



# SURANA TELECOM AND POWER LIMITED

25<sup>th</sup> Annual Report 2013-2014



Forging Ahead in Renewable Energy



Solar Street Light



Solar Lantern



## 5MW Solar Power Plant at Charanka, Gujarat



## BOARD OF DIRECTORS

Dr. R N Sreenath	- Director
Nirmal Kumar Jain	- Director
D Venkatasubbiah	- Director
Narender Surana	- Director
Devendra Surana	- Director
Baunakar Shekarnath	- Wholetime Director

## STATUTORY COMMITTEES

### AUDIT COMMITTEE

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

### STAKEHOLDERS RELATIONSHIP COMMITTEE

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

### NOMINATION & REMUNERATION COMMITTEE:

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

## CHIEF FINANCIAL OFFICER

R. Lakshman Raju

## BANKERS

State Bank of India  
Corporation Bank  
Indian Overseas Bank

## STATUTORY AUDITORS

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

## INTERNAL AUDITORS

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

## COST AUDITORS

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

## SECRETARIAL AUDITOR

GSLN Gupta  
A47, Sree Nilayam, 1st Floor,  
Indian Airlines Employees Colony,  
Lane No - 3, Begumpet,  
Hyderabad - 500 016.

## REGISTRAR & TRANSFER AGENT:

### KARVY COMPUTERSHARE PRIVATE LIMITED

Plot No.17-24 Vittalrao Nagar  
Madhapur, Hyderabad - 500 081.  
Tel No.040-44655000  
Fax No.040-23420814, Toll Free No.1800-3454-001  
E-mail : einward.ris@karvy.com  
Web Site : www.karvy.com  
Regd.Office: Karvy House 46, Avenue 4  
Street No.1, Banjara Hills, Hyderabad - 500 034.

## WORKS

### Solar Power Project

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

### Solar Module Manufacturing Unit

#### Hard Ware Park

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

### Aluminum Wire Rods

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

### Optic Fibre/Cable Plant

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

### Non- Conventional Energy (Wind)

Kapatgudda, Gadag District,  
Karnataka, India

## REGISTERED OFFICE

5th Floor, Surya Towers,  
Sardar Patel Road, Secunderabad - 500 003.  
India - 500 003  
Tel: + 91 40 27845119, 27841198, 44665700  
Fax: + 91 40 27818868  
E-mail: surana@surana.com  
Investors: cs@surana.com,  
investorservices\_stl@surana.com  
Website: www.surana.com, www.suranatele.com  
CIN: L23209TG1989PLC010336



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## NOTICE OF 25<sup>th</sup> ANNUAL GENERAL MEETING

NOTICE is hereby given that the 25th Annual General Meeting of the members of SURANA TELECOM AND POWER LIMITED, will be held on 22nd September, 2014 at 10.00 A.M at Kamat Lingapur Hotel,1-10-44/2, Chikoti Gardens, Begumpet, Hyderabad- 500 016 to transact the following business :

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014 and the Profit & Loss Account for the year ended 31st March, 2014, along with the Auditors' Report & Directors' Report thereon.
2. To declare Dividend for the year ended 31st March, 2014.
3. To appoint a Director in place of Shri. Devendra Surana who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **ORDINARY RESOLUTION:**

**"RESOLVED THAT** pursuant to the provisions of Sec 139 and other applicable provisions of the Companies Act, 2013 and the rules framed thereunder, as amended from time to time, M/s. Sekhar & Co., Chartered Accountants, (Registration No. 0036955), be and are hereby appointed as Auditors of the Company, to hold office for a period of 3 (three) years from the conclusion of 25th Annual General Meeting (AGM) till the conclusion of 28th Annual General Meeting (AGM) of the Company to be held in the year 2017 (subject to ratification of their appointment at every AGM) on such remuneration as shall be fixed by the Board of Directors."

### SPECIAL BUSINESS:

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

**"RESOLVED THAT** pursuant to the provisions of Section 149, 152, 161 and any other applicable provisions of the Companies Act, 2013 and Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) made there under read with Schedule IV to the Act, Shri. Baunakar Shekarnath (DIN: 03371339), who was appointed as an Additional Whole-time Director of the Company by the Board of Directors w.e.f. 09.01.2014 and who holds office up to the date of this Annual General meeting and in respect of whom the Company has received a notice in writing from a member proposing the candidature for the office of the Director of the Company, be and is hereby appointed as Whole-time Director."

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 (corresponding to Sections 198, 269, 309 and any other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the Companies Act, 1956), Shri Baunakar Shekarnath, be and is hereby appointed as Whole time Director of the Company for a period of 3 years w.e.f 09.01.2013 upto 08.01.2016 in the scale of Rs. 24,010-2000-28,010.

**RESOLVED FURTHER THAT** Shri Baunakar Shekarnath, shall also 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 or committee of the Company be and is hereby authorised to do all such acts, deeds, matters and things as in the absolute discretion, it may consider necessary, expedient or desirable and to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution or as may be otherwise considered by it to be in the best interests of the Company."

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

**"RESOLVED THAT** pursuant to provision of section 149, 152, all other applicable provisions of Companies Act, 2013 and the rules framed there under read with schedule IV to the Companies Act, 2013 and Listing Agreement, Shri Nirmal Kumar Jain (DIN: 03184972) who was earlier appointed as a Director liable to retire by rotation and in respect of the whom the company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intension to propose Shri Nirmal Kumar Jain (DIN: 03184972) as a candidate for the office of the Director of the Company, be and is hereby appointed as an Independent Director of the company to hold office from 22.09.2014 upto 22.09.2019 whose period of office shall not be liable to retire by rotation"

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

**"RESOLVED THAT** pursuant to provision of section 149, 152, all other applicable provisions of Companies



Act, 2013 and the rules framed there under read with schedule IV to the Companies Act, 2013 and Listing Agreement, Shri D Venkatasubbiah (DIN : 00006618) who was earlier appointed as a Director liable to retire by rotation and in respect of the whom the company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intension to propose Shri D Venkatasubbiah (DIN : 00006618) as a candidate for the office of the Director of the Company, be and is hereby appointed as an Independent Director of the company to hold office from 22.09.2014 upto 22.09.2019 whose period of office shall not be liable to retire by rotation"

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

"**RESOLVED THAT** pursuant to provision of section 149, 152, all other applicable provisions of Companies Act, 2013 and the rules framed there under read with schedule IV to the Companies Act, 2013 and Listing Agreement, Dr. R.N. Sreenath (DIN : 00124157) who was earlier appointed as a Director liable to retire by rotation and in respect of the whom the company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intension to propose Dr. R.N. Sreenath (DIN : 00124157) as a candidate for the office of the Director of the Company, be and is hereby appointed as an Independent Director of the company to hold office from 22.09.2014 upto 22.09.2019 whose period of office shall not be liable to retire by rotation"

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

"**RESOLVED THAT** subject to the provisions of Section 180(1)(c) and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force and in supersession of all the earlier resolutions passed in this regard, the consent of the Company be and is hereby accorded to the Board of Directors (hereinafter called "the Board") and which term shall be deemed to include any Committee, which the Board may have constituted or herein after for borrowing from time to time as they may think fit, any sum or sums of money on such terms and conditions as the Board may deem fit, to borrow moneys in excess of the aggregate of the paid up share capital and free reserves of the Company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained/to be obtained from the Company's Bankers in the ordinary course of business, shall not be in excess of Rs. 150 Crores (Rupees One Hundred and Fifty Crores) over and above the aggregate of the paid up share capital and free reserves of the Company."

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

"**RESOLVED THAT** consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred as 'the Board', which term shall include its Committee(s) constituted for the purpose) to create mortgages/charges on all any of the movable and/or immovable properties and assets both present and future or on the whole or substantially whole of the undertaking or undertakings of the Company exclusively or ranking pari-passu with or second or subordinate to the mortgages/charges. if any, already created or to be created in future by the Company, for any loans and/or advances and/or issue of debentures/ bonds and/or guarantees and/or any financial assistance obligations obtained/undertaken/made or that may be obtained/undertaken/made by the Company and/or any one or of its subsidiary/group companies both present and that which may be established or acquired by the Company in India or abroad, with power to take over the management, business and undertaking of the Company in certain events of default, on such terms and conditions and at such times and in such form and manner as the Board may deem fit, So that the total outstanding amount at any time so secured shall not exceed the amounts consented by the Company by the Resolution passed at this meeting pursuant to Section 180(1) (c) of the Companies Act, 2013 or upto the higher amount/s as may be so consented by the Company from time to time in future, together with interest thereon, and further interest, costs, charges, expenses, remuneration and other monies payable in connection therewith and that this consent shall also be the consent of the members under and as contemplated by Section 180(1)(a) and other applicable provisions if any of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the applicable rules made thereunder;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to and cause to prepare, finalise, approve and execute on behalf of the Company, all documents, deeds, agreements, declarations, undertakings and writings as may be necessary and/or expedient for giving effect to the foregoing resolution and to vary and /or alter the terms and conditions of the security created/to be created as aforesaid as it may deem fit and generally to do and/or cause to do all acts, deeds matters and things as may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution."

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



**“RESOLVED THAT** pursuant to the provisions of Section 42, 62 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debenture) Rules, 2004 and all other applicable provisions of the Companies Act, 2013, as applicable, and/or Foreign Exchange Management Act, 1999 (including any statutory modification(s) or re-enactment thereof), the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India), Regulations, 2000, as amended, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Deposit Receipt Mechanism) Scheme, 1993, as amended and the applicable Rules, Regulations, Notifications and Circulars, if any, issued by Securities and Exchange Board of India (SEBI) from time to time, including the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the ICDR Regulations), Reserve Bank of India (RBI), Government of India or any other competent Authority and clarifications, if any, issued thereon from time to time by appropriate authorities, the Equity Listing Agreements (the “Listing Agreement”) entered into by the Company with the Stock Exchanges where the Company’s Equity Shares of face value of Rs. 5/-each (the “Equity Shares”) are listed and other concerned and appropriate authorities, and other applicable laws, if any, and relevant provisions of the Memorandum and Articles of Association of the Company and subject to such approval(s), consent(s), permission(s) and/or sanction(s), if any, of the Government of India, RBI, SEBI and any other appropriate Authority(ies), Bank(s), Institution(s) or Body(ies), as may be necessary and subject to such conditions as may be prescribed by any of them in granting any such approval, consent, permission or sanction, as are accepted, the Board of Directors of the Company, (hereinafter referred to as the “Board”, which term shall be deemed to include any duly constituted Committee thereof), be and is hereby authorized to create, offer, issue and allot Equity Shares/Securities in one or more tranches, in the course of domestic or international offerings, by way of Follow-on Public Offer (FPO) and/or by way of a Qualified Institutions Placement (QIP) in terms of the Chapter VIII of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time and/or Equity Shares in the form of Global Depository Receipts (GDRs), and/or American Depository Receipts (ADRs), and/ or External Commercial Borrowings (ECBs) with rights of conversion into shares, and/ or Foreign Currency Convertible Bonds (FCCBs) and/or Optionally or Compulsorily Convertible Redeemable Preference Shares (OCPS/CCPS), convertible into Equity Shares of the Company with voting rights or with differential rights as to voting, dividend or otherwise in accordance with such rules and subject to such conditions as may be prescribed or

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

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

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



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

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

**"RESOLVED FURTHER THAT** the Board be and is hereby authorized to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of Equity Shares or Securities and utilization

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

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

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

**"RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the rules framed there under and subject to all other approvals, if any required, the Company be and is hereby authorized to pay an amount of Rs. 10,000/- (Rupees Ten Thousand Only) as remuneration to M/s. BVR & Associates, Cost Accountants in practice, the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending 31.03.2015"

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

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

Place : Secunderabad  
Date : 08.08.2014

**NARENDER SURANA**  
**DIRECTOR**



## NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING A PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.**
2. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing such representative to attend and vote on their behalf at the Meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 18.09.2014 to 22.09.2014 (both days inclusive).
4. Dividend on shares @ 12 % as recommended by the Board of Directors if declared by the Company at the meeting, will be paid subject to the provisions of Section 123 of the Companies Act, 2013 (corresponding to the section 205A of Companies Act, 1956) to those shareholders whose names appear on the Register of Members of the Company as on 22.09.2014 or to their mandates, to the extent eligible, and also to the beneficial owners of equity shares held in electronic form on the same date as per the details furnished by the Depositories for this purpose.
5. The Securities and Exchange Board of India (SEBI) and the Ministry of Corporate Affairs have made it mandatory for all the Listed Companies to offer Electronic Clearing Service (ECS) facilities for payment of dividend, wherever applicable. This facility offers various benefits like timely credit of dividend to the shareholders' account, elimination of loss of instruments in transit or fraudulent encashment etc. Currently, the facility is available at locations specified by Reserve Bank of India. In case of shareholders staying at locations not currently covered by ECS, the bank account details will be used for suffixing along with the name of the shareholder on the Dividend Warrant. In view of the above :
  - i. Shareholders holding shares in Physical Form and desirous of availing the facility are requested to complete the ECS Form attached to this Annual Report and forward the same to the Company at its registered address.
  - ii. Shareholders holding shares in Dematerialized Form are requested to provide the Bank details to their Depository participants for incorporation in their records. The Depository in turn would also forward the required information to the Company.
6. The Company's Equity shares are listed at BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001 and National Stock Exchange of India Ltd., Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051, and the Company has paid the Listing Fees to the said Stock Exchanges.
7. Members / Proxies are requested to bring their copies of Annual Report with them for the Annual General Meeting and the attendance slip duly filled in for attending the Meeting. No copies of the Annual Report will be distributed at the meeting.
8. Members holding shares in physical form, may write to the Company's share transfer agents for any change in their address and bank mandates, members having shares in electronic form may inform the same to their depository participants immediately so as to enable the Company to dispatch dividend warrants at their correct addresses.
9. The Ministry of Corporate Affairs ("MCA") has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by companies and has issued a circular on April 21, 2011 stating that the service of document by a Company can be made through electronic mode. In view of the circular issued by MCA the Company proposes to henceforth deliver document like the Notice calling the Annual General Meeting/Extra Ordinary General Meeting /Auditors /Report of the Directors etc., in electronic form to the email address provided by the shareholders.
10. Shareholders are requested to furnish their e-mail ids to enable the Company forward all the requisite information in electronic mode. In case of the Shareholders holding shares in demat form the email IDs of the shareholders registered with DP and mode available to the Company shall be the registered email ID unless communication is received to the contrary.
11. Shareholders requiring a printed copy of the Annual Report should forward their request to the Company.
12. The Securities Exchange Board OF India has notified that the shareholder/transferee of shares (including joint holders) holding shares in physical form are required to furnish a certified copy of their PAN card to the Company's RTA while transacting in the securities market including transfer, transmission or any other Corporate Action. Accordingly, all the shareholders/transferee of shares (including joint holders) are requested to furnish a certified copy of their PAN card to the Company's RTA while transacting in the securities market including transfer, transmission or any other corporate action.
13. Pursuant to Section 108 of Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rule, 2014 and as per the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote at the



25th Annual General Meeting by electronic mode and the business will be available at the <http://evoting.karvy.com> during the following voting period:

From 9 a.m. on September 16, 2014 to 6 pm on September 18, 2014.

14. E-voting shall not be allowed beyond 6pm on September 18, 2014. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company.
15. The Company has appointed GSLN Gupta (CP No. 11271), Practicing Company Secretary, Hyderabad as Scrutinizer for conducting the e-voting process for the Annual General Meeting in a fair and transparent manner.
16. The login ID and password for e-voting along with process, manner and instructions for e-voting is being sent to the members who have not registered their e-mail ids with the Company/their respective Depository Participant along with physical copy of the Notice. Those members who have registered their e-mail IDs with the Company/their respective Depository Participant are being forwarded the login ID and password for e-voting along with process, manner and instruction by e-mail.
17. Members are requested to send all communication relating to shares to the Company's Share Transfer

Agents (Physical and Electronic) at M/s KARVY COMPUTERSHARE PRIVATE LIMITED, Plot No. 17-24, Vittalrao Nagar, Madhapur, Hyderabad- 500 081. Further, kindly note that members holding shares in physical form and intending to transfer their shares have to furnish the PAN particulars of transferee along with the share transfer deeds for effecting the physical share transfer.

18. Please note that, any queries pertaining to accounting related aspects, may be posted /handed over to the Secretarial Department at the Registered Office of the Company at least 48 hours before the Annual General Meeting, so that the same could be clarified to the shareholders at the Annual General Meeting.
19. The relative Explanatory Statements pursuant to Section 173(2) of the Companies Act, 1956 in respect of Special Businesses set out above is annexed herewith.

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

Place: Secunderabad  
Date : 08.08.2014

**NARENDER SURANA**  
**DIRECTOR**

### EXPLANATORY STATEMENT

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

##### Item No. 5

Shri Baunakar Shekarnath was appointed as an Additional Director of the Company by the Board of Directors through circular resolution dated 09.01.2014 and holds office upto the date of this Annual General Meeting of the Company as per Section 161 of the Companies Act, 2013. The Company has received notice in accordance with Section 160 of the Companies Act, 2013 in writing, proposing the appointment of Shri Baunakar Shekarnath, liable for retirement by rotation, from a member together with the requisite deposit. Shri. Baunakar Shekarnath is not disqualified from being appointed as a Director in terms of section 164(2) of Companies Act, 2013.

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

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

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution.

##### Item no: 06, 07 & 08

Shri Nirmal Kumar Jain, Shri D Venkata Subbiah and Dr. R.N. Sreenath has been appointed as Independent Director of the company, at various times, pursuant to clause 49 of the Listing Agreement, whose office was liable to retire by rotation. With the enactment of the Companies Act, 2013 ('Act') it is now incumbent upon every listed company to appoint 'Independent Director' as define in Section 149 of the Act, which has been notified w.e.f 1st April 2014, who are not liable to retire by rotation and shall hold office for a term upto 5 (five) consecutive years. The Securities and Exchange Board of India (SEBI) has also amended clause 49 of the listing agreement inter alia stipulating similar conditions for appointment of Independent director by the listed company.

Accordingly, it is proposed to appoint Shri Nirmal Kumar Jain, Shri D Venkata Subbiah and Dr. R.N. Sreenath as Independent Director under section 149 of the Act and clause 49 (revised) of the listing agreement to hold the office for 5(five) consecutive years from 22.09.2014 to 22.09.2019

The Company has received declarations from Shri Nirmal Kumar Jain, Shri D Venkata Subbiah and Dr. R.N. Sreenath that they meet with criteria of Independence as prescribed



both under sub-section (6) of Section 149 of the Act and under Clause 49 of the listing Agreement. Brief profile of Shri Nirmal Kumar Jain, Shri D Venkata Subbiah and Dr. R.N. Sreenath, is annexed in the Corporate Governance Report.

The Company has received notices in writing from members, along with the deposit of requisite amount. Under Section 160 of the Act proposing the candidature of each of Shri Nirmal Kumar Jain, Shri D Venkata Subbiah and Dr. R.N. Sreenath for the office of Directors of the Company. Shri Nirmal Kumar Jain, Shri D Venkata Subbiah and Dr. R.N. Sreenath are not disqualified from being appointed as Directors in terms of Section 164 of the Act. The Board of Directors of your Company, after reviewing the provisions of the Act, are of the opinion that Shri Nirmal Kumar Jain, Shri D Venkata Subbiah and Dr. R.N. Sreenath fulfills the conditions specified in the Act and the Rules made there under to be eligible to be appointed as Independent Director pursuant to the provisions of section 149 of the Act and Clause 49 of the Listing Agreement. The Board of Directors of your Company is also of the opinion that Shri Nirmal Kumar Jain, Shri D Venkata Subbiah and Dr. R.N. Sreenath are independent of the management of the Company.

The Board considers that their continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Shri Nirmal Kumar Jain, Shri D Venkata Subbiah and Dr. R.N. Sreenath as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Shri Nirmal Kumar Jain, Shri D Venkata Subbiah and Dr. R.N. Sreenath as an Independent Director pursuant to provisions of section 149 read with schedule IV of the Act and Clause 49 of the listing agreement for the approval by the shareholders of the Company.

The Board recommends the Ordinary Resolutions at Item Nos.06, 07 & 08 of the Notice for approval shareholders. None of the other Directors/Key Managerial Personnel of the Company/ their relatives is, in any way, concerned or interested, financially or otherwise, in these resolutions.

#### **Item No. 09**

The members of the Company at their 23rd Annual General Meeting held on 29th September, 2012 approved by way of an Ordinary Resolution under Section 293(1)(d) of the Companies Act, 1956 borrowings over and above the aggregate of paid up share capital and free reserves of the Company, provided that the total amount of such borrowings together with the amounts already borrowed and outstanding at any point of time shall not be in excess of Rs. 100 Crores (Rupees One Hundred Crores). Section 180(1)(c) of the Companies Act, 2013 effective from 12th September, 2013 requires that the Board of Directors shall not borrow money in excess of the company's paid up share capital and free reserves, apart from temporary loans obtained from the company's bankers in the ordinary course of business, except with the consent of the company

accorded by way of a special resolution. It is, therefore, necessary for the members to pass a Special Resolution under Section 180(1)(c) and other applicable provisions of the Companies Act, 2013, as set out at Item No. 9 of the Notice, to enable to the Board of Directors to borrow money in excess of the aggregate of the paid up share capital and free reserves of the Company. Approval of members is being sought to borrow money upto Rs. 150 Crores (Rupees One Hundred and Fifty Crores) in excess of the aggregate of the paid up share capital and free reserves of the Company.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution.

#### **Item No. 10**

In order to secure the borrowings/ financial assistance, the Company may be required to create security by way of mortgage/charge and/or hypothecation of its assets and properties both present and future. The terms of such security may include a right in certain events of default, to take over management or control of the whole or substantially the whole of the undertaking(s) of the Company. As per section 180(1)(a) of the Act consent of the Company by Special Resolution is required to be obtained by the Board of Directors to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking(s) of the Company. Since mortgaging or charging the movable and/or immovable properties and assets of the Company with the right of taking over management or control in certain events of default may be considered to be disposal of the Company's undertaking within the meaning of section 180(1) (a) of the Act, it is proposed to seek approval of the shareholders for creating such mortgages and/or charges on the assets and properties of the Company both present and future. Hence the resolution at item no. 10 of the accompanying Notice which your Board recommends for your approval.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution.

#### **Item No. 11**

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

The Special Resolution also seeks to empower the Board of Directors to undertake a qualified institutions placement



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

The Special Resolution seeks to give the Board powers to issue Securities in one or more tranche or tranches, at such time or times, at such price or prices and to such person(s) including institutions, incorporated bodies or otherwise as the Board in its absolute discretion deem fit. The consent of the Shareholders is being sought pursuant to the provisions of Section 62(1) (c) and Section 42 of the Companies Act, 2013 and other applicable provisions and rules of the Companies Act, 2013, to the extent notified and in force, and in terms of the provisions of the listing agreements executed by the Company with the Stock Exchanges where the Equity Shares of the Company are listed i.e. BSE Limited and National Stock Exchange of India Limited. Section 62(1)(c) of the Companies Act, 2013 provides, inter-alia, that when it is proposed to increase the issued capital of the Company by allotment of further shares, such further shares shall be offered to the existing shareholders of the Company in accordance with the Act unless the shareholders in a general meeting decide otherwise. The special resolution seeks the consent and

authorization of the members to the Board to make the proposed issue of Securities and in the event it is decided to issue Securities convertible into Equity Shares, to issue to the holders of such convertible Securities in such manner and such number of Equity Shares on conversion as may be required to be issued in accordance with the terms of the issue.

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

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

### **Item No. 12**

The Board of Directors, on recommendation of the Audit committee, at their meeting held on 13.05.2014 has approved the appointment and remuneration of the M/s. BVR & Associates, Cost Accountants in practice, as Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial year ending 31.03.2015 on a remuneration of Rs. 10,000/- (Ten Thousand Only).

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. 12 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31.03.2015.

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. This statement may also be regarded as a disclosure under clause 49 of the listing agreement with the Stock Exchanges.

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

Place : Secunderabad  
Date : 08.08.2014

**NARENDER SURANA**  
**DIRECTOR**



## DIRECTORS' REPORT

To  
The Members

Your Directors have pleasure in presenting the 25th Annual Report and the Audited Statement of Accounts of the Company for the Financial Year ended 31st March, 2014.

### FINANCIAL RESULTS

The financial performance of the Company during the year is summarized below.

(₹ in Lakhs)

Particulars	Consolidated Results		Standalone Results	
	2013-14	2012-13	2013-14	2012-13
Sales and other Income	320,250,814	267,877,316	319,828,783	267,877,316
Profit before Depreciation and Interest	130,278,263	148,524,248	130,554,159	148,642,673
DEDUCT :				
Depreciation	81,598,100	93,573,755	81,598,100	93,573,755
Interest and Finance Cost	39,570,632	3,765,0165	39,562,369	37,649,593
Profit for the year	6,399,400	15,731,912	6,683,559	15,850,908
Prior Period Adjustment	--	682,637	--	682,637
<b>Profit before Taxation</b>	<b>6,399,400</b>	<b>16,414,549</b>	<b>6,683,559</b>	<b>16,533,545</b>
Provision for Taxation : Income Tax	250,000	2,700,000	250,000	2,700,000
Deferred Tax	(857,000)	(1,388,000)	(857,000)	(1,388,000)
<b>Profit after Tax</b>	<b>7,006,400</b>	<b>15,102,549</b>	<b>7,290,559</b>	<b>15,221,545</b>
Surplus brought forward from previous year	199,273,557	203,877,433	199,634,697	204,017,292
Balance available for appropriation	206,394,254	218,979,982	206,925,256	219,238,837
<b>APPROPRIATION:</b>				
Dividend	12,482,640	12,482,640	12,482,640	12,482,640
Tax on Dividend	2,121,500	2,121,500	2,121,500	2,121,500
Transfer to General Reserves	5,000,000	5,000,000	5,000,000	5,000,000
Balance c/f to Balance Sheet	186,790,114	199,375,842	187,321,117	199,634,697
<b>TOTAL</b>	<b>206,394,254</b>	<b>218,979,982</b>	<b>206,925,256</b>	<b>219,238,837</b>

### PERFORMANCE

During the year under review, the Income from Operations is Rs. 297,827,736 as against Rs. 222,033,545 for the corresponding previous year. The Profit Before Tax stood at Rs. 6,683,559 as against Rs. 16,533,545 for the previous year. The Profit After Tax stood at Rs. 7,290,559 as against Rs. 15,221,545 for the corresponding period. The Basic Earnings Per Share for the year-ended 31.03.2014 is Rs.0.35 as against Rs. 0.73 for the corresponding previous year ended 31.03.2013.

### SUBSIDIARIES

Currently your Company is having 3 subsidiaries as mentioned below:

- M/s Globecom Infotech Private Limited
- M/s Celestial Solar Solutions Private Limited
- M/s Surana Solar Systems Private Limited

### CONSOLIDATED FINANCIAL STATEMENTS:

The Ministry of Corporate Affairs (MCA) by General Circular No. 2/2011 dated 8th February, 2011, issued a direction under Section 212(8) of the Companies Act, 1956 that the provisions of Section 212 shall not apply to Companies in relation to their subsidiaries, subject to fulfilling certain conditions mentioned in the said circular with immediate effect. The Board of Directors of your Company at its meeting held on 08.05.2013 approved the Audited Consolidated Financial Statements for the financial year 2013-14 in accordance with the Accounting



Standard (AS-21) and other Accounting Standards issued by the Institute of Chartered Accountants of India as well as Clause 32 of the Listing Agreement, which include financial information of all its subsidiaries, and forms part of this report.

The annual accounts, financial statements and related detailed information of Company's Subsidiaries are available on the website of the Company and the same shall also be made available to members on request and are open for inspection at the Registered Office of your Company. Your Company has complied with all the conditions as stated in the circular and accordingly has not attached the financial statements of its subsidiary Company for the financial year 2013-14. A statement of summarized financials of all subsidiary including capital, reserves, total assets, total liabilities, details of investment, turnover, etc., pursuant to the General Circular issued by Ministry of Corporate Office, forms part of this report.

### **OPERATION:**

Solar Power Projects situated at Charnaka Village, Gujarat is operating Successfully. During the year under review, the Capacity Utilisation Factor (CUF) is 18% which is at par with the Industry Standard.

M/s Surana Solar Systems Private Limited, the Company's subsidiary initiated to set up 5 MW Solar PV Grid Connected Power plant at Shankapur, Medak Dist, Telangana. The subsidiary has purchased land for the said project and has received power evacuation approval. The project is expected to be commissioned during the financial year 2014-15.

### **DIVIDEND**

Your Directors are pleased to recommend a Dividend @ 12% amounting to Rs 12,482,640 for the year ended 31st March 2014. This will entitle an out flow of Rs 14,604,140 including dividend tax.

### **RESERVES**

During the year the Company has transferred an amount of Rs 50 lakhs to General Reserves Account.

### **FIXED DEPOSITS**

The Company had not accepted any deposits and consequently no deposits had matured / become due for re-payment as on 31st March, 2014.

### **DIRECTORS**

In accordance of the provision of Companies Act, 2013 and Articles of Association of the Company, Shri. Devendra Surana, Director of the Company will retire by rotation at the ensuing Annual General Meeting and being eligible, offers themselves for re-appointment. Shri. Baunakar Shekarnath was appointed as Additional Whole Time Director on 09.01.2014 and is hereby proposed to

be regularized as Whole Time Director of the Company.

Shri. Ranjan Francis ceased to be a Director from the Board of the Company w.e.f 29.09.2013. The Board records its appreciation & recognition of the valuable contribution and services rendered by Shri. Ranjan Francis.

With the enactment of the Companies Act, 2013 it is now incumbent upon every listed Company to appoint 'Independent Directors' as defined in section 149 of the Act, which has been notified w.e.f 01.04.2014, who are not liable to retire by rotation and shall hold office for term of 5 consecutive years. Accordingly it is proposed to appoint Shri. D Venkatasubbiah, Shri Dr. R N Sreenath and Shri. Nirmal Kumar Jain whose office shall not be liable to retire by rotation at the ensuing Annual General Meeting of the Company

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

### **AUDITORS**

M/s. Sekhar & Co, Chartered Accountants, Auditors of the Company retire at the conclusion of this Annual General Meeting are eligible for re-appointment. The Company is in receipt of confirmation from M/s Sekhar & Co that in the event of their re-appointment as Statutory Auditors of the Company at the ensuing Annual General Meeting, such re-appointment will be in accordance with the Section 139, 142 and other applicable provision of the Companies Act, 2013 read with Companies (Audit and Auditor) Rules, 2014.

### **COST AUDITORS**

As per the Companies (Cost Accounting Records) Rules 2011, the Company filed the Cost Audit Report along with Cost Compliance Report for the financial year 2013-14 in XBRL format.

The Board of Directors, subject to the approval of the Central Government, re-appointed M/s BVR & Associates, Cost Accountants, holding certificate of practice No.16851, as a Cost Auditor for conducting the Cost Audit for the financial year 2014-15. Subject to section 148 of the Companies Act, 2013 read with Companies (cost records and audit) Rules, 2014 issued by the MCA, the Audit Committee recommended their re-appointment.

The Company has also received a letter from the Cost Auditor, stating that the appointment, if made, will be within the limits prescribed pursuant to the section 141 of Companies Act, 2013.

### **PARTICULARS OF EMPLOYEES**

During the period under review, none of the employees who were under employment for whole of the year or part of the year, were in receipt of remuneration exceeding



Rs.60,00,000 per annum or Rs.5,00,000 per month as set out in Section 217 (2A) of the Companies Act, 1956.

### ISO 9001-2000 CERTIFICATION

Your Company continues to hold ISO 9001-2000 Certification by meeting all the requirements of Certification from time to time.

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report, pursuant to Clause 49 of the Listing Agreement, forms part of this Report and is annexed hereto.

### CORPORATE GOVERNANCE

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

A separate report on Corporate Governance is annexed herewith, as a part of the Annual Report along with the Auditor's Certificate on its compliance.

### CORPORATE SOCIAL RESPONSIBILITY (CSR)

The CSR activities of the Surana Group are guided by the vision and philosophy of its Founding Father, Shri G Mangilal Surana, who embodied the value of trusteeship in business and laid the foundation for its ethical and value-based functioning. The core elements of CSR activities include ethical functioning, respect for all stake-holders, protection of human rights, and care for the environment.

### CONSERVATION OF ENERGY, FOREIGN EXCHANGE ETC

Information on Conservation of Energy, Research and Development, Technology Absorption, Foreign Exchange Earnings and Outgo required to be disclosed under Section 217(1)(e) of the Companies Act, 1956, read with Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1998, are provided in the Annexure A forming part of this Report.

### DIRECTORS' RESPONSIBILITY STATEMENT AS REQUIRED UNDER SECTION 217(2AA) OF THE COMPANIES ACT, 1956

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed:

- i. That in the preparation of the accounts for the financial year ended 31st March, 2014, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii. That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the State of Affairs of the Company at the end of the Financial Year and of the Profit or Loss of the Company for the year under review;
- iii. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. That the Directors have prepared the Accounts for the financial year ended 31st March, 2014 on a 'going concern' basis.

### APPRECIATION

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

### ACKNOWLEDGEMENTS

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

For and on behalf of the Board of Directors

Place: Secunderabad  
Date : 08.08.2014

**NARENDER SURANA**  
**CHAIRMAN**



## ANNEXURE A TO THE DIRECTORS' REPORT

Information Under Section 217(1)(E) Of The Companies Act, 1956, Read With Companies (Disclosure Of Particulars In The Report Of The Board Of Directors) Rules, 1988 and forming part of the Directors Report:

### 1. CONSERVATION OF ENERGY:

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

Additional Investments and proposals, if any, being implemented for reduction of consumption of energy : Nil

Impact of the clause (1) and (2) above for reduction of energy consumption and consequent impact on the production of goods : N.A

### 2. TECHNOLOGY ABSORPTION

#### FORM - B

(Disclosure of particulars with respect to technology Absorption)

#### A. RESEARCH AND DEVELOPMENT (R & D)

1.	Specific areas in which R& D 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 efforts for improving productivity, product quality and reducing consumption of scarce raw materials and fuels.

#### 3. FOREIGN EXCHANGE EARNINGS AND OUTGO

Activities relating to exports and initiatives taken to increase export products, services and export plans: Total Foreign Exchange earned and used:

Earned : ₹ Nil

Used : ₹ 126,394,699

For and on behalf of the Board of Directors

Place: Secunderabad  
Date : 08.08.2014

NARENDER SURANA  
CHAIRMAN



## REPORT ON CORPORATE GOVERNANCE

### 1. Company's Philosophy on Corporate Governance:

Your Company believes in a Code of Governance, which fulfills the motto of 'Service to Society through Commercial activities'. Corporate Governance is more a way of Business life than a mere legal compulsion. Your Company believes that, though its primary focus is on the core objective of earning profits, the corporate governance goes beyond being a regulatory requirement. The Company continuously reviews its policies and practices of Corporate Governance with the clear goal not merely to comply with statutory requirement in letter and spirit but also to implement the best practice of Corporate Governance. Your Company believes that good Corporate Governance builds a long-term value to stakeholders, contemplates that corporate actions which balance the interests of all stakeholders and satisfy the tests of transparency, accountability, fairness and social responsibility and it must serve the underlying goal of enhancing the shareholder value over a sustained period of time.

### 2. Board of Directors (Board):

#### a) The Board of Directors of the Company as on 31st March, 2014 consists of:

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

#### b) Attendance Record for 2013-14:

Sl. No	Name of Director	Category	Meetings attended	Attendance at last AGM on 27.09.2013
1.	Shri. Nirmal Kumar Jain	Independent Non-executive	5	Present
2.	Shri. D Venkatasubbiah	Independent Non-executive	5	Present
3.	Dr. R.N. Sreenath	Independent Non-executive	3	Present
4.	Shri. Narender Surana	Executive	5	Present
5.	Shri. Devendra Surana	Executive	5	Present
6.	*Shri. Baunakar Shekarnath	Executive	1	-
7.	**Shri. N Rajan Francis	Executive	1	Present

\* Appointed as Whole-time Director w.e.f 09.01.2014

\*\*Ceased to be Whole-time Director w.e.f. 27.09.2013

#### c) Number of other Directorships, Committee Membership(s) & Chairmanship(s) as on 31st March, 2014:

Sl. No.	Name of the Director	Other Directorship	Committee Membership	Committee Chairmanship
1	Shri. Nirmal Kumar Jain	1	-	2
2	Shri. D Venkatasubbiah	2	4	3
3	Dr. R.N. Sreenath	6	3	-
4	Shri. Narender Surana	24	3	-
5	Shri. Devendra Surana	21	3	-
6	*Shri. Baunakar Shekarnath	1	-	-
7	**Shri. N Rajan Francis	-	-	-

\*Appointed as Whole-time Director w.e.f 09.01.2014

\*\*Ceased to be Whole-time Director w.e.f. 27.09.2013

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

A total of 5 Board Meetings were held during the year as against the minimum requirement of 4 meetings. The maximum gap between any two Board Meetings was not more than four months at any time.

The dates on which the Board meetings were held are:

08.05.2013	30.07.2013	27.09.2013	26.10.2013	11.02.2014
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#### e) Pecuniary relationship or transactions of Non-Executive Directors:

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



### 3. Audit Committee

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

1.	Shri. Nirmal Kumar Jain	Chairman
2.	Dr. R N Sreenath	Member
3.	Shri. D Venkatasubbiah	Member

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

- Management Discussion and Analysis of financial condition and results of operations;
- Statement of significant related party transactions submitted by Management;
- Management letters / letters of internal control weaknesses issued by the Statutory Auditors;
- Internal Audit reports relating to internal control weaknesses;
- The appointment, removal and terms of remuneration of the Chief Internal Auditor;
- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of Audit fees.
- Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
- The annual financial statements before submission to the Board for approval, with particular reference to following with the Management:
  - i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Clause (2AA) of Section 217 of the Companies Act, 1956
  - ii. Changes, if any, in accounting policies and practices and reasons for the same.
  - iii. Major accounting entries involving estimates based on the exercise of judgment by Management
  - iv. Significant adjustments made in the financial statements arising out of Audit findings
  - v. Compliance with listing and other legal requirements relating to financial statements
  - vi. Disclosure of any related party transactions
  - vii. Qualifications in the draft Audit Report.
- Reviewing, with the Management, the quarterly financial statements before submission to the board for approval.
- Reviewing, with the Management, performance of Statutory and Internal Auditors, adequacy of the internal control systems.
- Reviewing the adequacy of internal Audit function, if any, including the structure of the Internal Audit department, staffing and seniority of the official heading the Department, reporting structure coverage and frequency of internal audit.
- Discussion with Internal Auditors, any significant findings and follow up there on.
- Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Discussion with Statutory Auditors before the Audit commences, about the nature and scope of Audit as well as post-Audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults in the payment to the Depositors, Debenture holders, Shareholders (in case of non payment of declared dividends) and Creditors.

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



During the year, the Audit Committee Meetings were held on the following dates:

08.05.2013	30.07.2013	26.10.2013	11.02.2014
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#### Attendance Record - 2013-2014

Sl No	Name of the Director	No. of Meetings Attended
1	Shri. Nirmal Kumar Jain	4
2	Dr. R N Sreenath	2
3	Shri. D Venkatasubbiah	4

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

#### 4. Nomination & Remuneration Committee:

##### Composition, Name of the Chairman and Members:

1.	Shri. Nirmal Kumar Jain	Chairman
2.	Dr. R.N Sreenath	Member
3.	Shri. D Venkatasubbiah	Member

The terms of reference stipulated by the Board to the Nomination & Remuneration Committee are as follows:

To formulate a remuneration policy and approve the remuneration or revise the remuneration payable to the Managing/Whole-time Directors. The remuneration policy of the Company is directed towards motivating and retaining the senior officers of the Company by rewarding performance

During the year, the Remuneration Committee Meeting was held on 09.01.2013 and all the members were present at the meeting.

##### Attendance Record - 2013-2014

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

#### 5. Remuneration to Non-executive Directors

The Company pays sitting fees to all the Non-executive Directors at the rate of Rs.3,000/- for each meeting. The details of Sitting Fees paid to the Non-executive Directors for attending Board Meetings and Committee meetings during the Financial Year 2013-14 are as follows:

Sl. No.	Name of Director	Sitting Fees paid (₹.)
1.	Dr. R.N. Sreenath	15,000
2.	Shri. Nirmal Kumar Jain	27,000
3.	Shri. D Venkatasubbiah	27,000
<b>Total</b>		<b>69,000</b>

No pecuniary relationship exists between the Company and its Independent Non- Executive Directors except for the Sitting Fees as mentioned above.

The Remuneration paid to Executive Directors and Whole-Time Director during the year 2013-2014 are:

Name of Director	Salary	HRA	Conveyance	Total
*Shri. Baunakar Shekarnath	84,300	-	-	84,300
<b>Total</b>				<b>84,300</b>

\*Appointed as Whole-time Director w.e.f 09.01.2014



## 6. Stakeholders Relationship Committee:

1.	Shri. D Venkatasubbiah	Chairman
2.	Shri. Narender Surana	Member
3.	Shri. Devendra Surana	Member

The Stakeholders Relationship Committee constituted by the Board of Directors, inter-alia oversee the transfer of shares and redressal of shareholders / investors grievances and complaints regarding non-receipt of Dividends, Annual Reports, etc.

The total number of complaints received and replied to the satisfaction of shareholders during the year under review was 15. There are no outstanding complaints as on 31st March 2014.

## 7. General Body Meetings:

### i. Location and time for last 3 years General Meetings

Year	Locations	Date	Time
24 <sup>th</sup> AGM (2012-13)	Kamat Lingapur Hotel, 1-10-44/2, Chikoti Gardens, Begumpet, Hyderabad- 500 016	27 <sup>th</sup> September, 2013	12.30 P.M.
23 <sup>rd</sup> AGM (2011-12)	Taj Tristar, 1-1-40, Seven Hills, Seven Hills, Sarojini Devi Road, Secunderabad - 500 003.	29 <sup>th</sup> September, 2012	02.30 P.M.
22 <sup>nd</sup> AGM (2010-11)	Kamat Lingapur Hotel, 1-10-44/2, Chikoti Gardens, Begumpet, Hyderabad- 500 016	21 <sup>st</sup> September, 2011	04.30 P.M.

Special Resolutions passed in last 3 Annual General Meetings

The company has not passed Special Resolutions during the last three years.

### iii Postal Ballot passed in last year i.e., 2013-14

During the year 2013-14 your Company had not passed any special resolution through postal ballot

## 8. Disclosures:

### a) Disclosures on materially significant related party transactions, i.e., transactions of the Company of material nature with the Promoters, the Directors or the Management, their subsidiaries, Group Companies or relatives etc., that may have potential conflict with the interest of the Company at large.

None of the transactions with any of the related parties were in conflict with the interest of the Company.

### b) There were no strictures or penalties imposed on the Company by Stock Exchanges or Securities Exchange Board of India (SEBI) or any other statutory authority for non-compliance of any matter related to Capital Markets, during the last 3 years.

### c) The Company has complied with all mandatory requirements of Clause 49 of the Listing Agreement with the Stock Exchanges as on 31st March, 2014.

### d) In Compliance with Clause 49 of the Listing Agreement, the Company has adopted a Code of Conduct for the Board Members, Senior Management. The Company in its Board Meeting held on 13.05.2014, the Company has adopted Code of Conduct for Independent Director as per the Companies Act, 2013 and the same is available on the Company website, [www.suranatele.com](http://www.suranatele.com).

### e) The Company has adopted Whistle Blower policy in its Board Meeting on 13.05.2014. We have established a mechanism for employee to report concerns about the unethical behavior, actual or suspected fraud. The policy is available on the Company website, [www.suranatele.com](http://www.suranatele.com).

## 9. CEO/ CFO Certification

In line with the requirements of Clause 49 (V) of the Listing Agreement, Shri. Narender Surana, Shri. Devendra Surana, Directors and Shri. Lakshman Raju, Chief Finance Officer have submitted a certificate to the Board, certifying inter-alia, that the Financial Statements and the Cash Flow Statement for the year ended March 31, 2014 were reviewed to the best of their knowledge and belief, that they do not contain any material untrue statement, do not omit any material facts, are not misleading statements, together present a true and fair view and are in compliance with the applicable laws and regulations. The certificate further confirms that the transactions entered into by the Company for establishing internal control, financial reporting, evaluation of the internal control systems and making of necessary disclosures to the Auditors and the Audit Committee have been complied with.



## 10. Means of Communication:

### Financial / Quarterly Results:

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

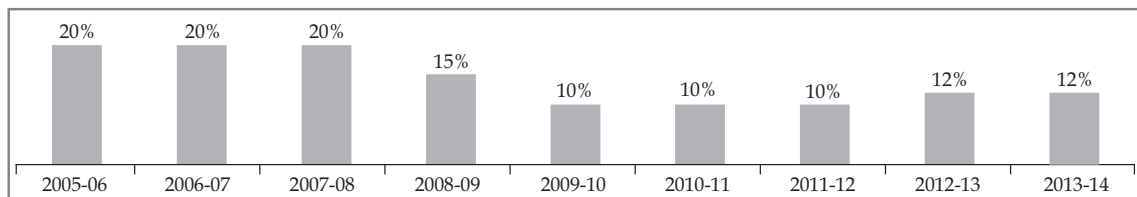
### News Release, Analyst Presentation, etc.:

The official news releases, detailed presentations made to institutional investors, financial analysts etc. are displayed on the Company's website [www.surana.com](http://www.surana.com) & [www.suranatele.com](http://www.suranatele.com).

### Website:

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

## 11. Dividend History of the Company



## 12. Unclaimed Dividend

Pursuant to the provisions of Section 205A (5) of the Companies Act, 1956, Dividends for the financial year ended 31st March, 2008 and thereafter, which remain unclaimed for a period of seven years, will be transferred to the Investor Education and Protection Fund established by the Central Government pursuant to Section 205 (c) of the Companies Act, 1956, Information in respect of the due date for transfer of such unclaimed dividend to the said fund is given below:

For the Financial Year	Date of Declaration	Due for Transfer on
2007-08	17.09.2008	16.10.2015
2008-09	29.09.2009	28.10.2016
2009-10	24.09.2010	23.10.2017
2010-11	21.09.2011	20.10.2018
2011-12	29.09.2012	28.10.2019
2012-13	27.09.2013	26.10.2020

The Members, who have not encashed the Dividend Warrant(s) so far for the financial year ended 31st March, 2008 or any subsequent financial years are requested to make their claim to the Company at its Registered Office. 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.

## 13. The Management Discussion and Analysis Report:

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

## 14. General Shareholders Information:

Annual General Meeting	:	Date	- 22nd September, 2014.
		Time	- 10.00 A.M
		Venue	- Kamat Lingapur Hotel, 1-10-44/2, Chikoti Gardens, Begumpet, Hyderabad- 500 016
Financial Calendar	:	April 1st to March 31st	



## Annual Report 2013-2014

Date of Book Closure	:	18th September, 2014 to 22nd September, 2014
Dividend Payment Date	:	30th September, 2014
Listing on Stock Exchanges	:	BSE Ltd National Stock Exchange of India Limited
Stock Code	:	517530 on BSE SURANAT&P on NSE
ISIN Number for NSDL & CDSL	:	INE 130B01023
Market Price Data:		

Month	NSE		BSE	
	High (₹.)	Low (₹.)	High (₹.)	Low (₹.)
Apr '13	17.80	15.20	18.85	14.00
May'13	17.56	13.54	17.00	13.00
Jun'13	18.00	15.57	17.85	15.00
Jul'13	17.80	16.53	17.25	16.00
Aug'13	17.75	15.55	17.25	15.00
Sep'13	17.00	14.47	16.80	14.30
Oct'13	15.73	14.70	15.20	14.00
Nov'13	17.02	14.43	16.70	14.00
Dec'13	16.72	14.91	16.00	14.50
Jan'14	18.00	16.00	17.85	14.60
Feb'14	17.85	15.00	17.15	15.00
Mar'14	18.15	14.05	17.00	13.01

**Registrars & Transfer Agents** : Share Transfers and Communication regarding Share Certificates, Dividends & Change of Address may be sent

**M/s. KARVY COMPUTERSHARE PRIVATE LIMITED**  
 17-24, Vittalrao Nagar Madhapur, Hyderabad - 500 081.  
 Phone 91-40-44655000  
 Fax No. 040-23420814  
 Toll Free No.1800-3454-001  
 E-mail: einward.ris@karvy.com  
 Web Site: www.karvy.com

### 15. Share Transfer System:

Pursuant to the guidelines issued by the Securities and Exchange Board of India, vide circular number D&CC/FITTC/CIR-15/2002 dated 27.12.2002 regarding 'Appointment of Common Agency for Share Registry Work', the Board of Directors have appointed **M/s KARVY COMPUTERSHARE PRIVATE LIMITED**, as Share Transfer Agents.

The R & T Agent process the Physical Share Transfers and the Share Certificates are returned to the shareholder within a maximum period of 30 days from the date of receipt, subject to the documents being valid and complete in all respects. All share transfers are approved by the Share Transfer Committee, which meets every fortnight.

**Pursuant to Securities and Exchange Board of India circular No. MRD/DoP/Cir-05/2009 dated 20.05.2009, it is mandatory to furnish PAN particulars for registration of physical share transfer requests. Therefore investors are requested to send the PAN particulars along with the share transfer deeds for effecting the physical share transfer.**

As per the guidelines issued by SEBI, the R & T Agent is also offering transfer-cum-Demat facility, wherein after the share transfer is affected an option letter containing the details of the shares transferred is sent to the transferee.



Any transferee who wishes to de-mat the shares may approach the Depository Participant along with a duly filled Demat Request Form, who shall, on the basis of the option letter, generate a Demat Request and send the same to the R & T Agent. On receipt, the R & T Agent confirms the request.

Any transferee not intending to dematerialize his shares need not exercise the option and the R & T Agent shall dispatch the share certificate after 30 days from the date of the Option Letter.

All requests for Dematerialization of shares are processed and the confirmation is given to the respective Depositories, i.e, National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), within 15 days of receipt.

### 16. Shareholding Pattern as on 31<sup>st</sup> March, 2014:

Category	No. of Shares	% Holding
Promoters	1,21,72,366	58.51%
Resident Individuals	50,95,580	24.49%
Promoters Bodies Corporate	26,50,991	12.74%
Bodies Corporates	4,09,568	1.97%
Banks	4,200	0.02%
Non Resident Indians	1,31,238	0.63%
Trusts	5,818	0.28%
Overseas Corporate Bodies	58,500	0.03%
Mutual Funds	14,200	0.07%
Clearing Members	62,481	0.30%
Foreign Institutional Investors	1,12,800	0.54%
HUF	86,658	0.42%
<b>Total</b>	<b>2,08,04,400</b>	<b>100.00 %</b>

### 17. Distribution of Share holding as on 31st March 2014:

Category (Amount)	No. of Cases	% of Cases
1 - 5000	8141	93.15
5001 - 10000	293	3.35
10001 - 20000	162	1.85
20001 - 30000	58	0.66
30001 - 40000	10	0.11
40001 - 50000	18	0.21
50001 - 100000	15	0.17
100001 & Above	43	0.49
<b>TOTAL</b>	<b>8740</b>	<b>100</b>

### 18. Dematerialization of shares & Liquidity

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

### 19. Share Dematerialisation Records:

1,97,53,768 shares representing 94.95% of the total equity capital were held in dematerialised form with the National Securities Depository Limited and Central Depository Services Limited as on 31st March, 2014.

### 20. Secretarial Audit:

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



## 21. Plant Locations:

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

## 22. Address for Correspondence:

Sl. No.	Shareholders Correspondence for	Address
1.	Transfer / Dematerialization / Consolidation / Split of shares, Issue of Duplicate Share Certificates, Non-receipt of dividend/ Bonus shares, etc., change of address of Members and Beneficial Owners and any other query relating to the shares of the Company	<b>KARVY COMPUTERSHARE PRIVATE LIMITED</b> Plot No.17-24 Vittalrao Nagar Madhapur, Hyderabad - 500 081. Tel No.040-44655000 Fax No.040-23420814, Toll Free No.1800-3454-001 E-mail : einward.ris@karvy.com Web Site : www.karvy.com
2.	Investor Correspondence / Queries on Annual Report, Revalidation of Dividend Warrants, Sub-Division, etc.	<b>SECRETRIAL DEPARTMENT</b> M/s. Surana Telecom and Power Limited 5 <sup>th</sup> Floor, Surya Towers, S.P.Road, Secunderabad - 500 003. Ph Nos. : 27845119/ 44665750 E-mail : cs@surana.com investorservices_stl@surana.com <b>Website</b> : www.surana.com www.suranatele.com

## 23. Depository Services:

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

<b>National Securities Depository Ltd</b> Trade World, 4 <sup>th</sup> Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013 Tel : +91-022-24994200 Fax : +91-022-24972977 / 24976351 Email : info@nsdl.co.in.	<b>Central Depository Services (India) Ltd</b> Phiroze Jeejeebhoy Towers, 28 <sup>th</sup> Floor, Dalal Street, Mumbai - 400 023 Tel : +91-022-22723333/3224 Fax : +91-022-22723199/2272 Email : investors@cdslindia.com
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## 24. Nomination Facility:

Shareholders holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company as permitted under Section 109A of the Companies Act, 1956 are requested to submit to the Company the prescribed Form 2B (form 2B of concerned act) for this purpose

## 25. Company's Policy on prevention of insider trading:

Pursuant to the requirements of SEBI (Prohibition of Insider Trading) Regulations, 1992, 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 framed 'Code of Conduct'.

The Company Secretary is acting as Compliance Officer for the said purpose. The code is applicable to all such employees of the Company who are expected to have access to the unpublished price sensitive information relating to the Company and the same is being implemented as a self-regulatory mechanism. The code has been circulated to all the members of the Board and Senior Management and the compliance of the same has been affirmed by them.



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

Name of Director	SHRI. BAUNAKAR SHEKARNATH	SHRI. DEVENDRA SURANA	SHRI. M. S. NIRMAL KUMAR JAIN	DR R.N. SREENATH	SHRI. D.VENKATA SUBBIAH
Expertise in specific functional areas	Shri. Baunakar Shekarnath is a Post Graduate in Commerce and has been associated with the Company for more than 25 years. He has a vast experience in the field of Ferrrous, Telecom industry and Solar modules.	Shri Devendra Surana is a Mechanical Engineer and holds a Post Graduate Diploma in Management from IIM, Bangalore. and chosen as the Brain of the Batch. He has been in the field of Ferrrous & Non -Ferrrous & Telecom Industry for more than Ten Years. He was the Past President of Federation of Andhra Pradesh Chambers of Commerce and Industry (FAPCCI) and Member of National Executive Committee of the Federation of Indian Chambers of Commerce and Industry (FICCI). He was also the Founder President of Young Entrepreneurs Organisation (YEO) of Hyderabad Chapter and Past President of Rotary Club of Moulali/Rotary Club of Hyderabad Deccan.	Fellow member of ICAI and Practising as Chartered Account since 1988. He is associated as partner with two firms viz., Nirmal K. Jain & Associates (Chartered Accountants) & Guduri & Jain (Chartered Accountants) and has vast exposure in Finance and Tax Matters	Dr R.N.Sreenath, has over 43 years of experience out of which 26 years of experience in Semiconductor technology and balance 17 years in Solar Photovoltaic Technology Served on BEL, Bangalore for Over 33 years from 1966 to 1999. He has served on the following companies as Senior Vice President and head of solar factory: 1. BEL, Bangalore :Over 33 years from 1966 to 1999, 2. Maharishi Solar Technology Pvt Ltd, New Delhi(factory in A.P): 13 years from 1999 to till date. He has expertise in the following areas i) Capability to set up any discrete semiconductor project and successful productionisation. ii) Capability to set up Solar Photovoltaic project and successful productionisation. iii) Capability for Commercial exploitation of any of the Semiconductor and Solar Photovoltaic projects & products	Graduate in Electronics and Communications, has held the post of Deputy Director General of Telecom Engg. Center, (TEC). He has wide experience in R&D work and engineering of Radio Relay systems covering VHF, UHF and Microwave Bands. He was also awarded the North East Telecom Award (1990) and Satellite Project Circle Award(1991) for meritorious services and outstanding contribution to Telecommunications. He has provided more than a decade of untiring service to Telecom Industry and service providers for basic telephony along with value added services covering Cellular Mobile, Radio Paging and Public Mobile Radio Trunking.
Date of Birth	15.06.1965	08.02.1965	01.07.1960	18.03.1941	01.07.1942
Qualification	M.Com	B.E.(Mechanical), PGDMM(IIM, Bangalore	Chartered Accountant	M.Sc. Ph.D (I.I.S.C.) Field of Specialization Semiconductor & Solar Photo voltaic Technology	B.E



<p><b>List of Other Companies in which Directorship is held as on 31st March, 2014.</b></p>	<p><b>DIRECTOR</b> 1. Bhagyanagar Energy and Telecom Private Limited</p>	<p><b>MANAGING DIRECTOR</b> 1. Bhagyanagar India Ltd <b>DIRECTOR</b> 2. Surana Ventures Ltd 3. Surana Infocom Pvt Ltd 4. Every time Foods Industries Pvt Ltd 5. Scientia Infocom India Pvt Ltd 6. Bhagyanagar Infrastructure Ltd 7. AP Golden Apparels Pvt Ltd 8. Globecom Infra Ventures India Pvt Ltd 9. Surana Technopark Pvt Ltd 10. Bhagyanagar Properties Pvt Ltd 11. Bhagyanagar Securities Pvt Ltd 12. Value Infrastructure and Properties Pvt Ltd 13. Metropolitan Ventures India Ltd 14. Majestic Logistics Pvt Ltd 15. Shah Sons Pvt Ltd 16. Genten Infra Projects Pvt Ltd 17. Bhagyanagar Green Energy Ltd 18. Solar Dynamics Pvt Ltd 19. The Federation Of Andhra Pradesh Chambers Of Commerce 20. Stealth Energy Pvt Ltd 21. Surana Solar Systems Pvt Ltd</p>	<p><b>DIRECTOR</b> 1. Surana Ventures Limited</p>	<p><b>DIRECTOR</b> 1. Surana Ventures Limited 2. Bhagyanagar India Limited 3. Udhaya Semiconductors Limited 4. USL Photovoltaics Pvt Ltd 5. Maharishi Solar Technology Pvt Ltd 6. Ashraya Technologies Private Limited</p>	<p><b>DIRECTOR</b> 1. Bhagyanagar India Limited 2. Aishwarya Technologies and Telecom Limited</p>
<p><b>Chairman/ Member of the Committees of the Board of other Companies in which he is a Director as on 31st March, 2014</b></p>	<p>Nil</p>	<p>1. Bhagyanagar India Ltd (Member of Shareholder's Grievance Committee) 2. Surana Ventures Ltd (Member of Shareholder's Grievance Committee)</p>	<p>1. Surana Telecom and Power Ltd. (Chairman of Audit Committee &amp; Remuneration Committee)</p>	<p>1. Surana Ventures Ltd. (Member of Audit Committee) 2. Surana Telecom and Power Ltd. (Member of Audit Committee &amp; Remuneration Committee)</p>	<p>1. Bhagyanagar India Limited (Member of Remuneration Committee) 2. Aishwarya Technologies and Telecom Limited (Chairman of Audit Committee) (Member of Remuneration &amp; Investors Grievance Committee) 3. Surana Telecom and Power Ltd. (Chairman of Shareholders Grievance Committee &amp; Member of Audit Committee &amp; Remuneration Committee)</p>



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

Pursuant to the Circular No. SEBI/CFD/DIL/CG/1/2004/12/10 dated 29th October 2004, it is hereby declared that the Company has obtained confirmation from all the Board Members and Senior Management Personnel of the Company for the compliance of the Code of Conduct of the Company for the year 2013-14.

Place: Secunderabad  
Date : 08.08.2014

**NARENDER SURANA**  
**CHAIRMAN**

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## **AUDITORS' CERTIFICATE REGARDING CORPORATE GOVERNANCE**

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

We have examined the compliance of conditions of Corporate Governance by Surana Telecom and Power Limited for the year ended 31st March 2014, as stipulated in Clause 49 of the Listing Agreement with BSE Limited and National Stock Exchange of India Limited.

The compliance of these conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an Audit nor an expression of opinion on the Financial Statements of the Company.

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

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

**For and on behalf of**  
**M/s Sekhar & Co**  
Chartered Accountants  
Firm Registration No : 003695-S

Place: Secunderabad  
Date : 08.08.2014

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



## MANAGEMENT DISCUSSION & ANALYSIS

Surana Telecom And Power Ltd was incorporated as a Private Limited Company on 14.08.1989 as Surana Petro Products Pvt. Ltd 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 Ltd on 05.08.1994. In 2007 the Company diversified into the power sector with the manufacturing of low tension and high tension power cables and setting up of 1.25 MW wind power generation plant. In order to reflect the diversity, the name of the Company was again changed to "Surana Telecom and Power Limited" on 11.10.2007.

### SOLAR POWER

#### Introduction

Solar energy has been harnessed by humans since ancient times using a range of ever-evolving technologies. Solar energy technologies include solar heating, solar photovoltaic's, solar thermal electricity, solar architecture and artificial photosynthesis, which can make considerable contributions to solving some of the most urgent energy problems the world now faces. By adopting Photovoltaic route which converts solar energy in to electricity that can be used for a myriad purposes such as lighting, pumping and generation of electricity. With its pollution free nature, virtually inexhaustible supply and global distribution - solar energy is very attractive energy resource. The 1973 oil embargo and 1979 energy crisis caused a reorganization of energy policies around the world and brought renewed attention to developing solar technologies. Deployment strategies focused on incentive programs such as the Federal Photovoltaic Utilization Program in the US and the Sunshine Program in Japan. Other efforts included the formation of research facilities in the US (SERI, now NREL), Japan (NEDO), and Germany (Fraunhofer Institute for Solar Energy Systems). Photovoltaic worldwide installed capacity reached 139 GW at the end of 2013 with Germany having the most cumulative installations (35.7 GW) and Italy having the highest percentage of electricity generated by solar (7.0%).

According to the report of the International Energy Agency "the development of affordable, inexhaustible and clean solar energy technologies will have huge longer-term benefits. It will increase countries' energy security through reliance on an indigenous, inexhaustible and mostly import-independent resource, enhance sustainability, reduce pollution, lower the costs of mitigating climate change, and keep fossil fuel prices lower than otherwise. These advantages are global. Hence the additional costs of the incentives for early deployment should be considered learning investments; they must be wisely spent and need to be widely shared.

#### Industry Analysis

With its abundance of sunlight, India has tremendous potential to emerge as one of the leaders in solar power generation. Since the 1980s the government has taken various initiatives for developing of the country's vast indigenous renewable energy resources. According to the Government of India's policy for the solar sector - Jawaharlal Nehru National Solar Mission (JNNSM) - a target of 20 GW of solar installations by 2022 has been set. Under the plan, the use of solar-powered equipment and applications would be made compulsory in all government buildings, as well as hospitals and hotels. On 18 November 2009, it was reported that India was ready to launch its National Solar Mission under the National Action Plan on Climate Change, with plans to generate 1,000 MW of power by 2013. In comparison, the hydrocarbon demand growth rate is 0.2% per annum. This high growth rate in solar energy is due to many reasons - increasing cost of petroleum products and the parallel decreasing cost of producing power from solar, and a concern world over on the harmful effects of using fossil fuels. In India, the high GDP growth rate has created a huge demand for energy, but the supply is unable to match the demand. The total increased installed capacity of power as of January 2014 is 2208.36 MW and expects to install an additional 10,000 MW by 2017, and a total of 20,000 MW by 2022. The per capita total consumption is 778 kWh. The estimated shortage of power in India is about 20 GW.

Solar Energy Power Plants using Photovoltaic Technology is gathering momentum in India due to deeper penetration in understanding of the Technology and support of the Government policies. The Jawaharlal Nehru National Solar Mission (also known as the National Solar Mission) is a major initiative of the Government of India and State Governments to promote ecologically sustainable growth while addressing India's energy security challenges. The Mission is one of the several initiatives that are part of National Action Plan on Climate Change. The program was officially inaugurated by Prime Minister of India. Ministry of New and Renewable Energy (MNRE) has formulated a scheme on financing of Photovoltaic and Thermal applications as part of the Jawaharlal Nehru National Solar Mission (JNNSM). Under the scheme, banks may extend subsidised loans to entrepreneurs at interest rates not exceeding five per cent where refinance of two per cent from Government of India is available.

Blessed with 300 sunny days in a year and receiving an average hourly radiation of 200 MW/Sq km, India's theoretical solar power reception, on only its land area, is about 5 Petawatt-hours per year (PWh/yr) (i.e. 5 trillion kWh/yr or about 600 TW). The daily average solar energy incident over India varies from 4 to 7 kWh/m<sup>2</sup> with about 1500-2000 sunshine hours per year (depending upon location), which is far more than current total energy



consumption. The total solar power installed capacity in India stands at 1.686 GW as of 31st March 2013 out of a total of 28 GW of renewable power installed capacity (Source MNRE). For the growth of the Solar industry the National Solar Mission (NSM) has laid out an ambitious goal to make India the global leader in solar energy, and plans to develop capacity of 20 GW by 2020. Gujarat has been a leader in solar power generation and contributes 2/3rd of the 900 MW of photovoltaics in the country. The State has commissioned Asia's biggest solar park at Charanka village. The park is already generating 2 MW solar power out of its total planned capacity of 500 MW. The park has been functioning on a multi-developers and multi-beneficiaries paradigm and has been awarded for being the most innovative and environment-friendly project by the CII. With a view to make Gandhinagar a solar city, the State government has launched a roof-top solar power generation scheme. Under this scheme, the State plans to generate five megawatt of solar power by putting solar panels on about 50 state government buildings and on 500 private buildings. The State has also a plan to emulate this project in Rajkot, Surat, Bhavnagar and Vadodara. The State plans to generate solar power by putting solar panels on the Narmada canal branches. The following is the state wise installed capacity.

State	MWP	PERCENTAGE%
Andhra Pradesh	41.75	3.18
Chhattisgarh	4.0	0.30
Delhi	2.5	0.19
Gujarat	654.8	49.90
Haryana	7.8	0.59
Jharkhand	4.0	0.30
Karnataka	9.0	0.69
Madhya Pradesh	132.0	9.15
Maharashtra	20.0	1.38
Orissa	13.0	0.99
Punjab	9.0	0.69
Rajasthan	510.25	38.89
Tamil Nadu	15.0	1.14
Uttar Pradesh	12.0	0.91
Uttarakhand	5.0	0.38
West Bengal	2.0	0.15
<b>Total</b>	<b>1442.10</b>	<b>100</b>

The government of India is promoting the use of solar energy through various strategies. In the budget for 2010-11, the government has announced an allocation of 10 billion (US\$199.5 million) towards the Jawaharlal Nehru National Solar Mission and the establishment of a clean energy fund. This new budget has also encouraged private solar companies by reducing customs duty on solar panels by 5% and exempting excise duty on solar photovoltaic panels. This is expected to reduce the cost of a roof-top solar panel installation by 15-20%. Additionally, the

government has initiated a Renewable Energy Certificate (REC) scheme, which is designed to drive investment in low-carbon energy projects. The Ministry of New and Renewable Energy (MNRE) provides 70 percent subsidy on the installation cost of a solar photovoltaic power plant in North-East states and 30 percentage subsidy on other regions. The detailed outlay of the National Solar Mission highlights various targets set by the government to increase solar energy in the country's energy portfolio. As the country emerges as a global economic powerhouse, with a growing population expected to reach 1.47 billion by 2030, its energy consumption will increase substantially. Unfortunately, current energy supply cannot keep up with growing demand. Rolling power cuts from energy deficits already reach 9 percent in the electricity sector. This current lack of capacity excludes the 400 million Indians who have no access to modern electricity at all. With rapidly urbanizing cities demanding more power, renewable energy including solar is critical to provide electricity while reducing dependence on imported fuels and combating climate change.

Over 40% of the country's population is yet to receive energy access. Therefore, Rural electrification will be a major thrust area under the Rajiv Gandhi Grameen Vidyutikaran Yojana for rural transmission. The Ministry has planned to cover about 10,000 villages from biomass-based systems and over 1000 villages from solar power up to 2022 thereby offering huge investment opportunity for the investors.

### Business Outlook:

The company will continue manufacturing of the solar panels for off-grid application at Hardware Park. However the main focus of the company will be on the installation of Solar Power Projects in different parts of the country depending upon the Solar Policies of different State Governments, JNNSM and under REC Mechanism

### WIND POWER GENERATION:

#### Introduction

The Commercial wind power generation in India began in the 1980s. India is the 3rd largest annual wind power market in the world, and provides great business opportunities for both domestic and foreign investors. Today India is a major player in the Global wind Energy Market. As of 31st March 2014 the installed capacity of wind power in India is 21136.3 MW, mainly spread across Tamil Nadu (7154 MW), Maharashtra (2976.00 MW), Gujarat (3093 MW), Karnataka (2113 MW), Rajasthan (2355 MW), Madhya Pradesh (386 MW), Andhra Pradesh (435 MW), Kerala (35.1 MW), Orissa (2MW), West Bengal (1.1 MW) and other states (3.20 MW). It is estimated that 6,000 MW of additional wind power capacity will be installed in India by 2014. Wind power accounts for 8.5% of India's total installed power capacity, and it generates 1.6% of the country's power. Indian Wind Energy Association has estimated that with the current level of technology,



the 'on-shore' potential for utilization of wind energy for electricity generation is of the order of 102 GW. The unexploited resource availability has the potential to sustain the growth of wind energy sector in India in the years to come.

### Industry Analysis

Wind energy program was commenced in India by the end of the 6th five yearly plan during 1983-84 and in the last few years it has increased considerably. Indian policy support for wind energy has led India and it ranked fifth with largest installed wind power capacity. The total installed power capacity was 19,565 MW on June 30, 2013 and now India is just behind USA, China, Spain and Germany. Global installed wind power capacity shows India's better performance in wind energy sector. The five main wind power countries are China, USA, Germany, Spain and India and they together represent a share of 73 percent of the global wind capacity. As per MNRE, wind power accounts for the largest share of renewable power installed capacity i.e. 70 percent (2012), as compared to the other renewable sources. The total installed wind power capacity in India had reached 17.9 GW in August 2012. The total capacity added during financial year 2012-2013 was around 1,700 MW. More than 95 percent of total nation's wind energy generates from just five states located in southern and western India i.e. Gujarat, Maharashtra, Karnataka, Tamil Nadu and Andhra Pradesh. These five states are also accounted for approximately 85 percent of total installed capacity before the end of 11th five yearly plan. It clearly indicates that these five states have been leaders in wind energy generation while other states like Madhya Pradesh, Rajasthan and Kerala are also quickly increasing their capacity. State wise installed wind power capacity and growth rate of wind energy in India (Up to June 20th 2013) as well as semi annual growth rate. The highest wind energy installed state Tamil Nadu, which has total installed capacity of 7,196 MW till June 2013, had added 8 percent wind capacity between years 2011 to 2012. State wise comparison of Wind Power Development (2012) among eight most promising states. The Indian Renewable Energy Development Agency (IREDA) under MNRE provides various incentives for the wind energy generation in India such as loans to wind project developers with a benefit of ten years tax exemption on income accumulated through wind energy power projects. Indian companies engaged in manufacturing of wind turbine equipments are also exempted from excise duty liabilities. An import duty concession on the import of electric generators has also been implemented. Accelerated Depreciation (AD) has been the major motivating factor for wind market in past, which allowed a depreciation of 80 percent of the installation cost in the first year and therefore reduces the taxable income of plant owner by an amount equivalent to 80 percent of the plant's cost. The Generation Based Incentive (GBI) scheme was also discontinued from March 2012, but it has reintroduced from August 2013. The scheme has been designed in

such a manner to continue to fulfill 15,000 MW target during the 2012 to 2017 period. 100 percent Foreign Direct Investment (FDI) is allowed in wind sector, which has increased due to GBI scheme.

### Business Outlook

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

### RISKS AND CONCERNS

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

### INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

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

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

### FINANCIAL PERFORMANCE & OPERATIONAL PERFORMANCE:

#### Financial Performance:

#### Capital Structure:

The Equity Share Capital of the Company as on 31st March 2014 is Rs. 104,022,000/- comprising of 20,804,400 Equity Shares of Rs.5/- each fully paid.

#### Reserves and Surplus:

The Reserves and Surplus of the Company for the current year is Rs 497,339,465 and in the previous year was Rs. 505,530,227.



### **Fixed Assets:**

During the year, the Company has added Fixed Assets amounting to Rs. 14,751,598 making the gross fixed assets as on 31.03.2014 to Rs. 1,134,565,331.

### **Inventories:**

Inventories, as on 31st March, 2014 amounted to Rs. 37,170,237 and in the previous year is Rs. 35,376,166.

### **Sundry Debtors:**

Sundry Debtors amounted to Rs. 29,715,585 as on 31st March, 2014 and Rs. 82,067,145 in the previous year.

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

Cash and Bank balances with Scheduled Banks, as on 31st March, 2014 amounted to Rs. 10,790,658 which includes amounts deposited with banks as Security and margin Money Deposit and accrued interest.

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

Loans and Advances amounted to Rs. 126,633,388 as on 31st March, 2014 as against Rs. 73,401,826 in the previous year

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

Short Term Loans and Advances amounted to Rs. 8,363,233 as on 31st March, 2014 as against 15,211,726 in the previous year.

### **Current Liabilities:**

Current Liabilities amounted to Rs. 156,597,051 as on 31st March, 2014 as against Rs. 150,743,518 in the previous year.

### **Operational Performance:**

#### **Turnover:**

During the year 2013-14, the gross turnover of the Company was Rs. 297,827,736 and Rs. 222,033,545 in the previous year.

Other Income as on 31st March, 2014 is Rs. 22,001,047 and Rs. 45,843,771 in the previous year.

### **Depreciation:**

The Company has provided a sum of Rs. 81,598,100 towards depreciation for the year and Rs. 93,573,755 in the previous year.

### **Net Profit:**

The Net Profit of the Company after tax is Rs 7,290,559 and Rs. 15,221,545 in the previous year.

### **Earnings per Share:**

Basic Earnings Per Share for the year ended 31.03.2014 is Rs.0.35 Ps for Face Value of Rs.5/- and Rs. 0.73 per share for the year ended 31.03.2013.

### **HUMAN RESOURCE DEVELOPMENT AND INDUSTRIAL RELATIONS:**

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

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

### **CAUTIONARY STATEMENT:**

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



## Independent Auditors' Report

The Members of  
Surana Telecom and Power Limited  
Secunderabad

### Report on Financial Statements

We have audited the accompanying Financial Statements of Surana Telecom and Power Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management as well as evaluating the overall presentation of the financial statements.

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2014
- b) in the case of Statement of Profit and Loss, the Profit of the Company for the year ended on that date; and
- c) in the case of the Cash Flow Statement the cash flows of the Company for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of the audit;



## Surana Telecom and Power Limited

- 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, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in sub-section(3C) of section 211 of the Act read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Company Affairs in respect of Section 133 of the Companies Act 2013; and
- e. on the basis of written representations received from the directors as on March 31, 2014 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

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

Place : Secunderabad  
Date : 13<sup>th</sup> May 2014

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



**Annexure referred to in paragraph 1 of our report of even date  
Re: Surana Telecom and Power Limited**

- i. a) The Company has maintained proper records showing full particular including quantitative details and situation of fixed assets on the basis of available information.
- b) As Explained to us, a substantial portion of the fixed assets have been physically verified by the management during the year, which in our opinion is reasonable, having regard to the size of the company and nature of its assets. According to information and explanations given to us, no material discrepancies have been found on such verification.
- c) In our opinion, the company has not disposed of a substantial part of its fixed assets during the year and the going concern status of the company is not effected.
- ii. a) The inventories have been physically verified during the year by the management. In our opinion the frequency of such verification is reasonable.
- 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 nature of its business.
- c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- iii. a) The Company has during the year granted loans to three Companies covered in the register maintained under Section 301 of the Act. The maximum amount involved during the year is ₹ 9,24,43,741 and year end outstanding is ₹ 8,99,83,124.
- b) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions of such loans are not prima facie prejudicial to the interest of the company.
- c) The principal and interest wherever due have been paid and there are no outstanding amounts at the end of the year.
- d) There are no overdue amounts in excess of ₹ 1 Lakh in respect of loans granted to companies, firms or other parties listed in the register maintained under section 301 of the Act.
- e) The Company has taken loans during the year from one company covered in the register maintained under section 301 of the Act. The maximum amount involved during the year is ₹ 5,80,18,587 and the year balance of such party is Nil.
- f) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions on which the loan has been taken from the companies listed in the register maintained under section 301 of the Act are not prima-facie prejudicial to the interest of the Company.
- g) In our opinion and as per the records examined by us, the payment of principal amount and interest thereon is regular.
- iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and nature of its business with regards to purchase of inventories and fixed assets and with regard to sale of goods and services. We have not observed any major weakness in the internal control system during the course of audit.
- v. a) According to the information and explanations given to us, we are of the opinion that the particulars of all contracts or arrangements that need to be entered into the register maintained under section 301 of the Act have been so entered.
- b) In respect of transactions made in pursuance of such contracts or arrangements exceeding the value of ₹ Five Lakhs entered into during the financial year, because of the unique and specialized nature of the items involved and absence of any comparable transactions, we are unable to comment whether the transactions were made at prevailing market prices at the relevant time.
- vi. According to the information and explanations given to us the Company has not accepted any deposits from the public. Therefore, the provisions of clause (vi) of paragraph 4 of the order are not applicable to the Company.
- vii. In our opinion, the Company has an internal audit system commensurate with the size and nature its of business.



- viii. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) 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.
- ix. a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employee's state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty and any other material statutory dues applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues in paragraph (a) above were in arrears as at 31st March 2014 for a period more than six months from the date they became payable.

- b) Details of dues of Central Excise Duty, Custom Duty and Income Tax which have not been deposited as on 31st March 2014 on account of disputes are given below.

Sr. No	Name of the Statute	Nature of dues	Amount	Period which it relates	Forum where dispute is pending
1	The Central Excise Act 1944	Excise Duty	1,40,32,981	2004-05	CESTAT-Mumbai
			17,12,827	2007-08	Supreme Court of India
			1,87,495	2007-09	CESTAT - Bangalore
2	Service Tax Act	Input Credit	17,24,796	2010-11	CESTAT - Bangalore
3	Customs Act 1964	Custom Duty	12,75,654	2009-10	CESTAT - Banagalore
4	A.P.General Sales Tax Act	Sales Tax	10,80,332	1994-95	Commercial Tax Officer
The above amounts are net of taxes Paid under protest at ₹ 3,29,40,558 in long term advances which are part amounts paid pending final decision of the mater under dispute.					

- x. The Company has no accumulated losses at the end of the financial year and it has not incurred cash loss during the year covered by audit and in the immediately preceding financial year.
- xi. According to the records of the Company examined by us and the information and explanations given to us, the company has not defaulted in repayment of dues to any financial institution or bank or debenture holders, as applicable, as at the Balance sheet date.
- xii. Based on our examination of documents and records, we are of the opinion that the company has maintained adequate records, where the Company has granted loans and advances on the basis of security by way of pledge of shares and other securities.
- xiii. The company is not a Chit Fund or a Nidhi Mutual benefit Fund / Society. Therefore the provisions of 4(xiii) of the Order are not applicable to the Company.
- xiv. In our opinion and according to the information and explanations given to us the Company is not dealing in or trading in securities.
- The Company has invested surplus funds in mutual funds. According to the information and explanations given to us, proper records have been made of the transactions and contracts and timely entries have been made therein. The investment in Mutual Funds have been held by the Company in its own name.
- xv. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- xvi. In our opinion and according to the information and explanations given to us the term loans have been applied for the purposes or which they are obtained.
- xvii. In our opinion and according to the information and explanations given to us, and on overall examination of the Balance Sheet and the Cash Flow of the Company, we report that no funds raised on short-term basis have been used for long term investment.



## Annual Report 2013-2014

- xviii. The Company has not made preferential allotment of shares to companies / firms parties covered in the register maintained under Section 301 of the Act.
- xix. The Company has not issued any debentures or securities on which charge is to be created during the year.
- xx. The Company has not raised any money by through public issue during the year.
- xxi. We have not come across any instance of fraud on or by the company during the year during the course of our examination of the books and records of the Company, carried out in accordance with the Generally Accepted Accounting Practice in India and according to the information and explanations given to us.

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

Place : Secunderabad  
Date : 13<sup>th</sup> May 2014

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



Balance Sheet as at 31st March 2014

(Amount in ₹)

Particulars	Note No.	As at 31.03.2014	As at 31.03.2013
<b>I EQUITY AND LIABILITIES</b>			
<b>(1) SHAREHOLDERS' FUNDS</b>			
(a) Share Capital	2.1	104,022,000	104,022,000
(b) Reserves and Surplus	2.2	497,339,465	505,530,227
		601,361,465	609,552,227
<b>(2) NON-CURRENT LIABILITIES</b>			
(a) Long-Term Borrowings	2.3	202,675,028	261,047,504
(b) Deferred Tax Liabilities (Net)		2,447,080	3,304,080
		205,122,108	264,351,584
<b>(3) CURRENT LIABILITIES</b>			
(a) Short-Term Borrowings	2.4	4,852,555	2,300,038
(b) Trade Payables	2.5	51,508,061	69,325,615
(c) Other Current Liabilities	2.6	85,632,295	64,513,725
(d) Short-Term Provisions	2.7	14,604,140	14,604,140
		156,597,051	150,743,518
<b>TOTAL</b>		<b>963,080,624</b>	<b>1,024,647,329</b>
<b>II ASSETS</b>			
<b>(1) NON-CURRENT ASSETS</b>			
(a) Fixed Assets			
(i) Tangible Assets	2.8	573,726,995	643,823,724
(b) Non-Current Investments	2.9	139,581,078	114,081,078
(c) Long-Term Loans and Advances	2.10	126,633,388	73,401,826
		839,941,461	831,306,628
<b>(2) CURRENT ASSETS</b>			
(b) Inventories	2.11	37,170,237	35,376,166
(c) Trade Receivables	2.12	29,715,584	82,067,145
(d) Cash and Cash Equivalents	2.13	10,790,658	22,944,555
(e) Short-Term Loans and Advances	2.14	8,363,233	15,211,726
(f) Other Current Assets	2.15	37,099,451	37,741,109
		123,139,163	193,340,701
<b>TOTAL</b>		<b>963,080,624</b>	<b>1,024,647,329</b>
Significant Accounting Policies and Notes to Accounts	1 & 2		

As per our report of even date attached

For Surana Telecom and Power Limited

For Sekhar & Co

Chartered Accountants

Firm's Registration Number : 003695-S

G. Ganesh

Partner

Membership No: 211704

Place : Secunderabad

Date : May 13, 2014

Narender Surana

Chairman

Devendra Surana

Director

R. Lakshman Raju

Chief Financial Officer



## Statement of Profit and Loss for the year ended 31st March, 2014

(Amount in ₹.)

Particulars	Note No.	For the year 31.03.2014	For the year 31.03.2013
<b>I INCOME FROM OPERATIONS</b>	2.16	300,248,322	224,137,169
LESS: EXCISE DUTY		2,420,586	2,103,624
<b>NET INCOME FROM OPERATIONS</b>		297,827,736	222,033,545
<b>II OTHER INCOME</b>	2.17	22,001,047	45,843,771
<b>TOTAL REVENUE</b>		319,828,783	267,877,316
<b>III EXPENSES</b>			
Cost of Materials Consumed	2.18	154,599,182	85,447,546
Employee Benefit Expenses	2.19	2,789,029	4,597,324
Finance Costs	2.20	39,562,369	37,649,593
Depreciation and Amortisation Expenses	2.21	84,308,231	95,142,172
Other Expenses	2.22	31,886,413	29,189,773
<b>TOTAL EXPENSES</b>		313,145,224	252,026,408
<b>IV PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX</b>		6,683,559	15,850,908
<b>V PRIOR PERIOD ADJUSTMENT</b>		-	682,637
<b>VI PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX</b>		6,683,559	16,533,545
<b>VII PROFIT BEFORE TAX</b>		6,683,559	16,533,545
<b>VIII TAX EXPENSE</b>			
1. Current tax		250,000	2,700,000
2. Deferred tax		(857,000)	(1,388,000)
<b>IX PROFIT AFTER TAX</b>		7,290,559	15,221,545
<b>X Earning Per Equity Share</b>			
(a) Basic		0.35	0.73
(b) Diluted		0.35	0.73
No. of Shares		20,804,400	20,804,400
Significant Accounting Policies and Notes to Accounts	1 & 2		

As per our report of even date attached

For Surana Telecom and Power Limited

For Sekhar &amp; Co

Chartered Accountants

Firm's Registration Number : 003695-S

G. Ganesh

Partner

Membership No: 211704

Place : Secunderabad

Date : May 13, 2014

Narender Surana

Chairman

Devendra Surana

Director

R. Lakshman Raju

Chief Financial Officer



Cash Flow Statement for the year ended March 31, 2014

(Amount in ₹.)

Particulars	2013-14		2012-13	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit before tax as per annexed profit and loss account		6,683,559		16,533,545
<b>Adjustments for :</b>				
Depreciation & Amortisations	83,971,151		95,142,172	
Bad Debts Written Off & Provision for Bad Debts	53,302		8,723,095	
Balances / Provisions no longer required written back	(788,766)		(1,083,640)	
(Profit)/Loss on Sale of Investments(Net)	-		5,674	
Profit / Loss on Sale of Assets	-		(4,252,095)	
Interest Expense	39,562,369		37,649,593	
Interest Income	(3,176,007)		(22,939,220)	
Dividend Income	(5,479,468)		(3,385,443)	
		114,142,581		109,860,136
<b>Operating Profit before Working Capital Changes</b>		120,826,140		126,393,681
<b>Adjustments for :</b>				
Inventories	(1,794,071)		(23,393,309)	
Loans and Advances	5,136,961		36,069,038	
Other Current Assets	(1,925,664)		(98,114)	
Sundry Debtors	52,018,596		(57,253,538)	
Trade Payables and other Liabilities	(2,421,834)		(109,563,600)	
		51,013,987		(154,239,523)
<b>Cash generated from Operations</b>		171,840,127		(27,845,842)
<b>Adjustments for :</b>				
Income Taxes (Paid) / Refund	1,017,535		21,360,584	
Prior Period adjustment	-		(617,567)	
		1,017,535		20,743,017
<b>Net Cash from Operating Activities</b>		172,857,663		(7,102,825)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of Fixed Assets & Changes in CWIP	(14,751,598)		(12,140,506)	
Sale of Fixed Assets	-		20,701,161	
Loans & advance to subsidiary companies	(51,176,309)		(351,969)	
Investment in of Shares & Other Investments (Net)	(25,500,000)		(220,024)	
Dividend Received	5,479,468		3,385,443	
Interest Received	4,411,731		20,092,234	
<b>Net Cash (used in) / from Investing Activities</b>		(81,536,708)		31,466,339



## Cash Flow Statement for the year ended March 31, 2014

(Amount in ₹.)

Particulars	2013-14		2012-13	
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Increase/(Decrease) in Secured Loans	(37,776,853)		113,773,694	
Increase/(Decrease) in Un Secured Loans	(11,724,106)		(83,650,969)	
Interest Paid	(38,646,907)		(37,488,176)	
Dividend Paid	(15,326,986)		(11,694,896)	
<b>Net Cash (used in) / from Financing Activities</b>		(103,474,852)		(19,060,347)
<b>NET CASH GENERATED / (UTILISED)</b>		(12,153,897)		5,303,167
<b>Reconciliation : See Note 2 &amp; 3 below</b>				
Opening Cash and Cash Equivalent		22,944,555		17,641,388
Closing Cash and Cash Equivalent		10,790,658		22,944,555
<b>Net Increase/(decrease) in Cash &amp; Cash Equivalents</b>		(12,153,897)		5,303,167

## Notes:

1	Components of Cash and Cash Equivalents	2013-2014	2012-2013	Change Over previous Year
	Cash in Hand	122,642	99,800	22,842
	Balances with Banks	9,752,544	22,729,481	(12,976,937)
	Accrued interest on fixed deposits with Banks	915,472	115,274	800,198
	<b>Total</b>	<b>10,790,658</b>	<b>22,944,555</b>	<b>(12,153,897)</b>

2.	The Following items of Cash and Cash Equivalents are not available as free balances to the Company	2013-14	2012-13
	<b>Balances with Banks</b>		
	In Dividend account	3,428,060	4,150,906
	Deposit held to the extent of Margin Money	5,463,135	7,735,186
	Accrued interest on above deposits	915,472	115,274
	<b>Total</b>	<b>9,806,667</b>	<b>12,001,366</b>

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

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

As per our report of even date attached

For Surana Telecom and Power Limited

**For Sekhar & Co**

Chartered Accountants

Firm's Registration Number : 003695-S

**G. Ganesh**

Partner

Membership No: 211704

Place : Secunderabad

Date : May 13, 2014

**Narender Surana**

Chairman

**Devendra Surana**

Director

**R. Lakshman Raju**

Chief Financial Officer



## 1. Significant Accounting Policies

### i. Basis of Preparation of Financial Statements

The financial statements of Surana Telecom and Power Limited ('the company') have been prepared and presented in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis with the generally accepted accounting principles in India and the provisions of the Companies Act, 1956 read with General Circular 15/2013 dated 13.09.2013 of Ministry of Corporate Affairs in respect of section 133 of Companies Act, 2013.

The Company has prepared these Financial Statements as per the format prescribed by Revised Schedule VI to the Companies Act, 1956 issued by Ministry of Corporate Affairs. Previous year figures have been recast/ restated to conform to the classification required by the Revised Schedule VI.

### ii. Use of Estimates

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

### iii. Own Fixed Assets

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

### iv. Leased Assets

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

### v. Deferred Revenue Expenditure

Expenses which in the opinion of the management will give a benefit beyond three years are Deferred Revenue Expenditure and amortised over 3 to 5 years. Goodwill is amortised over period of 5 years and certification fees is amortised over a period of 3 years.

### vi. Depreciation

Depreciation is provided on written down value method, except for Wind Power Plant for which Straight Line Method is followed, at the rate and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

### vii. Impairment of Assets

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

### viii. Investments

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

### ix. Inventories

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

### x. Foreign Currency Transactions

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



- In respect of Purchases / Sales in normal course of business, the Gain / Loss is charged to Profit and Loss Account.
- xi. Employee Retirement/Terminal Benefits**

The employees of the company are covered under Group Gratuity Scheme of Life Insurance Corporation of India. The premium paid thereon is charged to Profit and Loss Account. Leave Encashment liability is provided on the basis of actuarial valuation on actual entitlement of eligible employees at the end of the year.
- xii. Provision, Contingent Liabilities and Contingent Assets :**

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

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

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

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

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

Compensation / Reimbursement of specific revenue items are adjusted in the year of receipt against the respective revenue items on receipt basis.
- xvi. Segment Reporting**

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

Inter-Segment transfers are done at cost.

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

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

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

Doubtful Debts/Advances are written off in the year in which those are considered to be irrecoverable.
- xx. Borrowing Costs**

Borrowing Costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to Profit & Loss Account.
- xxi. Earnings per Share**

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



**Notes to Balance Sheet**

(Amount in ₹.)

Note : 2.1 Share Capital	Sub Note	As at 31.03.2014		As at 31.03.2013
<b>a. Authorized</b> 3,00,00,000 (March 31, 2013 : 3,00,00,000) Equity Shares of ₹ 5/- each. <b>TOTAL</b>		150,000,000		150,000,000
<b>b. Issued, Subscribed and Paid-Up Capital</b> 2,08,04,400 (March 31, 2013 : 2,08,04,400) Equity Shares of ₹ 5/- fully paid up <b>TOTAL</b>		104,022,000		104,022,000

(i) Reconciliation of shares outstanding at the beginning and at the end of the Reporting period

	No. of Shares	As at 31.03.2014	No. of Shares	As at 31.03.2013
At the beginning of the year	20,804,400	104,022,000	20,804,400	104,022,000
outstanding at the end of the year	20,804,400	104,022,000	20,804,400	104,022,000

**2.1(a) There were no Bonus issues, forfeited shares and buy back of shares in last five years.**

**2.1(b) Issued, Subscribed and Paid up Capital**

Equity shareholders holding more than 5% of equity shares along with the number of equity shares held are given below

Name of the Shareholder	%	No of shares	%	No of shares
Bhagyanagar India Limited	8.99	1,871,462	8.92	1,856,462
Narender Surana	17.45	3,630,560	17.33	3,605,414
Devendra Surana	14.32	2,980,692	14.25	2,965,692

Note : 2.2 Reserves and Surplus	Sub Note	As at 31.03.2014	As at 31.03.2013
<b>(i) General Reserves</b>			
Balance at Beginning of the Year		250,570,967	245,570,967
Add: Transferred from Profit & Loss Account		5,000,000	5,000,000
<b>Balance at the year end</b>		255,570,967	250,570,967
<b>(ii) Capital Redemption Reserve</b>			
Balance at Beginning of the Year		24,000,000	24,000,000
<b>Balance at the year end</b>		24,000,000	24,000,000
<b>(iii) Revaluation Reserve</b>			
Balance at Beginning of the Year		27,824,564	28,799,210
Adjusted Against Depreciation		(877,182)	(974,647)
<b>Balance at the year end</b>		26,947,382	27,824,563
<b>(iv) Central Subsidy</b>		3,500,000	3,500,000



(Amount in ₹.)

Note : 2.2 Reserves and Surplus	Sub Note	As at 31.03.2014	As at 31.03.2013
<b>(v) Surplus</b>			
<b>Balance of Profit and Loss account Available for Appropriation</b>		199,634,697	204,017,292
Add: Profit During the Year		7,290,559	15,221,545
Amount Available for Appropriation		206,925,256	219,238,837
Less : Appropriations			
Proposed Equity Dividend		12,482,640	12,482,640
Tax on Proposed Equity Dividend		2,121,500	2,121,500
Transfer to General Reserve		5,000,000	5,000,000
<b>Balance at the year end</b>		187,321,117	199,634,697
<b>TOTAL</b>		497,339,465	505,530,227

Note : 2.3 Long-Term Borrowings	Sub Note	As at 31.03.2014	As at 31.03.2013
<b>Secured</b>			
(a) Term Loan from Bank	2.3 (a)	158,220,630	198,550,000
<b>Un Secured</b>			
(a) Loan from Body Corporate		35,000,000	35,000,000
(b) Deferred Sales Tax	2.3 (b)	9,454,398	27,497,504
<b>TOTAL</b>		202,675,028	261,047,504

**Notes: 2.3 (a)**

1. Loan from Indian Overseas Bank is secured by way of first charge on the Solar Power Project assets, Wind Power Turbine and second charge on fixed assets of the company presently charged to Corporation Bank and State Bank of India. Further, it has been guaranteed by the some of the directors of the company.
2. The Principal is repayable in 25 Quarterly installments beginning from March 2013. The company has repaid 5 quarterly installments, 4 installments being repaid during the current financial year amounting to Rs 40,000,000/- . The amount repayable towards principle during the financial year 2014-15 is Rs 40,000,000/- and the same has been clasified under the "Other Current Liabilities".

**2.3 (b)**

Represents the interest free sales tax deferment (loan) availed from Government of Andhra Pradesh and the repayment is based on regulations specified in the eligibilty certificates issued by Department of Industries. Accordingly due with in a year is Rs.18,043,000/- which is classified under Other Current Liabilities.

Note: 2.4 Short-Term Borrowings	Sub Note	As at 31.03.2014	As at 31.03.2013
<b>Secured</b>			
(a) Cash Credit	2.4 (a)	4,852,555	2,300,038
<b>TOTAL</b>		4,852,555	2,300,038

**Notes: 2.4 (a)**

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



## Surana Telecom and Power Limited

(Amount in ₹.)

Note: 2.5 Trade Payables	Sub Note	As at 31.03.2014	As at 31.03.2013
Sundry Creditors - Others		51,508,061	69,325,615
<b>TOTAL</b>		<b>51,508,061</b>	<b>69,325,615</b>

Note: 2.6 Other Current Liabilities	Sub Note	As at 31.03.2014	As at 31.03.2013
<b>(a) Current Maturity on Long Term Debt (Secured)</b>			
- Term Loan from Bank		40,000,000	40,000,000
- Deferred Sales tax		18,043,000	11,724,000
<b>(b) Unclaimed Dividends</b>		3,428,060	4,150,906
<b>(c) Other Payables</b>			
- Book over draft		4,090,613	-
- Other Liabilities		1,643,371	1,432,660
- Lease Deposits		6,202,395	4,897,395
- Advance from Customers		12,224,856	2,308,764
<b>TOTAL</b>		<b>85,632,295</b>	<b>64,513,725</b>

Note: 2.7 Short-Term Provisions	Sub Note	As at 31.03.2014	As at 31.03.2013
(a) Proposed Dividend		12,482,640	12,482,640
(b) Tax on Dividend		2,121,500	2,121,500
<b>TOTAL</b>		<b>14,604,140</b>	<b>14,604,140</b>



## Annexure 2.8 Fixed Assets

Particulars	Freehold Land	Leasehold Land	Factory Buildings	Plant & Machinery	Wind Power Plant	Office Equipment	Vehicles	Furniture & Fixtures	Computer	Grand Total
<b>A. Gross Block</b>										
At 1st April, 2012	35,644,899	54,695,148	69,718,126	866,147,983	63,550,092	17,976,730	3,457,009	11,376,825	3,282,624	1,125,849,436
Additions	353,150	228,259	5,799,126	2,121,049	-	1,060,385	2,563,177	15,360	-	12,140,506
Disposals	-	(18,176,209)	-	-	-	-	-	-	-	(18,176,209)
At 31st March, 2013	35,998,049	36,747,198	75,517,252	868,269,032	63,550,092	19,037,115	6,020,186	11,392,185	3,282,624	1,119,813,733
Additions	-	11,704,168	799,230	2,248,200	-	-	-	-	-	14,751,598
Disposals	-	-	-	-	-	-	-	-	-	-
At 31st March, 2014	35,998,049	48,451,366	76,316,482	870,517,232	63,550,092	19,037,115	6,020,186	11,392,185	3,282,624	1,134,565,331
<b>B. Depreciation</b>										
At 1st April, 2012	-	1,661,017	35,065,287	304,674,124	16,786,404	11,154,978	3,033,497	6,080,635	3,144,386	381,600,329
Charge for the Year	-	1,568,415	3,465,284	85,537,967	3,355,445	957,662	215,490	961,261	55,293	96,116,817
Disposals	-	(1,727,143)	-	-	-	-	-	-	-	(1,727,143)
At 31st March, 2013	-	1,502,289	38,530,571	390,212,091	20,141,849	12,112,640	3,248,988	7,041,896	3,199,679	475,990,004
Charge for the Year	-	2,373,051	3,718,649	72,899,953	3,355,445	963,194	717,463	787,402	33,176	84,848,332
Disposals	-	-	-	-	-	-	-	-	-	-
At 31st March, 2014	-	3,875,340	42,249,219	463,112,044	23,497,294	13,075,834	3,966,451	7,829,298	3,232,855	560,838,336
<b>C. Net Block (A-B)</b>										
At 31st March, 2013	35,998,049	35,244,909	36,986,681	478,056,941	43,408,243	6,924,475	2,771,198	4,350,289	82,945	643,823,724
At 31st March, 2014	35,998,049	44,576,026	34,067,263	407,405,188	40,052,798	5,961,281	2,053,735	3,562,887	49,769	573,726,995

Note : Amortisation of lease premium includes Rs 7,68,785/- pertaining to earlier years.



## Surana Telecom and Power Limited

(Amount in ₹.)

Note: 2.9 Non-Current Investments	Sub Note	As at 31.03.2014	As at 31.03.2013
(Long Term at Cost, Unless Otherwise Specified)			
<b>A) Unquoted Investments (At Cost)</b>			
<b>a) In Subsidiary Companies</b>			
50,000 (March 31, 2013: 50,000) Equity Shares of Rs 10/- each of Globecom Infotech Private Ltd Partly Paid Up @ 2/- each.		100,000	100,000
10,000 (March 31, 2013: 10,000) Equity Shares of Rs 10/- each of Celestial Solar Solutions Private Limited Fully Paid Up @ 10/- each.		100,000	100,000
25,50,000 (March 31, 2013: Nil) Equity Shares of Rs 10/- each of Surana Solar Systems Private Limited Fully Paid Up @ 10/- each.		25,500,000	-
<b>b) In Companies under the same management</b>			
1,50,000 (March 31, 2013: 1,50,000) Equity Shares of Rs 10/- each of Bhagyanagar Securities Pvt Ltd		18,000,000	18,000,000
<b>c) In Joint Venture Company (foreign)</b>			
1,49,745 (March 31, 2013: 1,49,745) Equity Shares of 100 taka each in Bangladesh Currency of Radiant Alliance Ltd.		9,212,065	9,212,065
<b>SUB TOTAL</b>		<b>52,912,065</b>	<b>27,412,065</b>
<b>B) Quoted Investments (At Cost)</b>			
<b>a) In Companies under the Same Management</b>			
22,90,331 (March 31, 2013: 22,90,331) Equity Shares of Rs 2/- each of Bhagyanagar India Ltd		35,201,302	35,201,302
44,10,000 (March 31, 2013: 44,10,000) Equity Shares of Rs 10/- each of Surana Ventures Ltd		44,100,000	44,100,000
<b>SUB TOTAL</b>		<b>79,301,302</b>	<b>79,301,302</b>
<b>b) In Other Companies (At Cost)</b>			
200 (March 31, 2013: 200) Equity Shares of Rs 10/- each of Linde India Ltd (Formerly BOC India Ltd)		45,510	45,510
50,000 (March 31, 2013: 50,000) Equity Shares of Rs 10/- each of Dolphin Medical Services Limited		600,000	600,000
300 (March 31, 2013: 300) Equity Shares of Rs 10/- each of Paryys Sugar Industries Ltd		25,482	25,482
78 (March 31, 2013: nil) Equity Shares of Rs 1/- each of E.I.D. Parry (India) Ltd		-	-
1,50,000 (March 31, 2013: 1,50,000) Equity Shares of Rs 10/- each of Indosolar Limited		3,650,713	3,650,713
100 (March 31, 2013: 100) Equity Shares of Rs 10/- each of Indswift Laboratories Limited		14,700	14,700
17,315 (March 31, 2013: 17,315) Equity Shares of Rs 10/- each of Megasoft Limited		2,407,415	2,407,415
45 (March 31, 2013: 45) Equity Shares of Rs 10/- each of Mahindra Lifespace Developers Limited		23,307	23,307
610 (March 31, 2013: 610) Equity Shares of Rs 10/- each of Mahanagar Telephone Nigam Limited		85,368	85,368



(Amount in ₹.)

Note: 2.9 Non-Current Investments	Sub Note	As at 31.03.2014	As at 31.03.2013
6 (March 31, 2013: 6) Equity Shares of Rs 10/- each of Prithvi Information Solutions Limited		301	301
10,000 (March 31, 2013: 10,000) Equity Shares of Rs 10/- each of Sree Shakti Paper Mills Limited		300,000	300,000
2,107 (March 31, 2013: 2,107) Equity Shares of Rs 10/- each of Talbors Automotive Components Limited		214,915	214,915
<b>SUB TOTAL</b>		<b>7,367,711</b>	<b>7,367,711</b>
<b>GRAND TOTAL</b>		<b>139,581,078</b>	<b>114,081,078</b>
Aggregate Market Value of Quoted Investments		<b>106,070,718</b>	<b>151,484,486</b>

Note: 2.10 Long Term Loans and Advances	Sub Note	As at 31.03.2014	As at 31.03.2013
(Unsecured, Considered Good)			
<b>a) Loans and advances to related parties</b>			
i) Loan to Subsidiary Companies	210(a&b)	89,983,124	37,310,709
<b>b) Security Deposits</b>			
i) Deposits		3,709,706	3,694,706
<b>c) Statutory advance</b>			
i) Taxes paid under protest		32,940,558	32,396,411
<b>TOTAL</b>		<b>126,633,388</b>	<b>73,401,826</b>

**Notes: 2.10 a)**

Loan to Subsidiary Company Name of the Company	Balance as on 31.03.2014	Balance as on 31.03.2013
Globecom Infotech Private Limited	37,302,057	37,302,057
Surana Solar Systems Private Limited	52,681,067	-
Celestial solar Solutions Private Limited	-	8,652
<b>TOTAL</b>	<b>89,983,124</b>	<b>37,310,709</b>

**Notes: 2.10 b)** Surana Solar Systems Private Limited has become a subsidiary company during the year.

Note: 2.11 Inventories	Sub Note	As at 31.03.2014	As at 31.03.2013
(Valued at Lower of Cost and Net Realizable Value)			
a) Raw Materials		37,170,237	35,376,166
<b>TOTAL</b>		<b>37,170,237</b>	<b>35,376,166</b>



## Surana Telecom and Power Limited

(Amount in ₹.)

Note: 2.12 Trade Receivables	Sub Note	As at 31.03.2014	As at 31.03.2013
(Unsecured, considered good unless stated otherwise)			
(i) Aggregate amount of Trade Receivables Outstanding for a Period Less than Six Months	2.12 (a)	25,331,731	77,955,035
(ii) Aggregate amount of Trade Receivables Outstanding for a Period Exceeding Six Months		4,383,854	4,112,111
<b>TOTAL</b>		<b>29,715,585</b>	<b>82,067,145</b>

### Notes: 2.12 (a) Due from Related Parties

Name of the Company	Balance as on 31.03.2014	Balance as on 31.03.2013
Surana Solar Systems Private Limited	-	53,482,690
Surana Ventures Limited	-	5,324,479
<b>TOTAL</b>	<b>-</b>	<b>58,807,169</b>

2.12 (b) Surana Solar Systems Private Limited has become a subsidiary company during the year.

Note: 2.13 Cash and Cash Equivalents	Sub Note	As at 31.03.2014	As at 31.03.2013
(a) Balance With Banks			
In Current Account		861,349	10,843,389
In Dividend Account		3,428,060	4,150,906
Deposit Held to the Extent of Margin Money		5,463,135	7,735,186
(b) Cash on Hand		122,642	99,800
(c) Accrued interest on deposits with banks		915,472	115,274
<b>TOTAL</b>		<b>10,790,658</b>	<b>22,944,555</b>

Note: 2.14 Short-Term Loans and Advances	Sub Note	As at 31.03.2014	As at 31.03.2013
(Unsecured, Considered Good)			
(a) Advance Tax & TDS (Net of Provisions)		7,681,789	8,949,329
(b) Advances to Suppliers		-	6,077,077
(c) Other Advances / receivables		681,445	185,320
<b>TOTAL</b>		<b>8,363,234</b>	<b>15,211,726</b>

Note: 2.15 Other Current Assets	Sub Note	As at 31.03.2014	As at 31.03.2013
<b>(Secured, considered good unless otherwise stated)</b>			
(a) Loans Against Pledge of Securities			
Secured, Considered Good		18,394,171	19,958,212
(b) Balances with Statutory Authorities		18,705,279	17,782,897
<b>TOTAL</b>		<b>37,099,450</b>	<b>37,741,109</b>



Notes to Profit & Loss Account

(Amount in ₹.)

Note: 2.16 Income from Operations	Sub Note	For the year 31.03.2014	For the year 31.03.2013
<b>(a) Sale of products</b>			
Solar Power		116,030,745	116,565,294
Wind Power		6,474,883	7,036,321
Electric Power Cable / Components		22,877,272	15,159,699
Scrap & Misc		155,982	176,681
Traded Goods/ Solar Modules		141,383,140	76,178,264
<b>Sub Total</b>		<b>286,922,022</b>	<b>215,116,259</b>
Less: Inter Unit Sales		-	-
<b>Gross Sales</b>		<b>286,922,022</b>	<b>215,116,259</b>
<b>(b) Infrastructure Leasing</b>		<b>13,326,300</b>	<b>9,020,910</b>
<b>TOTAL</b>		<b>300,248,322</b>	<b>224,137,169</b>

Note: 2.17 Other Income	Sub Note	For the year 31.03.2014	For the year 31.03.2013
<b>(a) Interest Income</b>			
Interest on Loans, Deposits and Others		3,176,007	22,939,220
<b>(b) Dividend Income</b>		<b>5,479,468</b>	<b>3,385,443</b>
<b>(c) Profit on Sale of Sundry Assets</b>		<b>-</b>	<b>4,252,095</b>
<b>(d) Other Non-Operating Income</b>			
Miscellaneous Income		113,256	71,356
Balances no Longer Payable Written Back		788,766	1,083,640
Gain on Foreign Exchange Fluctuation		-	1,769,657
Balances Written off in Earlier Years Received Back		12,443,550	12,342,360
<b>TOTAL</b>		<b>22,001,047</b>	<b>45,843,771</b>

Note: 2.18 Cost of Raw Material	Sub Note	For the year 31.03.2014	For the year 31.03.2013
Opening Stock - Raw Materials		35,376,166	11,982,857
Purchases - Raw Material including Incidental Charges (Net of Modvat)		156,393,253	108,840,855
Less: Closing Stock- Raw Materials		37,170,237	35,376,166
<b>Raw Material Consumed</b>		<b>154,599,182</b>	<b>85,447,546</b>

Note: 2.19 Employee Benefits Expense	Sub Note	For the year 31.03.2014	For the year 31.03.2013
Salaries, Wages and Other Benefits		2,739,205	4,554,871
Contribution to Provident and Other Funds		49,824	42,453
<b>TOTAL</b>		<b>2,789,029</b>	<b>4,597,324</b>



## Surana Telecom and Power Limited

(Amount in ₹.)

Note: 2.20 Finance Costs	Sub Note	For the year 31.03.2014	For the year 31.03.2013
Interest Expense			
On Cash Credit & Others		6,503,826	6,700,036
On Term Loan		29,158,400	28,650,695
Financial Charges		3,900,143	2,298,862
<b>TOTAL</b>		<b>39,562,369</b>	<b>37,649,593</b>

Note: 2.21 Depreciation and Amortisation Expenses	Sub Note	For the year 31.03.2014	For the year 31.03.2013
Depreciation		81,598,100	93,573,755
Amortisation Expenses - Lease Premium/ Rent		2,710,131	1,568,416
<b>TOTAL</b>		<b>84,308,231</b>	<b>95,142,172</b>

Note: 2.22 Other Expenses	Sub Note	For the year 31.03.2014	For the year 31.03.2013
Consumption of Stores and Spare Parts		420,948	960,173
Travelling & Conveyance		602,712	1,955,045
Advertisement & Business Promotion		139,295	1,010,353
Directors Remuneration		-	176,000
Director's Sitting Fees		69,000	87,000
Power and Fuel		2,005,770	4,813,141
Professional & Consultancy Charges		835,059	720,882
Repairs			
Buildings		425,066	54,027
Machinery		4,939,221	3,037,798
Others		34,168	76,325
Insurance		573,489	663,860
Rates and Taxes		377,762	708,962
Packing & Forwarding		952,886	254,730
Loss on Foreign Exchange Fluctuation		11,179,962	-
Loss on Sale of Investments		-	5,674
Taxes Paid			
Service Tax		140,278	12,478
Sales Tax		7,393,416	2,469,788
Sundry Balances Written Off		53,302	8,723,095
Miscellaneous Expenses		1,631,719	3,376,172
Payments to the Auditor			
for Statutory Audit		78,652	56,180
for Tax Audit		33,708	28,090
<b>TOTAL</b>		<b>31,886,413</b>	<b>29,189,773</b>



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

(Amount in ₹.)

<b>Note: 2.24 Commitments and Contingent Liabilities</b>		<b>As at 31.03.2014</b>	<b>As at 31.03.2013</b>
<b>i</b>	<b>Commitments/ Contingent Liabilities</b>		
a	Unexpired Letters of Credit	51,513,158	10,759,228
b	Counter Guarantees given to the Bankers	1,344,600	17,883,088
<b>ii</b>	<b>Claims against the company not acknowledged as debts in respect of</b>		
a	Excise Matters, under Dispute	18,933,753	17,021,462
b	Sales Tax Matters, under Dispute	1,080,332	1,234,042

<b>Note: 2.25 Earnings Per Share (EPS)</b>		
<b>Particulars</b>	<b>for the year 31.03.2014 Basic and diluted</b>	<b>for the year 31.03.2013 Basic and diluted</b>
Net Profit After Tax	7,290,559	15,221,545
Net Profit available for Equity Share-Holders	7,290,559	15,221,545
No of Equity Shares- Basic	20,804,400	20,804,400
Nominal Value of each Equity Share (₹)	5.00	5.00
Basic Earning per Share	0.35	0.73

<b>Note: 2.26 Deferred Tax Liability</b>	<b>As at 31.03.2014</b>	<b>As at 31.03.2013</b>
Deferred Tax adjustments recognised in the Financial Statements are as under		
Deferred Tax Liability as at the beginning of the year	3,304,080	4,692,080
Liability / (Asset) arising during the year	(857,000)	(1,388,000)
Deferred Tax Liability as at the end of the year	2,447,080	3,304,080

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

<b>Note: 2.27 Related Party Disclosures</b>			
<b>Related parties where control exists or where significant influence exists and with whom transactions have not taken place during the year</b>			
<b>a Companies where principal shareholders have significant influence</b>			
1	Bhagyanagar Metals Limited	18	Majestic Logistics Private Limited
2	Bhagyanagar Properties Private Limited	19	Solar Dynamics Private Limited
3	Metropolitan Venuturs India Limited	20	Bhagyanagar Capital Private Limited
4	Scientia Infocom India Private Limited	21	Bhagyanagar Foods & Beverages Private Limited
5	Bhagyanagar Infrastructure Limited	22	Bhagyanagar Entertainment Ltd
6	Green Energy Systems Private Limited	23	Bhagyanagar Ventures Private Limited
7	GMS Realtors Private Limited	24	Surana Technopark Private Limited
8	Surana Infocom Private Limited	25	Everytime foods Industries Private Limited
9	AP Golden Apparels Private Limited	26	Royal skyscrapers India Private Limited
10	Blossom Residency Private Limited	27	Surana Biochemicals Private Limited
11	Epicentre Entertainment Private Limited	28	Sitetonic websolutions Private Limited



## Surana Telecom and Power Limited

(Amount in ₹.)

<b>Note: 2.27 Related Party Disclosures</b>			
12	Innova Biotech India Private Limited	29	Stealth Energy Private Limited
13	Innova Infrastructure Private Limited	30	Value Infrastructure & Properties Private Limited
14	Surana Biochemicals Private Limited	31	Andhra Electro Galvanising works
15	Vpower Solutions Private Ltd (formerly) Tranquil Avenues India Private Limited	32	Bhagyanagar Green Energy Limited
16	Bhagynagar Entertainment and Infra development Co Private Limited	33	Bhagyanagar Industrial Park
17	Innova Technologies Private Limited	34	Shasons Private Limited
		35	Corpmedia Publications India Private Limited
<b>Related parties where significant influence exists and with whom transactions have taken place during the year</b>			
1	Bhagyanagar India Limited	4	Bhagyanagar Energy and Telecom and Private Ltd
2	Surana Solar Systems Private Limited	5	Bhagyanagar Securities private Limited
3	Surana Ventures Limited		
<b>b</b>	<b>Subsidiary Company</b>	<b>d</b>	<b>Key Managerial Personnel</b>
	Globecom Infotech Private Limited		Narender Surana
	Celestial Solar Solutions Private Limited		Devendra Surana
	Surana Solar Systems Private Limited	<b>e</b>	<b>Relatives of Key Managerial Personnel</b>
<b>c</b>	<b>Joint Venture Company</b>		GM Surana
	Radiant Alliance Limited		ChandKanwar
			Manish Surana
			Vinita Surana
			Sresha Surana

<b>f</b>	<b>The following is the summary of Related Party Transactions</b>	<b>for the year 31.03.2014</b>	<b>for the year 31.03.2013</b>
i	Sale of Goods	129,801,995	82,005,910
ii	Purchase of Goods	14,330,184	3,585,278
iii	Interest Paid	739,242	873,495
iv	Interest Received	1,496,106	1,083,921
v	Amount paid (acquisition of shares)	25,500,000	-
vi	Dividend Income	5,326,133	3,121,133
vii	Loans/ advances taken by the company	80,726,574	18,175,593
viii	Loans/ advances given by the company	77,208,059	59,512,192
ix	Loans Repaid by the company	80,726,574	96,087,179
x	Loans Repaid to the company	25,882,139	59,512,192



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

The following are the significant related parties

(Amount in ₹.)

Particulars	for the year 31.03.2014	for the year 31.03.2013
<b>i Sales of goods</b>		
Surana Ventures Limited	129,801,995	27,735,720
Surana Solar Systems Private Limited	-	53,482,690
Bhagyanagar Ventures Private Limited	-	787,500
<b>Total</b>	<b>129,801,995</b>	<b>82,005,910</b>
<b>ii Purchases of goods</b>		
Bhagyanagar India Ltd	14,330,184	-
Surana Ventures Ltd	-	3,585,278
<b>Total</b>	<b>14,330,184</b>	<b>3,585,278</b>
<b>iii Amount paid (Acquisition of shares)</b>		
Surana Solar Systems Pvt Ltd	25,500,000	-
<b>Total</b>	<b>25,500,000</b>	<b>-</b>
<b>iv Interest Paid</b>		
Bhagyanagar India Ltd	-	873,495
Surana Ventures Ltd	739,242	-
<b>Total</b>	<b>739,242</b>	<b>873,495</b>
<b>v Interest Received</b>		
Surana Ventures Ltd	-	1,083,921
Surana Solar Systems Pvt Ltd	1,496,106	-
<b>Total</b>	<b>1,496,106</b>	<b>1,083,921</b>
<b>vi Loans/ Advances Taken by the company</b>		
Bhagyanagar India Ltd	-	18,175,593
Surana Ventures Ltd	80,726,574	-
<b>Total</b>	<b>80,726,574</b>	<b>18,175,593</b>
<b>vii Loans/ Advances Given by the company</b>		
Surana Ventures Ltd	-	59,512,192
Surana Solar Systems Private Limited	77,208,059	-
<b>Total</b>	<b>77,208,059</b>	<b>59,512,192</b>
<b>viii Loans/ Advances Repaid by company</b>		
Bhagyanagar India Ltd	-	96,087,179
Surana Ventures Ltd	80,726,574	-
<b>Total</b>	<b>80,726,574</b>	<b>96,087,179</b>
<b>ix Loans/ Advances Repaid to the company</b>		
Surana Ventures Ltd	-	59,512,192
Celestial Solar Solutions Private Limited	8,652	-
Surana Solar Systems Private Limited	25,873,487	-
<b>Total</b>	<b>25,882,139</b>	<b>59,512,192</b>



## Surana Telecom and Power Limited

(Amount in ₹.)

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

ii Due from Related Parties	As at 31.03.2014	As at 31.03.2013
Surana Ventures Limited	-	5,324,479
Celestial Solar Solutions Private Limited	-	8,652
Globecom Infotech Private Limited	37,302,057	37,302,057
Surana Solar Systems Private Limited	52,681,067	-
<b>Total</b>	<b>89,983,124</b>	<b>42,635,188</b>

**Note: 2.28 Particulars of Loans and Advances in the nature of loans as required by Clause 32 of the listing Agreement.**

S.No.	Name of the Company	Balance as at		Maximum Outstanding during	
		31.03.2014	31.03.2013	31.03.2014	31.03.2013
<b>A.</b>	<b>Subsidiaries</b>				
	Globecom Infotech Private Limited	37,302,057	37,302,057	37,302,057	37,302,057
	Celestial Solar Solutions Private Limited	-	8,652	8,652	8,652
	Surana Solar Systems Private Limited	52,681,067	-	55,133,032	-
<b>B.</b>	<b>Advances in the nature of Loans where interest is below section 372A of Companies Act,1956</b>	NIL	NIL	NIL	NIL
<b>C.</b>	<b>Advances in the nature of Loans to Firms/Companies in which directors are interested</b>	NIL	NIL	NIL	NIL

Note: 2.29 Raw Material Consumed during the year	for the year 31.03.2014	for the year 31.03.2013
<b>Raw Material</b>		
i Alluminium Scrap	21,322,505	11,181,057
ii Solar related Products	117,403,707	67,293,754
iii Others including incidental charges	15,872,970	6,972,735
<b>Total</b>	<b>154,599,182</b>	<b>85,447,546</b>

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

**Note: 2.30 Detailed of Imported and indigenous raw materials, spares and packing materials consumed**

Particulars	for the year 31.03.2014		for the year 31.03.2013	
		% of total		% of total
Raw materials	Value	Consumption	Value	Consumption
Imported	80.46	124,396,028	78,224,270	91.55
Indigenous	19.54	30,203,154	7,223,276	8.45
<b>Total</b>	<b>100.00</b>	<b>154,599,182</b>	<b>85,447,546</b>	<b>100.00</b>



Note: 2.31 CIF Value of imports	for the year 31.03.2014	for the year 31.03.2013
<b>Particulars</b>		
Raw Material	126,252,424	100,356,553
<b>Total</b>	<b>126,252,424</b>	<b>100,356,553</b>

Note: 2.32 Expenditure in foreign Currency	for the year 31.03.2014	for the year 31.03.2013
<b>Particulars</b>		
Travelling	142,275	651,315
<b>Total</b>	<b>142,275</b>	<b>651,315</b>

### Note: 2.33 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 by the Life Insurance Corporation of India. The gratuity liability and the net periodic gratuity cost is actually determined after considering discounting rates, expected long term return on plan assets and increase in compensation level. All actuarial gain/losses are immediately charged to the Profit & Loss account and are not deferred.

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

Particulars		Gratuity	
		2013-14	2012-13
<b>a</b>	<b>Expenses recognised in the Profit &amp; Loss Account</b>		
	Current Service Cost	28,071	29,535
	Interest Cost	3,604	4,435
	Expected Return on Planned Assets	8,730	(8,238)
	Net Actuarial (Gain) / Loss recognised in the year	(9,622)	(44,361)
	<b>Expenses recognised in Statement of Profit and loss</b>	<b>13,323</b>	<b>(18,629)</b>
<b>b</b>	<b>Change in Present value of obligation during the year ended 31st March, 2014</b>		
	Present Value of obligation as at beginning of the year	45,050	55,441
	Interest cost	3,604	4,435
	Current service cost	28,071	29,535
	Benefits Paid-Actuals	-	-
	Actuarial (gain) /loss	(9,622)	(44,361)
	<b>Present Value of obligation as at end of the year</b>	<b>67,103</b>	<b>45,050</b>
<b>c</b>	<b>Change in fair value of Plan Assets during the year ended 31st March, 2014</b>		
	Fair value of Plan Assets as at the beginning of the year	99,776	91,538
	Expected return on Plan Assets	8,730	8,238
	Contributions	-	-
	Benefits Paid	-	-
	<b>Fair value of Plan Assets as at the end of the year</b>	<b>108,506</b>	<b>99,776</b>



## Surana Telecom and Power Limited

(Amount in ₹.)

Particulars		Gratuity	
		2013-14	2012-13
<b>d</b>	<b>Actuarial Gain/ loss recognized</b>		
	Actuarial (gain) / loss for the year -Obligation	(9,622)	44,361
	Actuarial (gain) / loss for the year -Plan Assets	-	-
	Total (gain)/ Loss for the Year	(9,622)	(44,361)
	Actuarial (gain) / loss recognized in the year	(9,622)	(44,361)
<b>e</b>	<b>Actuarial assumption</b>		
	Discount rate used	8%	8%
	Salary escalation	6%	4%

**Note: 2.34**

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

**Note: 2.35**

The Ministry of Corporate Affairs, Government of India, vide General Circular no. 2 and 3 dated 8th February 2011 and 21st February 2011 respectively read with General Circular No 08/2014 dated 4th April 2014 has granted a general exemption from compliance with section 212 of the Companies Act, 1956, subject to fulfillment of conditions stipulated in the circular. The Company has satisfied the conditions stipulated in the circular and hence is entitled to the exemption. Necessary information relating to the subsidiaries has been included in the Consolidated Financial Statements.

As per our report of even date attached

**For Surana Telecom and Power Limited**

**For Sekhar & Co**

Chartered Accountants

Firm's Registration Number : 003695-S

**G. Ganesh**

Partner

Membership No: 211704

Place : Secunderabad

Date : May 13, 2014

**Narender Surana**

Chairman

**Devendra Surana**

Director

**R. Lakshman Raju**

Chief Financial Officer



## Independent Auditor's Report

To the Board of Directors of Surana Telecom and Power Limited

### Report on Consolidated Financial Statements.

We have audited the accompanying consolidated financial statements of Surana Telecom and Power Limited (the company), its subsidiaries and Jointly controlled entities (collectively called as the Group), which comprise of the consolidated Balance Sheet as at March 31, 2014, the consolidated statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Consolidated Financial Statements.

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the Accounting Standards notified under the Companies Act, 1956 (the Act) (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We have conducted our audit in accordance with the Standards on Auditing issued by Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An Audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on auditor's judgment, including the assessment of risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the consolidated financial statements.

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- a. in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2014;
- b. in the case of Consolidated Statement of Profit and Loss, of the Profit of the Group for the year ended on that date; and
- c. in the case of Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

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

Place : Secunderabad  
Date : 13<sup>th</sup> May 2014

G.Ganesh  
(Partner)  
Membership No : 211704



**Consolidated Balance Sheet As At 31<sup>st</sup> March, 2014**

(Amount in ₹)

Particulars	Note No.	As at 31.03.2014	As at 31.03.2013
<b>I EQUITY AND LIABILITIES</b>			
<b>(1) SHAREHOLDERS' FUNDS</b>			
(a) Share Capital	2.1	104,022,000	104,022,000
(b) Reserves and Surplus	2.2	496,808,462	505,271,372
<b>(2) MINORITY INTEREST</b>	2.2 (a)	24,385,703	-
		<b>625,216,165</b>	<b>609,293,372</b>
<b>(3) NON-CURRENT LIABILITIES</b>			
(a) Long-Term Borrowings	2.3	292,078,009	261,047,504
(b) Deferred Tax Liabilities (Net)		2,447,080	3,304,080
		<b>294,525,089</b>	<b>264,351,584</b>
<b>(4) CURRENT LIABILITIES</b>			
(a) Short-Term Borrowings	2.4	4,852,555	2,300,038
(b) Trade Payables	2.5	69,095,632	69,335,614
(c) Other Current Liabilities	2.6	86,397,247	64,522,103
(d) Short-Term Provisions	2.7	14,604,140	14,604,140
		<b>174,949,574</b>	<b>150,761,895</b>
<b>TOTAL</b>		<b>1,094,690,828</b>	<b>1,024,406,851</b>
<b>II ASSETS</b>			
<b>(1) NON-CURRENT ASSETS</b>			
(a) Fixed Assets			
(i) Tangible Assets	2.8	620,237,027	680,696,824
(ii) Capital -work-in Progress		185,350,421	246,701
(b) Non-Current Investments	2.9	113,881,078	113,881,078
(c) Long-Term Loans and Advances	2.10	36,650,264	36,091,117
		<b>956,118,790</b>	<b>830,915,720</b>
<b>(2) CURRENT ASSETS</b>			
(b) Inventories	2.11	37,170,237	35,376,166
(c) Trade Receivables	2.12	29,715,584	82,067,145
(d) Cash and Cash Equivalents	2.13	22,405,404	23,059,403
(e) Short-Term Loans and Advances	2.14	12,181,363	15,211,726
(f) Other Current Assets	2.15	37,099,450	37,776,691
		<b>138,572,038</b>	<b>193,491,131</b>
<b>TOTAL</b>		<b>1,094,690,828</b>	<b>1,024,406,851</b>
Significant Accounting Policies and Notes to Accounts	1 & 2		

As per our report of even date attached

For Surana Telecom and Power Limited

**For Sekhar & Co**

Chartered Accountants

Firm's Registration Number : 003695-S

**G. Ganesh**

Partner

Membership No: 211704

Place : Secunderabad

Date : May 13, 2014

**Narender Surana**

Chairman

**Devendra Surana**

Director

**R. Lakshman Raju**

Chief Financial Officer



Statement Of Consolidated Profit And Loss For The Year Ended 31<sup>st</sup> March, 2014

(Amount in ₹.)

Particulars	Note No.	For the year 31.03.2014	For the year 31.03.2013
<b>I INCOME FROM OPERATIONS</b>	2.16	300,248,322	224,137,169
LESS: EXCISE DUTY		2,420,586	2,103,624
<b>NET INCOME FROM OPERATIONS</b>		297,827,736	222,033,545
<b>II OTHER INCOME</b>	2.17	22,423,078	45,843,771
<b>TOTAL REVENUE</b>		320,250,814	267,877,316
<b>III EXPENSES</b>			
Cost of Materials Consumed	2.18	154,599,182	85,447,546
Employee Benefit Expenses	2.19	2,897,962	4,597,325
Finance Costs	2.20	39,570,632	37,650,165
Depreciation and Amortisation Expenses	2.21	84,308,231	95,142,171
Other Expenses	2.22	32,475,407	29,308,197
<b>TOTAL EXPENSES</b>		313,851,414	252,145,404
<b>IV PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX</b>		6,399,400	15,731,912
<b>V PRIOR PERIOD ADJUSTMENT</b>		-	682,637
<b>VI PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX</b>		6,399,400	16,414,549
<b>VII PROFIT BEFORE TAX</b>		6,399,400	16,414,549
<b>VIII TAX EXPENSE</b>			
1. Current tax		250,000	2,700,000
2. Deferred tax		(857,000)	(1,388,000)
3. MAT Credit entitlement		-	-
<b>IX PROFIT AFTER TAX</b>		7,006,400	15,102,549
<b>X Earning Per Equity Share</b>			
(a) Basic		0.34	0.73
(b) Diluted		0.34	0.73
No. of Shares		20,804,400	20,804,400
Significant Accounting Policies and Notes to Accounts	1 & 2		

As per our report of even date attached

For Surana Telecom and Power Limited

For Sekhar & Co

Chartered Accountants

Firm's Registration Number : 003695-S

G. Ganesh

Partner

Membership No: 211704

Place : Secunderabad

Date : May 13, 2014

Narender Surana

Chairman

Devendra Surana

Director

R. Lakshman Raju

Chief Financial Officer



**Consolidated Cash Flow Statement For The Year Ended 31<sup>st</sup> March, 2014**

(Amount in ₹.)

Particulars	2013-14		2012-13	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit before tax as per annexed profit and loss account		6,399,400		16,414,550
<b>Adjustments for :</b>				
Depreciation & Amortisations	83,971,151		95,142,171	
Preliminary Expenses	35,582		35,582	
Bad Debts Written Off & Provision for Bad Debts	53,302		8,723,095	
Balances / Provisions no longer required written back	(788,766)		(1,083,640)	
(Profit)/Loss on Sale of Investments(Net)	-		5,674	
Profit / Loss on Sale of Assets	-		(4,252,095)	
Interest Expense	39,570,632		37,650,165	
Interest Income	(3,598,038)		(22,939,220)	
Dividend Income	(5,479,468)	113,764,395	(3,385,443)	109,896,289
<b>Operating Profit before Working Capital Changes</b>		<b>120,163,795</b>		<b>126,310,839</b>
<b>Adjustments for :</b>				
Inventories	(1,794,071)		(23,393,309)	
Loans and Advances	1,390,085		36,298,091	
Other Current Assets	(1,925,664)		(62,532)	
Sundry Debtors	52,018,595		(57,253,537)	
Trade Payables and other Liabilities	15,820,725		(109,700,151)	
		<b>65,509,670</b>		<b>(154,111,438)</b>
<b>Cash generated from Operations</b>		<b>185,673,465</b>		<b>(27,800,599)</b>
<b>Adjustments for :</b>				
Income Taxes (Paid) / Refund	946,283		21,360,584	
Prior Period adjustment	-		(617,569)	
		<b>946,283</b>		<b>20,743,015</b>
<b>Net Cash from Operating Activities</b>		<b>186,619,748</b>		<b>(7,057,584)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of Fixed Assets & Changes in CWIP	(209,492,250)		(12,418,307)	
Net cash on acquisition of New Subsidiary	(254,790)		-	
Sale of Fixed Assets	-		20,701,161	
Investment in of Shares & Other Investments (Net)	-		(120,024)	
Dividend Received	5,479,468		3,385,443	
Interest Received	6,329,868		20,206,014	
<b>Net Cash (used in) / from Investing Activities</b>		<b>(197,937,704)</b>		<b>31,754,287</b>



**Consolidated Cash Flow Statement For The Year Ended 31<sup>st</sup> March, 2014**

(Amount in ₹.)

Particulars	2013-14		2012-13	
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Proceeds from issue of Shares to Minority	24,500,000			
Increase/(Decrease) in Secured Loans	(21,101,346)		113,773,695	
Increase/(Decrease) in Un Secured Loans	61,003,368		(83,650,969)	
Interest Paid	(38,563,585)		(37,488,748)	
Dividend Paid	(15,326,986)		(11,694,896)	
<b>Net Cash (used in) / from Financing Activities</b>		<b>10,511,451</b>		<b>(19,060,918)</b>
<b>NET CASH GENERATED / (UTILISED)</b>		<b>(806,505)</b>		<b>5,635,785</b>
<b>Reconciliation : See Note 2 &amp; 3 below</b>				
Opening Cash and Cash Equivalent		23,059,403		17,423,618
Add: Upon addition of Subsidiary		152,505		-
<b>Closing Cash and Cash Equivalent</b>		<b>22,405,403</b>		<b>23,059,403</b>
<b>Net Increase/(decrease) in Cash &amp; Cash Equivalents</b>		<b>(806,505)</b>		<b>5,635,785</b>

**Notes:**

1	Components of Cash and Cash Equivalents	2013-2014	2012-2013	Change Over previous Year
	Cash in Hand	136,906	99,800	37,106
	Balances with Banks	21,120,620	22,844,329	(1,723,709)
	<b>Accrued interest on fixed deposits with Banks</b>	<b>1,147,877</b>	<b>115,274</b>	<b>1,032,603</b>
	<b>Total</b>	<b>22,405,403</b>	<b>23,059,403</b>	<b>(654,000)</b>

2.	The Following items of Cash and Cash Equivalents are not available as free balances to the Company	2013-14	2012-13
	<b>Balances with Banks</b>		
	In Dividend account	3,428,060	4,150,906
	Deposit held to the extent of Margin Money	15,881,507	7,735,186
	Accrued interest on above deposits	1,147,877	115,274
	<b>Total</b>	<b>20,457,444</b>	<b>12,001,366</b>

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

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

As per our report of even date attached

**For Surana Telecom and Power Limited**

**For Sekhar & Co**

Chartered Accountants

Firm's Registration Number : 003695-S

**G. Ganesh**

Partner

Membership No: 211704

Place : Secunderabad

Date : May 13, 2014

**Narender Surana**

Chairman

**Devendra Surana**

Director

**R. Lakshman Raju**

Chief Financial Officer



## 1. Significant Accounting Policies

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

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



Notes to Consolidated Balance Sheet

(Amount in ₹.)

Note : 2.1 Share Capital	Sub Note	As at 31.03.2014	As at 31.03.2013
a. Authorized 3,00,00,000 (March 31, 2013 : 3,00,00,000) Equity Shares of Rs 5/- each.			
<b>TOTAL</b>		<b>150,000,000</b>	150,000,000
b. Issued, Subscribed and Paid-Up Capital 2,08,04,400 (March 31, 2013 : 2,08,04,400) Equity Shares of ₹. 5/- fully paid up			
<b>TOTAL</b>		<b>104,222,000</b>	104,222,000

(i) Reconciliation of shares outstanding at the beginning and at the end of the Reporting period

	No. of Shares	As at 31.03.2014	No. of Shares	As at 31.03.2013
At the beginning of the year	20,804,400	104,022,000	20,804,400	104,022,000
outstanding at the end of the year	20,804,400	104,022,000	20,804,400	104,022,000

2.1(a) There were no Bonus issues, forfeited shares and buy back of shares in the last five years

2.1(b) Issued, Subscribed and Paid up Capital

Equity shareholders holding more than 5% of equity shares along with the number of equity shares held are given below

	%	No of shares	%	No of shares
Bhagyanagar India Limited	8.99	1,871,462	8.92	1,856,462
Narender Surana	17.45	3,630,560	17.33	3,605,414
Devendra Surana	14.32	2,980,692	14.25	2,965,692

Note : 2.2 Reserves and Surplus	Sub Note	As at 31.03.2014	As at 31.03.2013
(i) General Reserves			
Balance at Beginning of the Year		250,570,967	245,570,967
Add: Transferred from Profit & Loss Account		5,000,000	5,000,000
<b>Balance at the year end</b>		<b>255,570,967</b>	250,570,967
(ii) Capital Redemption Reserve			
Balance at Beginning of the Year		24,000,000	24,000,000
<b>Balance at the year end</b>		<b>-</b>	-
		24,000,000	24,000,000
(iii) Revaluation Reserve			
Balance at Beginning of the Year		27,824,563	28,799,210
Adjusted Against Depreciation		(877,182)	(974,647)
<b>Balance at the year end</b>		<b>26,947,381</b>	27,824,563
(iv) Central Subsidy		3,500,000	3,500,000



## Surana Telecom and Power Limited

(Amount in ₹.)

Note : 2.2 Reserves and Surplus	Sub Note	As at 31.03.2014	As at 31.03.2013
<b>(v) Surplus</b>			
<b>Balance of Profit and Loss account Available for Appropriation</b>		199,273,557	203,877,433
Add: Profit During the Year		7,006,400	15,102,549
Less : Minority Interest (Current Year's Profit/ (loss)	2.2(a)	(114,297)	-
Amount Available for Appropriation		206,394,254	218,979,982
Less : Appropriations			
Proposed Equity Dividend		12,482,640	12,482,640
Tax on Proposed Equity Dividend		2,121,500	2,121,500
Transfer to General Reserve		5,000,000	5,000,000
<b>Balance at the year end</b>		186,790,114	199,375,842
<b>TOTAL</b>		496,808,462	505,271,372

**Notes : 2.2 (a)** Surana Solar Systems Private Limited has become subsidiary company during this year.

Note : 2.2(a) Minority Interest	Sub Note	As at 31.03.2014	As at 31.03.2013
Opening Balance as at 01.04.13		-	-
Add: Minority interest of subsidiary Company		24,500,000	-
Current year's Profit & loss Account		(114,297)	-
<b>TOTAL</b>		24,385,703	-

Note : 2.3 Long-Term Borrowings	Sub Note	As at 31.03.2014	As at 31.03.2013
<b>Secured</b>			
(a) Term Loan from Bank	2.3 (a)	174,896,137	198,550,000
<b>Un Secured</b>			
(a) Loan from Body Corporate	2.3 (b)	40,625,580	35,000,000
(b) Loan from Share holders/ directors	2.3 (c)	67,101,894	-
(c) Deferred Sales Tax	2.3 (d)	9,454,398	27,497,504
<b>TOTAL</b>		292,078,009	261,047,504

**Notes: 2.3 (a)**

- Loan from Indian Overseas Bank is secured by way of first charge on the Solar Power Project assets, Wind Power Turbine and second charge on fixed assets of the company presently charged to Corporation Bank and State Bank of India. Further, it has been guaranteed by the some of the directors of the company.
- The Principal is repayable in 25 Quarterly installments beginning from March 2013. The company has repaid 5 quarterly installments, 4 instalments being repaid during the current financial year amounting to Rs 4,00,00,000/- . The amount repayable towards principle during the financial year 2014-15 is Rs 4,00,00,000/- and the same has been classified under the " Other Current Liabilities".

2.3 (b) Loan from Share holders	Balance as on 31.03.2014	Balance as on 31.03.2013
<b>Name of the Loanee</b>		
Surana Infocom Private Limited	40,291,894	-
Manish Surana	2,800,000	-
<b>Total</b>	43,091,894	-



(Amount in ₹.)

2.3 (c) Loan from Related Parties	Balance as on 31.03.2014	Balance as on 31.03.2013
-----------------------------------	-----------------------------	-----------------------------

Name of the company

Bhagyanagar Securities Private Limited

5,625,580

-

- 2.3 (d) Represents the interest free sales tax deferment (loan) availed from Government of Andhra Pradesh and the repayment is based on regulations specified in the eligibilty certificates issued by Department of Industries. Accordingly due with in a year is Rs.1,80,43,000/- which is classified under "Other Current Liabilities".

Note: 2.4 Short-Term Borrowings	Sub Note	As at 31.03.2014	As at 31.03.2013
<b>Secured</b>			
(a) Cash Credit	2.4 (a)	4,852,555	2,300,038
<b>TOTAL</b>		<b>4,852,555</b>	<b>2,300,038</b>

**Notes: 2.4 (a)**

Cash Credit facilities from Scheduled Banks are secured against certain fixed assets and current assets of the company on pari-pasu-basis. Further it has been guaranteed by some of the directors of the company.

Note: 2.5 Trade Payables	Sub Note	As at 31.03.2014	As at 31.03.2013
Sundry Creditors - Others		69,095,632	69,335,615
<b>TOTAL</b>		<b>69,095,632</b>	<b>69,335,615</b>

Note: 2.6 Other Current Liabilities	Sub Note	As at 31.03.2014	As at 31.03.2013
<b>(a) Current Maturity on Long Term Debt (Secured)</b>			
- Term Loan from Bank		40,000,000	40,000,000
- Deferred Sales tax		18,043,000	11,724,000
<b>(b) Unclaimed Dividends</b>		<b>3,428,060</b>	<b>4,150,906</b>
<b>(c) Other Payables</b>			
- Book over draft		4,090,613	-
- Other Liabilities		2,408,322	1,441,038
- Lease Deposits		6,202,395	4,897,395
- Advance from Customers		12,224,856	2,308,764
<b>TOTAL</b>		<b>86,397,246</b>	<b>64,522,103</b>

Note: 2.7 Short-Term Provisions	Sub Note	As at 31.03.2014	As at 31.03.2013
(a) Proposed Dividend		12,482,640	12,482,640
(b) Tax on Dividend		2,121,500	2,121,500
<b>TOTAL</b>		<b>14,604,140</b>	<b>14,604,140</b>



Annexure: 2.8 Fixed Assets

Particulars	Freehold Land	Leasehold Land	Factory Buildings	Plant & Machinery	Wind Power Plant	Office Equipment	Vehicles	Furniture & Fixtures	Computer	Grand Total
<b>A. Gross Block</b>										
At 1st April, 2012	35,644,899	54,695,148	69,718,126	866,147,983	63,550,092	17,976,730	3,457,009	11,376,825	3,282,619	1,125,849,431
Additions	37,226,250	228,259	5,799,126	2,121,049	-	1,060,385	2,563,177	15,360	-	49,013,606
Disposals	-	(18,176,209)	-	-	-	-	-	-	-	(18,176,209)
<b>At 31st March, 2013</b>	<b>72,871,149</b>	<b>36,747,198</b>	<b>75,517,252</b>	<b>868,269,032</b>	<b>63,550,092</b>	<b>19,037,115</b>	<b>6,020,186</b>	<b>11,392,185</b>	<b>3,282,619</b>	<b>1,156,686,828</b>
Additions	9,636,932	11,704,168	799,230	2,248,200	-	-	-	-	-	24,388,530
Disposals	-	-	-	-	-	-	-	-	-	-
<b>At 31st March, 2014</b>	<b>82,508,081</b>	<b>48,451,366</b>	<b>76,316,482</b>	<b>870,517,232</b>	<b>63,550,092</b>	<b>19,037,115</b>	<b>6,020,186</b>	<b>11,392,185</b>	<b>3,282,619</b>	<b>1,181,075,358</b>
<b>B. Depreciation</b>										
At 1st April, 2012	-	1,661,017	35,065,287	304,674,124	16,786,404	11,154,978	3,033,497	6,080,635	3,144,386	381,600,329
Charge for the Year	-	1,568,415	3,465,284	85,537,967	3,355,445	957,662	215,490	961,261	55,293	96,116,817
Disposals	-	(1,727,143)	-	-	-	-	-	-	-	(1,727,143)
<b>At 31st March, 2013</b>	<b>-</b>	<b>1,502,289</b>	<b>38,530,571</b>	<b>390,212,091</b>	<b>20,141,849</b>	<b>12,112,640</b>	<b>3,248,988</b>	<b>7,041,896</b>	<b>3,199,679</b>	<b>475,990,003</b>
Charge for the Year	-	2,373,051	3,718,649	72,899,953	3,355,445	963,194	717,463	787,402	33,176	84,848,332
Disposals	-	-	-	-	-	-	-	-	-	-
<b>At 31st March, 2014</b>	<b>-</b>	<b>3,875,340</b>	<b>42,249,219</b>	<b>463,112,044</b>	<b>23,497,294</b>	<b>13,075,834</b>	<b>3,966,451</b>	<b>7,829,298</b>	<b>3,232,855</b>	<b>560,838,331</b>
<b>C. Net Block (A-B)</b>										
At 31st March, 2013	72,871,149	35,244,909	36,986,681	478,056,941	43,408,243	6,924,475	2,771,198	4,350,289	82,940	680,696,825
At 31st March, 2014	82,508,081	44,576,026	34,067,263	407,405,188	40,052,798	5,961,281	2,053,735	3,562,887	49,764	620,237,027

Note : Amortisation of lease premium includes Rs 7,68,785/- pertaining to earlier years.



(Amount in ₹.)

Note: 2.9 Non-Current Investments	Sub Note	As at 31.03.2014	As at 31.03.2013
(Long Term at Cost, Unless Otherwise Specified)			
<b>A) Unquoted Investments (At Cost)</b>			
<b>a) In Companies under the same management</b>			
1,50,000 (March 31, 2013: 1,50,000) Equity Shares of Rs 10/- each of Bhagyanagar Securities Pvt Ltd		18,000,000	18,000,000
<b>b) In Joint Venture Company (foreign)</b>			
1,49,745 (March 31, 2013: 1,49,745) Equity Shares of 100 taka each in Bangladesh Currency of Radiant Alliance Ltd.		9,212,065	9,212,065
<b>SUB TOTAL</b>		<b>27,412,065</b>	<b>27,412,065</b>
<b>B) Quoted Investments (At Cost)</b>			
<b>a) In Companies under the Same Management</b>			
22,90,331 (March 31, 2013: 22,90,331) Equity Shares of Rs 2/- each of Bhagyanagar India Ltd		35,201,302	35,201,302
44,10,000 (March 31, 2013: 44,10,000) Equity Shares of Rs 10/- each of Surana Ventures Ltd		44,100,000	44,100,000
<b>SUB TOTAL</b>		<b>79,301,302</b>	<b>79,301,302</b>
<b>b) In Other Companies (At Cost)</b>			
200 (March 31, 2013: 200) Equity Shares of Rs 10/- each of Linde India Ltd (Formerly BOC India Ltd)		45,510	45,510
50,000 (March 31, 2013: 50,000) Equity Shares of Rs 10/- each of Dolphin Medical Services Limited		600,000	600,000
300 (March 31, 2013: 300) Equity Shares of Rs 10/- each of Parrys Sugar Industries Ltd		25,482	25,482
78 (March 31, 2013: nil) Equity Shares of Rs 1/- each of E.I.D. Parry (India) Ltd		-	-
1,50,000 (March 31, 2013: 1,50,000) Equity Shares of Rs 10/- each of Indosolar Limited		3,650,713	3,650,713
100 (March 31, 2013: 100) Equity Shares of Rs 10/- each of Indswift Laboratories Limited		14,700	14,700
17,315 (March 31, 2013: 17,315) Equity Shares of Rs 10/- each of Megasoft Limited		2,407,415	2,407,415
45 (March 31, 2013: 45) Equity Shares of Rs 10/- each of Mahindra Lifespace Developers Limited		23,307	23,307
610 (March 31, 2013: 610) Equity Shares of Rs 10/- each of Mahanagar Telephone Nigam Limited		85,368	85,368
6 (March 31, 2013: 6) Equity Shares of Rs 10/- each of Prithvi Information Solutions Limited		301	301
10,000 (March 31, 2013: 10,000) Equity Shares of Rs 10/- each of Sree Shakti Paper Mills Limited		300,000	300,000
2,107 (March 31, 2013: 2,107) Equity Shares of Rs 10/- each of Talbors Automotive Components Limited		214,915	214,915
<b>SUB TOTAL</b>		<b>7,367,711</b>	<b>7,367,711</b>
<b>GRAND TOTAL</b>		<b>113,881,078</b>	<b>113,881,078</b>
<b>Aggregate Market Value of Quoted Investments</b>		<b>106,070,718</b>	<b>151,484,486</b>



## Surana Telecom and Power Limited

(Amount in ₹.)

Note: 2.10 Long Term Loans and Advances	Sub Note	As at 31.03.2014	As at 31.03.2013
(Unsecured, Considered Good)			
<b>a) Security Deposits</b>			
i) Deposits		3,709,706	3,694,706
<b>b) Statutory advance</b>			
i) Taxes paid under protest		32,940,558	32,396,411
<b>TOTAL</b>		<b>36,650,264</b>	<b>36,091,117</b>

Note: 2.11 Inventories	Sub Note	As at 31.03.2014	As at 31.03.2013
(Valued at Lower of Cost and Net Realizable Value)			
a) Raw Materials		37,170,237	35,376,166
<b>TOTAL</b>		<b>37,170,237</b>	<b>35,376,166</b>

Note: 2.12 Trade Receivables	Sub Note	As at 31.03.2014	As at 31.03.2013
(Unsecured, considered good unless stated otherwise)			
(i) Aggregate amount of Trade Receivables Outstanding for a Period Less Than Six Months	2.12 (a)	25,331,731	77,955,035
(ii) Aggregate amount of Trade Receivables Outstanding for a Period Exceeding Than Six Months		4,383,854	4,112,111
<b>TOTAL</b>		<b>29,715,585</b>	<b>82,067,145</b>

### Notes: 2.12 (a) Due from Related Parties

Name of the Company	Sub Note	Balance as on 31.03.2014	Balance as on 31.03.2013
Surana Solar Systems Private Limited		-	53,482,690
Surana Ventures Limited			5,324,479
<b>Total</b>		<b>-</b>	<b>58,807,169</b>

### Notes: 2.12 (b)

Surana Solar Systems Private Limited has become subsidiary company during this year.

Note: 2.13 Cash and Cash Equivalents	Sub Note	As at 31.03.2014	As at 31.03.2013
(a) Balance With Banks			
In Current Account		1,811,053	10,958,237
In Dividend Account		3,428,060	4,150,906
Deposit Held to the Extent of Margin Money		15,881,507	7,735,186
(b) Cash on Hand		136,906	99,800
(c) Accrued interest on deposits with banks		1,147,877	115,274
<b>TOTAL</b>		<b>22,405,403</b>	<b>23,059,403</b>



(Amount in ₹.)

Note: 2.14 Short-Term Loans and Advances	Sub Note	As at 31.03.2014	As at 31.03.2013
(Unsecured, Considered Good)			
(a) Advance Tax & TDS (Net of Provisions)		7,753,043	8,949,329
(b) Advances to Suppliers		3,746,876	6,077,077
(c) Other Advances / receivables		681,445	185,320
<b>TOTAL</b>		<b>12,181,364</b>	<b>15,211,726</b>
Note: 2.15 Other Current Assets	Sub Note	As at 31.03.2014	As at 31.03.2013
<b>(Secured, considered good unless otherwise stated)</b>			
(a) Loans Against Pledge of Securities			
Secured, Considered Good		18,394,171	19,958,212
(b) Balances with Statutory Authorities		18,705,279	17,782,897
(c) Preliminary Expenses (Opening Balance)		35,582	71,164
Less: written off during the year		35,582	35,582
Closing Balance		-	35,582
<b>TOTAL</b>		<b>37,099,450</b>	<b>37,776,691</b>



**Notes to Consolidated Profit & Loss Account**

(Amount in ₹.)

Note: 2.16 Revenue from Operations	Sub Note	For the year 31.03.2014	For the year 31.03.2013
<b>(a) Sale of products</b>			
Solar Power		116,030,745	116,565,294
Wind Power		6,474,883	7,036,321
Electric Power Cable / Components		22,877,272	15,159,699
Scrap & Misc		155,982	176,681
Traded Goods/ Solar Modules		141,383,140	76,178,264
<b>Sub Total</b>		<b>286,922,022</b>	<b>215,116,259</b>
Less: Inter Unit Sales		-	-
<b>Gross Sales</b>		<b>286,922,022</b>	<b>215,116,259</b>
<b>(b) Infrastructure Leasing</b>		<b>13,326,300</b>	<b>9,020,910</b>
<b>TOTAL</b>		<b>300,248,322</b>	<b>224,137,169</b>

Note: 2.17 Other Income	Sub Note	For the year 31.03.2014	For the year 31.03.2013
<b>(a) Interest Income</b>			
Interest on Loans, Deposits and Others		3,598,038	22,939,220
<b>(b) Dividend Income</b>		<b>5,479,468</b>	<b>3,385,443</b>
<b>(c) Profit on Sale of Sundry Assets</b>		-	4,252,095
<b>(d) Other Non-Operating Income</b>		-	
Miscellaneous Income		113,256	71,356
Balances no Longer Payable Written Back		788,766	1,083,640
Gain on Foreign Exchange Fluctuation		-	1,769,657
Balances Written off in Earlier Years Received Back		12,443,550	12,342,360
<b>TOTAL</b>		<b>22,423,078</b>	<b>45,843,771</b>

Note: 2.18 Cost of Raw Material	Sub Note	For the year 31.03.2014	For the year 31.03.2013
Opening Stock - Raw Materials		35,376,166	11,982,857
Purchases - Raw Material including Incidental Charges (Net of Modvat)		156,393,253	108,840,855
Less: Closing Stock- Raw Materials		37,170,237	35,376,166
<b>Raw Material Consumed</b>		<b>154,599,182</b>	<b>85,447,546</b>

Note: 2.19 Employee Benefits Expense	Sub Note	For the year 31.03.2014	For the year 31.03.2013
Salaries, Wages and Other Benefits		2,848,138	4,554,871
Contribution to Provident and Other Funds		49,824	42,453
<b>TOTAL</b>		<b>2,897,962</b>	<b>4,597,324</b>



(Amount in ₹.)

Note: 2.20 Finance Costs	Sub Note	For the year 31.03.2014	For the year 31.03.2013
Interest Expense			
On Cash Credit & Others		6,506,210	6,700,036
On Term Loan		29,158,400	28,650,695
Financial Charges		3,906,022	2,299,434
<b>TOTAL</b>		<b>39,570,632</b>	<b>37,650,165</b>

Note: 2.21 Depreciation and Amortisation Expenses	Sub Note	For the year 31.03.2014	For the year 31.03.2013
Depreciation		81,598,100	93,573,755
Amortisation Expenses - Lease Premium/ Rent		2,710,131	1,568,416
<b>TOTAL</b>		<b>84,308,231</b>	<b>95,142,171</b>

Note: 2.22 Other Expenses	Sub Note	For the year 31.03.2014	For the year 31.03.2013
Consumption of Stores and Spare Parts		420,948	960,173
Travelling & Conveyance		615,335	1,955,045
Advertisement & Business Promotion		156,380	1,010,353
Directors Remuneration		-	176,000
Director's Sitting Fees		69,000	87,000
Power and Fuel		2,005,770	4,813,141
Professional & Consultancy Charges		840,807	780,882
Repairs		-	
Buildings		425,066	54,027
Machinery		4,939,221	3,037,798
Others		34,168	76,325
Insurance		578,989	663,860
Rates and Taxes		389,222	708,962
Packing & Forwarding		952,886	254,730
Loss on Foreign Exchange Fluctuation		11,179,962	-
Loss on Sale of Investments		-	5,674
Taxes Paid		-	
Service Tax		140,278	12,478
Sales Tax		7,393,416	2,469,788
Sundry Balances Written Off		53,302	8,723,095
Miscellaneous Expenses		2,151,444	3,428,976
Payments to the Auditor		-	
for Statutory Audit		95,505	61,800
for Tax Audit		33,708	28,090
<b>TOTAL</b>		<b>32,475,407</b>	<b>29,308,197</b>



## Surana Telecom and Power Limited

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

(Amount in ₹.)

Note: 2.24 Commitments and Contingent Liabilities	As at 31.03.2014	As at 31.03.2013
<b>i Commitments/ Contingent Liabilities</b>		
a Unexpired Letters of Credit	79,160,139	10,759,228
b Counter Guarantees given to the Bankers	1,344,600	17,883,088
c Capital commitments	60,600,000	-
<b>ii Claims against the company not acknowledged as debts in respect of</b>		
a Excise Matters, under Dispute	18,933,753	17,021,462
b Sales Tax Matters, under Dispute	1,080,332	1,234,042

**Note: 2.25 Earnings Per Share (EPS)**

Particulars	for the year 31.03.2014 Basic and diluted	for the year 31.03.2013 Basic and diluted
Net Profit After Tax	7,006,400	15,102,549
Net Profit available for Equity Share-Holders	7,006,400	15,102,549
No of Equity Shares- Basic	20,804,400	20,804,400
Nominal Value of each Equity Share (Rs)	5.00	5.00
Basic Earning per Share	0.34	0.73

Note: 2.26 Deferred Tax Liability	As at 31.03.2014	As at 31.03.2013
Deferred Tax adjustments recognised in the Financial Statements are as under		
Deferred Tax Liability as at the beginning of the year	3,304,080	4,692,080
Liability / (Asset) arising during the year	(857,000)	(1,388,000)
Deferred Tax Liability as at the end of the year	2,447,080	3,304,080

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

**Note: 2.27 Related Party Disclosures**

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

**a Companies where principal shareholders have significant influence**

1 Bhagyanagar Metals Limited	19 Solar Dynamics Private Limited
2 Bhagyanagar Properties Private Limited	20 Bhagyanagar Capital Private Limited
3 Metropolitan Venuturs India Limited	21 Bhagyanagar Foods & Beverages Private Limited
4 Scientia Infocom India Private Limited	22 Bhagyanagar Entertainment Ltd
5 Bhagyanagar Infrastructure Limited	23 Bhagyanagar Ventures Private Limited
6 Green Energy Systems Private Limited	24 Surana Technopark Private Limited
7 GMS Realtors Private Limited	25 Everytime foods Industries Private Limited
8 Surana Infocom Private Limited	26 Royal skyscrapers India Private Limited
9 AP Golden Apparels Private Limited	27 Surana Boichemicals Private Limited
10 Blossom Residency Private Limited	28 Sitetonic websolutions Private Limited



<b>Note: 2.27 Related Party Disclosures</b>			
11	Epicentre Entertainment Private Limited	29	Stealth Energy Private Limited
12	Innova Biotech India Private Limited	30	Value Infrastructure & Properties Private Limited
13	Innova Infrastructure Private Limited	31	Andhra Electro Galvanising works
14	Surana Biochemicals Private Limited	32	Bhagyanagar Green Energy Limited
15	Vpower Solutions Private Ltd (formerly) Tranquil Avenues India Private Limited	33	Bhagyanagar Industrial Park
16	Bhagynagar Entertainment and Infra development Co Private Limited	34	Shasons Private Limited
17	Innova Technologies Private Limited	35	Corpmedia Publications India Private Limited
18	Majestic Logistics Private Limited		
<b>Related parties where significant influence exists and with whom transactions have taken place during the year</b>			
1	Bhagyanagar India Limited	4	Bhagyanagar Energy and Telecom and Private Ltd
2	Surana Solar Systems Private Limited	5	Bhagyanagar Securities private Limited
3	Surana Ventures Limited		
<b>b</b>	<b>Subsidiary Company</b>	<b>d</b>	<b>Key Managerial Personnel</b>
	Globecom Infotech Private Limited		Narender Surana
	Celestial Solar Solutions Private Limited		Devendra Surana
	Surana Solar Systems Private Limited	<b>e</b>	<b>Relatives of Key Managerial Personnel</b>
<b>c</b>	<b>Joint Venture Company</b>		GM Surana
	Radiant Alliance Limited		ChandKanwar
			Manish Surana
			Vinita Surana
			Sresha Surana

<b>f</b>	<b>The following is the summary of Related Party Transactions</b>	<b>for the year 31.03.2014</b>	<b>for the year 31.03.2013</b>
i	Sale of Goods	129,801,990	82,005,910
ii	Purchase of Goods	14,330,184	3,585,278
iii	Interest Paid	3,110,880	873,495
iv	Interest Received	-	1,083,921
v	Dividend Income	5,326,133	3,121,133
vi	Loans/ advances taken by the company	159,409,574	18,175,593
vii	Loans/ advances given by the company	-	59,512,192
viii	Loans Repaid by the company	112,826,574	96,087,179
ix	Loans Repaid to the company	-	59,512,192



## Surana Telecom and Power Limited

The following are the significant related parties

(Amount in ₹.)

Particulars	for the year 31.03.2014	for the year 31.03.2013
<b>i Sales of goods</b>		
Surana Ventures Limited	129,801,990	27,735,720
Surana Solar Systems Private Limited	-	53,482,690
Bhagyanagar Ventures Private Limited	-	787,500
<b>Total</b>	<b>129,801,990</b>	<b>82,005,910</b>
<b>ii Purchases of goods</b>		
Bhagyanagar India Ltd	14,330,184	-
Surana Ventures Ltd	-	3,585,278
<b>Total</b>	<b>14,330,184</b>	<b>3,585,278</b>
<b>iii Interest Paid</b>		
Bhagyanagar India Ltd	-	873,495
Surana Ventures Ltd	739,242	-
Surana Infocom Private Limited	2,343,216	-
Bhagyanagar Securities Private Limited	28,422	-
<b>Total</b>	<b>3,110,880</b>	<b>873,495</b>
<b>iv Interest Received</b>		
Surana Ventures Ltd		1,083,921
<b>Total</b>	<b>-</b>	<b>1,083,921</b>
<b>v Loans/ Advances Taken by the company</b>		
Bhagyanagar India Ltd	-	18,175,593
Surana Ventures Ltd	80,726,574	-
Surana Infocom Private Limited	70,283,000	-
Bhagyanagar Securities Private Limited	5,600,000	-
Manish Surana	2,800,000	-
<b>Total</b>	<b>159,409,574</b>	<b>18,175,593</b>
<b>vi Loans/ Advances Given by the company</b>		
Surana Ventures Ltd	-	59,512,192
<b>Total</b>	<b>-</b>	<b>59,512,192</b>
<b>vii Loans/ Advances Repaid by company</b>		
Bhagyanagar India Ltd	-	96,087,179
Surana Ventures Ltd	80,726,574	-
Surana Infocom Private Limited	32,100,000	-
<b>Total</b>	<b>112,826,574</b>	<b>96,087,179</b>



The following are the significant related parties

(Amount in ₹.)

Particulars	for the year 31.03.2014	for the year 31.03.2013
<b>viii Loans/ Advances Repaid to the company</b>		
Surana Ventures Ltd	-	59,512,192
<b>Total</b>	-	59,512,192

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

i Due from Related Parties	As at 31.03.2014	As at 31.03.2013
<b>Surana Ventures Limited</b>	-	5,324,479
<b>Total</b>	-	5,324,479
<b>i Due to Related Parties</b>	<b>As at 31.03.2014</b>	<b>As at 31.03.2013</b>
Bhagyanagar Securities Private Limited	5,625,580	-
Surana Infocom Private Limited	40,291,894	-
Manish Surana	2,800,000	-
<b>Total</b>	<b>48,717,474</b>	<b>-</b>

Note: 2.29 Raw Material Consumed during the year	for the year 31.03.2014	for the year 31.03.2013
<b>Raw Material</b>		
i Alluminium Scrap	21,322,505	11,181,057
ii Solar related Products	117,403,707	67,293,754
iii Others including incidental charges	15,872,970	6,972,735
<b>Total</b>	<b>154,599,182</b>	<b>85,447,546</b>
<b>Note :</b> Others include items which do not individually exceed 10 % of total Consumption		

Note: 2.30 Detailed of Imported and indigenous raw materials, spares and packing materials consumed				
Particulars	for the year 31.03.2014		for the year 31.03.2013	
	Value	% of total Consumption	Value	% of total Consumption
<b>Raw materials</b>				
Imported	80.46	124,396,028	78,224,270	91.55
Indigenous	19.54	30,203,154	7,223,276	8.45
<b>Total</b>	<b>100.00</b>	<b>154,599,182</b>	<b>85,447,546</b>	<b>100.00</b>



Note: 2.31 CIF Value of imports	for the year 31.03.2014	for the year 31.03.2013
<b>Particulars</b>		
Raw Material	126,252,424	100,356,553
<b>Total</b>	<b>126,252,424</b>	<b>100,356,553</b>

Note: 2.32 Expenditure in foreign Currency	for the year 31.03.2014	for the year 31.03.2013
<b>Particulars</b>		
Travelling	142,275	651,315
<b>Total</b>	<b>142,275</b>	<b>651,315</b>

### Note: 2.33 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 by the Life Insurance Corporation of India. The gratuity liability and the net periodic gratuity cost is actually determined after considering discounting rates, expected long term return on plan assets and increase in compensation level. All actuarial gain/losses are immediately charged to the Profit & Loss account and are not deferred.

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

Particulars		Gratuity	
		2013-14	2012-13
<b>a</b>	<b>Expenses recognised in the Profit &amp; Loss Account</b>		
	Current Service Cost	28,071	29,535
	Interest Cost	3,604	4,435
	Expected Return on Planned Assets	8,730	(8,238)
	Net Actuarial (Gain) / Loss recognised in the year	(9,622)	(44,361)
	<b>Expenses recognised in Statement of Profit and loss</b>	<b>13,323</b>	<b>(18,629)</b>
<b>b</b>	<b>Change in Present value of obligation during the year ended 31st March, 2014</b>		
	Present Value of obligation as at beginning of the year	45,050	55,441
	Interest cost	3,604	4,435
	Current service cost	28,071	29,535
	Benefits Paid-Actuals	-	-
	Actuarial (gain) /loss	(9,622)	(44,361)
	<b>Present Value of obligation as at end of the year</b>	<b>67,103</b>	<b>45,050</b>
<b>c</b>	<b>Change in fair value of Plan Assets during the year ended 31st March, 2014</b>		
	Fair value of Plan Assets as at the beginning of the year	99,776	91,538
	Expected return on Plan Assets	8,730	8,238
	Contributions	-	-
	Benefits Paid	-	-
	<b>Fair value of Plan Assets as at the end of the year</b>	<b>108,506</b>	<b>99,776</b>



Particulars		Gratuity	
		2013-14	2012-13
<b>d</b>	<b>Actuarial Gain/ loss recognized</b>		
	Actuarial (gain) / loss for the year -Obligation	(9,622)	44,361
	Actuarial (gain) / loss for the year -Plan Assets	-	-
	Total (gain)/ Loss for the Year	(9,622)	(44,361)
	Actuarial (gain) / loss recognized in the year	(9,622)	(44,361)
<b>e</b>	<b>Actuarial assumption</b>		
	Discount rate used	8%	8%
	Salary escalation	6%	4%



Note: 2.34 Segment Information

	Solar Products		Wind Power		Others		Total	
	31.03.2014	31.03.2013	31.03.2014	31.03.2013	31.03.2014	31.03.2013	31.03.2014	31.03.2013
<b>1 REVENUE</b>								
External sales	116,030,745	116,565,294	6,474,883	7,036,321	161,995,808	89,411,020	284,501,436	213,012,635
Other operating income	-	-	-	-	13,326,300	9,020,910	13,326,300	9,020,910
Total revenue	116,030,745	116,565,294	6,474,883	7,036,321	175,322,108	98,431,930	297,827,736	222,033,545
<b>2 RESULTS</b>								
Segment results	40,767,890	29,565,397	2,529,951	3,415,758	(1,237,038)	15,411,050	42,060,803	48,392,205
Unallocable income/ (Expenses)							3,909,229	5,672,510
Operating profit							45,970,032	54,064,715
Interest expenses							39,570,632	37,650,165
Income taxes							(607,000)	1,312,000
Profit from ordinary activities							7,006,400	15,102,550
Net profit							7,006,400	15,102,550
<b>3 Other information</b>								
Segment assets	644,356,987	481,869,755	41,213,368	44,640,559	261,230,660	326,543,936	946,801,014	853,054,250
Unallocable assets							147,889,813	171,352,601
Total assets	644,356,987	481,869,755	41,213,368	44,640,559	261,230,660	326,543,936	1,094,690,828	1,024,406,851
Segment liabilities	20,272,798	1,642,787	815	826,594	77,555,352	87,018,716	97,828,965	89,488,097
Unallocable liabilities							77,120,609	61,273,797
Total liabilities	20,272,798	1,642,787	815	826,594	77,555,352	87,018,716	174,949,574	150,761,894
Capital expenditure	150,589,389	2,445,198	-	-	3,047,430	44,059,061	153,636,819	46,504,259
Unallocable capital expenditure							-	2,756,048
Total capital expenditure	150,589,389	2,445,198	-	-	3,047,430	44,059,061	153,636,819	49,260,307
Depreciation & Amortisation	69,273,341	79,728,479	3,430,445	3,430,445	10,978,738	11,890,692	83,682,524	95,049,616
Unallocable depreciation	-	-	-	-			625,707	92,556
Total depreciation	69,273,341	79,728,479	3,430,445	3,430,445	10,978,738	11,890,692	84,308,231	95,142,172

As per our report of even date attached

**For Sekhar & Co**

Chartered Accountants

Firm's Registration Number : 003695-S

G.Ganesh

Partner

Membership No: 211704

Place: Secunderabad

Date : May 13 , 2014

For Surana Telecom and Power Limited

**Narender Surana**

Chairman

**R. Lakshman Raju**

Chief Financial Officer

**Devendra Surana**

Director



**Statement Pursuant to Section 212 of Companies Act, 1956 Relating to Subsidiary Companies**

S.No.	Particulars	Celestial Solar Systems Private Limited	Globecom Infotech Private Limited	Surana Solar Systems Private Limited
1.	Financial Year ending of the Subsidiary	31.03.2014	31.03.2014	31.03.2014
2.	Shares of the subsidiary held by Holding Company on the above date			
	a. Number and Face Value	9,990 Equity Share of Rs. 10/- each	49,990 Equity Share of Rs. 10/- each	25,50,000 Equity Share of Rs. 10/- each
	b. Extent of Holding	100.00%	100.00%	51.00%
3.	Profit/Loss of the Subsidiary Company for its financial year so far as it concerns the members of the Holding Company which have not been dealt with in the accounts of Holding Company		100.00%	
	a. For the financial year or the years of the Subsidiary aforesaid	(5,724)	(45,176)	(2,33,259)
	b. For the previous financial years of the subsidiary since it became the Holding Company's Subsidiary	(11,462)	(1,07,534)	
4.	Net aggregate amount of the Profits/Losses of the subsidiary so far as the profits are dealt in the accounts of Holding Company			-
	a. For the financial year or the years of the subsidiary aforesaid	Nil	Nil	Nil
	b. For the previous financial years of the subsidiary since it became the Holding Company's Subsidiary	Nil	Nil	Nil

**Brief Financial particulars of Subsidiary as per MCA General Circular No 2/2011 dt 8<sup>th</sup> February, 2011**

(₹ in Lakhs)

Name of the Company	Capital	Reserves	Total Assets	Total Liabilities	Investment	Turn-over	Profit Before Tax	Provision for Taxation	Profit after Taxation	Proposed Dividend
Celestial Solar Solutions Private Limited.	1	(0.17)	0.87	0.87	-	-	(0.06)	-	(0.06)	-
Globecom Infotech Private Limited	1	(2.92)	371.26	371.26	-	-	(0.45)	-	(0.45)	-
Surana Solar Systems Private Limited	500	(3.35)	2100.79	2100.79	-	-	(2.33)	-	(2.33)	-



**ELECTRONIC CLEARING SERVICES (CREDIT CLEARING) MANDATE FORM FOR  
PAYMENT OF DIVIDEND**

To,  
**KARVY COMPUTERSHARE PRIVATE LIMITED**  
Unit : Surana Telecom and Power Limited  
Plot No. 17-24, Vittalrao Nagar, Madhapur, Hyderabad - 500 081  
Phone: 040-44655000, Fax: 040-23420814

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

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

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

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

Place : .....

Date : .....

Signature of First Holder

**Note:**

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

## Green Initiative in Corporate Governance: Go Paper Less

The Ministry of Corporate Affairs has come up with a Green Initiative of permitting the service of documents including Annual Reports to the Shareholders through e-mail or other permissible electronic modes instead of physical mode vide its Circular No. 17/2011 dated 21 April 2011. This is certainly a welcome move for the society at large as this will reduce paper consumption to a great extent and allow all stakeholders to contribute towards a Greener Environment. To support this green initiative, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to fill the appropriate column in the members e-mail registration form and register the same with Karvy Computershare Private Limited.

### Members e-mail Registration Form

Name: ..... e-mail: .....

Address: .....

.....

.....

DP ID : ..... Client ID: .....

Folio No: .....

(in case of physical holding)

No. of equity shares held: .....

Signature

Members are requested to send this e-mail registration form to the Company's RTA i.e., Karvy Computershare Private Limited at the below mentioned address.

M/s Karvy Computershare Private Limited  
Unit : Surana Telecom and Power Limited  
17-24, Vittal Rao Nagar,  
Madhapur, Hyderabad-500 081



# Surana Telecom and Power Limited

(Formerly Surana Telecom Limited)

Registered Office : 5th Floor, Surya Towers, S.P.Road, Secunderabad - 500 003.

CIN: L23209TG1989PLC010336

E-mail: investorservices\_stl@surana.com

Website: www.suranatele.com

## ATTENDANCE SLIP

### 25TH ANNUAL REPORT 2013-14

DP. ID* :	
Client ID* :	

Reg. Folio No :	
No. of Shares :	

Name and address of the Shareholder: .....

I certify that I am a member/proxy for a member of the Company. I hereby record my presence at the 25th Annual General Meeting of the Company, at Kamat Lingapur Hotel, 1-10-44/2, Chikoti Gardens, Begumpet, Hyderabad- 500 016 at 10.00 A.M. on Monday, the 22nd September, 2014.

\_\_\_\_\_  
\*\* Member's/Proxy's name in Block Letters

\_\_\_\_\_  
\*\*Member's/Proxy's Signature

#### Note:

1. Member/Proxy must bring the Attendance Slip to the Meeting and hand it over, duly signed at the registration counter.
  2. NO GIFTS WILL BE GIVEN.
- \* Applicable for Investors holding shares in electronic form.  
\*\* Strike out whichever is not applicable.



# Surana Telecom and Power Limited

(Formerly Surana Telecom Limited)

Registered Office : 5th Floor, Surya Towers, S.P.Road, Secunderabad - 500 003.

CIN: L23209TG1989PLC010336

E-mail: investorservices\_stl@surana.com

Website: www.suranatele.com

## PROXY FORM

### 25TH ANNUAL REPORT 2013-14

#### FORM NO: MGT-11

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

Name of the Company	Bhagyanagar India Limited (CIN: L27201TG1991PLC012449)	
Registered Office	5TH Floor, Surya Towers, Sardar Patel Road, Secunderabad - 500 003.	
Name of the Member(s)		
Registered Address		
Folio No./DP ID-Client ID		E-mail ID

I/We, being the member(s) holding \_\_\_\_\_ equity shares of the above named Company, hereby appoint.

1. Name : \_\_\_\_\_ Address: \_\_\_\_\_  
E.mail ID: \_\_\_\_\_ Signature: \_\_\_\_\_  
or failing him/her
2. Name : \_\_\_\_\_ Address: \_\_\_\_\_  
E.mail ID: \_\_\_\_\_ Signature: \_\_\_\_\_  
or failing him/her
3. Name : \_\_\_\_\_ Address: \_\_\_\_\_  
E.mail ID: \_\_\_\_\_ Signature: \_\_\_\_\_

As my/our proxy to attend and vote(on a poll) for me/us and on my/our behalf at the 25th Annual General Meeting of the Company, to be held on the Monday, 22nd day of September, 2014, 10.00 A.M. at Kamat Lingapur Hotel, 1-10-44/2, Chikoti Gardens, Begumpet, Hyderabad- 500 016 and adjournment there.

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**Surana Telecom and Power Limited**

(Formerly Surana Telecom Limited)

(CIN: L23209TG1989PLC010336)

Regd. Office: 5TH Floor, Surya Towers, Sardar Patel Road, Secunderabad – 500 003.

Ph: 040-44665700, Fax : 040-27818868

E-mail: cs@surana.com and invetsorservices\_stl@surana.com

URL: www.suranatele.com

**25TH ANNUAL REPORT 2013-14**

**BALLOT FORM**

Sr.No :

Name and Registered Address of the  
Sole/First Named Shareholder :

Name(S) Of The Joint Holder(S), If Any :

Registered Folio No. / DP & Client ID No. :

No. of Shares held :

I/We hereby exercise my/our vote in respect of the Resolution(s) to be passed for the business stated in the notice dated 8th August, 2014, convening the 25th Annual General Meeting of the Company to be held on 22nd September, 2014, by conveying my/our assent or dissent to the said Resolution(s) by placing the tick (√) mark at the appropriate box below:

Item No.	Description	Type of Resolution	No. of Shares	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
1.	Adoption of Financial Statements (Standalone & Consolidated) of the Company for the year ended 31st March, 2014 including Balance Sheet as at 31st March, 2014 and the Statement of Profit & Loss, Reports of the Board of Directors and Auditors thereon.	Ordinary Resolution			
2.	Approval of dividend for the Financial Year ended 31st March, 2014.	Ordinary Resolution			
3.	Appointment of Director in place of Shri. Devendra Surana, (DIN: 00077296) who retires by rotation and, being eligible, offers himself for re-appointment.	Ordinary Resolution			
4.	Appointment of M/s Sekhar & Co (Firm Registration No.003695S) as Statutory Auditors of the Company and to fix their remuneration.	Ordinary Resolution			
5.	Appointment of Shri. Baunakar Shekarnath (DIN: 03371339) as Whole-time Director of the Company.	Special Resolution			



6.	Appointment of Shri Nirmal Kumar Jain (DIN: 03184972) as Non Executive Independent Director.	Ordinary Resolution			
7	Appointment of Shri D Venkatasubbiah (DIN: 00006618) as Non Executive Independent Director.	Ordinary Resolution			
8	Appointment of Dr. R.N. Sreenath (DIN: 00124157) as Non Executive Independent Director.	Ordinary Resolution			
9	To Increase Borrowing Powers of The Company	Special Resolution			
10	To Sell, Lease Or Otherwise Disposal Of The Whole, Or Substantially The Whole, Of The Undertaking	Special Resolution			
11	Raise Funds Through Issue of Convertible Securities / GDR's / ADR's / FCCB's / ECB's Etc	Special Resolution			
12	To Approve the Remuneration to be paid to M/s BVR & Associates, Cost Auditors of the Company	Ordinary Resolution			

Place :

Date :

Signature of the Shareholder

NOTE: Kindly read the instructions printed overleaf before filing the form. Valid Ballot Forms received by the scrutinizer by 6:00 pm on 18th September, 2014 shall only be considered.

### INSTRUCTIONS

- Members may fill up the Ballot Form printed overleaf and submit the same in a sealed envelope to Shri. GSNL Gupta, Practicing Company Secretary. The Scrutinizer, C/o Karvy Computershare Pvt. Ltd., Unit: Surana Telecom and Power Limited, Plot No.17-24, Vittal Rao Nagar, Near Image Hospital, Madhapur, Hyderabad-500081 or to the email Id: cs@surana.com so as to reach by 6:00 pm on 18th September, 2014. Ballot Form received thereafter will strictly be treated as if not received.
- The Company will not be responsible if the envelope containing the Ballot Form is lost in transit.
- Unsigned, incomplete or incorrectly ticked forms are liable to be rejected and the decision of the Scrutinizer on the validity of the forms will be final.
- In the event member casts his votes through both the processes i.e. E-voting and Ballot Form, the votes in the electronic system would be considered and the Ballot Form would be ignored.
- The right of voting by Ballot Form shall not be exercised by a proxy.
- To avoid fraudulent transactions, the identity/signature of the members holding shares in electronic/demat form is verified with the speciman signatures furnished by NSDL/CDSL and that of members holding shares in physical form is verified as per the records of the share transfer agent (i.e. M/s Karvy Computershare Pvt. Ltd.) of the Company. Members are requested to keep the same updated.
- There will be only one Ballot Form for every Folio/DP ID/CLIENT ID irrespective of the number of joint members.
- In case of joint holders, the Ballot Form should be signed by the first named shareholder and in his/her absence by the next named shareholders. Ballot Form signed by a joint holder shall be treated valid if signed as per records available with the Company and the Company shall not entertain any objection on such Ballot Form signed by other joint holders.
- Where the Ballot Form has been signed by an authorized representative of the body corporate/Trust/Society, etc/ a certified copy of the relevant authorization/Board Resolution to vote should accompany the Ballot Form.
- Instructions for e-voting procedure are available in the Notice of 25th Annual General Meeting and are also placed on the website of the Company, [www.suranatele.com](http://www.suranatele.com) and <https://evoting.karvy.com>



## **INVESTOR INFORMATION**

### **DIVIDEND**

The Dividend at 12% ( Rs.0.60/- per share) will be paid to the shareholders whose names appear on the Register of Members as on 22.09.2014 and to those shareholders whose names appear as Beneficial owners as on 22.09.2014 as per the details furnished by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in Electronic Form.

### **PAYMENT OF DIVIDEND**

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

### **SHARE REGISTRY**

The Registry of Physical Share Certificates is done by our Registrars and Transfer Agents, M/s KARVY COMPUTERSHARE PRIVATE LIMITED, 17-24, Vittal Rao Nagar, Madhapur, Hyderabad – 500-081. The shareholders can send the shares for Transfer/Transmission/ Split/Consolidation and Issue of Duplicate Share Certificates, Request for Change of Address to the above address. Intimation regarding change of address, in the case of holder of shares in physical form, may be sent to M/s KARVY COMPUTERSHARE PRIVATE LIMITED, at the above mentioned address and in the case of holders of shares in Electronic Form, to their Depository participants.

### **LISTING**

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

### **DEMATERIALISATION OF SHARES**

The shares of the Company are under compulsory dematerialised trading since 8<sup>th</sup> May, 2000. The Company has entered into a tripartite agreement with the National Securities Depository Limited, Central Depository Services (India) Limited and the Company's Depository Registrars, M/s KARVY COMPUTERSHARE PRIVATE LIMITED, 17-24, Vittal Rao Nagar, Madhapur, Hyderabad - 500 081, for induction of the Company's shares in to the depository system. The ISIN number allocated to the Company's securities is INE130B01023. Those shareholders, who have not dematerialised their shares, may send their shares / Option letters the Company, through their Depository Participants with whom they hold an account, for getting the shares dematerialised.

### **QUALITY OBJECTIVE**

*An effective and clearly understood quality system by employees.  
Teamwork to build-up quality consciousness amongst all our employees.  
Continuous improvement in every activity for achieving excellence.  
Timely corrective action to prevent anticipated factors affecting quality & productivity.*



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

## **SURANA TELECOM AND POWER LIMITED**

(Formerly Surana Telecom Limited)

**REGISTERED OFFICE:**

5th Floor, Surya Towers

Sardar Patel Road, Secunderabad - 500 003, India

Tel: +91-040-27845119, 44665700, 27841198

Fax: +91-040-27818868

CIN: L23209TG1989PLC010336

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

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

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