all entities in the network firm/network entity of which the Statutory Auditor is a part, during the financial year are as under:

Particulars	Amount (₹)
Fees paid for Statutory Audit for the FY 2019-20	70,000
Fee for other services including reimbursement of expenses	89,000

**(l) Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

Sl. No.	Particulars	No. of complaints
1	Number of complaints on Sexual harassment received during the year	Nil
2	Number of Complaints disposed off during the year	Not applicable
3	Number of cases pending as on end of the financial year	Not applicable

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

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

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

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

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

**16. Code of Conduct:**

The Board has laid down a Code of Conduct ('the Code') covering the ethical requirements to be complied with covering all the Board members and Senior Management Personnel. An affirmation of compliance with the code is taken from them on an annual basis.

**17. CEO and CFO Certification:**

In line with the requirements of Schedule-V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Shri. Narender Surana, Managing Director, Shri Devendra Surana, Director, Ms Vinita Surana, Chief Financial Officer have submitted a certificate to the Board, which is annexed separately, certifying inter-alia, that the Financial Statements and the Cash Flow Statement for the year ended March 31, 2020, were reviewed to the best of their knowledge and belief, and that they do not contain any material untrue statement, do not omit any material facts, are not misleading, 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.

**18. Disclosure with respect to Demat Suspense Account/ Unclaimed Suspense Account:**

As per Schedule V of Part F of the Listing Regulations, the Company reports that during the year under review, there are no outstanding shares in the demat suspense account or unclaimed suspense account.

**19. 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, 2013 and thereafter, which remain unclaimed for a period of seven (7) 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:

Financial Year	Date of Declaration	Due date for transfer	Unclaimed Dividend * (Amount in ₹)
2012-13	27.09.2013	27.10.2020	4,45,818
2013-14	22.09.2014	22.10.2021	4,63,560
2014-15	30.09.2015	30.10.2022	4,59,306
<b>TOTAL</b>			<b>13,68,684.00</b>

\* As on 31<sup>st</sup> March, 2020

The members are advised to send all the un-encashed 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.

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

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

**22. Transfer of Shares to Investor Education and Protection Fund:**

As per the provisions of Section 124 of the Companies Act, 2013, shares of the shareholders, who has not claimed dividends for a continuous period of seven (7) years, will be transferred to Investor Education and Protection Fund Authority account. Accordingly, the Company has transferred **210349** equity shares to Investor Education and Protection Fund during the financial year ended 31<sup>st</sup> March, 2020.

**23. 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 Company Secretary 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, Senior Management and others concerned. The compliance of the same has been affirmed by them.



## **DECLARATION OF COMPLIANCE OF CODE OF CONDUCT**

As provided under Schedule-V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors and the Senior Management Personnels have confirmed compliance with the Code of Conduct and Ethics for the financial year ended March 31, 2020.

For **Surana Telecom and Power Limited**

Place: Secunderabad  
Date: 08.08.2020

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

## **CEO AND CFO CERTIFICATION**

We hereby certify that:

- a. we have reviewed financial statements and the cash flow statement for the Financial Year ended 31<sup>st</sup> March, 2020 and that to the best of our knowledge and belief:
  - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief no transactions entered into by the Company during the year which are fraudulent, illegal or violate of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the Auditors and the Audit Committee that there are no:
  - (i) significant changes in internal control over financial reporting during the year;
  - (ii) significant changes in accounting policies during the year requiring disclosure in the notes to the financial statements; and
  - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the company's internal control system over financial reporting.

For **Surana Telecom and Power Limited**

Place:Secunderabad  
Date:08.08.2020

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

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

**Vinita Surana**  
**Chief Financial Officer**

**CERTIFICATE BY A COMPANY SECRETARY IN PRACTICE**

[Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To

The Members of

**Surana Telecom and Power Limited,**

5<sup>th</sup> Floor Surya Towers, Sardar Patel Road

Secunderabad- 500003.

I, Rakhi Agarwal, Practicing Company Secretary, have examined the Company and Registrar of Companies records, Books and Papers of Surana Telecom and Power Limited (CIN: L23209TG1989PLC010336) having its Registered Office at 5<sup>th</sup> Floor, Surya Towers, Sardar Patel Road, Secunderabad-500003 ("the Company") as required to be maintained under the Companies Act, 2013, SEBI Regulations, other applicable Rules and Regulations made thereunder for the financial year ended on 31<sup>st</sup> March, 2020.

In my opinion and to the best of information and according to the examinations carried out by me and explanations and representation furnished to me by the Company and its officers, I certify that none of the following Directors of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the SEBI/ Ministry of Corporate Affairs or any such Statutory Authority as on 31<sup>st</sup> March, 2020:

Sl. No	Name of Director	Designation	DIN No
1.	Shri. Narender Surana	Managing Director	00075086
2.	Shri. Devendra Surana	Non-Executive Director	00077296
3.	Shri. Mayank Sanghani#	Independent Director	02466567
4.	Dr. R. N. Sreenath	Independent Director	00124157
5.	Smt. Sanjana Jain##	Independent Director	08532420
6.	Shri Baunakar Shekarnath	Whole Time Director	03371339
7.	Shri D Venkata Subbiah*	Independent Director	00006618
8.	Shri Nirmal Kumar jain**	Independent Director	03184972

\*Retired from the office of the director w.e.f. 21.09.2019

\*\* Retired from the office of the director w.e.f. 21.09.2019

# Appointed as director of the company w.e.f. 21.09.2019

## Appointed as director of the company w.e.f. 07.08.2019

**Rakhi Agarwal**  
**Company Secretary in Practice**  
**FCS No.7047**  
**CP No.6270**  
**UDIN: F007047B000571479**

Place: Secunderabad

Date: 08.08.2020



**Independent Auditors' Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To

The Members of

**Surana Telecom and Power Limited,**

5<sup>th</sup> Floor Surya Towers, Sardar Patel Road,

Secunderabad- 500003.

1. The Corporate Governance Report prepared by Surana Telecom and Power Limited (hereinafter the "Company"), contains details as required by the provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable Criteria') with respect to Corporate Governance for the year ended 31<sup>st</sup> March, 2020. This report is required by the Company for annual submission to the Stock Exchange and to be sent to the Shareholders of the Company.

**MANAGEMENT'S RESPONSIBILITY:**

2. The preparation of the Corporate Governance Report is the responsibility of the management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The management along with the Board of Directors of the Company are also responsible for ensuring that the company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

**AUDITORS' RESPONSIBILITY:**

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion whether the Company has complied with the specific requirements of the Listing Regulations referred to in paragraph 3 above.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised) and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes (Revised) requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
6. We have complied with the relevant applicable requirements of the Standard on quality Control (SQC) 1, Quality Control for firms that perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Governance Report with the applicable criteria. The procedures include, but not limited to, verification of secretarial records and financial information of the Company and obtained necessary representations and declarations from directors including independent directors of the Company.
8. The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on attest basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

**OPINION:**

9. Based on the procedures performed by us as referred in paragraph 7 and 8 above and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended 31<sup>st</sup> March, 2020, referred to in paragraph 1 above.

**OTHER MATTERS AND RESTRICTION ON USE:**

10. This Certificate 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.

This Certificate is addressed to and provided to the members of the Company solely for the Purpose of enabling it to comply with its obligations under the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this Certificate for events and circumstances occurring after the date of this certificate.

**For M/s. Luharuka & Associates  
Chartered Accountants  
Firm Regn No. 01882S**

**Ramesh Chand Jain  
Partner  
M.No 023019  
UDIN: 20023019AAAACZ2984**

Date: 08.08.2020  
Place: Secunderabad

## INDEPENDENT AUDITORS' REPORT

**To**  
**The Members of**  
**M/S. Surana Telecom and Power Limited**

### Report on the Audit of Standalone Financial Statements

#### Opinion

We have audited the accompanying Standalone financial statements of **SURANA TELECOM AND POWER LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss including the statement of Other Comprehensive Income, the Cash Flow Statement and the statement of change in Equity for the year then ended and notes to the standalone financial statements, including the summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and total comprehensive income (comprising of profit and other comprehensive income) its cash flows and changes in equity for the year ended on that date.

#### Basis for Opinion

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

#### Emphasis of Matter

We draw attention to Note 40 of the standalone financial statements, as regards to the management evaluation of COVID – 19 impact on the future performance of the Company. Our opinion is not modified in respect of this matter.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our Audit of standalone Financial Statements of the current period these matters were addressed in the context of our Audit of the Standalone Financial Statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there is no key audit matters to communicate in our report

<b>Physical Inventory Verification</b>	<b>Principal Audit Procedures</b>
<p>The auditor's responsibility is to ascertain whether the management has satisfactory procedures for physical verification of inventories, so that in the normal circumstances the programme of physical verification will cover all material items of inventories at least once during the year.</p> <p>Due to COVID-19 pandemic and resulting countrywide shutdown, the programme of physical verification of inventories of stores and spares could not be completed.</p> <p>As per relevant Guidance Note, Auditors are advised to witness implementation of physical verification programme; however, due to the unfavourable circumstances our presence was not possible.</p>	<p>Our audit procedures included but are not limited to detailed written confirmations of inventories held by the stores in-charge of different locations.</p> <p>We have tested the effectiveness of controls present for inwards and issues for consumption. We have selected samples of current year purchases present in closing stock and have verified there Goods Receipt Notes and subsequent payments made by the company.</p> <p>We have employed analytical procedures such reconciliation of quantities of opening stock, purchases, consumption and closing stock; comparison of current year gross profit ratio with the gross profit ratio for the previous year; comparison of significant ratios relating to inventories with the similar ratios for other company in the same industry.</p>

We have determined that there are no other key audit matters to communicate in our report.

## Other Information

The company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the Standalone financial statements and our auditor's report thereon.

Our opinion on the Standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of management and those charged with the governance for the financial statements

The Company's Board of Directors is responsible for the matters stated 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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the companies (Indian Accounting Standards) Rule, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are also responsible for overseeing the company's financial reporting process.

## Auditors Responsibilities for the audit of Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone financial statements as a whole are free from material misstatement, whether due to fraud

or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

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

As required by section 143(3) of the Act, we further 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 purpose of our audit.
- b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c. The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity 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 Companies (Indian Accounting Standards) Rules, 2015, as amended;

- e. on the basis of written representations received from the directors as on March 31, 2020, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020, from being appointed as a director in terms of Section 164(2) of the Act;
- f. with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h. With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- I. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statement.
- II. The Company has made provision, as required under the applicable law or accounting standard, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
- III. During the year the Company has transfer the required amount to the Investor Education and Protection Fund and there is no delay in transferring of such sum.

**For Luharuka & Associates  
Chartered Accountants  
Firm Reg No:- 01882S**

**Rameshchand Jain  
(Partner)**

Place: Secunderabad  
Date: 23.06.2020

**Membership No.023019  
UDIN: 20023019AAAABP8127**

## Annexure A - to the Auditors' Report

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

We have audited the internal financial controls with reference to Standalone Financial Statements of **SURANA TELECOM AND POWER LIMITED** ("the Company") as of 31 March 2020 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

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

#### Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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

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

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

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

#### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls with reference to Standalone financial statements were operating effectively as at 31 March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Luharuka & Associates**  
Chartered Accountants  
Firm Reg No:- 01882S

**Rameshchand Jain**  
(Partner)

Place: Secunderabad  
Date: 23.06.2020

**Membership No.023019**  
**UDIN: 20023019AAAABP8127**

**‘Annexure- B’ referred to in Independent Auditors’ Report to the members of the Company on the financial statements for the year ended 31st March, 2020, we report that**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets ;
- (b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals. According to the information and explanation given us, no material discrepancies were noticed on such verification;
- (c) The title deeds of immovable properties are held in the name of the company. As explained to us, mutation of title deeds of properties which have been transferred to the company on account of scheme of arrangement between Bhagyanagar India Limited, Bhagyanagar Properties Limited and the company are yet to be completed. However, the High Court order mentions the transfer of the assets.

Category	No of Instances	Freehold/Leasehold	Gross Block	Net Block
Land	1	Freehold	80,65,191/-	80,64,191/-
Building	1	Freehold	3,08,694/-	2,75,792/-

- (ii) (a) The inventories have been physically verified at reasonable intervals by the management.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (iii) The company had granted loans to eight parties as covered in the register maintained under section 189 of the Companies Act, 2013.
- (a) In our opinion and according to the information and explanations given to us, the terms and conditions of the grant for such Loan are not prejudicial to the Company’s interest.
- (b) In respect of the aforesaid loans, the schedule of repayment of principle and interest has been stipulated, repayment of principal and interest has been regular as per the stipulation.
- (c) There are no overdue amounts in respect of the loan granted to a body corporate listed in the register maintained under section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) The Company has not accepted any deposits from the public.
- (vi) We have broadly reviewed the cost records maintained by the company prescribed by the Central Government of India under section 148(1) of the Act and are of the opinion that prima facie the prescribed accounts and records have been maintained. We have , however , not made a detailed examination of the cost records with a view to determine whether they are accurate or complete .
- (vii) (a) According to the information and explanations given to us and based on the records of the company examined by us, the company is generally regular in depositing the undisputed statutory dues, including Provident Fund, , Employees’ State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and other statutory dues, as applicable, with the appropriate authorities in India;
- (b) According to the information and explanations given to us and based on the records of the company examined by us, no undisputed amounts payable in respect of Provident Fund, Income Tax, Sales Tax, Wealth Tax and other material statutory dues for a period of more than six months from the date they become payable, except the following disputed statutory liabilities have not been deposited in view of pending Appeals, except as below:

Name of Statue	Nature of dues	(Amount involved in dispute /Amount not paid)	Period to which it relates	Forum where dispute is pending
Central Excise Act, 1944,	Excise Duty	22,74,049/-	2013	CESTAT Hyderabad III

- (viii) According to the records of the company examined by us and as per the information and explanations given to us, the company has not defaulted in repayment of loans from any financial institution or banks and has not issued debenture.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has provided for managerial remuneration in accordance with the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**For Luharuka & Associates**  
**Chartered Accountants**  
**Firm Reg No:- 01882S**

**Rameshchand Jain**  
**(Partner)**  
**Membership No.023019**  
**UDIN: 20023019AAAABP8127**

Place: Secunderabad  
Date : 23.06.2020

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2020**

(Amount in ₹)

Particulars	Note No.	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
<b>ASSETS</b>			
<b>1) Non Current Assets</b>			
a) Property, Plant and Equipment	5	498,876,082	532,519,658
b) Financial Assets			
Investments	6	293,698,809	298,617,850
Loans	7	524,263,324	385,675,918
		<b>1,316,838,215</b>	<b>1,216,813,426</b>
<b>2) Current Assets</b>			
a) Inventories	8	9,870,000	-
b) Financial assets			
Trade receivables	9	24,632,357	23,991,308
Cash and cash equivalents	10	11,394,301	2,565,738
d) Other current assets	11	8,561,780	4,537,354
		54,458,438	31,094,400
<b>TOTAL ASSETS</b>		<b>1,371,296,653</b>	<b>1,247,907,826</b>
<b>EQUITY AND LIABILITIES</b>			
<b>1) Equity</b>			
a) Equity share capital	12	135,759,963	135,759,963
b) Other Equity	13	850,446,743	814,778,271
<b>Total Equity</b>		<b>986,206,716</b>	<b>950,538,234</b>
<b>2) Non Current Liabilities</b>			
a) Financial Liabilities			
- Borrowings	14	275,451,360	197,861,654
- Other financial liabilities	15	9,961,069	5,165,756
b) Deferred tax liabilities (Net)		3,184,082	3,511,082
		<b>288,596,511</b>	<b>206,538,492</b>
<b>3) Current Liabilities</b>			
a) Financial liabilities			
- Borrowings	16	-	11,923,013
- Trade Payables	17	23,996,924	314,788
- Other financial liabilities	18	66,345,271	48,512,241
b) Provisions	19	2,486,927	1,679,116
c) Other current liabilities	20	3,664,304	28,401,942
		<b>96,493,426</b>	<b>90,831,100</b>
<b>Total Liabilities</b>		<b>385,089,938</b>	<b>297,369,592</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,371,296,653</b>	<b>1,247,907,826</b>

Significant accounting policies and key accounting estimates and judgements 1 to 4

See accompanying notes form an integral part of Standalone Financial Statements 29 to 41

As per our report of even date attached

**For and on behalf of the BOD of Surana Telecom and Power Limited**
**For Luharuka & Associates**  
**Chartered Accountants**  
**Firm Reg No - 01882S**
**Rameshchand Jain**  
**Partner**  
**M.No: 023019**
**Narender Surana**  
**Managing Director**  
**DIN: 00075086**
**Devendra Surana**  
**Director**  
**DIN: 00077296**

 Place: Secunderabad  
 Date: 23rd June, 2020

**Vinita Surana**  
**Chief Financial Officer**
**D.Srinivas**  
**Company Secretary**  
**ACS: 23425**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2020** (Amount in ₹)

Particulars		Note	For the Year ended 31 <sup>st</sup> March, 2020	For the Year ended 31 <sup>st</sup> March, 2019
<b>I</b>	<b>Income</b>			
	Revenue from operations	21	199,198,937	240,510,037
<b>II</b>	<b>Other Income</b>	22	92,757,285	16,171,621
<b>III</b>	<b>Total Income (I+II)</b>		<b>291,956,222</b>	<b>256,681,658</b>
<b>IV</b>	<b>Expenses</b>			
	Increase/Decrease in Inventories & Work in Progress	23	15,358,730	28,025,284
	Employee benefits expense	24	9,292,745	6,611,078
	Finance costs	25	35,995,389	33,124,228
	Depreciation and Amortisation Expenses	26	75,513,854	70,234,933
	Other expenses	27	69,549,257	60,724,124
	<b>Total expenses</b>		<b>205,709,975</b>	<b>198,719,647</b>
<b>V</b>	<b>Profit before extraordinary items and tax (III-IV)</b>		<b>86,246,247</b>	<b>57,962,011</b>
<b>VI</b>	<b>Tax expense:</b>			
	Current Tax		14,219,000	11,933,000
	Deferred Tax		(327,000)	(1,449,000)
<b>VII</b>	<b>Profit after tax (V-VI)</b>		<b>72,354,247</b>	<b>47,478,011</b>
<b>VIII</b>	<b>Other Comprehensive Income (OCI)</b>			
	(a) Items that will not be reclassified to profit or loss		(31,273,415)	2,032,393
	(b) Items that will be reclassified to profit or loss		-	-
<b>IX</b>	<b>Total Comprehensive Income for the Year, Net of Tax (VII+VIII)</b>		<b>41,080,832</b>	<b>49,510,404</b>
<b>X</b>	<b>Earning Per Equity Share</b>			
	(a) Basic		0.53	0.35
	(b) Diluted		0.53	0.35

Significant accounting policies and key accounting estimates and judgements 1 to 4

See accompanying notes form an integral part of Standalone Financial Statements 29 to 41

As per our report of even date attached

**For and on behalf of the BOD of Surana Telecom and Power Limited**

**For Luharuka & Associates**  
Chartered Accountants  
Firm Reg No - 01882S

**Rameshchand Jain**  
Partner  
M.No: 023019

**Narender Surana**  
Managing Director  
DIN: 00075086

**Devendra Surana**  
Director  
DIN: 00077296

Place: Secunderabad  
Date: 23rd June, 2020

**Vinita Surana**  
Chief Financial Officer

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

**Statement of Changes in Equity for the Year ended 31<sup>st</sup> March, 2020****A. Equity Share capital**

Particulars	No of shares	(Amount in ₹)
Balance as at 1 April 2018	135,759,963	135,759,963
Changes in equity share capital during 2018-19	-	-
Balance as at 31 March 2019	135,759,963	135,759,963
Balance as at 1 April 2019	135,759,963	135,759,963
Changes in equity share capital during 2019-20	-	-
Balance as at 31 March 2020	135,759,963	135,759,963

(Amount in ₹)

Particulars	(A)	Reserves and Surplus				Other Comprehensive Income		Total
		Retained Earnings	General Reserve	Capital Redemption reserve	Revaluation Reserve	Central Subsidy	FVTOCI Equity Instruments	
<b>Balance at 1st April 2018</b>	<b>(A)</b>	245,236,222	444,738,478	24,000,000	19,052,740	3,500,000	28,740,427	765,267,867
Profit for the year		47,478,005	-	-	-	-	-	47,478,005
Other Comprehensive Income (net of tax)	<b>(B)</b>	-	-	-	-	-	2,032,393	2,032,393
<b>Total Comprehensive Income for the year 2018-19</b>	<b>(B)</b>	47,478,005	-	-	-	-	2,032,393	49,510,398
<b>Balance at 31st March 2019</b>	<b>C = (A+B)</b>	<b>292,714,227</b>	<b>444,738,478</b>	<b>24,000,000</b>	<b>19,052,740</b>	<b>3,500,000</b>	<b>30,772,820</b>	<b>814,778,265</b>
<b>Balance at 1st April 2019</b>	<b>(D)</b>	292,714,227	444,738,478	24,000,000	19,052,740	3,500,000	30,772,820	814,778,270
Profit for the year		72,354,248	-	-	-	-	-	72,354,253
Less: Sale/Transfer of land		-	-	-	5,412,360	-	-	5,412,360
Other Comprehensive Income (net of tax)	<b>(E)</b>	-	-	-	-	-	(31,273,415)	(31,273,415)
<b>Total Comprehensive Income for the year 2019-20</b>	<b>(E)</b>	72,354,248	-	-	-	-	(31,273,415)	41,080,833
<b>Balance at 31st March, 2020</b>	<b>F = (D+E)</b>	<b>365,068,475</b>	<b>444,738,478</b>	<b>24,000,000</b>	<b>13,640,380</b>	<b>3,500,000</b>	<b>(500,595)</b>	<b>850,446,743</b>

See accompanying notes form an integral part of Standalone financial statements.

29 to 41

As per our report of even date attached

For and on behalf of the BOD of Surana Telecom and Power Limited

**For Luharuka & Associates**  
Chartered Accountants  
Firm Reg No - 018825

**Rameshchand Jain**  
Partner  
M.No: 023019

Place: Secunderabad  
Date: 23rd June, 2020

**Narender Surana**  
Managing Director  
DIN: 00075086

**Vinita Surana**  
Chief Financial Officer

**Devendra Surana**  
Director  
DIN: 00077296

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

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2020**

(Amount in ₹)

Particulars	Year ended 31 <sup>st</sup> March, 2020		Year ended 31 <sup>st</sup> March, 2019	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit (Loss) before Tax and Exceptional Items		86,246,247		57,962,011
Adjustments for Non-Operating Activities:				
Other Comprehensive Income	(31,273,415)		2,032,393	
Sundry Balances written off	-		20,263,362	
Sundry Balances written back	(17,040)		(33,361)	
(Profit)/loss on Sale of Investments	529,375		(1,948,046)	
(Profit)/loss on Sale of Assets	(56,953,439)		-	
Interest Paid	35,995,389		33,124,228	
Depreciation & amortisation	75,513,854		70,234,933	
Interest income	(33,397,459)		(14,145,324)	
		(9,602,735)		109,528,185
<b>Operating Profit before Working Capital Changes</b>		<b>76,643,512</b>		<b>167,490,196</b>
Adjustments for Working Capital Changes:				
(Increase)/ Decrease in Inventories	(9,870,000)		28,025,284	
(Increase)/ Decrease in Other assets	(5,847,698)		22,144,755	
(Increase)/ Decrease in Trade Receivables	(641,049)		(23,055,714)	
(decrease)/ Increase in Trade payables and other liabilities	2,207,127		33,289,498	
Cash Generation From Operations		(14,151,620)		60,403,823
Direct Taxes (Net)		(14,976,811)		(13,362,969)
<b>Net Cash from Operating Activities (A)</b>		<b>47,515,081</b>		<b>214,531,050</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of Fixed Assets	(50,329,200)		(5,874,490)	
Sale of Fixed Assets	60,000,000		-	
Loans & advances to subsidiary company	(136,764,140)		(123,199,664)	
Investment in shares (Net)	5,448,417		(3,213,285)	
Interest received	33,397,459		14,145,324	
<b>Net Cash from Investing Activities (B)</b>		<b>(88,247,464)</b>		<b>(118,142,115)</b>

Particulars	Year ended 31 <sup>st</sup> March, 2020		Year ended 31 <sup>st</sup> March, 2019	
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Proceeds/(Repayment) from borrowings	85,148,571		(34,450,458)	
Proceeds/(Repayment) from others	-		(30,000,000)	
Interest Paid	(35,191,847)		(32,670,218)	
Dividend Paid	(395,778)		(262,792)	
(Increase)/Decrease in restricted deposits	(4,604,222)		241,011	
<b>Net Cash from Financing Activities (C)</b>		<b>44,956,724</b>		<b>(97,142,457)</b>
Net Increase (Decrease) in Cash and Cash Equivalent (A+B+C)		4,224,341		(753,522)
Cash and Cash Equivalent at the beginning		379,635		1,133,157
Cash and Cash Equivalent at the end		4,603,976		379,635
Net Increase (Decrease) in Cash and Cash Equivalent (A+B+C)		4,224,341		(753,522)

**Notes:**
**1 Components of cash and cash equivalents**

	As on 31.03.2020	As on 31.03.2019
Cash on hand	1,517	20,517
Balances with bank	4,602,459	359,118
<b>Total</b>	<b>4,603,976</b>	<b>379,635</b>

2 Accompanied notes to accounts forms an integral part of the Standalone Financial Statements.

As per our report of even date attached

**For and on behalf of the BOD of Surana Telecom and Power Limited**

**For Luharuka & Associates**  
Chartered Accountants  
Firm Reg No - 01882S

**Rameshchand Jain**  
Partner  
M.No: 023019

**Narender Surana**  
Managing Director  
DIN: 00075086

**Devendra Surana**  
Director  
DIN: 00077296

Place: Secunderabad  
Date: 23rd June, 2020

**Vinita Surana**  
Chief Financial Officer

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

## SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

### 1. Corporate Information

Surana Telecom and Power Limited ("the Company") is a Public Limited Company registered under the Companies Act, 1956. It is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). It was incorporated on 14.08.1989 having its registered office at 5<sup>th</sup> Floor, Surya Towers, Sardar Patel Road, Secunderabad, Telangana- 500 003. The Company is into the business of manufacturing/Trading of Solar related Products, Generation of Solar Power and Wind Power

### 2. Basis of preparation

The financial statements are separate financial statements prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). For all periods up to and including the year ended March 31, 2020, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements

### 3. Use of estimates and judgments:

**Use of estimates and judgments:** The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements

### 4. Significant Accounting Policies:

#### (a) Revenue Recognition

Revenue is recognized and measured at the fair value of the consideration received or receivable,

to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

#### Other income:

Other income is comprised primarily of interest income, dividend income, gain / loss on investments and exchange gain/loss on forward and options contracts and on translation of other assets and liabilities. Interest income is recognized using the effective interest method. Dividend income is recognized when the right to receive payment is established.

#### (b) Property, Plant and Equipment

Property, plant and equipment are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss (if any). All significant costs relating to the acquisition and installation of property, plant and equipment are capitalized. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. The identified components are depreciated over their useful lives, the remaining asset is depreciated over the life of the principal asset.

Depreciation for identified components is computed on straight line method based on useful lives, determined based on internal technical evaluation. Freehold land is carried at cost.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**(c) Investment Properties**

Property that is held for long-term rental yields or for capital appreciation or both is classified as investment property. Investment Property is measured at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized. Investment Properties are depreciated using the straight-line method as per the provisions of Schedule II of the Companies Act, 2013 or based on useful life estimated on the technical assessment.

**(d) Intangible Assets**

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

**(e) Depreciation and amortization:**

Depreciation is provided on the straight-line method over the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013. Depreciation for assets purchased/sold during a period is proportionately charged.

**(f) Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is: -

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;

- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- The Company classifies all other liabilities as non-current.

**(g) Financial assets**

Financial assets comprise of cash and cash equivalents.

***Initial recognition:***

All financial assets are recognised initially at fair value. Purchases or sales of financial asset that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the company commits to purchase or sell the assets.

***Subsequent Measurement:***

- (i) Financial assets measured at amortised cost: Financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortised cost using effective interest rate (EIR) method. The EIR amortization is recognised as finance income in the Statement of Profit and Loss.

The Company while applying above criteria has classified the following at amortised cost:

- a) Trade receivable
- b) Cash and cash equivalents
- c) Other Financial Asset

**Impairment of Financial Assets:**

Financial assets are tested for impairment based on the expected credit losses.

**De-recognition of Financial Assets:**

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

**(h) Impairment of Non-Financial Assets**

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the company makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash generating unit to which the asset belongs.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

**(i) Cash and Cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand and short-term investments with an original maturity of three months or less. Deposits with banks are subsequently measured at amortized cost and short term investments are measured at fair value through statement of profit & loss account.

**(j) Financial liabilities****Initial recognition and measurement:**

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. These liabilities are classified as amortised cost. A preference share that provides for mandatory redemption by the issuer for a fixed or determinable amount at a fixed or determinable future date, or gives the holder the right to require the issuer to redeem the instrument at or after a particular date for a fixed or determinable amount, is a financial liability.

**Subsequent measurement:**

These liabilities include are borrowings and deposits. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

**De-recognition of financial liabilities:**

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

**(k) Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest, exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other costs that an entity incurs in connection with the borrowing of funds. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

**(l) Employee Benefits**

Employee benefits are charged to the Statement of Profit and Loss for the year.

**Provident Fund**

Retirement benefits in the form of Provident Fund are defined contribution scheme and such contributions are recognised, when the contributions to the respective funds are due. There are no other obligation other than the contribution payable to the respective funds.

**Gratuity**

The Company has not created any gratuity fund. However adequate provisions have been made in the accounts for gratuity liability. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting.

**Compensated absences**

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated

amount required to be paid or estimated value of benefit expected to be availed by the employees.

#### Short-term employee benefits

Expense in respect of other short term benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

### (m) Income Taxes

Income tax expense is comprised of current and deferred taxes. Current and deferred tax is recognized in net income Current income taxes for the current period, including any adjustments to tax payable in respect of previous years, are recognized and measured at the amount expected to be recovered from or payable to the taxation authorities based on the tax rates that are enacted or substantively enacted by the end of the reporting period.

#### Deferred income tax

Deferred income tax assets and liabilities are recognized for temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax base using the tax rates that are expected to apply in the period in which the deferred tax asset or liability is expected to settle, based on the laws that have been enacted or substantively enacted by the end of reporting period. Deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable income nor the accounting income.

#### Minimum Alternative Tax (MAT)

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

### (n) Leases

#### As a lessee

Leases of property, plant and equipment where the company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

#### As a lessor

Lease income from operating leases where the company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

#### Lease-hold land:

Leasehold land that normally has a finite economic life and title which is not expected to pass to the lessee by the end of the lease term is treated as an operating lease. The payment made on entering into or acquiring a leasehold land is accounted for as leasehold land use rights (referred to as prepaid lease payments in Ind AS 17 "Leases") and is amortized over the lease term in accordance with the pattern of benefits provided.

### (o) Provisions, contingent assets and contingent liabilities

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date.

These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

**Contingent liability is disclosed for:**

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

**(p) Fair value measurement**

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date. Fair value hierarchy:

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

- Level 1—Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2—Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

**(q) Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**(r) Cash dividend to equity holders of the Company**

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.



Notes forming part of the Standalone Financial Statements

5 Property, Plant and Equipment

Following are the changes in the carrying value of Property, Plant and Equipment for the Year Ended 31<sup>st</sup> March, 2020

Particulars	(Amount in ₹)										
	Freehold Land	Leasehold Land	Factory Buildings	P & M- Others	P & M- Solar Power	P & M- wind Power	Office Equipment	Vehicles	Furniture & Fixtures	Computer software	Grand Total
Gross carrying Value as at 1st April 2019	48,640,790	53,936,902	76,625,176	343,121,385	855,114,486	63,550,092	18,971,207	13,892,924	11,400,260	2,428,821	1,487,825,263
Additions	-	-	-	3,729,200	46,600,000	-	-	-	-	-	50,329,200
Disposals	6,982,298	-	3,349,176	-	-	-	-	-	-	-	10,331,474
adjustment	-	-	-	227,932,501	-	-	284,329	-	-	-	228,216,830
<b>Gross carrying Value as at 31st March 2020</b>	<b>41,658,492</b>	<b>53,936,902</b>	<b>73,276,000</b>	<b>118,918,084</b>	<b>901,714,486</b>	<b>63,550,092</b>	<b>18,686,878</b>	<b>13,892,924</b>	<b>11,400,260</b>	<b>2,428,821</b>	<b>1,299,606,159</b>
Accumulated depreciation as at 1st April , 2019	-	13,788,685	48,442,547	323,067,208	497,067,364	35,789,059	17,824,630	6,706,276	10,047,800	2,428,821	955,305,609
Depreciation	-	2,035,395	1,186,777	17,493,762	49,357,549	2,458,353	982,149	1,397,149	602,720	-	75,513,854
Accumulated depreciation on Disposals	-	-	1,872,553	-	-	-	-	-	-	-	1,872,553
adjustment	-	-	-	227,932,500	-	-	284,329	-	-	-	228,216,829
Accumulated depreciation as at 31st March , 2020	-	15,824,080	47,756,770	112,628,470	546,424,913	38,247,412	18,522,450	8,103,425	10,650,520	2,428,821	800,730,082
<b>Net Carrying Value as at 31st March , 2020</b>	<b>41,658,492</b>	<b>38,112,822</b>	<b>25,519,230</b>	<b>6,289,614</b>	<b>355,289,573</b>	<b>25,302,680</b>	<b>164,428</b>	<b>5,789,499</b>	<b>749,740</b>	<b>-</b>	<b>498,876,082</b>

  

Particulars	(Amount in ₹)										
	Freehold Land	Leasehold Land	Factory Buildings	P & M- Others	P & M- Solar Power	P & M- wind Power	Office Equipment	Vehicles	Furniture & Fixtures	Computer software	Grand Total
Gross carrying Value as of April 01, 2018	48,640,790	53,936,902	76,625,176	340,283,005	852,303,375	63,550,092	18,746,207	13,892,924	11,400,260	2,428,821	1,481,950,772
Additions	-	-	-	2,838,380	2,811,110	-	225,000	-	-	-	5,874,490
Disposals	-	-	-	-	-	-	-	-	-	-	-
Gross carrying Value as of March 31, 2019	48,640,790	53,936,902	76,625,176	343,121,385	855,114,485	63,550,092	18,971,207	13,892,924	11,400,260	2,428,821	1,487,825,262
Accumulated depreciation as of April 01, 2018	-	11,753,290	47,204,676	314,967,582	442,840,239	33,330,706	17,691,774	5,381,893	9,328,471	2,428,821	885,070,672
Depreciation	-	2,035,395	1,237,871	8,099,626	54,227,120	2,458,353	132,856	1,324,383	719,329	-	70,234,932
Accumulated depreciation on Disposals	-	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation as of March 31, 2019	-	13,788,685	48,442,547	323,067,208	497,067,359	35,789,059	17,824,630	6,706,276	10,047,800	2,428,821	955,305,604
<b>Net Carrying Value as of March 31, 2019</b>	<b>48,640,790</b>	<b>40,148,217</b>	<b>28,182,629</b>	<b>20,054,177</b>	<b>358,047,126</b>	<b>27,761,033</b>	<b>1,146,577</b>	<b>7,186,648</b>	<b>1,352,460</b>	<b>-</b>	<b>532,519,660</b>
Net Carrying Value as of March 31, 2018	48,640,790	42,183,612	29,420,500	25,315,423	409,463,136	30,219,386	1,054,433	8,511,031	2,071,789	-	596,880,100

## Notes forming part of the Standalone Financial Statements

## 6. Investments (Non Current)

(Amount in ₹)

Particulars	Note	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Equity Instruments (Unquoted - At Cost)			
<b>A) Investment in Subsidiary Companies</b>			
<b>Aryavaan Renewable Energy Pvt Ltd.</b>		43,350,000	43,350,000
(Equity shares of ₹ 10/- each fully paid up) 43,50,000 (March 31, 2019 : 43,50,000)			
<b>Surana Solar Systems Private Limited.</b>		33,150,000	33,150,000
(Equity shares of ₹ 10/- each fully paid up) 33,15,000 (March 31, 2019 : 33,15,000)			
<b>Tejas India Solar Energy Private Limited.</b>		50,000,000	25,500,000
(Equity shares of ₹ 10/- each fully paid up) 50,00,000 (March 31, 2019 : 25,50,000)			
<b>Sub-Total (A)</b>		<b>126,500,000</b>	<b>102,000,000</b>
<b>B) Investment in Associate Companies- Un quoted (At Cost)</b>			
<b>Bhagyanagar Securities Pvt Ltd</b>		18,000,000	18,000,000
(Equity shares of ₹ 10/- each fully paid up) 1,50,000 (March 31, 2019: 1,50,000)			
<b>Bhagyanagar Green Energy Ltd.</b>		22,288,800	22,288,800
(Equity shares of ₹ 10/- each fully paid up) 22,28,880 (March 31, 2019: 22,28,880)			
<b>Sub-Total (B)</b>		<b>40,288,800</b>	<b>40,288,800</b>
<b>C) Investment in Associate Companies- Quoted (At Cost)</b>			
<b>Surana Solar Ltd (Formerly Surana Ventures Ltd)</b>		87,878,218	85,841,913
(Equity shares of ₹ 5/- each fully paid up) 2,00,69,973 (March 31, 2019: 1,98,33,704)			
<b>Sub-Total (C)</b>		<b>87,878,218</b>	<b>85,841,913</b>
<b>D) Investment in Companies-Quoted (At Fair Value through OCI)</b>			
<b>Bhagyanagar India Ltd</b>		16,662,165	36,588,054
(Equity shares of ₹ 2/- each fully paid up) 11,47,166 (March 31, 2019 : 11,45,166)			
<b>Bhagyanagar Properties Ltd.</b>		22,360,039	33,740,212
(Equity shares of ₹ 2/- each fully paid up) 11,43,736 (March 31, 2019 : 11,43,736)			
<b>Sub-Total (D)</b>		<b>39,022,204</b>	<b>70,328,266</b>
<b>Hindustan Copper Limited.</b>		9,585	146,850
(Equity shares of ₹ 10/- each fully paid up) 450 (March 31, 2019 : 3000)			

**Notes forming part of the Standalone Financial Statements**

Particulars	Note	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
<b>KSK Energy Vetnures Limited.</b> (Equity shares of ₹ 10/- each fully paid up) Nil (March 31, 2019 : 1000)		-	860
<b>Prithvi Information Solutions Limited</b> (Equity shares of ₹ 10/- each fully paid up) 6 (March 31, 2019 : 6)		1	1
<b>Indoasolar Limited</b> (Equity shares of ₹ 10/- each fully paid up) Nil (March 31, 2019 : 1000)		-	2,070
<b>Suryalaxmi Cotton Mills Limited</b> (Equity shares of ₹ 10/- each fully paid up) Nil (March 31, 2019 : 300)		-	9,090
<b>Sub-Total (E)</b>		<b>9,586</b>	<b>158,871</b>
<b>GRAND TOTAL (A+B+C+D+E)</b>		<b>293,698,808</b>	<b>298,617,850</b>
Aggregate Market Value of Quoted Investments		146,435,245	220,708,635

**7. Loans (Non current) (Amount in ₹)**

Particulars	Note	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
<b>Unsecured, considered good</b>			
a) Loans and advances to related parties			
Loan to Subsidiary Companies	7 (a)	237,852,866	160,826,880
b) Loan to Associate company	7 (b)	280,420,810	220,682,662
c) Security Deposits		5,989,648	4,166,376
<b>Total</b>		<b>524,263,324</b>	<b>385,675,918</b>

7 (a)	Loan to related parties Name of the subsidiary Company	Balance as on 31.03.2020	Balance as on 31.03.2019
	Surana Solar Systems Pvt Ltd	134,163,902	76,406,893
	Tejas India Solar Energy Private Limited	103,688,964	78,448,964
	Aryavaan Renewable Energy Pvt Ltd	-	5,971,023
	<b>Total</b>	<b>237,852,866</b>	<b>160,826,880</b>

7 (b)	Name of the Associate Company	Balance as on 31.03.2020	Balance as on 31.03.2019
	Bhagyanagar Green Energy Ltd	51,805,493	23,682,112
	Bhagyanagar Properties Ltd	96,489,040	-
	Surana Solar Ltd	-	197,000,550
	Bhagyanagar Copper Private Ltd	72,126,277	-
	Globecom Infotech Private Ltd	60,000,000	-
	<b>Total</b>	<b>280,420,810</b>	<b>220,682,662</b>

## Notes forming part of the Standalone Financial Statements

**8. Inventories** (Amount in ₹)  
 (As Valued and certified by the Management)

Particulars	Note	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Traded Goods		9,870,000	-
<b>Total</b>		<b>9,870,000</b>	<b>-</b>

**9. Trade Receivables** (Amount in ₹)

Particulars	Note	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Un secured, Considered Good		24,632,357	23,991,308
<b>Total</b>		<b>24,632,357</b>	<b>23,991,308</b>

**10. Cash and Cash Equivalents** (Amount in ₹)

Particulars	Note	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
(a) Cash & Cash Equivalents			
(i) Balances in current account		4,602,459	359,118
(ii) Cash on Hand		1,517	20,517
(b) Other Balances			
(i) In Deposit Accounts		5,421,641	421,641
(ii) In Unclaimed Dividend Accounts		1,368,684	1,764,462
<b>Total</b>		<b>11,394,301</b>	<b>2,565,738</b>

**11. Other Current Assets** (Amount in ₹)

Particulars	Note	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
<b>(Unsecured, considered good unless otherwise stated)</b>			
Balance with Statutory Authorities		1,139,386	208,962
Other Advances/ Receivables		6,824,953	4,328,392
Advance to suppliers		597,441	-
<b>Total</b>		<b>8,561,780</b>	<b>4,537,354</b>

**12. Share Capital**

Particulars	As at 31 <sup>st</sup> March, 2020		As at 31 <sup>st</sup> March, 2019	
	Number	Rupees	Number	Rupees
<b>Authorised</b>				
Equity Shares of ₹ 1/- each	150,000,000	150,000,000	150,000,000	150,000,000
<b>Issued</b>				
Equity Shares of ₹ 1/- each	135,759,963	135,759,963	135,759,963	135,759,963
<b>Subscribed &amp; Paid up</b>				
Equity Shares of ₹ 1/- each fully paid	135,759,963	135,759,963	135,759,963	135,759,963
<b>Total</b>	<b>135,759,963</b>	<b>135,759,963</b>	<b>135,759,963</b>	<b>135,759,963</b>

**a) Term/rights attached to Equity Shares**

The company has only one class of issued equity shares having a par value of ₹ 1/- per share. Each shareholder is entitled to one vote per share. In the event of liquidation of the company. The holders of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**Notes forming part of the Standalone Financial Statements**
**b) Reconciliation of Shares Outstanding at the beginning and at the end of the reporting year.**

Particulars	As at 31 <sup>st</sup> March, 2020		As at 31 <sup>st</sup> March, 2019	
	Number	Rupees	Number	Rupees
Shares outstanding at the beginning of the year	135,759,963	135,759,963	135,759,963	135,759,963
<b>Shares outstanding at the end of the year</b>	<b>135,759,963</b>	<b>135,759,963</b>	<b>135,759,963</b>	<b>135,759,963</b>

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

**c) Particulars of shareholders holding more than 5% of Issued Share Capital.**

Name of Shareholder	As at 31 <sup>st</sup> March, 2020		As at 31 <sup>st</sup> March, 2019	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Narender Surana	27,059,284	19.93%	27,058,884	19.93%
Devendra Surana	20,639,453	15.20%	20,639,453	15.20%
Surana Infocom Private Limited	9,682,587	7.13%	9,705,456	7.15%
Namrata Surana	10,527,819	7.75%	7,176,884	5.29%
Sunita Surana	9,124,045	6.72%	5,773,110	4.25%
Manish Surana	7,733,177	5.70%	7,733,177	5.70%
<b>Total</b>	<b>84,766,365</b>	<b>62.44%</b>	<b>78,086,964</b>	<b>57.52%</b>

The shareholding information has been extracted from the records of the Company including register of shareholders/ members and is based on legal.

## Notes forming part of the Standalone Financial Statements

## 13 Other equity (Amount in ₹)

Particulars		Reserves and Surplus					Other Comprehensive Income	Total
		Retained Earnings	General Reserve	Capital Redemption reserve	Revaluation Reserve	Central Subsidy		
<b>Balance at 1st April 2018</b>	<b>(A)</b>	<b>245,236,222</b>	<b>444,738,478</b>	<b>24,000,000</b>	<b>19,052,740</b>	<b>3,500,000</b>	<b>28,740,427</b>	<b>765,267,867</b>
Profit for the year		47,478,005	-	-	-	-	-	47,478,005
Other Comprehensive Income (net of tax)		-	-	-	-	-	2,032,393	2,032,393
<b>Total Comprehensive Income for the year 2018-19</b>	<b>(B)</b>	<b>47,478,005</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,032,393</b>	<b>49,510,398</b>
<b>Balance at 31<sup>st</sup> March 2019</b>	<b>C = (A+B)</b>	<b>292,714,227</b>	<b>444,738,478</b>	<b>24,000,000</b>	<b>19,052,740</b>	<b>3,500,000</b>	<b>30,772,820</b>	<b>814,778,265</b>
<b>Balance at 1st April 2019</b>	<b>(D)</b>	<b>292,714,227</b>	<b>444,738,478</b>	<b>24,000,000</b>	<b>19,052,740</b>	<b>3,500,000</b>	<b>30,772,820</b>	<b>814,778,270</b>
Profit for the year/period		72,354,248	-	-	5,412,360	-	-	72,354,253
Less: Sale/Transfer of land		-	-	-	-	-	-	5,412,360
Other Comprehensive Income (net of tax)		-	-	-	-	-	(31,273,415)	(31,273,415)
<b>Total Comprehensive Income for the year 2019-20</b>	<b>(E)</b>	<b>72,354,248</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(31,273,415)</b>	<b>41,080,833</b>
<b>Balance at 31<sup>st</sup> March, 2020</b>	<b>F = (D+E)</b>	<b>365,068,475</b>	<b>444,738,478</b>	<b>24,000,000</b>	<b>13,640,380</b>	<b>3,500,000</b>	<b>(500,595)</b>	<b>850,446,743</b>

The Description, Nature and Purpose of the each reserve with in equity are as follows.

**General Reserve:** This reserve is retained earning of the company, which are kept aside out of the Company's profit to meet future (known or unknown) obligations.

**Retained Earnings:** Retained earnings comprise of net accumulated profit/(loss) of the Company, after declaration of dividend.

**Capital Redemption Reserve:** Capital Redemption Reserve was created on account of buy back of shares of the Company.

**Notes forming part of the Standalone Financial Statements**
**14. Borrowings (Non Current)**

(Amount in ₹)

Particulars	Note	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
<b>Secured</b>			
- Term Loan from Other Institutions/Banks	14 (a)	337,340,912	238,832,526
- Vehicle Loan from Bank	14 (b)	664,414	2,904,758
<b>Total (A)</b>		<b>338,005,326</b>	<b>241,737,284</b>
Less: Current maturities of long term borrowings - (B)		62,553,966	43,875,630
<b>Total C = (A-B)</b>		<b>275,451,360</b>	<b>197,861,654</b>

Notes:

- 14 (a) Term Loan taken from Hero Fincorp Ltd was repaid by way of transfer of Loan to M/s HDFC Bank Limited during the year. Company has further taken a loan of ₹ 9,50,00,000/- from the M/s HDFC Bank Ltd during the year
- 14 (a) (i) Term Loan from HDFC Bank Limited is secured by way of exclusive charge on the receivables from Solar Power Project at Gujarat, additionally secured by way of first and exclusive charge on the assets of Solar Power unit at Gujarat and P&M of Wind Power unit at Karnataka and equitable mortgage on one plot situated at Cherlapally, Hyderabad. Further, it has been guaranteed by the some of the directors of the company. The loan is repayable from July 2019. Accordingly, amount due within a Year is ₹ 564,18,895/- (Principal only) which is classified under "Other Current Financial Liabilities".
- 14 (a) (ii) Lease Rental Discounted facility from Aditya Birla Finance Limited is secured by First and exclusive charge on Plot at Maheshwaram Mandal, Ranga Reddy District w.r.t Current and Future lease Rentals from the property. The loan is repayable in 108 monthly installments beginning from June 2016. Accordingly, amount due within a year is ₹ 54,82,353/- (Principal only) which is classified Under "Other Current Liabilities". Company has further, taken a loan of ₹ 5,00,00,000/- during the year.
- 14 (b) (i) vehicle loan from HDFC Bank Limited is secured against hypothecation of vehicle. The loan was taken during the financial year 2016-17 and is repayable in monthly installment of ₹ 43,885/- each. All the installments were paid.
- 14 (b) (ii) vehicle loan from AXIS Bank Limited is secured against hypothecation of vehicle. The loan was taken during the financial year 2017-18 and is repayable in monthly installment of ₹ 1,72,067/- each. Accordingly due within a year is ₹ 6,52,718/- (Principal only) which is classified under "Other Current Financial Liabilities".

**15. Other Financial Liabilities (Non Current)**

(Amount in ₹)

Particulars	Note	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Security Deposits		9,961,069	5,165,756
<b>Total</b>		<b>9,961,069</b>	<b>5,165,756</b>

**16. Borrowings (Current)**

(Amount in ₹)

Particulars	Note	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
<b>Secured</b>			
Cash Credit from Bank		-	6,923,013
<b>Unsecured</b>			
Loans from Body Corporate		-	5,000,000
<b>Total</b>		<b>-</b>	<b>11,923,013</b>

## Notes forming part of the Standalone Financial Statements

## 17. Trade payables

(Amount in ₹)

Particulars	Note	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
For Goods & Service			
Total Outstanding dues of micro and small enterprises		-	-
Total Outstanding dues of creditors other than micro and small enterprises	17 (a)	23,996,924	314,788
<b>Total</b>		<b>23,996,924</b>	<b>314,788</b>

17 (a)	Due to Related Party Name of the Company	Balance as on 31.03.2020	Balance as on 31.03.2019
	Surana Solar Ltd	16,948,205	-

## 18. Other Financial Liabilities (Current)

(Amount in ₹)

Particulars	Note	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Current Maturities of Long Term Debt			
- Term Loan from Other Institutions/Banks	18 (a)	61,901,248	41,788,347
- Vehicle Loan from Bank	18 (b)	652,718	2,087,283
- Provision for Interest on Term Loans		2,422,621	1,619,079
<b>Total (A)</b>		<b>64,976,587</b>	<b>45,494,709</b>
Unclaimed Dividend		1,368,684	1,764,462
<b>Total (B)</b>		<b>1,368,684</b>	<b>1,764,462</b>
Security Deposits (C)		-	1,253,070
<b>Total (A+B+C)</b>		<b>66,345,271</b>	<b>48,512,241</b>

- 18 (a) (i) Term Loan from HDFC Bank Limited is secured by way of exclusive charge on the receivables from Solar Power Project at Gujarat, additionally secured by way of first and exclusive charge on the assets of Solar Power unit at Gujarat and P&M of Wind Power unit at Karnataka and equitable mortgage on one plot situated at Cherlapally, Hyderabad. Further, it has been guaranteed by the some of the directors of the company. The loan is repayable from July 2019. Accordingly, amount due with in a Year is ₹ 564,18,895/- (Principal only) which is classified under "Other Current Financial Liabilities" .
- 18 (a) (ii) Lease Rental Discounted facility from Aditya Birla Finance Limited is secured by First and exclusive charge on Plot at Maheshwaram Mandal, Ranga Reddy District w.r.t Current and Future lease Rentals from the property. The loan is repayable in 108 monthly installments beginning from June 2016. Accordingly, amount due within a year is ₹ 54,82,353/- (Principal only) which is classified Under "Other Current Liabilities". Company has further, taken a loan of ₹ 5,00,,00,000/- during the year.
- 18 (b) (i) vehicle loan from HDFC Bank Limited is secured against hyphotication of vehicle. The loan was taken during the financial year 2016-17 and is repayable in monthly installment of ₹ 43,885/- each. All the installments were paid.
- 18 (b) (ii) vehicle loan from AXIS Bank Limited is secured against hyphotication of vehicle. The loan was taken during the financial year 2017-18 and is repayable in monthly installment of ₹ 1,72,067/- each. Accordingly due with in a year is ₹ 6,52,718/- (Principal only) which is clasified under "Other Current Financial Liabilities".

**Notes forming part of the Standalone Financial Statements**
**19. Provisions**

(Amount in ₹)

Particulars	Note	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Provision for Employee Benefits		200,000	150,000
Provision for Income tax (Net of Advance tax & TDS)		2,286,927	1,529,116
<b>Total</b>		<b>2,486,927</b>	<b>1,679,116</b>

**20. Other Current Liabilities**

(Amount in ₹)

Particulars	Note	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Advance for Capital Asset		-	24,990,000
Other Liabilities		3,664,304	3,359,769
Accrued Rental Income		-	52,173
<b>Total</b>		<b>3,664,304</b>	<b>28,401,942</b>

**21. Revenue from operations**

(Amount in ₹)

Particulars	For the year ended 31 <sup>st</sup> March, 2020	For the year ended 31 <sup>st</sup> March, 2019
<b>(a) Sale of products</b>		
Solar Power	145,007,965	143,017,076
Wind Power	4,630,034	6,087,456
Electric Power Cable / Components	12,773	5,025
Traded Goods/ Solar Modules	15,413,529	14,148,887
Sale of REC	20,344,128	68,398,688
<b>Gross Sales</b>	<b>185,408,429</b>	<b>231,657,132</b>
Less: GST	2,915,655	8,002,184
Less: Inter Unit Transfer	-	-
<b>Net Sales</b>	<b>182,492,774</b>	<b>223,654,948</b>
<b>(b) Infrastructure Leasing</b>	16,698,233	16,855,089
<b>(C) Lease rental (IND AS)</b>	7,930	-
<b>Total</b>	<b>199,198,937</b>	<b>240,510,037</b>

**22. Other Income**

(Amount in ₹)

Particulars	For the year ended 31 <sup>st</sup> March, 2020	For the year ended 31 <sup>st</sup> March, 2019
(a) Interest Income		
Interest on Loans, Deposits and Others (Gross)	33,397,459	14,145,324
Income from Dividend	1,061,478	-
(b) Other Non-Operating Income		
Miscellaneous Income	14,883	44,890
Balances no Longer Payable Written Back	17,040	33,361
Profit on sale of Investments	-	1,948,046
Profit on sale of Assets	56,953,439	-
Recovery of bad debts Written off	1,312,986	-
<b>Total</b>	<b>92,757,285</b>	<b>16,171,621</b>

## Notes forming part of the Standalone Financial Statements

**23. Changes in Finished Goods, Stock in Process and Stock in Trade** (Amount in ₹)

Particulars	For the year ended 31 <sup>st</sup> March, 2020	For the year ended 31 <sup>st</sup> March, 2019
Increase/Decrease in stock of Traded Goods		
<b>Inventories (at close)</b>		
Traded Goods	9,870,000	-
(C)	9,870,000	-
<b>Inventories (at opening)</b>		
Traded Goods (A)	-	28,025,284
Purchases (B)	25,228,730	-
<b>Total D=(A+B-C)</b>	<b>15,358,730</b>	<b>28,025,284</b>
Inter Unit Transfer (E)	-	-
<b>Total F=(D-E)</b>	<b>15,358,730</b>	<b>28,025,284</b>

**24. Employee benefit expenses** (Amount in ₹)

Particulars	For the year ended 31 <sup>st</sup> March, 2020	For the year ended 31 <sup>st</sup> March, 2019
Salaries, Wages and Other Benefits	8,437,014	6,279,318
Contribution to Provident and Other Funds	855,731	331,760
<b>Total</b>	<b>9,292,745</b>	<b>6,611,078</b>

**25. Finance cost** (Amount in ₹)

Particulars	For the year ended 31 <sup>st</sup> March, 2020	For the year ended 31 <sup>st</sup> March, 2019
Interest Expense		
On Cash Credit & Others	253,913	2,043,216
On Term Loan & Vehicle Loan	34,118,676	30,935,448
Financial Charges	1,622,800	145,564
<b>Total</b>	<b>35,995,389</b>	<b>33,124,228</b>

**26. Depreciation and Amortization expenses** (Amount in ₹)

Particulars	For the year ended 31 <sup>st</sup> March, 2020	For the year ended 31 <sup>st</sup> March, 2019
Depreciation	73,478,459	68,199,538
Amortization	2,035,395	2,035,395
<b>Total</b>	<b>75,513,854</b>	<b>70,234,933</b>

**27. Other expenses** (Amount in ₹)

Particulars	For the year ended 31 <sup>st</sup> March, 2020	For the year ended 31 <sup>st</sup> March, 2019
Travelling & Conveyance	3,986,669	3,156,054
Director's Remuneration	11,340,000	11,340,000
Director's Sitting fees	90,000	96,500
Watch & ward	2,112,000	2,086,753
Power and Fuel	2,404,442	2,182,243
Lease and other Rental charges	438,000	436,000
Professional & Consultancy Charges	704,999	1,569,263

**Notes forming part of the Standalone Financial Statements**

Repairs & Maintenance		
Buildings	8,896,798	894,273
Machinery & Electricals	21,494,200	6,244,840
Others	395,847	149,547
Insurance	2,312,991	1,441,603
Rates and Taxes	1,822,001	950,496
Packing & Forwarding	198,527	168,656
Sundry balances written off	-	20,263,362
Miscellaneous Expenses	13,252,783	9,644,534
Payments to the Auditor		
for Statutory Audit	70,000	70,000
for Tax Audit	30,000	30,000
<b>Total</b>	<b>69,549,257</b>	<b>60,724,124</b>

**28 Financial Instruments by Category**

Set out below is a comparison, by class, of the carrying amounts and fair value of the company's financial instruments, other than those with carrying amounts that are reasonable approximates of fair value.

(Amount in ₹)

Particulars	Carrying Value		Fair Value	
	31 <sup>st</sup> March, 2020	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2020	31 <sup>st</sup> March, 2019
i) Investment in shares	324,972,223	296,585,457	293,698,808	298,617,850
<b>Total Non Current Assets</b>	<b>324,972,223</b>	<b>296,585,457</b>	<b>293,698,808</b>	<b>298,617,850</b>
ii) Other Financial Liabilities	9,961,069	5,200,282	9,953,139	5,165,756
iii) Borrowings	337,133,174	196,978,778	338,005,326	197,861,654
<b>Total Non Current Liabilities</b>	<b>347,094,243</b>	<b>202,179,060</b>	<b>347,958,465</b>	<b>203,027,410</b>

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

**29. Related Party Disclosure**
**a. Name of the Related Parties and related party relationship**
**Enterprises owned or significantly influenced by key management personnel or their relatives:**

- |  |   |
|--|---|
| (i) Bhagyanagar India Limited              | (ix) Shahsons Private Limited           |
| (ii) Bhagyanagar Green Energy Pvt Ltd      | (x) Bhagyanagar Properties Limited      |
| (iii) Bhagyanagar Energy & Telecom Pvt Ltd | (xi) Innova Technologies Pvt Ltd        |
| (iv) Tejas Technopark Private Limited      | (xii) N.S Enterprises                   |
| (v) Metropolitan Ventures India Ltd        | (xiii) Andhra Electro Galvanizing works |
| (vi) Surana Solar Limited                  | (xiv) AP Golden Apparels Pvt Limited    |
| (vii) Surana Infocom Pvt Limited           | (xv) Globecom Intotech Pvt Ltd          |
| (viii) Bhagyanagar Copper Pvt Ltd          |   |

**b. Subsidiary companies**

- |  |  |
|--|--|
| (i) Tejas India Solar Energy Pvt Limited | (iii) Surana Solar Systems Private Limited |
| (ii) Aryavaan Renewable Energy Pvt Ltd   |  |

**c. Associate Company**

- (i) Surana Solar Limited

**d. Key management personnel**

- |                     |                                     |
|---------------------|-------------------------------------|
| (i) Narender Surana | iv) Devendra Surana                 |
| (ii) Vinita Surana  | v) D. Srinivas- (Company Secretary) |

## Notes forming part of the Standalone Financial Statements

- e. The following transactions were carried out during the year, previous year figures are in bracket.

(Amount in ₹)

Nature of Transaction	Subsidiary Companies	Enterprises in which KMP or their relatives have significant influence	KMP or their relatives	Associate Company
Purchase	-	2,02,703	-	8,79,63,910 (53,33,034)
Sale	-	1,25,55,900 (1,31,36,939)	-	-
Remuneration	-	-	1,25,52,000 (1,24,44,000)	-
Lease Rent	1,17,720 (1,27,440)	-	-	-
Interest Received	1,18,57,107 (57,63,259)	1,51,32,321	-	61,09,806 (83,53,693)
Investment in Subsidiary Company	2,45,00,000	-	-	-
Trade Payable	-	-	-	1,59,90,918
Transfer/ sale of shares	-	-	(1,00,000)	-
Purchase of shares	-	-	3,43,000	-

- f. Detail of Loans/Advances given by company and recovered during the year;

(Amount in ₹)

Nature of Transaction	Subsidiary Companies		Enterprises in which KMP or their relatives have significant influence		Associate Company	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Loans or Advances given						
Balance at the beginning of the Year	16,08,26,880	19,51,54,444	2,36,82,112	-	19,70,00,550	6,31,55,434
Given during the Year	11,86,10,018	17,48,92,215	68,40,03,844	6,36,32,112	15,98,51,654	27,66,84,497
Recovered during the Year	(4,15,84,032)	(20,92,19,779)	(42,72,65,146)	(3,99,50,000)	(35,68,52,204)	(14,28,39,381)
Balance at the end of the Year	23,78,52,866	16,08,26,880	28,04,20,810	2,36,82,112	-	19,70,00,550

30. Disclosure pursuant to Securities Exchange Board Of India (Listing Obligation and Disclosure Requirement and Regulation 2015) and Section 186 of the Companies Act 2013 is disclosed in note no.29
31. In the opinion of Board of Directors and to the best of their knowledge and belief, the value on realization of current assets, loans and advances in the ordinary course of business, would not be less than the amount at which the same are stated in the Balance Sheet.

## 32. Earnings Per Share (EPS)

(Amount in ₹)

Particulars		2019-20	2018-19
Net Profit after Tax	Rupees.	7,23,54,247	4,74,78,011
Net Profit after Tax available for equity share holders - For Basic and Diluted EPS	Rupees.	7,23,54,247	4,74,78,011
Weighted Average No. Of Equity Shares For Basic EPS	Nos.	13,57,59,963	13,57,59,963
Weighted Average No. Of Equity Shares For Diluted EPS	Nos.	13,57,59,963	13,57,59,963
Nominal Value of Equity Shares	Rupees.	1	1
Basic Earnings Per Equity Share	Rupees.	0.53	0.35
Diluted Earnings Per Equity Share	Rupees.	0.53	0.35

**Notes forming part of the Standalone Financial Statements**
**33. Contingent Liabilities and Commitments (to the extent not provided for) (Amount in ₹)**

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Contingent Liabilities	22,74,049	42,62,081
<b>Commitments:</b>		
Guarantees issued by banks	10,908,572	38,482,243

**34. Raw material consumed during the year (Amount in ₹)**

Particulars	2019-20	2018-19
Solar modules	1,53,58,730	2,80,25,284
<b>Total</b>	<b>1,53,58,730</b>	<b>2,80,25,284</b>

**35. 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 summarizes the components of Net Benefit expenses recognized in the Profit & Loss account and amount recognized in the Balance Sheet for the respective plans.

**(Amount in ₹)**

A	Expenses recognized in the Profit & Loss Account		
	Particulars	Gratuity	
		2019-20	2018-19
	Current service cost	-	1,03,503
	Interest cost	-	17,150
	Expected Return on Planned Assets	-	(25,850)
	Net Actuarial Loss/ (Gain) recognized in the year	-	2,41,057
	Expenses recognised in Statement of Profit & Loss	-	<b>3,35,859</b>
B	Change in Present value of obligation during the year ended 31st March, 2020		
	Particulars	Gratuity	
		2019-20	2018-19
	Present Value of obligation as at beginning of the year	<b>5,76,090</b>	2,14,380
	Interest Cost	-	17,150
	Current Service Cost	-	1,03,503
	Benefits Paid-Actuals	-	-
	Actuarial (Gain)/ Loss on Obligations	-	2,41,057
	<b>Present Value of obligation as at end of the year</b>	<b>5,76,090</b>	<b>5,76,090</b>
C	Change in fair value of Plan Assets during the year ended 31st March, 2020		
	Particulars	Gratuity	
		2019-20	2018-19
	Fair value of Plan Assets as at the beginning of the year	<b>7,32,802</b>	3,28,705
	Expected Return on Plan Assets	45,611	25,850
	Contributions	-	3,78,246
	Benefits Paid	-	-
	<b>Fair value of Plan Assets as at the end of the year</b>	<b>778,413</b>	<b>7,32,802</b>

## Notes forming part of the Standalone Financial Statements

D	Actuarial Gain/ loss recognized		
	Particulars	Gratuity	
		2019-20	2018-19
	Actuarial (Gain) / Loss for the year –Obligation	-	(2,41,057)
	Total Loss for the Year	-	2,41,057
	Actuarial (Gain) / Loss recognized in the year	-	2,41,057
E	Actuarial assumption		
	Particulars	Gratuity	
		2019-20	2018-19
	Discount rate used	7.05%	7.50%
	Salary escalation	-	6.00%

**36. Financial risk management objectives and policies**

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support Company's operations. The Company's principal financial assets include inventory, trade and other receivables, cash and cash equivalents and land advances and refundable deposits that derive directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk.

**A. Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and other price risk, such as equity price risk and commodity/ realestate risk. Financial instruments affected by market risk include loans and borrowings and refundable deposits

**Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Company does not enter into any interest rate swaps.

**B. Credit risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including refundable joint development deposits, security deposits, loans to employees and other financial instruments.

## Trade receivables

- i. Receivables resulting from sale of properties: Customer credit risk is managed by requiring customers to pay advances before transfer of ownership, therefore, substantially eliminating the Company's credit risk in this respect.
- ii. Receivables resulting from other than sale of properties: The firm has established credit limits for customers and monitors their balances on ongoing basis. Credit Appraisal is performed before leasing agreements are entered into with customers. The risk is also marginal due to customers placing significant amount of security deposits for lease and fit out rentals.

## Financial Instrument and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's Finance department in accordance with the Company's policy. Investments of surplus funds are reviewed and approved by the Company's Board of Directors on an annual basis. The Company's maximum exposure to credit risk for the components of the statement of financial position at 31 March 2020 and 2019 is the carrying amounts.

**Notes forming part of the Standalone Financial Statements**
**C. Liquidity risk**

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank deposits and loans.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

(Amount in ₹)

Year Ended	On Demand	3 to 12 Months	1 to 5 Years	>5 Years	Total
31-Mar-20					
Borrowings	-	6,49,76,587	27,30,28,739	-	33,80,05,326
	-	<b>6,49,76,587</b>	<b>27,30,28,739</b>	-	<b>33,80,05,326</b>
31-Mar-19					
Borrowings	-	5,74,17,722	19,62,42,575	-	25,36,60,297
	-	<b>5,74,17,722</b>	<b>19,62,42,575</b>	-	<b>25,36,60,297</b>

**37. Capital Management**

For the purpose of the Company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

(Amount in ₹)

Particulars	31 <sup>st</sup> March, 2020	31 <sup>st</sup> March, 2019
Borrowings (Long term and Short term including Current maturity of Long term Borrowings) (Note : 14 to 20)	33,80,05,326	25,36,60,297
Other Payable (current and non-current, excluding current maturity of long term borrowings) Note : (14 to 20)	4,14,77,909	3,73,26,064
Less Cash and Cash Equivalents (Note : 10)	1,13,94,301	25,65,738
<b>Net Debt (A)</b>	<b>36,80,88,934</b>	<b>28,84,20,623</b>
Equity Share capital	13,57,59,963	13,57,59,963
Other Equity	85,04,46,743	81,47,78,271
<b>Total Capital (B)</b>	<b>98,62,06,706</b>	<b>95,05,38,234</b>
<b>Capital and Net debt C= (A+B)</b>	<b>135,42,95,640</b>	<b>123,89,58,857</b>
<b>Gearing ratio (in %) D= (A/C*100)</b>	<b>27.18</b>	<b>23.28</b>

**38. Impact of COVID-19:** The outbreak of novel Coronavirus (COVID-19) .Pandemic globally and in India and the consequent lockdown restrictions imposed by national governments is causing significant disturbance and slowdown of economic activity across the globe. The Company has assessed the possible effects that may arise from the COVID-19 pandemic on the business. As on the current date, based on the assessment, the Company has concluded that the impact of COVID – 19 pandemic is not material on the carrying value of the assets of the business, however this has effected the operations of the company and has had impact on sales and profitability among others. Due to the nature of the pandemic and the resultant operational guidelines that may be announced by the governments in future, the Company will continue to monitor the developments to identify significant impact, if any in the future period.

**39.** The management has considered the possible effects, if any, that made result from the pandemic relating to COVID-19 on the carrying amount of trade receivables and inventories. In developing the assumptions and estimates relating to the uncertainty as at the balance sheet date in relation to the recoverable amount of these assets. The management

**Notes forming part of the Standalone Financial Statements**

has considered the global economic conditions prevailing as that the date of approval of these financial results and has used internal and external source of information to the extent determined by it. The actual outcome of these assumptions and estimate may vary in future due to the impact of the pandemic.

40. The company's unit which has to suspend operations temporarily due to government directives relating to COVID-19, have since resume partial operations, as per the Guidelines and norms prescribed by the government authorities.
41. Previous year's figures have been regrouped and rearranged, wherever found necessary.

As per our report of even date attached

**For Luharuka & Associates**  
**Chartered Accountants**  
**Firm Reg No - 01882S**

**For and on behalf of the BOD of Surana Telecom and Power Limited**

**Rameshchand Jain**  
**Partner**  
**M.No: 023019**

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

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

Place: Secunderabad  
Date: 23rd June, 2020

**Vinita Surana**  
**Chief Financial Officer**

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

## Independent Auditors' Report on Consolidated Financial Statements

To the Members of  
**M/S. SURANA TELECOM AND POWER LIMITED**  
**Report on Audit of Consolidated Financial Statements**

### Opinion

We have audited the accompanying consolidated Financial Statements of **SURANA TELECOM AND POWER LIMITED** (herein after referred to as "The Holding Company") and three of its subsidiaries **SURANA SOLAR SYSTEMS PRIVATE LIMITED, TEJAS INDIA SOLAR ENERGY PRIVATE LIMITED, ARYAVAN RENEWABLE ENERGY PRIVATE LIMITED** (collectively referred to as "the Group"), comprising of the consolidated balance sheet as at 31 March 2020, the consolidated statement of profit and loss including other comprehensive income, the consolidated cash flow statement, the consolidated statement of change in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of other financial information of the subsidiary, 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 31 March 2020, and their consolidated profit including other comprehensive Income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

### Basis For Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibility under those standards are further described in the 'Auditor's Responsibility for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group, in accordance with ethical requirement that are relevant to our audit of consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants and are relevant provision of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Emphasis of Matter

We draw attention to Note 43 of the financial statements, as regards to the management evaluation of COVID – 19 impact on the future performance of the Company. Our opinion is not modified in respect of this matter.

### Key Audit Matters

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

<b>Physical Inventory Verification</b>	<b>Principal Audit Procedures</b>
<p>The auditor's responsibility is to ascertain whether the management has satisfactory procedures for physical verification of inventories, so that in the normal circumstances the programme of physical verification will cover all material items of inventories at least once during the year.</p> <p>Due to COVID-19 pandemic and resulting countrywide shutdown, the programme of physical verification of inventories of stores and spares could not be completed.</p> <p>As per relevant Guidance Note, Auditors are advised to witness implementation of physical verification programme; however, due to the unfavourable circumstances our presence was not possible.</p>	<p>Our audit procedures included but are not limited to detailed written confirmations of inventories held by the stores in-charge of different locations.</p> <p>We have tested the effectiveness of controls present for inwards and issues for consumption. We have selected samples of current year purchases present in closing stock and have verified there Goods Receipt Notes and subsequent payments made by the company.</p> <p>We have employed analytical procedures such reconciliation of quantities of opening stock, purchases, consumption and closing stock; comparison of current year gross profit ratio with the gross profit ratio for the previous year; comparison of significant ratios relating to inventories with the similar ratios for other company in the same industry.</p>

We have determined that there are no other key audit matters to communicate in our report.

## Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the Consolidated financial statements and our auditor's report thereon.

Our opinion on the Consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

## Management's Responsibility and those charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Financial Statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act, 2013 (hereinafter referred to as "the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014 the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the Companies included in Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the group are responsible for overseeing the company's financial reporting process of the Group.

## Auditors Responsibilities for the audit of Consolidated Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated financial statements, including the disclosures, and whether the Consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

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 purpose of our audit of aforesaid consolidated financial statements.
- b. In our opinion proper books of account as required by law relating to preparation of aforesaid consolidated financial statements have been kept by the Company so far as appears from our examination of those books and the reports.
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with relevant books of account and records 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 Companies (Indian Accounting Standards) Rules, 2015, as amended;
- e. On the basis of written representations received from the directors of Holding Company as on March 31, 2020, and taken on record by the Board of Directors of Holding Company and the report of the statutory auditors of subsidiary company, incorporated in India, none of the directors of the Group Companies, incorporated in India, is disqualified as on March 31, 2020, from being appointed as a directors in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h. With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Group has disclosed the impact of pending litigations on its financial position in its consolidated financial statement.
  - (ii) The Group did not have any long-term contracts including derivative contracts as at March 31, 2020; as such the question of commenting on any material foreseeable losses thereon does not arise
  - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company.

**For Luharuka & Associates**  
**Chartered Accountants**  
**Firm Reg No:- 01882S**

Place: Secunderabad  
Date: 23.06.2020

**Rameshchand Jain**  
**(Partner)**  
**Membership No.023019**  
**UDIN: 20023019AAAABM2567**

## Annexure - A to the Auditors' Report

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

In conjunction with our audit of the consolidated Financial Statements of the Company as of and for the year ended 31 March 2020, we have audited the internal financial controls over financial reporting of **SURANA TELECOM AND POWER LIMITED** ("the Holding Company") and three of its subsidiaries **SURANA SOLAR SYSTEMS PRIVATE LIMITED, TEJAS INDIA SOLAR ENERGY PRIVATE LIMITED, ARYAVAAAN RENEWABLE ENERGY PRIVATE LIMITED** (together referred to as "the Group"), which are companies incorporated in India, as of that date.

#### Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company and its subsidiary companies, to whom reporting under clause (i) of sub section 3 of section 143 of the Act in respect of the adequacy of the internal financial controls over financial reporting is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

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

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

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

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

**Opinion**

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

**For Luharuka & Associates**  
**Chartered Accountants**  
**Firm Reg No:- 01882S**

Place: Secunderabad  
Date: 23.06.2020

**Rameshchand Jain**  
**(Partner)**  
**Membership No.023019**  
**UDIN: 20023019AAAABM2567**

**CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2020**

(Amount in ₹)

Particulars	Note No.	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
<b>ASSETS</b>			
<b>1) Non Current Assets</b>			
a) Property, Plant and Equipment	5	850,575,344	939,076,532
b) Capital work-in -Progress		147,867,687	146,601,780
c) Financial Assets			
Investments	6	203,010,436	229,803,787
Loans	7	286,525,458	224,919,038
		<b>1,487,978,925</b>	<b>1,540,401,137</b>
<b>2) Current Assets</b>			
a) Inventories	8	9,870,000	-
b) Financial assets			
Trade receivables	9	51,000,867	50,756,397
Cash and cash equivalents	10	17,527,996	5,465,888
c) Other current assets	11	9,924,272	5,290,581
		<b>88,323,135</b>	<b>61,512,866</b>
<b>TOTAL ASSETS</b>		<b>1,576,302,060</b>	<b>1,601,914,003</b>
<b>EQUITY AND LIABILITIES</b>			
<b>1) Equity</b>			
a) Equity share capital	12	135,759,963	135,759,963
b) Other Equity	13	885,867,164	849,189,535
<b>Total Equity</b>		<b>1,021,627,137</b>	<b>984,949,498</b>
<b>2) Non Controlling Interest</b>			
	14	<b>72,110,507</b>	<b>98,001,272</b>
<b>3) Non Current Liabilities</b>			
a) Financial Liabilities			
- Borrowings	15	357,829,155	392,364,430
- Other financial liabilities	16	9,961,069	5,165,756
b) Deferred tax liabilities (Net)		(5,778,078)	(2,093,830)
		<b>362,012,146</b>	<b>395,436,356</b>
<b>4) Current Liabilities</b>			
a) Financial liabilities			
- Borrowings	17	-	12,023,013
- Trade Payables	18	23,996,924	781,295
- Other financial liabilities	19	91,316,343	78,887,241
b) Provisions	20	934,236	2,406,481
c) Other current liabilities	21	4,304,767	29,428,848
		<b>120,552,270</b>	<b>123,526,878</b>
<b>Total Liabilities</b>		<b>482,564,416</b>	<b>518,963,234</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,576,302,060</b>	<b>1,601,914,003</b>

Significant accounting policies and key accounting estimates and judgements 1 to 4

See accompanying notes form an integral part of Consolidated Financial Statements 29 to 42

As per our report of even date attached

**For and on behalf of the BOD of Surana Telecom and Power Limited**
**For Luharuka & Associates**  
**Chartered Accountants**  
**Firm Reg No - 01882S**
**Rameshchand Jain**  
**Partner**  
**M.No: 023019**
**Narender Surana**  
**Managing Director**  
**DIN: 00075086**
**Devendra Surana**  
**Director**  
**DIN: 00077296**

 Place: Secunderabad  
 Date: 23rd June, 2020

**Vinita Surana**  
**Chief Financial Officer**
**D.Srinivas**  
**Company Secretary**  
**ACS: 23425**

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2020**

(Amount in ₹)

Particulars		Note	For the year ended 31 <sup>st</sup> March, 2020	For the year ended 31 <sup>st</sup> March, 2019
<b>I</b>	<b>Income</b>			
	Revenue from operations	22	287,293,046	343,993,006
<b>II</b>	<b>Other Income</b>	23	81,105,655	9,535,377
<b>III</b>	<b>Total Income (I+II)</b>		<b>368,398,701</b>	<b>353,528,383</b>
<b>IV</b>	<b>Expenses</b>			
	Increase/Decrease in Inventories & Work in Progress	24	15,358,730	28,025,284
	Employee benefits expense	25	12,409,608	8,837,807
	Finance costs	26	49,183,660	49,718,338
	Depreciation and Amortisation Expenses	27	130,371,465	131,045,655
	Other expenses	28	81,201,335	67,888,135
	<b>Total expenses</b>		<b>288,524,798</b>	<b>285,515,219</b>
<b>V</b>	<b>Profit before extraordinary items and tax (III-IV)</b>		<b>79,873,903</b>	<b>68,013,164</b>
<b>VI</b>	<b>Tax expense:</b>			
	Current Tax		14,311,200	14,758,000
	Deferred Tax		(3,684,247)	(4,337,092)
<b>VII</b>	<b>Profit after tax (V-VI)</b>		<b>69,246,949</b>	<b>57,592,256</b>
<b>VIII</b>	<b>Other Comprehensive Income (OCI)</b>			
	a Items that will not be reclassified to profit or loss		(31,273,415)	2,032,393
	b Items that will be reclassified to profit or loss		-	-
<b>VIII</b>	<b>Total Comprehensive Income for the Year, Net of Tax (VII+VIII)</b>		<b>37,973,534</b>	<b>59,624,649</b>
	<b>Total Comprehensive Income for the Year, attributable to</b>			
	- Owners of the Company		39,464,299	54,668,668
	- Non Controlling interest		(1,490,765)	4,955,981
			<b>37,973,534</b>	<b>59,624,649</b>
<b>IX</b>	<b>Earning Per Equity Share</b>			
	(a) Basic		0.51	0.42
	(b) Diluted		0.51	0.42

Significant accounting policies and key accounting estimates and judgements 1 to 4

See accompanying notes form an integral part of Consolidated Financial Statements 29 to 42

As per our report of even date attached

**For and on behalf of the BOD of Surana Telecom and Power Limited**

**For Luharuka & Associates**  
Chartered Accountants  
Firm Reg No - 01882S

**Rameshchand Jain**  
Partner  
M.No: 023019

**Narender Surana**  
Managing Director  
DIN: 00075086

**Devendra Surana**  
Director  
DIN: 00077296

Place: Secunderabad  
Date: 23rd June, 2020

**Vinita Surana**  
Chief Financial Officer

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

**Consolidated Statement of Changes in Equity for the Year ended 31<sup>st</sup> March, 2020****A. Equity Share capital**

Particulars	No of shares	Amount in ₹
Balance as at 1 April 2018	135,759,963	135,759,963
Changes in equity share capital during 2018-19	-	-
Balance as at 31 March 2019	135,759,963	135,759,963
Balance as at 1 April 2019	135,759,963	135,759,963
Changes in equity share capital during 2019-20	-	-
Balance as at 31 March 2020	135,759,963	135,759,963

**B. Other equity**

(Amount in ₹)

Particulars	Reserves and Surplus						Other Comprehensive Income	Total
	Retained Earnings	General Reserve	Capital Redemption reserve	Capital Reserve	Revaluation Reserve	Central Subsidy		
Balance at 1st April 2018 (A)	292,806,542	444,738,478	24,000,000	610,749	19,052,740	3,500,000	28,740,427	813,448,936
Less : Less: Disinvestment of Subsidiary company				610,749				610,749
Less : Less: Disinvestment of Subsidiary company		631,839						631,839
Profit for the year	57,592,250	-	-	-	-	-		57,592,250
Other Comprehensive Income (net of tax)							2,032,393	2,032,393
Total Comprehensive Income for the year 2018-19 (B)	57,592,250	-	-	-	-	-	2,032,393	59,624,643
Less : Non-Controlling Interest(Current Year's Profit (C))	4,955,981							4,955,981
Add: Share in Net Profit of associate company (D)	(17,685,474)							(17,685,474)
Balance at 31st March 2019 E = (A+B-C+D)	327,757,338	444,106,639	24,000,000	-	19,052,740	3,500,000	30,772,820	849,189,537
Balance at 1st April 2019 (A)	327,757,338	444,106,639	24,000,000	-	19,052,740	3,500,000	30,772,820	849,189,537

Particulars	Reserves and Surplus						Other Comprehensive Income	Total
	Retained Earnings	General Reserve	Capital Redemption reserve	Capital Reserve	Revaluation Reserve	Central Subsidy		
Profit for the year	69,246,950	-						69,246,955
Less: Sale/Transfer of land					5,412,360			5,412,360
Other Comprehensive Income (net of tax)							(31,273,415)	(31,273,415)
<b>Total Comprehensive Income for the year 2019-20 (B)</b>	<b>69,246,950</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(31,273,415)</b>	<b>37,973,535</b>
Less : Non-Controlling Interest(Current Year's Profit (C))	(1,490,765)							(1,490,765)
Add: Share in Net Profit of associate company (D)	2,625,691							2,625,691
<b>Balance at 31st March 2020 E = (A+B-C+D)</b>	<b>401,120,743</b>	<b>444,106,639</b>	<b>24,000,000</b>	<b>-</b>	<b>13,640,380</b>	<b>3,500,000</b>	<b>(500,595)</b>	<b>885,867,164</b>

Significant accounting policies and key accounting estimates and judgements.

See accompanying notes form an integral part of Consolidated Financial Statements

29 to 42

As per our report of even date attached

For and on behalf of the BOD of Surana Telecom and Power Limited

**For Luharuka & Associates**  
Chartered Accountants  
Firm Reg No - 01882S

**Rameshchand Jain**  
Partner  
M.No: 023019

**Narender Surana**  
Managing Director  
DIN: 00075086

**Devendra Surana**  
Director  
DIN: 00077296

Place: Secunderabad  
Date: 23rd June, 2020

**Vinita Surana**  
Chief Financial Officer

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

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2020**

(Amount in ₹)

Particulars	Year ended 31 <sup>st</sup> March, 2020		Year ended 31 <sup>st</sup> March, 2019	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit (Loss) before Tax and Exceptional Items		79,873,903		68,013,164
Adjustments for Non-Operating Activities:				
Other Comprehensive Income	(31,273,415)		2,032,393	
Sundry Balances written off	-		20,263,361	
Sundry Balances written back	(609,580)		(35,514)	
(Profit)/loss on Sale of Investments	529,375		(1,948,046)	
(Profit)/loss on Sale of Assets	(56,953,439)		-	
Interest Paid	49,183,660		49,718,338	
Depreciation & amortisation	130,371,465		131,045,655	
Interest income	(21,130,612)		(7,506,447)	
		70,117,454		193,569,740
Operating Profit before Working Capital Changes		<b>149,991,357</b>		<b>261,582,904</b>
Adjustments for Working Capital Changes:				
(Increase)/ Decrease in Inventories	(9,870,000)		28,025,284	
(Increase)/ Decrease in Other assets	(6,501,963)		26,596,277	
(Increase)/ Decrease in Trade Receivables	(1,557,456)		(44,072,033)	
(decrease)/ Increase in Trade payables and other liabilities	2,498,289		24,862,684	
Cash Generation From Operations		(15,431,130)		35,412,212
Direct Taxes (Net)		(12,818,955)		(16,762,729)
Net Cash from Operating Activities (A)		<b>121,741,272</b>		<b>280,232,387</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of Fixed Assets	(51,595,107)		(26,439,472)	
Sale of Fixed Assets	60,000,000		-	
Loans & advances to Associate company	(59,738,154)		(157,527,228)	
Investment in shares (Net)	27,322,726		(2,269,611)	
Interest received	20,090,373		7,506,447	
Net Cash from Investing Activities (B)		<b>(3,920,162)</b>		<b>(178,729,864)</b>

Particulars	Year ended 31 <sup>st</sup> March, 2020		Year ended 31 <sup>st</sup> March, 2019	
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Proceeds/(Repayment) from borrowings	43,505,138		(53,627,818)	
Proceeds/(Repayment) from others	(75,985,476)		(13,925,764)	
Proceeds (Reduction) in minority interest in share capital	(24,500,000)		-	
Interest Paid	(48,380,118)		(49,264,328)	
Dividend Paid	(395,778)		(262,792)	
(Increase)/Decrease in restricted deposits	(5,901,026)		216,430	
Net Cash from Financing Activities (C)		<b>(111,657,260)</b>		<b>(116,864,272)</b>
Net Increase (Decrease) in Cash and Cash Equivalent (A+B+C)		6,163,850		(15,361,749)
Cash and Cash Equivalent at the beginning		2,830,892		18,192,641
Cash and Cash Equivalent at the end		8,994,742		2,830,892
Net Increase (Decrease) in Cash and Cash Equivalent (A+B+C)		<b>6,163,850</b>		<b>(15,361,749)</b>
Notes:				
1 Components of cash and cash equivalents		As on 31.03.2020		As on 31.03.2019
Cash on hand		150,672		158,791
Balances with bank		8,844,070		2,672,101
<b>Total</b>		<b>8,994,742</b>		<b>2,830,892</b>
2 Accompanied notes to accounts forms an integral part of the Consolidated Financial Statements.				

As per our report of even date attached

For and on behalf of the BOD of Surana Telecom and Power Limited

**For Luharuka & Associates**  
Chartered Accountants  
Firm Reg No - 01882S

**Rameshchand Jain**  
Partner  
M.No: 023019

**Narender Surana**  
Managing Director  
DIN: 00075086

**Devendra Surana**  
Director  
DIN: 00077296

Place: Secunderabad  
Date: 23rd June, 2020

**Vinita Surana**  
Chief Financial Officer

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

## SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

### 1. Corporate Information

Surana Telecom and Power Limited (“the Company”) is a Public Limited Company registered under the Companies Act, 1956. It is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). It was incorporated on 14.08.1989 having its registered office at 5<sup>th</sup> Floor, Surya Towers, Sardar Patel Road, Secunderabad, Telangana-500 003. The Company is into the business of manufacturing/Trading of Solar related Products, Generation of Solar Power and Wind Power

### 2. Basis of preparation

The financial statements are separate financial statements prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). For all periods up to and including the year ended March 31, 2020, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

### 3. Basis of Consolidation

The consolidated Ind AS financial statements comprise of the M/S Surana Telecom and Power Limited and its three subsidiary companies namely, M/S Surana Solar Systems Private Limited, M/s Aryavaan Renewable Energy Private Limited, M/s Tejas India Solar Energy Private Limited and it's associate company namely M/s Surana Solar Limited (collectively referred to as “the company” or “the Group”) as at March 31, 2020. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee); Exposure, or rights, to variable returns from its involvement with the investee, and the ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including: The contractual arrangement with the other vote holders of the investee; Rights arising from other contractual arrangements; The Group's voting rights and potential voting rights, and the size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies. The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March.

Consolidation procedure:

- (a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- (b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- (c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognized in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary

differences that arise from the elimination of profits and losses resulting from intragroup transactions. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it: Derecognises the assets (including goodwill) and liabilities of the subsidiary; Derecognises the carrying amount of any non-controlling interests; Derecognises the cumulative translation differences recorded in equity; Recognises the fair value of the consideration received; Recognises the fair value of any investment retained; Recognises any surplus or deficit in profit or loss, and Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

#### 4. Significant Accounting Policies:

##### (a) Business combinations and goodwill

In accordance with Ind AS 101 provisions related to first time adoption, the Group has elected to apply Ind AS accounting for business combinations prospectively from April 1, 2016. As such, Indian GAAP balances relating to business combinations entered into before that date, including goodwill, have been carried forward with minimal adjustment. The same first time adoption exemption is also used for associates and joint ventures. Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred. At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

##### (b) Revenue Recognition

Revenue is recognized and measured at the fair value of the consideration received or receivable, to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Effective April 1, 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method, applied to contracts that were not completed as of April 1, 2018. The Company has evaluated and there is no material impact of this amendment on the Financial Statement of the Company.

##### Other income:

Other income is comprised primarily of interest income, dividend income, gain / loss on investments and exchange gain/loss on forward and options contracts and on translation of other assets and liabilities. Interest income is recognized using the effective interest method. Dividend income is recognized when the right to receive payment is established.

##### (c) Property, Plant and Equipment

Property, plant and equipment are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss (if any). All significant costs relating to the acquisition and installation of property, plant and equipment are capitalized. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. The identified components are depreciated over their useful lives, the remaining asset is depreciated over the life of the principal asset.

Depreciation for identified components is computed on straight line method based on useful lives, determined based on internal technical evaluation. Freehold land is carried at cost.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**(d) Investment Properties**

Property that is held for long-term rental yields or for capital appreciation or both is classified as investment property. Investment Property is measured at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized. Investment Properties are depreciated using the straight-line method as per the provisions of Schedule II of the Companies Act, 2013 or based on useful life estimated on the technical assessment.

**(e) Intangible Assets**

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

**(f) Depreciation and amortization:**

Depreciation is provided on the straight-line method over the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013. Depreciation for assets purchased/sold during a period is proportionately charged.

**(g) Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is: -

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- The Company classifies all other liabilities as non-current.

**(h) Financial assets**

Financial assets comprise of cash and cash equivalents.

***Initial recognition:***

All financial assets are recognised initially at fair value. Purchases or sales of financial asset that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the company commits to purchase or sell the assets.

***Subsequent Measurement:***

- (i) Financial assets measured at amortised cost: Financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortised cost using effective interest rate (EIR) method. The EIR amortization is recognised as finance income in the Statement of Profit and Loss.

The Company while applying above criteria has classified the following at amortised cost:

- a) Trade receivable
- b) Cash and cash equivalents
- c) Other Financial Asset

**Impairment of Financial Assets:**

Financial assets are tested for impairment based on the expected credit losses.

**De-recognition of Financial Assets:**

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

**(i) Impairment of Non-Financial Assets**

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the company makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash generating unit to which the asset belongs.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

**(j) Cash and Cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand and short-term investments with an original maturity of three months or less. Deposits with banks are subsequently measured at amortized cost and short term investments are measured at fair value through statement of profit & loss account.

**(k) Financial liabilities**

***Initial recognition and measurement:***

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. These liabilities are classified as amortised cost. A preference share that provides for mandatory redemption by the issuer for a fixed or determinable amount at a fixed or determinable future date, or gives the holder the right to require the issuer to redeem the instrument at or after a particular date for a fixed or determinable amount, is a financial liability.

***Subsequent measurement:***

These liabilities include are borrowings and deposits. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

***De-recognition of financial liabilities:***

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

**(l) Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest, exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other costs that an entity incurs in connection with the borrowing of funds. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

**(m) Employee Benefits**

Employee benefits are charged to the Statement of Profit and Loss for the year.

**Provident Fund**

Retirement benefits in the form of Provident Fund are defined contribution scheme and such contributions are recognised, when the contributions to the respective funds are due. There are no other obligation other than the contribution payable to the respective funds.

**Gratuity**

The Company has not created any gratuity fund. However adequate provisions have been made in the accounts for gratuity liability. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting.

**Compensated absences**

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees.

**Short-term employee benefits**

Expense in respect of other short term benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

**(n) Income Taxes**

Income tax expense is comprised of current and deferred taxes. Current and deferred tax is recognized in net income Current income taxes for the current period, including any adjustments to tax payable in respect of previous years, are recognized and measured at the amount expected to be recovered from or payable to the taxation authorities based on the tax rates that are enacted or substantively enacted by the end of the reporting period.

**Deferred income tax**

Deferred income tax assets and liabilities are recognized for temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax base using the tax rates that are expected to apply in the period in which the deferred tax asset or liability is expected to settle, based on the laws that have been enacted or substantively enacted by the end of reporting period. Deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable income nor the accounting income.

**Minimum Alternative Tax (MAT)**

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

**(o) Leases****As a lessee**

Leases of property, plant and equipment where the company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

**As a lessor**

Lease income from operating leases where the company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

Lease-hold land:

Leasehold land that normally has a finite economic life and title which is not expected to pass to the lessee by the end of the lease term is treated as an operating lease. The payment made on entering into or acquiring a leasehold land is accounted for as leasehold land use rights (referred to as prepaid lease payments in Ind AS 17 “Leases”) and is amortized over the lease term in accordance with the pattern of benefits provided.

**(p) Provisions, contingent assets and contingent liabilities**

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

**(q) Fair value measurement**

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date. Fair value hierarchy:

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

- Level 1—Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2—Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3— Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

**(r) Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**(s) Cash dividend to equity holders of the Company**

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company’s Board of Directors.



## Notes forming part of the Consolidated Financial Statements

## 5 Property, Plant and Equipment

Following are the changes in the carrying value of Property, Plant and Equipment for the Year Ended 31<sup>st</sup> March, 2020

(Amount in ₹)

Particulars	Freehold Land	Leasehold Land	Factory Buildings	P & M- Others	P & M- Solar Power	P & M- wind Power	Office Equipment	Vehicles	Furniture & Fixtures	Computer	Computer software	Grand Total
Gross carrying Value as of April 01, 2019	73,717,215	53,936,902	78,210,176	343,121,384	1,406,517,704	63,550,092	18,971,207	13,942,124	11,400,260	2,428,821	143,220	2,065,939,105
Additions	-	-	-	3,729,200	46,600,000	-	-	-	-	-	-	50,329,200
Disposals	6,982,298	-	3,349,176	-	-	-	-	-	-	-	-	10,331,474
adjustments	-	-	-	227,932,501	-	-	284,329	-	-	-	-	228,216,830
<b>Gross carrying Value as of Mar 31, 2020</b>	<b>66,734,917</b>	<b>53,936,902</b>	<b>74,861,000</b>	<b>118,918,083</b>	<b>1,453,117,704</b>	<b>63,550,092</b>	<b>18,686,878</b>	<b>13,942,124</b>	<b>11,400,260</b>	<b>2,428,821</b>	<b>143,220</b>	<b>1,877,720,001</b>
Accumulated depreciation as of April 01, 2019	-	-	-	323,067,212	668,456,798	35,789,059	17,824,630	6,714,920	10,047,800	2,428,821	143,220	1,126,862,577
Depreciation	-	2,035,395	1,235,069	17,493,762	104,162,194	2,458,353	982,149	1,401,823	602,720	-	-	130,371,465
Accumulated depreciation on Disposals	-	-	1,872,553	-	-	-	-	-	-	-	-	1,872,553
adjustments	-	-	-	227,932,500	-	-	284,329	-	-	-	-	228,216,829
Accumulated depreciation as of Mar 31, 2020	-	15,824,080	47,963,948	112,628,474	772,618,992	38,247,412	18,522,450	8,116,743	10,650,520	2,428,821	143,220	1,027,144,660
<b>Net Carrying Value as of Mar 31, 2020</b>	<b>66,734,917</b>	<b>38,112,822</b>	<b>26,897,052</b>	<b>6,289,609</b>	<b>680,498,712</b>	<b>25,302,680</b>	<b>164,428</b>	<b>5,825,381</b>	<b>749,740</b>	<b>-</b>	<b>-</b>	<b>850,575,341</b>

## Notes forming part of the Consolidated Financial Statements

Particulars	Freehold Land	Leasehold Land	Factory Buildings	P & M- Others	P & M- Solar Power	P & M- wind Power	Office Equipment	Vehicles	Furniture & Fixtures	Computer software	Grand Total
Gross carrying Value as of April 01, 2018	73,717,215	53,936,902	78,210,176	340,283,004	1,385,798,641	63,550,092	18,746,207	13,942,124	11,400,260	143,220,204	1,566,662
Additions	-	-	-	2,838,380	20,719,062	-	225,000	-	-	-	23,782,442
Disposals	-	-	-	-	-	-	-	-	-	-	-
<b>Gross carrying Value as of March 31, 2019</b>	<b>73,717,215</b>	<b>53,936,902</b>	<b>78,210,176</b>	<b>343,121,384</b>	<b>1,406,517,703</b>	<b>63,550,092</b>	<b>18,971,207</b>	<b>13,942,124</b>	<b>11,400,260</b>	<b>143,220,204</b>	<b>2,065,939,104</b>
Accumulated depreciation as of April 01, 2018	-	11,753,290	47,315,269	314,967,581	553,471,923	33,330,706	17,691,774	5,385,863	9,328,471	143,220	995,816,918
Depreciation	-	2,035,395	1,286,163	8,099,626	114,984,876	2,458,353	132,856	1,329,057	719,329	-	131,045,655
Accumulated depreciation on Disposals	-	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation as of March 31, 2019	-	13,788,685	48,601,432	323,067,207	668,456,799	35,789,059	17,824,630	6,714,920	10,047,800	143,220	1,126,862,573
<b>Net Carrying Value as of March 31, 2019</b>	<b>73,717,215</b>	<b>40,148,217</b>	<b>29,608,744</b>	<b>20,054,177</b>	<b>738,060,904</b>	<b>27,761,033</b>	<b>1,146,577</b>	<b>7,227,204</b>	<b>1,352,460</b>	<b>-</b>	<b>939,076,531</b>
Net Carrying Value as of March 31, 2018	73,717,215	42,183,612	30,894,907	25,315,423	832,326,718	30,219,386	1,054,433	8,556,261	2,071,789	-	1,046,339,744

**6. Investments (Non Current)**
**(Amount in ₹)**

Particulars	Note	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
<b>B) Investment in Associate Companies- Un quoted (At Cost)</b>			
<b>Bhagyanagar Securities Pvt Ltd</b>		18,000,000	18,000,000
(Equity shares of ₹ 10/- each fully paid up) 1,50,000 (March 31, 2019: 1,50,000)			
<b>Bhagyanagar Green Energy Ltd.</b>		22,288,800	22,288,800
(Equity shares of ₹ 10/- each fully paid up) 22,28,880 (March 31, 2019: 22,28,880)			
<b>Sub-Total (B)</b>		<b>40,288,800</b>	<b>40,288,800</b>
<b>C) Investment in Associate Companies- Quoted (At Cost)</b>			
<b>Surana Solar Ltd (Formerly Surana Ventures Ltd)</b>		123,689,846	119,027,850
(Equity shares of ₹ 5/- each fully paid up) 2,00,69,973 (March 31, 2019: 1,98,33,704)			
<b>Sub-Total (C)</b>		<b>123,689,846</b>	<b>119,027,850</b>
<b>D) Investment in Companies-Quoted (At Fair Value through OCI)</b>			
<b>Bhagyanagar India Ltd</b>		16,662,165	36,588,054
(Equity shares of ₹ 2/- each fully paid up) 11,47,166 (March 31, 2019 : 11,45,166)			
<b>Bhagyanagar Properties Ltd.</b>		22,360,039	33,740,212
(Equity shares of ₹ 2/- each fully paid up) 11,43,736 (March 31, 2019 : 11,43,736)			
<b>Sub-Total (D)</b>		<b>39,022,204</b>	<b>70,328,266</b>
<b>Hindustan Copper Limited.</b>		9,585	146,850
(Equity shares of ₹ 10/- each fully paid up) 450 (March 31, 2019 : 3000)			
<b>KSK Energy Vetnures Limited.</b>		-	860
(Equity shares of ₹ 10/- each fully paid up) Nil (March 31, 2019 : 1000)			
<b>Prithvi Information Solutions Limited</b>		1	1
(Equity shares of ₹ 10/- each fully paid up) 6 (March 31, 2019 : 6)			
<b>Indoasolar Limited</b>		-	2,070
(Equity shares of ₹ 10/- each fully paid up) Nil (March 31, 2019 : 1000)			
<b>Suryalaxmi Cotton Mills Limited</b>		-	9,090
(Equity shares of ₹ 10/- each fully paid up) Nil (March 31, 2019 : 300)			
<b>Sub-Total (E)</b>		<b>9,586</b>	<b>158,871</b>
<b>GRAND TOTAL (A+B+C+D+E)</b>		<b>203,010,436</b>	<b>229,803,787</b>
<b>Aggregate Market Value of Quoted Investments</b>		<b>146,435,245</b>	<b>220,708,635</b>

## Notes forming part of the Consolidated Financial Statements

## 7. Loans (Non current)

(Amount in ₹)

Particulars	Note	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
<b>Unsecured, considered good</b>			
a) Loan to Associate company	7 (a)	280,420,810	220,682,662
b) Security Deposits		6,104,648	4,236,376
<b>Total</b>		<b>286,525,458</b>	<b>224,919,038</b>

7 (a) Name of the Associate Company	Balance as on 31.03.2020	Balance as on 31.03.2019
Bhagnagar Green Energy Ltd	51,805,493	23,682,112
Bhagnagar Properties Ltd	96,489,040	-
Surana Solar Ltd	-	197,000,550
Bhagnagar Copper Private Ltd	72,126,277	-
Globecom Infotech Private Ltd	60,000,000	-
<b>Total</b>	<b>280,420,810</b>	<b>220,682,662</b>

## 8. Inventories

(As Valued and certified by the Management)

(Amount in ₹)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Traded Goods	9,870,000	-
<b>Total</b>	<b>9,870,000</b>	<b>-</b>

## 9. Trade Receivables

(Amount in ₹)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Un secured, Considered Good	51,000,867	50,756,397
<b>Total</b>	<b>51,000,867</b>	<b>50,756,397</b>

## 10. Cash and Cash Equivalents

(Amount in ₹)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
(a) Cash & Cash Equivalents		
(i) Balances in current account	8,844,070	2,672,101
(ii) Cash on Hand	150,672	158,791
(b) Other Blanaces	-	
(i) In Deposit Accounts	7,118,445	821,641
(ii) In Unclaimed Dividend Accounts	1,368,684	1,764,462
(iii) Accred Interest on deposits	46,125	48,893
<b>Total</b>	<b>17,527,996</b>	<b>5,465,888</b>

**11. Other Current Assets**

(Amount in ₹)

Particulars	As at 31 <sup>st</sup> March, 2020		As at 31 <sup>st</sup> March, 2019	
	Number	Rupees	Number	Rupees
<b>(Unsecured, considered good unless otherwise stated)</b>				
Balance with Statutory Authorities		1,605,726		831,498
Other Advances/ Receivables		7,689,105		4,459,083
Advance to suppliers		629,441		-
<b>Total</b>		<b>9,924,272</b>		<b>5,290,581</b>

**12. Share Capital**

(Amount in ₹)

Particulars	As at 31 <sup>st</sup> March, 2020		As at 31 <sup>st</sup> March, 2019	
	Number	Rupees	Number	Rupees
Authorised				
Equity Shares of ₹ 1/- each	150,000,000	150,000,000	150,000,000	150,000,000
Issued				
Equity Shares of ₹ 1/- each	135,759,963	135,759,963	135,759,963	135,759,963
Subscribed & Paid up				
Equity Shares of ₹1/- each fully paid	135,759,963	135,759,963	135,759,963	135,759,963
<b>Total</b>	<b>135,759,963</b>	<b>135,759,963</b>	<b>135,759,963</b>	<b>135,759,963</b>

**a) Term/rights attached to Equity Shares**

The company has only one class of issued equity shares having a par value of ₹ 1/- per share. Each shareholder is entitled to one vote per share. In the event of liquidation of the company. The holders of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**b) Reconciliation of Shares Outstanding at the beginning and at the end of the reporting year.**

Particulars	As at 31 <sup>st</sup> March, 2020		As at 31 <sup>st</sup> March, 2019	
	Number	Rupees	Number	Rupees
Shares outstanding at the beginning of the year	135,759,963	135,759,963	135,759,963	135,759,963
Shares outstanding at the end of the year	135,759,963	135,759,963	135,759,963	135,759,963

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

**c) Particulars of shareholders holding more than 5% of Issued Share Capital.**

Name of Shareholder	As at 31 <sup>st</sup> March, 2020		As at 31 <sup>st</sup> March, 2019	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Narender Surana	27,059,284	19.93%	27,058,884	19.93%
Devendra Surana	20,639,453	15.20%	20,639,453	15.20%
Surana Infocom Private Limited	9,682,587	7.13%	9,705,456	7.15%
Namrata Surana	10,527,819	7.75%	7,176,884	5.29%
Sunita Surana	9,124,045	6.72%	5,773,110	4.25%
Manish Surana	7,733,177	5.70%	7,733,177	5.70%
<b>Total</b>	<b>84,766,365</b>	<b>62.44%</b>	<b>78,086,964</b>	<b>57.52%</b>

The shareholding information has been extracted from the records of the Company including register of shareholders/ members and is based on legal.

## Notes forming part of the Consolidated Financial Statements

13 Other equity	Particulars	Reserves and Surplus							Other Comprehensive Income		Total
		Retained Earnings	General Reserve	Capital Redemption reserve	Capital Reserve	Revaluation Reserve	Central Subsidy	FVTOCI Equity Instruments	Comprehensive Income		
	<b>Balance at 1st April 2018 (A)</b>	292,806,542	444,738,478	24,000,000	610,749	19,052,740	3,500,000	28,740,427	813,448,936		
	Less : Less: Disinvestment of Subsidiary company				610,749				610,749		
	Less : Less: Disinvestment of Subsidiary company		631,839						631,839		
	<b>Profit for the year</b>	57,592,250	-						57,592,250		
	Other Comprehensive Income (net of tax)		-					2,032,393	2,032,393		
	<b>Total Comprehensive Income for the year 2018-19 (B)</b>	57,592,250	-					2,032,393	59,624,643		
	Less : Non-Controlling Interest(Current Year's Profit (C)	4,955,981							4,955,981		
	Add: Share in Net Profit of associate company (D)	(17,685,474)							(17,685,474)		
	<b>Balance at 31st March 2019 E = (A+B-C+D)</b>	327,757,338	444,106,639	24,000,000	-	19,052,740	3,500,000	30,772,820	849,189,537		
	<b>Balance at 1st April 2019 (A)</b>	327,757,338	444,106,639	24,000,000	-	19,052,740	3,500,000	30,772,820	849,189,537		
	Profit for the year	69,246,950	-						69,246,955		
	Less: Sale/Transfer of land					5,412,360			5,412,360		
	Other Comprehensive Income (net of tax)		-					(31,273,415)	(31,273,415)		
	<b>Total Comprehensive Income for the year 2019-20 (B)</b>	69,246,950	-					(31,273,415)	37,973,535		
	Less : Non-Controlling Interest(Current Year's Profit (C)	(1,490,765)							(1,490,765)		
	Add: Share in Net Profit of associate company (D)	2,625,691							2,625,691		
	<b>Balance at 31st March 2020 E = (A+B-C+D)</b>	401,120,743	444,106,639	24,000,000	-	13,640,380	3,500,000	(500,595)	885,867,164		

The Description, Nature and Purpose of the each reserve with in equity are as follows.

General Reserve: This reserve is retained earning of the company, which are kept aside out of the Company's profit to meet future (known or unknown) obligations.

Retained Earnings: Retained earnings comprise of net accumulated profit/(loss) of the Company, after declaration of dividend.

Capital Redemption Reserve: Capital Redemption Reserve was created on account of buy back of shares of the Company.

**Notes forming part of the Consolidated Financial Statements**
**14. Non Controlling Interest**
**(Amount in ₹)**

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
<b>Opening Balance</b>	98,001,272	93,045,291
Less: Reduction in Minority Interest in share capital	(24,400,000)	-
Add: Current year's Interest	(1,490,765)	4,955,981
<b>Total</b>	<b>72,110,507</b>	<b>98,001,272</b>

**15. Borrowings (Non Current)**
**(Amount in ₹)**

Particulars	Note	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
<b>Secured</b>			
- Term Loan from Other Institutions/Banks	15 (a)	434,555,779	377,590,826
- Vehicle Loan from Bank	15 (b)	664,414	2,904,758
		435,220,193	380,495,584
Less: Current maturities of long term borrowings - (B)		<b>87,525,038</b>	<b>74,250,630</b>
<b>Total C = (A-B)</b>		<b>347,695,155</b>	<b>306,244,954</b>
<b>Un Secured</b>			
Loan from Share holders		6,659,000	11,699,000
Loan from Body Corporate	15 (c)	-	24,995,240
Loan from Directors	15 (d)	3,475,000	49,425,236
		10,134,000	86,119,476
<b>Total</b>		<b>357,829,155</b>	<b>392,364,430</b>

**Notes:**

- 15 (a) Term Loan taken from Herofin Fincorp Ltd was repaid by way of transfer of Loan to M/s HDFC Bank Limited during the year. Company has further taken a loan of ₹ 9,50,00,000/- from the M/s HDFC Bank Ltd.
- 15 (a) (i) Term Loan from HDFC Bank Limited is secured by way of exclusive charge on the receivables from Solar Power Project at Gujarat, additionally secured by way of first and exclusive charge on the assets of Solar Power unit at Gujarat and P&M of Wind Power unit at Karnataka and equitable mortgage on one plot situated at Cherlapally, Hyderabad. Further, it has been guaranteed by the some of the directors of the company. The loan is repayable from July 2019. Accordingly, amount due with in a Year is ₹ 564,18,895/- (Principal only) which is classified under "Other Current Financial Liabilities".
- 15 (a) (ii) Lease Rental Discounted facility from Aditya Birla Finance Limited is secured by First and exclusive charge on Plot at Maheshwaram Mandal, Ranga Reddy District w.r.t Current and Future lease Rentals from the property. The loan is repayable in 108 monthly installments beginning from June 2016. Accordingly, amount due within a year is ₹ 54,82,353/- (Principal only) which is classified Under "Other Current Liabilities". Company has further, taken a loan of ₹ 5,00,00,000/- during the year.
- 15 (b) (i) vehicle loan from HDFC Bank Limited is secured against hypothecation of vehicle. The loan was taken during the financial year 2016-17 and is repayable in monthly installment of ₹ 43,885/- each. All the installments were paid.
- 15 (b) (ii) vehicle loan from AXIS Bank Limited is secured against hypothecation of vehicle. The loan was taken during the financial year 2017-18 and is repayable in monthly installment of ₹ 1,72,067/- each. Accordingly due with in a year is ₹ 6,52,718/- (Principal only) which is classified under "Other Current Financial Liabilities".

## Notes forming part of the Consolidated Financial Statements

15 (c) Loan from Body Corporate	Balance as on 31.03.2020	Balance as on 31.03.2019
Value Infrastructure & Properties Pvt Ltd	-	24,995,240
<b>Total</b>	<b>-</b>	<b>24,995,240</b>

**15 (d) Loan from Directors**

Arun Kumar Kedia	3,475,000	3,475,000
Devendra Surana	-	27,570,665
Narender Surana	-	18,379,571
<b>Total</b>	<b>3,475,000</b>	<b>49,425,236</b>

**16. Other Financial Liabilities (Non Current) (Amount in ₹)**

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Security Deposits	9,961,069	5,165,756
<b>Total</b>	<b>9,961,069</b>	<b>5,165,756</b>

**17. Borrowings (Current) (Amount in ₹)**

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
<b>Secured</b>		
Cash Credit from Bank	-	7,023,013
<b>Unsecured</b>		
Loans from Body Corporate	-	5,000,000
<b>Total</b>	<b>-</b>	<b>12,023,013</b>

**18. Trade payables (Amount in ₹)**

Particulars	Note	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
For Goods & Service			
Total Outstanding dues of micro and small enterprises		-	-
Total Outstanding dues of creditors other than micro and small enterprises	18 (a)	23,996,924	781,295
<b>Total</b>		<b>23,996,924</b>	<b>781,295</b>

18 (a) Due to Related Party Name of the Company	Balance as on 31 <sup>st</sup> March, 2020	Balance as on 31 <sup>st</sup> March, 2019
Surana Solar Ltd	16,948,205	-

**Notes forming part of the Consolidated Financial Statements**
**19. Other Financial Liabilities (Current)**
**(Amount in ₹)**

Particulars	Note	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Current Maturities of Long Term Debt			
- Term Loan from Other Institutions/Banks	19 (a)	86,872,320	72,163,347
- Vehicle Loan from Bank	19 (b)	652,718	2,087,283
- Provision for Interest on Term Loans		2,422,621	1,619,079
<b>Total (A)</b>		<b>89,947,659</b>	<b>75,869,709</b>
Unclaimed Dividend		1,368,684	1,764,462
<b>Total (B)</b>		<b>1,368,684</b>	<b>1,764,462</b>
Security Deposits (C)		-	1,253,070
<b>Total (A+B+C)</b>		<b>91,316,343</b>	<b>78,887,241</b>

**Notes:**

- 19 (a) (i) Term Loan from HDFC Bank Limited is secured by way of exclusive charge on the receivables from Solar Power Project at Gujarat, additionally secured by way of first and exclusive charge on the assets of Solar Power unit at Gujarat and P&M of Wind Power unit at Karnataka and equitable mortgage on one plot situated at Cherlapally, Hyderabad. Further, it has been guaranteed by the some of the directors of the company. The loan is repayable from July 2019. Accordingly, amount due with in a Year is ₹ 564,18,895/- (Principal only) which is classified under "Other Current Financial Liabilities" .
- 19 (a) (ii) Lease Rental Discounted facility from Aditya Birla Finance Limited is secured by First and exclusive charge on Plot at Maheshwaram Mandal, Ranga Reddy District w.r.t Current and Future lease Rentals from the property. The loan is repayable in 108 monthly installments beginning from June 2016. Accordingly, amount due within a year is ₹ 54,82,353/- (Principal only) which is classified Under "Other Current Liabilities". Company has further, taken a loan of ₹ 5,00,00,000/- during the year.
- 19 (b) (i) vehicle loan from HDFC Bank Limited is secured against hyphotication of vehicle. The loan was taken during the financial year 2016-17 and is repayable in monthly installment of ₹ 43,885/- each. All the installments were paid.
- 19 (b) (ii) vehicle loan from AXIS Bank Limited is secured against hyphotication of vehicle. The loan was taken during the financial year 2017-18 and is repayable in monthly installment of ₹ 1,72,067/- each. Accordingly due with in a year is ₹ 6,52,718/- (Principal only) which is clasified under "Other Current Financial Liabilities".

**20. Provisions**
**(Amount in ₹)**

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Provision for Employee Benefits	200,000	180,000
Provision for Income tax (Net of Advance tax & TDS)	734,236	2,226,481
<b>Total</b>	<b>934,236</b>	<b>2,406,481</b>

**21. Other Current Liabilities**
**(Amount in ₹)**

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Advance for Capital Asset	-	24,990,000
Other Liabilities	4,304,767	4,386,675
Accrued Rental Income	-	52,173
<b>Total</b>	<b>4,304,767</b>	<b>29,428,848</b>

## Notes forming part of the Consolidated Financial Statements

## 22. Revenue from operations (Amount in ₹)

Particulars	For the year ended 31 <sup>st</sup> March, 2020	For the year ended 31 <sup>st</sup> March, 2019
<b>(a) Sale of products</b>		
Solar Power	215,770,924	221,601,559
Wind Power	4,630,034	6,087,456
Electric Power Cable / Components	12,773	5,025
Traded Goods/ Solar Modules	15,413,529	14,148,887
Sale of REC	39,755,016	96,284,992
<b>Gross Sales</b>	<b>275,582,276</b>	<b>338,127,919</b>
Less: GST	4,995,393	10,990,002
<b>Net Sales</b>	<b>270,586,883</b>	<b>327,137,917</b>
<b>(b) Infrastructure Leasing</b>	16,698,233	16,855,089
<b>(C) Lease rental (IND AS)</b>	7,930	-
<b>Total</b>	<b>287,293,046</b>	<b>343,993,006</b>

## 23. Other Income (Amount in ₹)

Particulars	For the year ended 31 <sup>st</sup> March, 2020	For the year ended 31 <sup>st</sup> March, 2019
<b>(a) Interest Income</b>		
Interest on Loans, Deposits and Others (Gross)	21,130,612	7,506,447
Income from Dividend	1,061,478	-
<b>(b) Other Non-Operating Income</b>		
Miscellaneous Income	37,560	45,370
Balances no Longer Payable Written Back	609,580	35,514
Profit on sale of Investments	-	1,948,046
Profit on sale of Assets	56,953,439	-
Recovery of bad debts Written off	1,312,986	-
<b>Total</b>	<b>81,105,655</b>	<b>9,535,377</b>

## 24. Changes in Finished Goods, Stock in Process and Stock in Trade (Amount in ₹)

Particulars	For the year ended 31 <sup>st</sup> March, 2020	For the year ended 31 <sup>st</sup> March, 2019
Increase/Decrease in stock of Traded Goods		
<b>Inventories (at close)</b>		
Traded Goods	9,870,000	-
(C)	9,870,000	-
<b>Inventories (at opening)</b>		
Traded Goods (A)	-	28,025,284
Purchases (B)	25,228,730	-
<b>Total D=(A+B-C)</b>	<b>15,358,730</b>	<b>28,025,284</b>
Inter Unit Transfer (E)	-	-
<b>Total F=(D-E)</b>	<b>15,358,730</b>	<b>28,025,284</b>

**Notes forming part of the Consolidated Financial Statements**
**25. Employee benefit expense** (Amount in ₹)

Particulars	For the year ended 31 <sup>st</sup> March, 2020	For the year ended 31 <sup>st</sup> March, 2019
Salaries, Wages and Other Benefits	11,553,877	8,506,047
Contribution to Provident and Other Funds	855,731	331,760
<b>Total</b>	<b>12,409,608</b>	<b>8,837,807</b>

**26. Finance cost** (Amount in ₹)

Particulars	For the year ended 31 <sup>st</sup> March, 2020	For the year ended 31 <sup>st</sup> March, 2019
Interest Expense		
On Cash Credit & Others	253,913	2,043,216
On Term Loan & Vehicle Loan	47,063,521	47,041,033
Financial Charges	1,866,226	634,089
<b>Total</b>	<b>49,183,660</b>	<b>49,718,338</b>

**27. Depreciation and Amortization expenses** (Amount in ₹)

Particulars	For the year ended 31 <sup>st</sup> March, 2020	For the year ended 31 <sup>st</sup> March, 2019
Depreciation	128,336,070	129,010,260
Amortization	2,035,395	2,035,395
<b>Total</b>	<b>130,371,465</b>	<b>131,045,655</b>

**28. Other expenses** (Amount in ₹)

Particulars	For the year ended 31 <sup>st</sup> March, 2020	For the year ended 31 <sup>st</sup> March, 2019
Travelling & Conveyance	4,180,930	3,478,045
Director's Remuneration	11,340,000	11,340,000
Director's Sitting fees	90,000	96,500
Watch & ward	3,060,603	3,097,319
Power and Fuel	3,178,097	2,927,796
Lease and other Rental charges	555,720	563,440
Professional & Consultancy Charges	775,026	1,636,473
Operational & Maintenance charges	6,651,819	-
Repairs & Maintenance		
Buildings	8,896,798	894,273
Machinery & Electricals	22,364,923	7,143,036
Others	395,847	149,547
Insurance	2,843,942	2,211,567
Rates and Taxes	1,826,121	1,004,596
Packing & Forwarding	205,743	187,012
Sundry balances written off	-	20,263,361
Miscellaneous Expenses	14,692,266	12,751,670
Payments to the Auditor	-	
for Statutory Audit	96,500	96,500
for Tax Audit	47,000	47,000
<b>Total</b>	<b>81,201,335</b>	<b>67,888,135</b>

## Notes forming part of the Consolidated Financial Statements

## 29. Related Party Disclosure

## a. Name of the Related Parties and related party relationship

Enterprises owned or significantly influenced by key management personnel or their relatives:

(i) Bhagyanagar India Limited	(ix) Shahsons Private Limited
(ii) Bhagyanagar Green Energy Pvt Ltd	(x) Bhagyanagar Properties Limited
(iii) Bhagyanagar Energy & Telecom Pvt Ltd	(xi) Innova Technologies Pvt Ltd
(iv) Tejas Technopark Private Limited	(xii) N.S Enterprises
(v) Metropolitan Ventures India Ltd	(xiii) Andhra Electro Galvanizing works
(vi) Surana Solar Limited	(ix) AP Golden Apparels Pvt Limited
(vii) Surana Infocom Pvt Limited	(xx) Globecom Intotech Pvt Ltd
(viii) Bhagyanagar Copper Pvt Ltd	

## b. Associate Company : Surana Solar Limited

## c. Key management personnel

(i) Narender Surana	(iv) Devendra Surana
(ii) Vinita Surana	(v) D.Srinivas- (Company Secretary)
(iii) Mitali Surana	(vi) Arun kumar kedia

## d. The following transactions were carried out during the year, previous year figs are in brackets.

(Amount in ₹)

Nature of Transaction	Enterprises in which KMP or their relatives have significant influence	KMP	Associate Company
Purchase	2,02,702 -	- -	9,43,24,698 (2,28,20,986)
Sale	3,76,86,665 (3,93,16,203)	- -	- -
Remuneration	- -	1,32,72,000 (1,31,64,000)	- -
Interest Received	1,51,32,321 -		61,09,806 (83,53,693)
Interest paid		4,74,320 (9,23,870)	- -
Trade Payable			1,59,90,918 -
Transfer/ sale of shares	- -	- (1,00,000)	- -
Purchase of shares	- -	3,43,000 -	- -

## e. Details of Loans and advances given and recovered by the company during the year

(Amount in ₹)

Nature of Transaction	Enterprises in which KMP or their relatives have significant influence		KMP		Associate Company	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Loans or Advances given						
Balance at the beginning of the Year	23,682,112	3,500,000	-	-	197,000,550	63,155,434
Given during the Year	700,103,844	63,632,112	-	-	159,851,654	276,684,497
Recovered during the Year	(443,365,146)	(43,450,000)	-	-	(356,852,204)	142,839,381
Balance at the end of the Year	280,420,810	23,682,112	-	-	-	197,000,550

**Notes forming part of the Consolidated Financial Statements**
**f. Details of Loans and advances taken and repaid by the company during the year.**

(Amount in ₹)

Nature of Transaction	Enterprises in which KMP or their relatives have significant influence		KMP	
	2019-20	2018-19	2019-20	2018-19
Loans or Advances taken				
Balance at the beginning of the Year	24,995,240	23,825,419	49,425,236	20,475,000
Taken during the Year	-	71,140,000	1,43,26,884	115,720,236
Repaid during the Year	(24,995,240)	(69,970,179)	(6,02,77,120)	(86,770,000)
Balance at the end of the Year	-	24,995,240	3,475,000	49,425,236

30. Disclosure pursuant to Securities Exchange Board Of India (Listing Obligation and Disclosure Requirement and Regulation 2015) and Section 186 of the Companies Act 2013 is disclosed in note no. 29

31. In the opinion of Board of Directors and to the best of their knowledge and belief, the value on realization of current assets, loans and advances in the ordinary course of business, would not be less than the amount at which the same are stated in the Balance Sheet.

**32. Earnings Per Share (EPS)**

Particulars		2019-20	2018-19
Net Profit after Tax	Rupees.	6,92,46,949	5,75,92,256
Net Profit after Tax available for equity share holders - For Basic and Diluted EPS	Rupees.	6,92,46,949	5,75,92,256
Weighted Average No. Of Equity Shares For Basic EPS	Nos.	13,57,59,963	13,57,59,963
Weighted Average No. Of Equity Shares For Diluted EPS	Nos.	13,57,59,963	13,57,59,963
Nominal Value of Equity Shares	Rupees.	1	1
Basic Earnings Per Equity Share	Rupees.	0.51	0.42
Diluted Earnings Per Equity Share	Rupees.	0.51	0.42

**33. Contingent Liabilities and Commitments (to the extent not provided for)**

(Amount in ₹)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Contingent Liabilities	37,17,249	53,81,579

**34. Raw material consumed during the year**

(Amount in ₹)

Particulars	2019-20	2018-19
Solar related modules	1,53,58,730	2,80,25,284
<b>Total</b>	<b>1,53,58,730</b>	<b>2,80,25,284</b>

**Note:** Material which are included in others do not individually exceed 10 % of consumption.

**35. 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 summarizes the components of Net Benefit expenses recognized in the Profit & Loss account and amount recognized in the Balance Sheet for the respective plans.

## Notes forming part of the Consolidated Financial Statements

(Amount in ₹)

A	Expenses recognized in the Profit & Loss Account		
	Particulars	Gratuity	
		2019-20	2018-19
	Current service cost	-	1,03,503
	Interest cost	-	17,150
	Expected Return on Planned Assets	-	(25,850)
	Net Actuarial Loss/ (Gain) recognized in the year	-	2,41,057
	Expenses recognised in Statement of Profit & Loss	-	<b>3,35,859</b>
B	Change in Present value of obligation during the year ended 31st March, 2020		
	Particulars	Gratuity	
		2019-20	2018-19
	Present Value of obligation as at beginning of the year	<b>5,76,090</b>	2,14,380
	Interest Cost	-	17,150
	Current Service Cost	-	1,03,503
	Benefits Paid-Actuals	-	-
	Actuarial (Gain)/ Loss on Obligations	-	2,41,057
	<b>Present Value of obligation as at end of the year</b>	<b>5,76,090</b>	<b>5,76,090</b>
C	Change in fair value of Plan Assets during the year ended 31st March, 2020		
	Particulars	Gratuity	
		2019-20	2018-19
	Fair value of Plan Assets as at the beginning of the year	7,32,802	3,28,705
	Expected Return on Plan Assets	45,611	25,850
	Contributions	-	3,78,246
	Benefits Paid	-	-
	<b>Fair value of Plan Assets as at the end of the year</b>	<b>778,413</b>	<b>7,32,802</b>
D	Actuarial Gain/ loss recognized		
	Particulars	Gratuity	
		2019-20	2018-19
	Actuarial (Gain) / Loss for the year –Obligation	-	(2,41,057)
	Total Loss for the Year	-	2,41,057
	Actuarial (Gain) / Loss recognized in the year	-	2,41,057
E	Actuarial assumption		
	Particulars	Gratuity	
		2019-20	2018-19
	Discount rate used	7.05%	7.50%
	Salary escalation	-	6.00%

**36. Segment Reporting**
**Factors used to identify the reportable segments.**

The Company has following business segments, which are its reportable segments. These segments offer different products and services and are managed separately because they require different technology and production process. Operating segment disclosures are consistent with the Information.

**Reportable Segments Product/ Service**

- |     |                                |  |
|-----|--------------------------------|--|
| i)  | Renewable Energy (Solar &wind) | Generation of Solar and wind Power   |
| ii) | Trading & others               | Manufacturing/trading of Solar related Products and Infrastructure leasing |

**Information about Business Segments**

S no	Particulars	Solar and wind Power		Trading and others		Total	
		31.03.2020	31.03.2019	31.03.2020	31.03.2019	31.03.2020	31.03.2019
1	<b>REVENUE</b>						
	External sales	255,779,519	312,984,005	14,807,364	14,153,912	270,586,883	327,137,917
	Other operating income	-	-	16,706,163	16,855,089	16,706,163	16,855,089
	<b>TOTAL INCOME</b>	<b>255,779,519</b>	<b>312,984,005</b>	<b>31,513,527</b>	<b>31,009,001</b>	<b>287,293,046</b>	<b>343,993,006</b>
2	<b>RESULTS</b>						
	Segment results	120,289,595	172,110,135	36,553,746	(11,036,312)	156,843,341	161,073,823
	Unallocable income/ (Expenses)					(27,785,778)	(43,342,321)
	Operating profit					129,057,563	117,731,502
	Interest expenses					49,183,660	49,718,338
	Income taxes					10,626,954	10,420,908
	Profit from ordinary activities					69,246,949	57,592,256
	<b>Net profit</b>					<b>69,246,949</b>	<b>57,592,256</b>
3	<b>Other information</b>						
	Segment assets	984,869,292	1,042,362,834	72,930,856	86,113,058	1,057,800,148	1,128,475,892
	Unallocable assets					518,501,912	473,438,111
	<b>Total assets</b>					<b>1,576,302,060</b>	<b>1,601,914,003</b>
	Segment liabilities	25,075,759	31,479,507	2,285,348	4,845,180	27,361,107	36,324,687
	Unallocable liabilities					93,191,163	87,202,191
	<b>Total liabilities</b>					<b>120,552,270</b>	<b>123,526,878</b>
	Capital expenditure	51,595,107	26,214,471	-	-	51,595,107	26,214,471
	Unallocable capital expenditure			-	-	-	225,000
	<b>Total capital expenditure</b>					<b>51,595,107</b>	<b>26,439,471</b>
	Depreciation & amortisation	108,799,057	119,653,734	20,211,419	10,047,680	129,010,476	129,701,414
	Unallocable depreciation			-	-	1,360,989	1,344,241
	<b>Total depreciation &amp; amortisation</b>					<b>130,371,465</b>	<b>131,045,655</b>

## Notes forming part of the Consolidated Financial Statements

**37. financial risk management objectives and policies**

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support Company's operations. The Company's principal financial assets include inventory, trade and other receivables, cash and cash equivalents and land advances and refundable deposits that derive directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk.

**A. Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and other price risk, such as equity price risk and commodity/ realestate risk. Financial instruments affected by market risk include loans and borrowings and refundable deposits

**Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Company does not enter into any interest rate swaps.

**B. Credit risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including refundable joint development deposits, security deposits, loans to employees and other financial instruments.

## Trade receivables

- i. Receivables resulting from sale of properties: Customer credit risk is managed by requiring customers to pay advances before transfer of ownership, therefore, substantially eliminating the Company's credit risk in this respect.
- ii. Receivables resulting from other than sale of properties: The firm has established credit limits for customers and monitors their balances on ongoing basis. Credit Appraisal is performed before leasing agreements are entered into with customers. The risk is also marginal due to customers placing significant amount of security deposits for lease and fit out rentals.

## Financial Instrument and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's Finance department in accordance with the Company's policy. Investments of surplus funds are reviewed and approved by the Company's Board of Directors on an annual basis. The Company's maximum exposure to credit risk for the components of the statement of financial position at 31 March 2018 and 2017 is the carrying amounts.

**C. Liquidity risk**

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank deposits and loans.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

(Amount in ₹)

Year Ended	On Demand	3 to 12 Months	1 to 5 Years	>5 Years	Total
31-Mar-20					
Borrowings	-	8,99,47,659	35,54,06,534	-	44,53,54,193
	-	<b>8,99,47,659</b>	<b>35,54,06,534</b>	-	<b>44,53,54,193</b>
31-Mar-19					
Borrowings	-	8,78,92,722	39,07,45,351	-	47,86,38,073
	-	<b>8,78,92,722</b>	<b>39,07,45,351</b>	-	<b>47,86,38,073</b>

**38. Capital Management**

For the purpose of the Company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

(Amount in ₹)

Particulars	31 <sup>st</sup> March, 2020	31 <sup>st</sup> March, 2019
Borrowings (Long term and Short term including Current maturity of Long term Borrowings) <b>(Note : 15 to 21)</b>	44,53,54,193	47,86,38,073
Other Payables (current and non-current, excluding current maturity of long term borrowings) <b>Note : (15 to 21)</b>	4,05,65,680	3,95,46,842
Less Cash and Cash Equivalents <b>(Note : 10)</b>	1,75,27,996	54,65,888
<b>Net Debt (A)</b>	<b>46,83,91,877</b>	<b>51,27,19,027</b>
Equity Share capital	13,57,59,963	13,57,59,963
Other Equity	88,58,67,164	84,91,89,536
<b>Total Capital (B)</b>	<b>102,16,27,127</b>	<b>98,49,49,499</b>
<b>Capital and Net debt C= (A+B)</b>	<b>149,00,19,004</b>	<b>1,49,76,68,526</b>
<b>Gearing ratio (in %) D= (A/C*100)</b>	<b>31.44</b>	<b>34.23</b>

39. **Impact of COVID-19:** The outbreak of novel Coronavirus (COVID-19) .Pandemic globally and in India and the consequent lockdown restrictions imposed by national governments is causing significant disturbance and slowdown of economic activity across the globe. The Company has assessed the possible effects that may arise from the COVID-19 pandemic on the business. As on the current date, based on the assessment, the Company has concluded that the impact of COVID – 19 pandemic is not material on the carrying value of the assets of the business, however this has effected the operations of the company and has had impact on sales and profitability among others. Due to the nature of the pandemic and the resultant operational guidelines that may be announced by the governments in future, the Company will continue to monitor the developments to identify significant impact, if any in the future period.
40. The management has considered the possible effects, if any, that made result from the pandemic relating to COVID-19 on the carrying amount of trade receivables and inventories. In developing the assumptions and estimates relating to the uncertainty as at the balance sheet date in relation to the recoverable amount of these assets. The management has considered the global economic conditions prevailing as that the date of approval of these financial results and has used internal and external source of information to the extent determined by it. The actual outcome of these assumptions and estimate may vary in future due to the impact of the pandemic.
41. The company's unit which has to suspend operations temporarily due to government directives relating to COVID-19, have since resume partial operations, as per the Guidelines and norms prescribed by the government authorities
42. Previous year's figures have been regrouped and rearranged, wherever found necessary.

As per our report of even date attached

**For and on behalf of the BOD of Surana Telecom and Power Limited**

**For Luharuka & Associates**  
**Chartered Accountants**  
**Firm Reg No - 01882S**

**Rameshchand Jain**  
**Partner**  
**M.No: 023019**

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

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

Place: Secunderabad  
 Date: 23rd June, 2020

**Vinita Surana**  
**Chief Financial Officer**

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

**Form AOC - 1**

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

**Part "A" : Subsidiaries**

1	Sl. No.	1	2	3
2	Name of the Subsidiary	Aryavaan Renewable Energy Private Limited	TejasIndia Solar Energy 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	85,000,000	50,000,000	65,000,000
6	Reserves & Surplus	(12,641,867)	(154,510)	11,015,679
7	Total Assets	168,904,117	153,541,954	221,615,427
8	Total Liabilities	168,904,117	153,541,954	221,615,427
9	Investments	-	-	-
10	Turnover	45,632,194	-	42,461,915
11	Profit before taxation	(6,897,853)	(64,921)	590,430
12	Provision for taxation (Incl deferred tax)	(2,484,007)	-	(781,040)
13	Profit after taxation	(4,413,846)	(64,921)	1,371,470
14	Proposed Dividend	-	-	-
15	% of shareholding	51	100	51
	1	Names of subsidiaries which are yet to commence operations: Tejas India Solar Energy Private Limited		
	2	Names of subsidiaries which have been liquidated or sold during the year		

As per our report of even date attached

**For and on behalf of the BOD of Surana Telecom and Power Limited**

**For Luharuka & Associates**  
**Chartered Accountants**  
**Firm Reg No - 01882S**

**Rameshchand Jain**  
**Partner**  
**M.No: 023019**

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

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

Place: Secunderabad  
Date: 23rd June, 2020

**Vinita Surana**  
**Chief Financial Officer**

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

**Form AOC - 1**
**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
1	Latest Audited Balance Sheet Date	31 <sup>st</sup> March, 2020
2	Shares of Associates/Joint Ventures held by the company on the year end	20,069,973
3	Amount of Investment in Associates/Joint Venture	123,689,846
4	Extend of Holding %	40.79%
5	Description of how there is significant influence	
6	Reason why the associate/joint venture is not consolidated	-
7	Net worth attributable to shareholding as per latest audited Balance Sheet	220,611,627
8	Profit / Loss for the year	5,904,987
	i. Considered in Consolidation	2,408,644
	ii. Not Considered in Consolidation	-

As per our report of even date attached

**For and on behalf of the BOD of Surana Telecom and Power Limited**
**For Luharuka & Associates**  
**Chartered Accountants**  
**Firm Reg No - 001882S**
**Rameshchand Jain**  
**Partner**  
**M.No: 023019**
**Narender Surana**  
**Managing Director**  
**DIN: 00075086**
**Devendra Surana**  
**Director**  
**DIN: 00077296**

 Place: Secunderabad  
 Date: 23rd June, 2020

**Vinita Surana**  
**Chief Financial Officer**  
**DIN: 02332288**
**D.Srinivas**  
**Company Secretary**  
**ACS: 23425**



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

## **SURANA TELECOM AND POWER LIMITED**

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