



SURANA TELECOM AND POWER LIMITED

24th Annual Report 2012-2013



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
N. Rajan Francis	- Wholetime Director

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 Kairatabad, Hyderabad.

REGISTRARS & TRANSFER AGENTS

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
Website : www.karvy.com

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

STATUTORY COMMITTEES

AUDIT COMMITTEE

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

SHAREHOLDERS' GRIEVANCE COMMITTEE

D Venkatasubbiah - Chairman
Narender Surana - Member
Devendra Surana - Member

REMUNERATION COMMITTEE

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

WORKS

Solar Power Project

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

Solar Module Manufacturing

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.



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ECS, Members E-mail Registration Form

Attendance Slip and Proxy Form



NOTICE OF 24th ANNUAL GENERAL MEETING

NOTICE is hereby given that the 24th Annual General Meeting of the members of SURANA TELECOM AND POWER LIMITED, will be held on 27th September, 2013 at 12.30 p.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, 2013 and the Profit & Loss Account for the year ended 31st March, 2013, along with the Auditors' Report & Directors' Report thereon.
2. To declare Dividend for the year ended 31st March, 2013.
3. To appoint a Director in place of Shri. Narender Surana who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Shri. Nirmal Kumar Jain who retires by rotation and being eligible offers himself for re-appointment.

5. 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 M/s. Sekhar & Co., Chartered Accountants, (Registration No. 003695S), be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors."

By Order of the Board
for SURANA TELECOM AND POWER LIMITED

Place : Secunderabad
Date : 30.07.2013

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. The Register of Members and Share Transfer Books of the Company will remain closed from 23.09.2013 to 27.09.2013 (both days inclusive).
3. 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 205A of the Companies Act, 1956, to those shareholders whose names appear on the Register of Members of the Company as on 27.09.2013 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.
4. 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 sufficing 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.
5. 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.



6. 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.
7. 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.
8. 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.
9. 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.
10. Shareholders requiring a printed copy of the Annual Report should forward their request to the Company.
11. 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.
12. 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.
13. 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.
14. 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 : 30.07.2013

NARENDER SURANA
DIRECTOR



DIRECTORS' REPORT

To
The Members

Your Directors have pleasure in presenting the 24th Annual Report and the Audited Statement of Accounts of the Company for the Financial Year ended 31st March, 2013.

FINANCIAL RESULTS

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

(₹. in Lakhs)

Particulars	Consolidated Results		Standalone Results	
	2012-13	2011-12	2012-13	2011-12
Sales and other Income	2,678.77	1,288.86	2,678.77	1,288.86
Profit before Depreciation and Interest	1,483.18	338.45	1,484.37	339.00
DEDUCT :				
Depreciation	951.42	255.63	951.42	255.63
Interest and Finance Cost	374.44	36.00	374.44	36.00
Profit for the year	157.32	46.82	158.51	47.38
Prior Period Adjustment	6.83	2.91	6.83	2.91
Profit before Taxation	164.15	49.73	165.34	50.29
Provision for Taxation : Income Tax	27.00	-	27.00	-
Deferred Tax	(13.88)	(18.60)	(13.88)	(18.60)
Profit after Tax	151.03	68.33	152.22	68.89
Surplus brought forward from previous year	2,038.77	2,141.34	2,040.17	2,142.18
Balance available for appropriation	2,189.80	2,209.67	2,192.39	2,211.07
APPROPRIATION:				
Dividend	124.83	104.02	124.83	104.02
Tax on Dividend	21.22	16.88	21.22	16.88
Transfer to General Reserves	50.00	50.00	50.00	50.00
Balance c/f to Balance Sheet	1,993.76	2,038.77	1,996.35	2,040.17
TOTAL	2,189.80	2,209.67	2,192.39	2,211.07

OPERATIONS

During the year under review, the Income from Operations is ₹.2,220.34 Lakhs as against ₹.1,105.00 Lakhs for the corresponding previous year. The Profit Before Tax stood at ₹. 165.34 Lakhs as against ₹. 50.29 Lakhs for the previous year. The Profit After Tax stood at ₹.152.22 Lakhs as against ₹. 68.89 Lakhs for the corresponding period. The Basic Earnings Per Share for the year-ended 31.03.2013 is ₹.0.73 as against ₹. 0.33 for the corresponding previous year ended 31.03.2012.

SUBSIDIARIES

During the year under review M/s. Celestial Solar Solutions Private Limited became the subsidiary of the Company w.e.f 28.01.2013 and M/s Surana Solar Systems Private Limited became the subsidiary of the company w.e.f 10.06.2013. Currently your Company is having the 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 2012-13 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 2012-13. 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.



FUTURE PROJECT INITIATIVES:

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, A.P. The subsidiary has purchased land for the said project and has received power evacuation approval. The total project cost is expected to be ₹.28 Crores and the plant is estimated to generate about 80 lakhs units per year. The Company has entered Power Purchase Agreement for sale of power and the project is entitled for REC benefits. The project is expected to commissioned by 30th September 2013.

DIVIDEND

Your Directors are pleased to recommend a Dividend @ 12% amounting to ₹.1.25 crores for the year ended 31st March 2013. This will entitle an out flow of ₹.1.46 crores including dividend tax.

RESERVES

During the year the Company has transferred an amount of ₹ 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, 2013.

DIRECTORS

In order to comply with Section 256 of the Companies Act 1956 and Articles of Association of the Company Shri. Narender Surana and Shri. M. S. Nirmal Kumar Jain, Directors of the Company will retire by rotation at the ensuing Annual General meeting and being eligible, offer themselves for re-appointment.

Shri. Sanjay Kumar Sanghi ceased to be a Director from the Board of the Company w.e.f 28.04.2012. The Board records its appreciation & recognition of the valuable contribution and services rendered by Mr. Sanjay Kumar Sanghi.

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 retires at the ensuing Annual General Meeting and 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 limits specified in Sub-section (1B) of Section 224 of the Companies Act, 1956.

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 2011-12 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 2013-14. Subject to the compliance with all the requirements as stipulated in Circular no.15/2011 dated 11th April 2011 and No. 36/2012 dated 6th November 2012 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 under Section 224(1B) of the Companies Act, 1956.

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

CREDIT RATING

CRISIL has upgraded its rating outlook on the long-term bank facilities of Surana Telecom and Power Limited (STPL) to 'BBB-/Stable' from 'BB+/Stable' and the rating on the short-term facilities to 'A3' from 'A4+'. The rating upgrade is driven by improvement in STPL's credit risk profile with the successful commercialisation of its 5 MW solar power plant resulting in a substantial improvement in its financial risk profile. CRISIL believes that the company would maintain its healthy financial risk profile in the absence of any major debt-funded capex plan and management's conservative financial policy.

The ratings reflect STPL's Healthy financial risk profile, marked by low gearing and healthy net worth, and promoter's experience in the power and related sectors. CRISIL believes that STPL will maintain its business risk profile over the medium term, supported by stabilisation of operations at its solar power plant. The table mentioned below is the credit rating history of the Company:



Date	Long-Term	Fixed Deposit	Short-Term	Rating watch/Outlook
24.05.2013	CRISIL BBB-	-	CRISIL A3	Stable
12.04.2012	CRISIL BB+	-	CRISIL A4+	Stable
07.03.2011	BB+	-	P4+	Negative
01.12.2009	BBB+	-	P3+*	Stable

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, 2013, 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, 2013 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 : 30.07.2013

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 : Efforts made in Technology Absorption as per Form B

F O R M - B

(Disclosure of particulars with respect to technology Absorption)

A. RESEARCH AND DEVELOPMENT (R & D)

1.	Specific areas in which R& D 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 : ₹. 10,10,07,868

For and on behalf of the Board of Directors

Place : Secunderabad

Date : 30.07.2013

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, 2013 consists of:

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

b) Attendance Record for 2012-13:

Sl. No	Name of Director	Category	Meetings attended	Attendance at last AGM on 29.09.2012
1.	Shri. Nirmal Kumar Jain	Independent Non-executive	6	Present
2.	Shri. D Venkatasubbiah	Independent Non-executive	6	Present
3.	Dr. R.N. Sreenath	Independent Non-executive	5	Present
4.	Shri. Narender Surana	Executive	6	Present
5.	Shri. Devendra Surana	Executive	6	Present
6.	*Shri. N Rajan Francis	Executive	2	-
7.	**Shri. Sanjay Kumar Sanghi	Executive	1	-

* Appointed as Whole-time Director w.e.f 30.07.2012. ** Ceased to be Whole-time Director w.e.f. 28.04.2012

c) Number of other Directorships, Committee Membership(s) & Chairmanship(s) as on 31st March, 2013:

Sl. No.	Name of the Director	Other Directorship	Committee Membership	Committee Chairmanship
1	Shri. Nirmal Kumar Jain	1	-	2
2	Shri. D Venkatasubbiah	2	2	1
3	Dr. R.N. Sreenath	5	3	-
4	Shri. Narender Surana	29	3	-
5	Shri. Devendra Surana	31	3	-
6	*Shri. N Rajan Francis	-	-	-
7	**Shri. Sanjay Kumar Sanghi	2	-	-

* Appointed as Whole-time Director w.e.f 30.07.2012 ** Ceased to be Whole-time Director w.e.f. 28.04.2012

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

A total of 6 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:

28.04.2012	30.07.2012	29.09.2012	02.11.2012	02.01.2013	04.02.2013
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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 Company Secretary is acting as Secretary to the Audit Committee

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:

28.04.2012	30.07.2012	02.11.2012	04.02.2013
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Attendance Record - 2012-2013

SI No	Name of the Director	No. of Meetings Attended
1	Shri. Nirmal Kumar Jain	4
2	Dr. R N Sreenath	4
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. 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 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 30.07.2012 and all the members were present at the meeting.

Attendance Record - 2012-2013

SI 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 ₹.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 2012-13 are as follows:

Sl. No.	Name of Director	Sitting Fees paid (₹.)
1.	Dr. R.N. Sreenath	27,000
2.	Shri. Nirmal Kumar Jain	27,000
3.	Shri. D Venkatasubbiah	27,000
Total		81,000

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 2012-2013 are:

Name of Director	Salary	HRA	Conveyance	Total
Shri. N. Rajan Francis	1,76,000	-	-	1,76,000
TOTAL				1,76,000

6. Shareholders Grievance Committee:

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

The Shareholders Grievance 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 Company Secretary is acting as Compliance Officer to the Committee.



The total number of complaints received and replied to the satisfaction of shareholders during the year under review was 12. There are no outstanding complaints as on 31st March 2013.

7. General Body Meetings:

i. Location and time for last 3 years General Meetings

Year	Locations	Date	Time
23 rd AGM (2011-12)	Taj Tristar, 1-1-40, Seven Hills, Seven Hills, Sarojini Devi Road, Secunderabad - 500 003.	29 th September, 2012	02.30 P.M
22 nd AGM (2010-11)	Kamat Lingapur Hotel, 1-10-44/2, Chikoti Gardens, Begumpet, Hyderabad- 500 016	21 st September, 2011	04.30 P.M.
21 st AGM (2009-10)	Kamat Lingapur Hotel, 1-10-44/2, Chikoti Gardens, Begumpet, Hyderabad- 500 016	24 th September, 2010	11.30 A.M.
Court Convened Meeting of Creditors (2010-11)	Kamat Lingapur Hotel, 1-10-44/2, Chikoti Gardens, Begumpet, Hyderabad- 500 016	12 th April, 2010	2.00 P.M.
Court Convened Meeting of Members (2010-11)	Kamat Lingapur Hotel, 1-10-44/2, Chikoti Gardens, Begumpet, Hyderabad- 500 016	12 th April, 2010	10.30 A.M.

ii. 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 2012-13

During the year 2012-13 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, 2013.

d) The Company has not adopted any formal Whistle Blower policy, but no personnel has been denied access to the Audit Committee.

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, 2013 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 & www.suranatele.com.

News Release, Analyst Presentation, etc.:

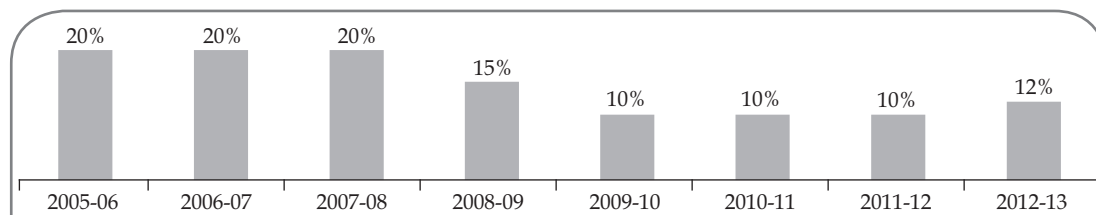
The official news releases, detailed presentations made to institutional investors, financial analysts etc. are displayed on the Company's website www.surana.com & www.suranatele.com.



Website:

The website 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, 2007 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
2006-07	27.09.2007	26.10.2014
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

The Members, who have not encashed the Dividend Warrant(s) so far for the financial year ended 31st March, 2007 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 - 27th September, 2013. Time - 12.30 P.M. Venue - Kamat Lingapur Hotel, 1-10-44/2, Chikoti Gardens, Begumpet, Hyderabad- 500 016
Financial Calendar	: April 1 st to March 31 st
Date of Book Closure	: 23rd September, 2013 to 27th September, 2013 (both days inclusive)
Dividend Payment Date	: 07th October, 2013
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 '12	16.80	14.80	16.50	14.40
May '12	17.75	13.25	17.55	14.20
Jun '12	17.90	15.20	18.05	15.50
Jul '12	19.70	16.00	21.00	15.55
Aug '12	18.50	16.00	18.95	16.30
Sep '12	18.85	16.55	19.20	16.30
Oct '12	20.55	16.55	18.50	16.55
Nov '12	18.50	16.65	18.25	16.30
Dec '12	18.85	17.00	19.45	17.05
Jan '13	21.50	16.00	20.95	16.50
Feb '13	20.85	15.85	20.60	16.00
Mar '13	19.80	14.00	18.05	13.10

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/FITC/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 31st March, 2013:

Category	No. of Shares	% Holding
Promoters	1,18,01,438	56.73%
Resident Individuals	56,37,636	27.10%
Promoters Bodies Corporate	26,26,981	12.63%
Bodies Corporates	2,86,881	1.38%
Banks	4,200	0.02%
Non Resident Indians	1,63,938	0.79%
Trusts	5,818	0.28%
Overseas Corporate Bodies	58,500	0.28%
Mutual Funds	14,200	0.07%
Clearing Members	545	0.003%
Foreign Institutional Investors	1,12,800	0.54%
HUF	91,463	0.44%
Total	2,08,04,400	100.00%

17. Distribution of Share holding as on 31st March 2013:

Category (Amount)	No. of Cases	% of Cases
1 – 5000	8,492	92.94
5001 – 10000	311	3.40
10001 – 20000	176	1.93
20001 – 30000	55	0.60
30001 – 40000	14	0.15
40001 – 50000	22	0.24
50001 – 100000	24	0.26
100001 & Above	43	0.47
TOTAL	9,137	100

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:

1,97,46,468 shares representing 94.91% 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, 2013.

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:

Solar Power Project Gujarat Solar Park, Charanka Village, Santalpur Taluk, Patan District, Gujarat	Aluminum Wire Rods Plot No. 215/D, Phase II, I.D.A., Cherlapally, Hyderabad.
Optic Fibre Cable Plant Plot No.214, Phase II, IDA Cherlapally Ghatkesar (M), Ranga Reddy District	Non- Conventional Energy (Wind) Kapatgudda, Gadag District, Karnataka
Solar Module Manufacturing Hard Ware Park 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.	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
2.	Investor Correspondence / Queries on Annual Report, Revalidation of Dividend Warrants, Sub-Division, etc.	SECRETRIAL DEPARTMENT M/s. Surana Telecom and Power Limited 5 th Floor, Surya Towers, S.P.Road, Secunderabad - 500 003. Ph Nos. : 27845119/ 44665750 E-mail : cs@surana.com investorservices_stl@surana.com Website : 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:

National Securities Depository Ltd Trade World, 4 th 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.	Central Depository Services (India) Ltd Phiroze Jeejeebhoy Towers, 28 th 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. NARENDER SURANA	SHRI. M. S. NIRMAL KUMAR JAIN
Expertise in specific functional areas	Shri. Narender Surana is the Managing Director of M/s Surana Ventures Limited and M/s Bhagyanagar India Limited, one of the leading Industrial house in AP, having fully automated Silicon Cells & Solar Photovoltaic module manufacturing unit with an installed capacity to produce 60 MW annually, with a group annual turnover of over ₹.500 crores. He was the Past President of Federation of Andhra Pradesh Chambers of Commerce and Industry (FAPCCI) and Chairman of the Federation of Indian Chambers of Commerce and Industry (FICCI) - A P State Council. He was also Chapter Chairman of Young President's Organization (Y.P.O), Hyderabad Chapter. He is the recipient of Andhra Pradesh Best Entrepreneur Award.	Fellow member of ICAI and Practising as Chartered Account since 1988. He is associated as partner with Nirmal K. Jain & Associates (Chartered Accountants) and has vast exposure in Finance and Tax Matters.
Date of Birth	06.07.1960	01.07.1960
Qualification	B.E. (Chemical)	Chartered Accountant
List of Other Companies in which Directorship is held as on 31st March, 2013.	<p>MANAGING DIRECTOR:</p> <ol style="list-style-type: none"> 1. Bhagyanagar India Limited 2. Surana Ventures Limited <p>DIRECTOR:</p> <ol style="list-style-type: none"> 1. Bhagyanagar Entertainment Ltd 2. Surana Infocom Private Limited 3. Everytime Foods Industries Pvt. Ltd. 4. Value Infrastructure & Properties Pvt. Ltd. 5. Innova Technologies Private Ltd 6. Surana Techno Park Private Ltd 7. Shah Sons Private Ltd 8. Scientia Infocom India Private Ltd 9. Tranquil Avenues India Private Ltd 10. Royal Skyscrapers India Private Ltd 11. Surana Biochemicals Private Ltd 12. Bhagyanagar Properties Private Ltd 13. Bhagyanagar Securities Private Ltd 14. Bhagyanagar Infrastructure Ltd 15. Bhagyanagar Entertainment & Infra Development Company Private Ltd 16. Green Energy Systems Pvt Ltd 17. AP Golden Apparel Private Ltd 18. Sapthigiri Infrastructure & Developers Private Ltd 19. Bhagyanagar Metals Ltd 20. Bhagyanagar Energy and Telecom Pvt Ltd 21. Bhagyanagar Ventures Private Ltd 22. Genten Infra Projects Pvt Ltd 23. Stealth Energy Private Limited 24. Bhagyanagar Industrial Park 25. Jain International Trade Organisation 26. Surana Solar Systems Private Limited 27. Celestial Solar Solutions Private Limited 	<p>DIRECTOR</p> <ol style="list-style-type: none"> 1. Surana Telecom and Power Limited. 2. Surana Ventures Limited



Name of Director	SHRI. NARENDER SURANA	SHRI. M. S. NIRMAL KUMAR JAIN
Chairman/ Member of the Committees of the Board of other Companies in which he is a Director as on 31 st March, 2013	Bhagyanagar India Limited (Shareholders' Grievance Committee) Surana Ventures Limited (Shareholders' Grievance Committee)	Surana Telecom and Power Ltd. (Chairman of Audit Committee & Remuneration Committee)

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 2012-13.

Place : Secunderabad
Date : 30.07.2013

NARENDER SURANA
DIRECTOR



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 2013, 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 : 30.07.2013

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.

In 2008, taking cue from the increasing recognition for non conventional energy and anticipating demand primarily in the field of Solar Photovoltaic, the company ventured into manufacturing of Solar Modules and other Solar photovoltaic products. The Company is listed in National Stock Exchange (NSE) and Bombay Stock Exchange (BSE).

During the year 2009-2010, a Scheme of arrangement was entered by the Company with M/s Surana Ventures Limited which was sanctioned by Hon'ble High Court of A.P. on 28.06.2010 and became effective on 28.07.2010, pursuant to which the "Solar Undertaking" was merged with M/s Surana Ventures Limited.

The year 2011-12 was a year of transformation for the Company as it ventured into Solar Power Generation and successfully commissioned 5MW Solar Power Plant at Charanka Village, Gujrat under the policy of Gujrat Government. For the forecast period 2013-14, the company plans to continue with existing business of manufacturing Aluminium Rods.

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. 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 installed capacity of power as of January 2012 is 187 GW. 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/m² 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.

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.

Power Shortage: 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 Viduyutikaran 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

Solar Power Projects situated at Charnaka Village, Gujarat is operating Successfully. The Solar Power Project working at Capacity Utilisation Factor (CUF) of 18% and the climatic condition in Gujarat are favourable for solar power generation. The Company is planning to install another project of 5 MW capacity through its subsidiary M/s Surana Solar Systems Private Limited in the state of Andhra Pradesh and also participating in various RFP issued under JNNSM and other State Government Schemes.

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 31 March 2013 the installed capacity of wind power in India is 1+0512.50 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 6% 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.

The wind energy sector expects to add 3000 MW in 2013, compared with 840 MW in the first half of last year. The Ministry has decided to permit the installation of a limited number of prototype wind turbines to facilitate indigenization and encourage national industry.

Industry Analysis

According to the report of the Indian Wind Energy Outlook, 2012 despite a slowing global economy, India's electricity demand continued to rise. Electricity shortages



are common, and over 40% of the population has no access to modern energy services. Interestingly more than 95 percent of the nation's wind energy development to date is concentrated in just five states in southern and western India – Tamil Nadu, Andhra Pradesh, Karnataka, Maharashtra, and Gujarat. India's electricity demand is projected to more than triple between 2005 and 2030. In the recently released National Electricity Plan (2012) the Central electricity Authority projected the need for 350-360 GW of total generation capacity by 2022. Despite major capacity additions over recent decades, power supply struggles to keep up with demand. Wind power which has witnessed a phenomenal growth in India. India had another record year of new wind energy installations between January and December 2011, installing more than 3 GW of new capacity for the first time to reach a total of 16,084 MW. . As of march 2012, renewable energy accounted for 12.2 percent of total installed capacity, up from 2 percent in 1995. Wind power accounts for about 70 percent of this installed capacity by the end of August 2012, wind power installations in India had reached 17.9GW1.

Under the New Policies Scenario of the World energy outlook (2011), total power capacity in India would reach 779 GW in 2035. The largest addition per year up to now was nearly 18 GW during fiscal year 2011-2012. During fiscal year 2011-2012 wind energy alone delivered over 3GW to India's new installed capacity, accounting for over 16.5 percent of total new installed capacity. Historically, wind energy has met and often exceeded the targets set for it under both the 10th Plan (2002-2007) and 11th Plan (2007-2012) periods. During the 10th Plan period the target set was of 1,500 MW whereas the actual installations were 5,427 MW. Similarly during the 11th Plan period the revised target was for 9,000 MW and the actual installations were much higher at 10,260 MW. The report of the sub-group for wind power development appointed by the ministry of New and renewable energy to develop the approach paper for the 12th Plan period (April 2012 to march 2017) fixed a reference target of 15,000 MW in new capacity additions, and an aspirational target of 25,000 MW.

However, for India to reach its potential and to boost the necessary investment in renewable energy it will be essential to introduce comprehensive, stable and long-term support policies to ensure that they operate in harmony with existing state level mechanisms so as to avoid reducing their effectiveness. In a positive development the ministry of New and renewable energy (MNRE), has now signed a memorandum of Understanding with the Lawrence Berkeley Lab to collaborate on several issues related to the estimation of wind resource potential and grid integration. The Government is looking to prepare a time-bound action plan for development of offshore wind energy, especially in the coastal states of Andhra Pradesh, Gujarat, Maharashtra, Odisha, Kerala, Karnataka, West Bengal and Tamil Nadu.

Business Outlook

The Company currently has an installed capacity 1.25 MW at Kapatguda in the state of Karnataka. The Company is exploring the possibility of adding further capacity of 20MW through Special Purpose Vehicle (SPV) or Joint Venture (JV) route.

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 2013 is ₹. 10,40,22,000/- comprising of 2,08,04,400 Equity Shares of ₹.5/- each fully paid.

Reserves and Surplus:

The Reserves and Surplus of the Company for the current year is ₹.5055.30 Lakhs and in the previous year was ₹. 5058.87 Lakhs.



Fixed Assets:

During the year, the Company has added Fixed Assets amounting to ₹. 121.41 Lakhs making the gross fixed assets as on 31.03.2013 to ₹. 11,198.14 Lakhs.

Inventories:

Inventories, as on 31st March, 2013 amounted to ₹. 353.76 Lakhs and in the previous year is ₹. 119.83 Lakhs.

Sundry Debtors:

Sundry Debtors amounted to ₹. 820.67 Lakhs as on 31st March, 2013 and ₹. 332.57 Lakhs in the previous year.

Cash and Bank Balances:

Cash and Bank balances with Scheduled Banks, as on 31st March, 2013 amounted to ₹. 228.29 Lakhs 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 ₹. 392.66 Lakhs as on 31st March, 2013 as against ₹. 393.06 Lakhs in the previous year

Short Term Loans and Advances:

Short Term Loans and Advances amounted to ₹. 491.77 Lakhs as on 31st March, 2013 as against 1093.14 in the previous year.

Current Liabilities:

Current Liabilities amounted to ₹. 1507.44 Lakhs as on 31st March, 2013 as against ₹. 2150.67 Lakhs in the previous year.

Operational Performance:**Turnover:**

During the year 2012-13, the gross turnover of the Company was ₹. 2220.34 Lakhs and ₹. 1105.00 Lakhs in the previous year.

Other Income as on 31st March, 2013 is ₹. 458.44 Lakhs and ₹. 183.86 Lakhs in the previous year.

Depreciation:

The Company has provided a sum of ₹. 951.42 Lakhs towards depreciation for the year and ₹. 255.63 Lakhs in the previous year.

Net Profit:

The Net Profit of the Company after tax is ₹ 152.22 Lakhs and ₹. 68.89 Lakhs in the previous year.

Earnings per Share:

Basic Earnings Per Share for the year ended 31.03.2013 is ₹.0.73 Ps for Face Value of ₹.5/- and ₹. 0.33 per share for the year ended 31.03.2012.

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**, which comprise the Balance sheet as at **March 31, 2013**, the Statement of Profit and Loss and Cash Flow for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The management is responsible for preparation of these financial statement that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 ('the Act'). This responsibility includes 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 in 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 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 financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements

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

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 **March 31, 2013**;
- (b) in the case of the Profit and Loss Account, of the profit for the year on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the 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 purpose of our audit;



- b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
- c. the Balance Sheet, Statement of Profit and Loss, 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 subsection (3C) of section 211 of the Companies Act, 1956;
- e. on the basis of written representations received from the directors as on **March 31, 2013**, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

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

Place : Secunderabad
Date : 08th May 2013

G. Ganesh
(Partner)
Membership No : 211704



Annexure to the Independent Auditors' Report

The Annexure referred to in the Independent auditors' report to the members of **Surana Telecom and Power Limited** ("the Company"), on the financial statements for the period ended **31st March 2013**, we report that:

1) Fixed Assets

- a) The Company has maintained proper records showing full particulars, including quantitative details of fixed assets
- b) The Company has conducted physical verification of fixed assets during the year. In our opinion, this physical verification is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification.
- c) During the period, the Company has discarded certain items of its fixed assets. In our opinion and according to the information and explanations given to us, the aforesaid disposal has not affected the going concern assumption.

2) Inventories

- a) The inventories have been physically verified by the company during the period. In our opinion the frequency of such verification is reasonable.
- b) The procedures for the physical verification of Inventories followed by the management are reasonable and adequate to the size of the Company and nature of its business.
- c) The company is maintaining proper records of inventory. The discrepancies noticed on physical verification between physical stocks and the book records are not material.

3) Loans to and from Parties (Companies, firms or such other parties) listed in the register maintained under section 301 of the Act, hence forth referred to as parties, amounts in Rupees.

- a) The company has granted loans which are not secured to "3" ("three") parties during the year. The Maximum amount involved is ₹. 6,82,54,698 and the year end outstanding is ₹.4,26,53,188.
- b) The Loans to 2 parties are given free of interest and without any specific terms of repayment. In case of one party the interest has been charged on the loan given. Keeping in view the investment and amount involved we are of opinion, the rate of interest and other terms and conditions of such loan are not, *prima facie*, prejudicial to the interest of the Company.
- c) There being no interest payable and no specific terms of repayment of principal we have nothing to comment about the status of payment of interest or principal in case of 2 parties. In case of one party there has been no default in payment of interest or repayment of principal.
- d) There are no overdue amounts in excess of ₹.1,00,000 in respect of such loans granted.
- e) The company has not taken any loan from parties listed in the register maintained U/s.301 of the Act. The Loan availed during the earlier year from one party amounting to ₹.8,05,74,077 was fully repaid during the year.
- f) In our opinion the terms of interest and other terms and conditions on which the loan has been taken from such parties are not *prima facie* prejudicial to the interest of the Company.
- g) The company is regular in payment of principal amounts as stipulated and has been regular in payment of interest.

4) Internal Control:- In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the company and nature of its business with regard 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.

5) Arrangement &/ Transactions with parties covered under Section 301 of the Act.

- a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in section 301 of the act have been entered in the register required to be maintained under that section.
- b) In our opinion and according to the information and explanations given to us, the transactions in pursuance of contracts and arrangements referred to in (a) above and exceeding the value of ₹.5,00,000, for goods and services for which suitable alternative sources are not available to obtain comparable quotations. Hence it is not possible for us to comment whether above contracts and arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.

6) Deposits from Public: In our opinion, and according to the information and explanations given to us, the company has not accepted any deposits covered under Section 58A and 58AA of the Act.

7) Internal Audit: In our opinion the Company has an internal audit system commensurate with the size and nature of its business.

8) Cost Records: We have broadly reviewed the books of account maintained by the company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 209(1) (d) of the Act in respect of products sold by the Company and are of the opinion that *prima facie*, the prescribed accounts and records have been maintained. However, we have not made a detailed examination of the records.



9) Statutory Dues :

- a) According to the information and explanations given to us and on the basis of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees State Insurance, Income tax, Sales Tax, Wealth Tax, Customs Duty, Excise duty, Investor Education and Protection Fund, Service tax, Cess and material statutory dues have been deposited regularly but for some minor delays during the year by the company with the appropriate authorities.

There were no dues on account of Cess under Section 441A of the Act since the aforesaid Section comes into force has not yet been notified by the Central Government.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Custom duty, Excise duty, Investor Education and Protection Fund, Service Tax, Cess and other material statutory dues which were in arrears as at March 31, 2013 for a period more than six months from the date they became payable.

- b) According to the information and explanations given to us, the dues set out in "Annexure - I" in respect of Income Tax, Sales Tax, Excise & Custom duties have not been deposited with appropriate authorities on account of dispute. According to the information and explanations given to us there are no other amounts not deposited with appropriate authorities on account of dispute.

- 10) **Accumulated Losses & Cash Loss:** As on date of Balance Sheet there are no accumulated Losses and the company has not incurred any cash loss during the year or the immediately preceding financial year.
- 11) **Dues to Banks and Financial Institutions:** In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to its bankers or to any financial institutions. The Company did not have any outstanding debentures at the end of the year.
- 12) **Loans on Security of Shares, debentures and other Securities:** The Company has maintained adequate records for the loans granted loans and advances on the basis of security of shares and properties.
- 13) **Nidhi chit fund Companies:** In our opinion and according to the information and explanations given to us the company is not a nidhi / mutual benefit fund / society.
- 14) **Dealing in / Trading in Securities:** According to the information and explanations given to us, the company is not dealing or trading in shares, securities, debentures and other investments.
- 15) **Guarantees on behalf of others:** In our opinion, the terms and conditions on which the company has given guarantee for loans taken by others from banks or financial institutions are not prejudicial to the interest of the company.
- 16) **Usage of Term Loans:** In our opinion the term loans raised during the year are applied for the purpose they are raise.
- 17) **Usage of Short Term Funds:** According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that funds raised on short term basis have not been used for long term investment.
- 18) **Preferential allotments:** The Company has not made any preferential allotment of shares to companies / firms / parties covered in the register maintained under Section 301 of the Act.
- 19) **Debentures:** The Company did not have any outstanding debentures during the year.
- 20) **Public Issue:** The Company has not raised any money by public issues during the year.
- 21) **Fraud:** During the course of our examination of the books and records of the Company, carried out in accordance with generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have been informed of such case by the management.

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

Place : Secunderabad
Date : 08th May 2013

G. Ganesh
(Partner)
Membership No: 211704



Surana Telecom and Power Limited – Auditors Report – Financial 2012-13

Annexure – I

Refer Para 9(b) of Annexure to Auditors Report to the Members of the Company.

(Amount in ₹.)

Name of the Statute	Nature	Amount due being unpaid/ (Amount involved in dispute)	Period to which amount relates	Forum where dispute is pending
The Central Excise Act 1944	Valuation of CDMA phones	17,12,827 (3,13,24,943)	2007-08	Supreme Court of India
		1,40,32,981 (1,40,32,981)	2004-05	CESTAT Mumbai
The Customs Act 1962	Classification of Optical fibre	12,75,654 (22,75,654)	2009-10	CESTAT – Bangalore
The Andhra Pradesh Value Added Tax Act 2005	Claim of input on Furnace oil disallowed	1,53,711 (1,75,670)	2009-10	Appellate Deputy Commissioner (Commercial Taxes-AP) Punjagutta
The Andhra Pradesh General Sales Tax Act 1957	Difference in Reported Turnover in Sales Tax Returns and Audited accounts	10,80,331 (21,60,663)	1994-95	Direction given by appellate Tribunal to Assessing Authority to issue fresh notice and re-examine books of accounts.
Amount in brackets indicate amount involved in dispute – amounts paid are disclosed under taxes paid under protest.				

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

Place : Secunderabad
Date : 08th May 2013

G. Ganesh
(Partner)
Membership No : 211704



Balance Sheet as at 31st March 2013

(Amount in ₹.)

Particulars	Note No.	As at 31.03.2013	As at 31.03.2012
I EQUITY AND LIABILITIES			
(1) SHAREHOLDERS' FUNDS			
(a) Share Capital	2.1	104,022,000	104,022,000
(b) Reserves and Surplus	2.2	505,530,227	505,887,469
		609,552,227	609,909,469
(2) NON-CURRENT LIABILITIES			
(a) Long-Term Borrowings	2.3	261,047,504	274,795,581
(b) Deferred Tax Liabilities (Net)		3,304,080	4,692,080
		264,351,584	279,487,661
(3) CURRENT LIABILITIES			
(a) Short-Term Borrowings	2.4	42,300,038	7,076,343
(b) Trade Payables	2.5	69,325,615	129,608,000
(c) Other Current Liabilities	2.6	24,513,725	66,292,821
(d) Short-Term Provisions	2.7	14,604,140	12,089,700
		150,743,517	215,066,864
TOTAL		1,024,647,328	1,104,463,994
II ASSETS			
(1) NON-CURRENT ASSETS			
(a) Fixed Assets			
(i) Tangible Assets	2.8	643,823,724	744,249,104
(b) Non-Current Investments	2.9	114,081,078	113,866,728
(c) Long-Term Loans and Advances	2.10	39,266,155	39,306,076
		797,170,957	897,421,908
(2) CURRENT ASSETS			
(a) Inventories	2.11	35,376,166	11,982,857
(b) Trade Receivables	2.12	82,067,145	33,257,040
(c) Cash and Cash Equivalents	2.13	22,829,280	17,412,334
(d) Short-Term Loans and Advances	2.14	49,177,404	109,314,183
(e) Other Current Assets	2.15	38,026,376	35,075,672
		227,476,371	207,042,086
TOTAL		1,024,647,328	1,104,463,994
Significant Accounting Policies and Notes on Accounts	1 & 2		

As per our report of even date attached

For Surana Telecom and Power Limited

For Sekhar & Co

Chartered Accountants

Firm's Registration Number : 003695-S

G. Ganesh

Partner

Membership No: 211704

Narender Surana

Chairman

Devendra Surana

Director

Place : Secunderabad

Date : May 08, 2013

R. Lakshman Raju

Chief Financial Officer



Statement of Profit and Loss for the year ended 31st March, 2013

(Amount in ₹.)

Particulars	Note No.	For the year 31.03.2013	For the year 31.03.2012
I REVENUE FROM OPERATIONS	2.16	222,033,545	110,500,098
II OTHER INCOME	2.17	45,843,771	18,386,152
TOTAL REVENUE		267,877,316	128,886,250
III EXPENSES			
Cost of Materials Consumed	2.18	85,447,546	59,224,275
Changes in Inventories of Finished Goods, Work-in-Progress and Stock in Trade	2.19	-	6,884,291
Employee Benefit Expenses	2.20	4,426,363	3,716,032
Finance Costs	2.21	37,443,713	3,599,027
Depreciation and Amortisation Expenses	2.22	95,142,172	25,562,780
Other Expenses	2.23	29,566,614	25,161,837
TOTAL EXPENSES		252,026,408	124,148,242
IV PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX		15,850,908	4,738,008
V PRIOR PERIOD ADJUSTMENT		682,637	290,742
VI PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX		16,533,545	5,028,750
VII PROFIT BEFORE TAX		16,533,545	5,028,750
VIII TAX EXPENSE			
1. Current tax		2,700,000	-
2. Deferred tax		(1,388,000)	(1,860,000)
3. MAT Credit entitlement		-	-
IX PROFIT AFTER TAX		15,221,545	6,888,750
X Earning Per Equity Share			
(a) Basic		0.73	0.33
(b) Diluted		0.73	0.33
No. of Shares		20,804,400	20,804,400
Significant Accounting Policies and Notes on Accounts	1 & 2		

As per our report of even date attached

For Surana Telecom and Power Limited

For Sekhar & Co

Chartered Accountants

Firm's Registration Number : 003695-S

G. Ganesh

Partner

Membership No: 211704

Narender Surana

Chairman

Devendra Surana

Director

Place : Secunderabad

Date : May 08, 2013

R. Lakshman Raju

Chief Financial Officer



Cash Flow Statement for the year ended March 31, 2013

(Amount in ₹.)

Particulars	2012-13		2011-12	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before tax as per annexed profit and loss account		16,533,545		5,028,750
Adjustments for :				
Depreciation & Amortisations	95,142,172		25,562,780	
Bad Debts Written Off & Provision for Bad Debts	8,723,095		2,986,735	
Balances / Provisions no longer required written back	(1,083,640)		(1,000,015)	
(Profit)/Loss on Sale of Investments(Net)	5,674		18,403	
Profit / Loss on Sale of Assets	(4,252,095)		(4,894,260)	
Interest Expense	37,443,713		3,599,027	
Interest Income	(22,939,220)		(6,110,878)	
Dividend Income	(3,385,443)		(5,380,405)	
		109,654,256		14,781,387
Operating Profit before Working Capital Changes		126,187,801		19,810,137
Adjustments for :				
Inventories	(23,393,309)		49,567,518	
Loans and Advances	36,002,336		(26,194,315)	
Other Current Assets	(383,381)		12,199,741	
Sundry Debtors	(57,253,538)		54,009,125	
Trade Payables and other Liabilities	(109,563,600)		40,242,517	
		(154,591,492)		129,824,586
Cash generated from Operations		(28,403,691)		149,634,723
Adjustments for :				
Income Taxes (Paid) / Refund	21,360,584		3,247,338	
Prior Period adjustment	(617,567)		-	
		20,743,017		3,247,338
Net Cash from Operating Activities		(7,660,674)		152,882,061
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets & Changes in CWIP	(12,140,506)		(384,424,609)	
Sale of Fixed Assets	20,701,161		18,246,086	
Investment in of Shares & Other Investments (Net)	(220,024)		(9,187,871)	
Dividend Received	3,385,443		5,380,405	
Interest Received	20,206,014		4,036,140	
Debentures Refunded	-		29,400,000	
Net Cash (used in) / from Investing Activities		31,932,088		(336,549,849)



Cash Flow Statement for the year ended March 31, 2013

(Amount in ₹.)

Particulars	2012-13		2011-12	
C. CASH FLOW FROM FINANCING ACTIVITIES				
Increase/(Decrease) in Secured Loans	113,773,695		76,884,273	
Increase/(Decrease) in Un Secured Loans	(83,650,969)		112,497,185	
Interest Paid	(37,282,296)		(3,372,088)	
Dividend Paid	(11,694,896)		(12,139,130)	
Net Cash (used in) / from Financing Activities		(18,854,466)		173,870,240
NET CASH GENERATED / (UTILISED)		5,416,948		(9,797,548)
Reconciliation : See Note 2 & 3 below				
Opening Cash and Cash Equivalent		17,412,333		27,209,881
Closing Cash and Cash Equivalent		22,829,281		17,412,333
Net Increase/(decrease) in Cash & Cash Equivalents		5,416,948		(9,797,548)

Notes:

1 The above cash flow statement has been prepared under the 'Indirect method' as set out in Accounting Standard-3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India and Ministry of Company Affairs.

The Cash and Cash Equivalents as per the Balance Sheet	2012-2013	2011-2012	Change Over previous Year
Cash in Hand	99,800	86,653	13,147
Balances with Banks	22,729,481	17,325,681	5,403,800
Total	22,829,281	17,412,334	5,416,947

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

4 The Following items of Cash and Cash Equivalents are not available as free balances to the Company

Balances with Banks	2012-2013	2011-2012
In Dividend account	4,150,906	3,756,102
Deposit held to the extent of Margin Money	7,735,186	9,093,801
Total	11,886,092	12,849,903

5 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 08, 2013

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 & 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.

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 period's 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 `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 Institute of Chartered Accountants of India.

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 Institute of Chartered Accountants of India. 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	Sub Note	As at 31.03.2013		As at 31.03.2012
Share Capital				
a. Authorized				
3,00,00,000 (March 31, 2012 : 3,00,00,000) Equity Shares of ₹.5/- each.		-		
TOTAL		150,000,000		150,000,000
b. Issued, Subscribed and Paid-Up Capital				
2,08,04,400 (March 31, 2012 : 2,08,04,400) Equity Shares of ₹.5/- fully paid up				
TOTAL		104,022,000		104,022,000
(Of which 36,80,140 Bonus shares have been allotted in earlier years and net of 18,00,000 shares bought back during the year 2008-09)				
c. Equity Shareholder Holding Morethan 5% of Equity Shares are given below.				
Name of Shareholder	%	No of shares		No of shares
Bhagyanagar India Limited	8.92	1,856,462	8.83	1,837,262
Narender Surana	17.33	3,605,414	16.87	3,509,932
Devendra Surana	14.25	2,965,692	14.03	2,920,692

Note : 2.2	Sub Note	As at 31.03.2013	As at 31.03.2012
Reserves and Surplus			
(i) General Reserves			
Balance at Beginning of the Year		245,570,967	240,570,967
Add: Transferred from Profit & Loss Account		5,000,000	5,000,000
Balance at the year end		250,570,967	245,570,967
(ii) Captial Redemption Reserve			
Balance at Beginning of the Year		24,000,000	24,000,000
Balance at the year end		24,000,000	24,000,000
(iii) Revaluation Reserve			
Balance at Beginning of the Year		28,799,210	77,812,909
Adjusted Against Sale of Plant & Machinery/ Building		-	(10,505,286)
Adjusted Against Revaluation of Plant & Machinery		-	(33,521,059)
Adjusted Against Depreciation		(974,647)	(4,987,354)
Balance at the year end		27,824,563	28,799,210



Note : 2.2	Sub Note	As at 31.03.2013	As at 31.03.2012
(iv) Central Subsidy		3,500,000	3,500,000
(v) Surplus			
Balance of Profit and Loss account Available for Appropriation		204,017,292	214,218,242
Add: Profit During the Year		15,221,545	6,888,750
Amount Available for Appropriation		219,238,837	221,106,992
Less : Appropriations			
Proposed Equity Dividend		12,482,640	10,402,200
Tax on Proposed Equity Dividend		2,121,500	1,687,500
Transfer to General Reserve		5,000,000	5,000,000
Balance at the year end		199,634,698	204,017,292
TOTAL		505,530,228	505,887,469

Note : 2.3	Sub Note	As at 31.03.2013	As at 31.03.2012
Long-Term Borrowings			
Secured			
(a) Term Loan from Bank	2.3 (a)	198,550,000	120,000,000
Un Secured			
(a) Loan from Body Corporate		35,000,000	115,574,077
(b) Deferred Sales Tax	2.3 (b)	27,497,504	39,221,504
TOTAL		261,047,504	274,795,581

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 loan is repayable in 25 quarterly installments beginning from March 2013. Accordingly due with in a Year is ₹. 4,00,00,000/- which is classified under Short Term Borrowings.

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 ₹.1,17,24,000/- which is classified under Other Current Liabilities.

Note: 2.4	Sub Note	As at 31.03.2013	As at 31.03.2012
Short-Term Borrowings			
Secured			
(a) Term Loan from Bank		40,000,000	-
(a) Cash Credit	2.4 (a)	2,300,038	7,076,343
TOTAL		42,300,038	7,076,343



Notes: 2.4 (a)

(Amount in ₹.)

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.

Note: 2.5	Sub Note	As at 31.03.2013	As at 31.03.2012
Trade Payables			
Sundry Creditors - Others		69,325,615	2,945,772
Sundry Creditors - Capital Goods		-	126,662,228
TOTAL		69,325,615	129,608,000

Notes:

In case of Trade payables, Letters seeking confirmation of year-end balances are sent to the respective parties. Hence the Balances are subject to confirmation and reconciliation. Further, as per the information about the industrial status of the creditor there are no dues to any micro and small enterprises under the micro small and medium enterprises development act 2006.

Note: 2.6	Sub Note	As at 31.03.2013	As at 31.03.2012
Other Current Liabilities			
(a) Unclaimed Dividends		4,150,906	3,756,102
(b) Other Payables			
-Other Liabilities		1,432,660	4,313,981
-Deferred Sales tax		11,724,000	3,076,892
-Lease Deposits		4,897,395	4,124,396
- Advance from Customers		2,308,764	51,021,450
TOTAL		24,513,725	66,292,821

Note: 2.7	Sub Note	As at 31.03.2013	As at 31.03.2012
Short-Term Provisions			
(a) Proposed Dividend	2.7 (a)	12,482,640	10,402,200
(b) Tax on Dividend		2,121,500	1,687,500
TOTAL		14,604,140	12,089,700

Notes: 2.7 (a)

The Board of Directors have recommended a dividend of ₹. 0.60 per share for the year ended 31st March, 2013 (Previous Year ₹. 0.50/- per share)



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
A. Gross Block										
At 1st April, 2011	35,644,899	38,851,209	66,318,126	383,421,103	63,550,092	17,976,730	4,711,934	11,376,825	3,282,619	625,133,537
Additions	-	15,843,939	3,400,000	517,908,509	-	-	-	-	-	537,152,448
Disposals	-	-	-	(35,181,629)	-	-	(1,254,925)	-	-	(36,436,554)
At 31st March, 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	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	3,282,619	1,119,813,728
B. Depreciation										
At 1st April, 2011	-	860,065	31,540,497	285,299,897	13,430,959	10,052,753	3,811,326	4,910,171	3,052,231	352,957,899
Charge for the Year	-	800,952	3,524,790	20,313,542	3,355,445	1,102,225	190,559	1,170,464	92,155	30,550,133
Disposals	-	-	-	(939,315)	-	-	(968,388)	-	-	(1,907,703)
At 31st March, 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	475,990,003
C. Net Block (A-B)										
At 31st March, 2012	35,644,899	53,034,131	34,652,839	561,473,859	46,763,688	6,821,752	423,512	5,296,190	138,233	744,249,102
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	82,940	643,823,725



(Amount in ₹.)

Note: 2.9	Sub Note	As at 31.03.2013	As at 31.03.2012
Non-Current Investments			
(Long Term at Cost, Unless Otherwise Specified)			
A) Unquoted Investments (At Cost)			
a) In Subsidiary Companies			
50,000	(March 31, 2012: 50,000) Equity Shares of ₹.10/- each of Globecom Infotech Private Ltd Partly Paid Up @ 2/- each.	100,000	100,000
10,000	(March 31, 2012: Nil) Equity Shares of ₹.10/- each of Celestial Solar Solutions Private Limited Fully Paid Up @ 10/- each.	100,000	-
b) In Companies under the same management			
1,50,000	(March 31, 2012: 1,50,000) Equity Shares of ₹.10/- each of Bhagyanagar Securities Pvt Ltd	18,000,000	18,000,000
c) In Joint Venture Company (foreign)			
1,49,745	(March 31, 2012: NIL) Equity Shares of 100 taka each in Bangladesh Currency of Radiant Alliance Ltd.	9,212,065	9,212,065
SUB TOTAL		27,412,065	27,312,065
B) Quoted Investments (At Cost)			
a) In Companies under the Same Management			
22,90,331	(March 31, 2012: 22,80,831) Equity Shares of ₹.2/- each of Bhagyanagar India Ltd	35,201,302	35,068,207
44,10,000	(March 31, 2012: 44,10,000) Equity Shares of ₹.10/- each of Surana Ventures Ltd	44,100,000	44,100,000
SUB TOTAL		79,301,302	79,168,207
b) In Other Companies (At Cost)			
200	(March 31, 2012: 200) Equity Shares of ₹.10/- each of BOC India Ltd	45,510	45,510
50,000	(March 31, 2012: 50,000) Equity Shares of ₹.10/- each of Dolphin Medical Services Limited	600,000	600,000
300	(March 31, 2012: 300) Equity Shares of ₹.10/- each of Parry Sugar Industries Ltd (formerly GMR Industries Ltd)	25,482	25,482
1,50,000	(March 31, 2012: 1,50,000) Equity Shares of ₹.10/- each of Indosolar Limited	3,650,713	3,650,713
100	(March 31, 2012: 100) Equity Shares of ₹.10/- each of Indswift Laboratories Limited	14,700	14,700
17,315	(March 31, 2012: 17,315) Equity Shares of ₹.10/- each of Megasoft Limited	2,407,415	2,407,415
45	(March 31, 2012: 45) Equity Shares of ₹.10/- each of Mahindra Lifespace Developers Limited	23,307	23,307



(Amount in ₹.)

Note: 2.9	Sub Note	As at 31.03.2013	As at 31.03.2012
610 (March 31, 2012: 610) Equity Shares of ₹.10/- each of Mahanagar Telephone Nigam Limited		85,368	85,368
6 (March 31, 2012: 6) Equity Shares of ₹.10/- each of Prithvi Information Solutions Limited		301	301
Nil (March 31, 2012: 300) Equity Shares of ₹.10/- each of Suzlon Energy Limited		-	17,382
10,000 (March 31, 2012: 10,000) Equity Shares of ₹.10/- each of Sree Shakti Paper Mills Limited		300,000	300,000
2,107 (March 31, 2012: 2,107) Equity Shares of ₹.10/- each of Talbors Automotive Components Limited		214,915	214,915
Nil (March 31, 2012: 100) Equity Shares of ₹.10/- each of Vaibhav Gems Limited		-	1,363
SUB TOTAL		7,367,711	7,386,456
GRAND TOTAL		114,081,078	113,866,728
Aggregate Market Value of Quoted Investments		151,484,486	120,821,446

Note: 2.10	Sub Note	As at 31.03.2013	As at 31.03.2012
Long Term Loans and Advances (Unsecured, Considered Good)			
a) Loans and advances to related parties			
i) Loan to Subsidiary Companies	2.10 (a)	37,310,709	36,958,740
b) Loans and advances to Others			
i) Other Advances		-	397,692
ii) Deposits		1,955,446	1,949,644
TOTAL		39,266,155	39,306,076

Notes: 2.10 a)

Loan to Subsidiary Company Name of the Company	Balance as on 31.03.2013	Balance as on 31.03.2012
Globecom Infotech Private Limited	37,302,057	36,958,740
Celestial Solar Solutions Private Limited	8,652	-
TOTAL	37,310,709	36,958,740

Note: 2.11	Sub Note	As at 31.03.2013	As at 31.03.2012
Inventories (Valued at Lower of Cost and Net Realizable Value)			
a) Raw Materials		35,376,166	11,982,857
TOTAL		35,376,166	11,982,857



(Amount in ₹.)

Note: 2.12	Sub Note	As at 31.03.2013	As at 31.03.2012
Trade Receivables			
(Unsecured, considered good unless stated otherwise)			
(i) Aggregate amount of Trade Receivables Outstanding for a Period Less Than Six Months	2.12 (a)	77,955,035	19,450,175
(ii) Aggregate amount of Trade Receivables Outstanding for a Period Exceeding Than Six Months		4,112,111	13,806,865
TOTAL		82,067,146	33,257,040

Notes: 2.12 (a) Due from Related Parties

Name of the Company	Balance as on 31.03.2013	Balance as on 31.03.2012
Surana Ventures Limited	5,324,479	-
Surana Solar Systems Private Limited	53,482,690	-
TOTAL	58,807,169	-

2.12 (b)

In case of Trade Receivables Letters of Confirmation of year end balances are sent. Hence, the balances as on the date of Balance Sheet are subject to Confirmation and Reconciliation.

Note: 2.13	Sub Note	As at 31.03.2013	As at 31.03.2012
Cash and Cash Equivalents			
(a) Balance With Banks			
In Current Account		10,843,389	4,475,778
In Dividend Account		4,150,906	3,756,102
Deposit Held to the Extent of Margin Money		7,735,186	9,093,801
(b) Cash on Hand		99,800	86,653
TOTAL		22,829,281	17,412,334

Note: 2.14	Sub Note	As at 31.03.2013	As at 31.03.2012
Short-Term Loans and Advances			
(Unsecured, Considered Good)			
(a) Advance Tax & TDS (Net of Provisions)		8,949,329	33,009,913
(b) Taxes Paid Under Protest		32,111,144	32,396,411
(c) Advances to Suppliers		6,077,077	1,143,903
(d) Other Advances		300,594	40,465,354
(e) Deposits			
- E.M.D		-	656,612
- Other Deposit		1,739,260	1,641,990
TOTAL		49,177,404	109,314,183



(Amount in ₹.)

Note: 2.15	Sub Note	As at 31.03.2013	As at 31.03.2012
Other Current Assets			
(Secured, considered good unless otherwise stated)			
(a) Loans Against Pledge of Securities			
Secured, Considered Good		19,958,212	17,390,889
Net Receivable			
(b) Balances with Statutory Authorities		18,068,164	17,684,783
TOTAL		38,026,376	35,075,672

Notes to Profit & Loss Account

(Amount in ₹.)

Note: 2.16	Sub Note	For the year 31.03.2013	For the year 31.03.2012
Revenue from Operations			
(a) Sale of products			
Solar Power		116,565,294	11,454,345
Wind Power		7,036,321	6,534,580
Verified Emmission Reduction		-	4,154,976
Electric Power Cable / Components		15,159,699	59,247,355
Jelly Filled Telephone Cables		-	4,425,253
Optical Fibre/ Cables		-	2,335,169
Scrap & Misc		176,681	16,831,731
Traded Goods/ Solar Modules		76,178,264	1,327,995
Sub Total		215,116,259	106,311,404
Less: Inter Unit Sales		-	-
Gross Sales		215,116,259	106,311,404
Less: Excise Duty		2,103,624	7,029,367
Net Sales		213,012,635	99,282,037
(b) Infrastcture Leasing		9,020,910	11,218,061
TOTAL		222,033,545	110,500,098



(Amount in ₹.)

Note: 2.17	Sub Note	For the year 31.03.2013	For the year 31.03.2012
Other Income			
(a) Interest Income			
Interest on Loans, Deposits and Others (See Note)	2.17 (a)	22,939,220	6,110,878
(b) Dividend Income		3,385,443	5,380,405
(c) Profit on Sale of Sundry Assets		4,252,095	4,894,260
(d) Other Non-Operating Income			
Miscellaneous Income		71,356	126,311
Balances no Longer Payable Written Back		1,083,640	1,000,015
Gain on Foreign Exchange Fluctuation		1,769,657	-
Balances Written off in Earlier Years Received Back		12,342,360	874,283
TOTAL		45,843,771	18,386,152

Notes: 2.17 (a)

Interest Income includes interest of ₹.1,20,59,977/- received from Info Tech Cororation of Goa Ltd. on account of abolition of Lease Deed

Note: 2.18	Sub Note	For the year 31.03.2013	For the year 31.03.2012
Cost of Raw Material/ Traded Goods			
Opening Stock - Raw Materials		11,982,857	54,666,084
Purchases - Raw Material including incidental of charges (Net of Modvat)		108,840,855	12,856,188
Less: Closing Stock- Raw Materials		35,376,166	11,982,857
Less: Inter-Unit Purchases		-	-
Raw Material Consumed		85,447,546	55,539,415
Purchases - Traded Goods (Net of Modvat)		-	3,684,860
Cost of Traded Goods		-	3,684,860
TOTAL		85,447,546	59,224,275

Note: 2.19	Sub Note	For the year 31.03.2013	For the year 31.03.2012
Changes in Inventories			
Opening Stock WIP		-	1,510,964
Opening Stock Finished Goods		-	5,373,327
Less: Closing Stock WIP		-	-
Less: Closing Stock Finished Goods		-	-
Increase/(Decrease) in Stock		-	6,884,291



(Amount in ₹.)

Note: 2.20	Sub Note	For the year 31.03.2013	For the year 31.03.2012
Employee Benefits Expense			
Salaries, Wages and Other Benefits		4,383,910	3,424,313
Contribution to Provident and Other Funds		42,453	291,719
TOTAL		4,426,363	3,716,032

Note: 2.21	Sub Note	For the year 31.03.2013	For the year 31.03.2012
Finance Costs			
Interest Expense			
On Cash Credit & Others		6,700,036	786,812
On Term Loan		28,650,695	139,189
Financial Charges		2,092,982	2,673,026
TOTAL		37,443,713	3,599,027

Note: 2.22	Sub Note	For the year 31.03.2013	For the year 31.03.2012
Depreciation and Amortisation Expenses			
Depreciation		93,887,782	24,761,828
Amortisation Expenses - Lease Premium/ Rent		1,254,389	800,952
TOTAL		95,142,172	25,562,780

Note: 2.23	Sub Note	For the year 31.03.2013	For the year 31.03.2012
Other Expenses			
Consumption of Stores and Spare Parts		960,173	323,149
Processing & Conversion Charges		170,961	5,128,657
Travelling & Conveyance		1,955,045	1,240,055
Advertisement & Business Promotion		1,010,353	121,744
Directors Remuneration		176,000	600,000
Director's Sitting Fees		87,000	90,000
Power and Fuel		4,813,141	3,403,015
Professional & Consultancy Charges		720,882	929,439
Repairs			
Buildings		54,027	392,023
Machinery		3,037,798	416,341
Others		76,325	117,906
Insurance		663,860	532,869
Rates and Taxes		708,962	449,742
Packing & Forwarding		254,730	1,462,945
Loss on Foreign Exchange Fluctuation		-	348,363
Loss on Sale of Investments		5,674	18,403



(Amount in ₹.)

Note: 2.23	Sub Note	For the year 31.03.2013	For the year 31.03.2012
Taxes Paid			
Service Tax		12,478	111,725
Sales Tax		2,469,788	3,206,506
Sundry Balances Written Off		8,723,095	2,986,735
Miscellaneous Expenses		3,582,052	3,226,040
Payments to the Auditor			
for Statutory Audit		56,180	33,708
for Tax Audit		28,090	22,472
TOTAL		29,566,614	25,161,837

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

Note: 2.24	As at 31.03.2013	As at 31.03.2012
Commitments and Contingent Liabilities		
i Commitments/ Contingent Liabilities		
a Unexpired Letters of Credit	10,759,228	5,290,487
b Counter Guarantees given to the Bankers	17,883,088	32,676,633
ii Claims against the company not acknowledged as debts in respect of		
a Excise Matters, under Dispute	17,021,462	17,317,656
b Sales Tax Matters, under Dispute	1,234,042	1,195,331

Note: 2.25 Earnings Per Share (EPS)		
Particulars	for the year ended 31.03.2013 Basic and diluted	for the year ended 31.03.2012 Basic and diluted
Net Profit After Tax	15,221,545	6,888,750
Net Profit available for Equity Share-Holders	15,221,545	6,888,750
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	0.73	0.33

Note: 2.26	As at 31.03.2013	As at 31.03.2012
Deferred Tax Liability		
Deferred Tax adjustments recognised in the Financial Statements are as under		
Deferred Tax Liability as at the beginning of the year	4,692,080	6,552,080
Liability / (Asset) arising during the year	(1,388,000)	(1,860,000)
Deferred Tax Liability as at the end of the year	3,304,080	4,692,080

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



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

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 India Limited	18	Innova Technologies Private Limited
2	Bhagyanagar Metals Limited	19	Majestic Logistics Private Limited
3	Bhagyanagar Properties Private Limited	20	Solar Dynamics Private Limited
4	Metropolitan Venuters India Limited	21	Bhagyanagar Capital Private Limited
5	Scientia Infocom India Private Limited	22	Bhagyanagar Foods & Beverages Private Limited
6	Bhagyanagar Infrastructure Limited	23	Bhagyanagar Energy & Telecom Private Limited
7	Green Energy Systems Private Limited	24	Bhagyanagar Entertainment Ltted
8	GMS Realtors Private Limited	25	Bhagyanagar Ventures Private Limited
9	Surana Infocom Private Limited	26	Surana Ventures Limited
10	AP Golden Apparels Private Limited	27	Everytime foods Industries Private Limited
11	Blossom Residency Private Limited	28	Royal skyscrapers India Private Limited
12	Epicentre Entertainment Private Limited	29	Surana Boichemicals Private Limited
13	Innova Biotech India Private Limited	30	Sitetonic websolutions Private Limited
14	Innova Infrastructure Private Limited	31	Stealth Energy Private Limited
15	Shresht Energy Private Limited	32	Value Infrastructure & Properties Private Limited
16	Tranquil Avenues India Private Limited	33	Andhra Electro Galvanising works
17	Bhagyanagar Entertainment and Infra development Co Private Limited	34	Surana Solar Systems Private Limited

b Subsidiary Company

Globecom Infotech Private Limited
Celestial Solar Solutions Private Limited

d Key Managerial Personnel

Narender Surana
Devendra Surana

c Joint Venture Company

Radiant Alliance Limited

(Amount in ₹.)

e	The following is the summary of Related Party Transactions	for the year ended 31.03.2013	for the year ended 31.03.2012
i	Sale of Goods	82,005,910	23,909,813
ii	Purchase of Goods	3,585,278	78,803,090
iii	Jobwork (Purchases)	-	105,236,000
iv	Interest Paid	873,495	3,222,009
v	Interest Received	1,083,921	-
vi	Dividend Income	3,121,133	5,322,333
vii	Loans/ advances taken	18,175,593	196,127,764
vii	Loans/ advances given	59,512,192	-
viii	Loans Repaid	155,599,371	121,334,070



The following are the significant related parties

(Amount in ₹.)

Particulars	for the year ended 31.03.2013	for the year ended 31.03.2012
i Sales to		
Bhagyanagar India Limited	-	4,176,594
Surana Ventures Limited	27,735,720	19,733,219
Surana Solar Systems Private Limited	53,482,690	-
Bhagyanagar Ventures Private Limited	787,500	-
Total	82,005,910	23,909,813
ii Purchases from		
Bhagyanagar India Ltd	-	5,769,530
Surana Ventures Ltd	3,585,278	70,544,020
Total	3,585,278	76,313,550
iii Jobwork (Purchases)		
Surana Ventures Ltd	-	105,236,000
Total	-	105,236,000
iv Interest Paid		
Bhagyanagar India Ltd	873,495	3,222,009
Total	873,495	3,222,009
v Interest Received		
Surana Ventures Ltd	1,083,921	-
Total	1,083,921	-
vi Loans/ Advances Taken		
Bhagyanagar India Ltd	18,175,593	196,127,764
Total	18,175,593	196,127,764
vii Loans/ Advances Given		
Surana Ventures Ltd	59,512,192	-
Total	59,512,192	-
viii Loans/ Advances Repaid		
Bhagyanagar India Ltd	96,087,179	124,334,070
Surana Ventures Ltd	59,512,192	-
Total	155,599,371	124,334,070
The company has the following amounts due to/ from related parties		
i Due to Related Parties	As at 31.03.2013	As at 31.03.2012
Bhagyanagar India Ltd	-	80,574,077
	-	80,574,077



(Amount in ₹.)

The following are the significant related parties

Particulars	for the year ended 31.03.2013	for the year ended 31.03.2012
ii Due from Related Parties	As at 31.03.2013	As at 31.03.2012
Surana Ventures Limited	5,324,479	-
Celestial Solar Solutions Private Limited	8,652	-
Globecom Infotech Private Limited	37,302,057	-
Total	42,635,188	-

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	
		31.03.2013	31.03.2012	31.03.2013	31.03.2012
A.	Subsidiaries				
	Globecom Infotech Private Limited	37,302,057	36,958,740	37,302,057	36,958,740
	Celestial Solar Solutions Private Limited	8,652	NIL	8,652	NIL
B.	Advances in the nature of Loans where interest is below section 372A of Companies Act,1956	NIL	NIL	NIL	NIL
C.	Advances in the nature of Loans to Firms / Companies in which directors are interested	NIL	NIL	NIL	NIL

Note: 2.29 Raw Material Consumed during the year

	for the year ended 31.03.2013	for the year ended 31.03.2012
Raw Material		
i Copper	-	9,801,207
ii Polythene Granules	-	6,351,055
iii G S Tape	-	3,954,808
iv Alluminium Scrap	11,181,057	32,487,119
v Solar related Products	67,293,754	-
vi Others including incidental charges	6,972,735	2,945,226
Total	85,447,546	55,539,415

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



(Amount in ₹.)

Note: 2.30 Detailed of Imported and indigenous raw materials, spares and packing materials consumed				
Particulars	for the year ended 31.03.2013		for the year ended 31.03.2012	
		% of total		% of total
	Value	Consumption	Value	Consumption
Raw materials				
Imported	78,224,270	91.55	32,487,119	58.49
Indigenous	7,223,276	8.45	23,052,296	41.51
Total	85,447,546	100.00	55,539,415	100.00

Note: 2.31 CIF Value of imports		for the year ended 31.03.2013	for the year ended 31.03.2012
Particulars			
Raw Material		100,356,553	13,577,070
Total		100,356,553	13,577,070

Note: 2.32 Expenditure in foreign Currency		for the year ended 31.03.2013	for the year ended 31.03.2012
Particulars			
Travelling		651,315	-
Total		651,315	-

Note: 2.33 Earnings in foreign Currency		
Particulars	for the year ended 31.03.2013	for the year ended 31.03.2012
Exports on FOB basis	-	4,154,976
Total	-	4,154,976

Note: 2.34 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.



(Amount in ₹.)

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

a	Expenses recognised in the Profit & Loss Account	
	Particulars	Gratuity
	Current Service Cost	29,535
	Interest Cost	4,435
	Expected Return on Planned Assets	(8,238)
	Net Actuarial (Gain) / Loss recognised in the year	(44,361)
	Expenses recognised in Statement of Profit and loss	(18,629)
b	Change in Present value of obligation during the year ended 31st March, 2013	
	Particulars	Gratuity
	Present Value of obligation as at beginning of the year	55,441
	Interest cost	4,435
	Current service cost	29,535
	Benefits Paid-Actuals	-
	Actuarial (gain) /loss	(44,361)
	Present Value of obligation as at end of the year	45,050
c	Change in fair value of Plan Assets during the year ended 31st March, 2013	
	Particulars	Gratuity
	Fair value of Plan Assets as at the beginning of the year	91,538
	Expected return on Plan Assets	8,238
	Contributions	-
	Benefits Paid	-
		Fair value of Plan Assets as at the end of the year
d	Actuarial Gain/ loss recognized	
	Particulars	Gratuity
	Actuarial (gain) / loss for the year -Obligation	44,361
	Actuarial (gain) / loss for the year -Plan Assets	-
	Total (gain)/ Loss for the Year	(44,361)
	Actuarial (gain) / loss recognized in the year	(44,361)



Note: 2.35

Segment Information

(Amount in ₹.)

The company is in the business of manufacture and sale of solar products and Generation of wind Electricity. Considering the core activities of the company, management is of the view that there is no secondary segment

Particulars	for the year ended 31.03.2013	for the year ended 31.03.2012
Segment Revenue (Net of Excise duty)		
a Power (Solar)	116,565,294	11,454,345
b Power (Wind)	7,036,321	10,689,556
c Others	98,431,930	88,356,197
Net Sales/ Income from operations	222,033,545	110,500,098
Segmental Results (Profit before Tax & Interest)		
a Power (Solar)	29,576,859	4,745,453
b Power (Wind)	3,415,758	3,130,567
c Others	15,518,012	(4,849,946)
Total	48,510,629	3,026,074
Particulars	for the year ended 31.03.2013	for the year ended 31.03.2012
Less: Interest	37,443,713	3,599,027
Unallocable Expenditure	(5,466,629)	(5,601,703)
Net of unallocable Income		
Total Profit before tax	16,533,545	5,028,750
Capital employed		
a Power (Solar)	480,229,778	428,622,979
b Power (Wind)	43,813,965	48,802,879
c Others	202,370,545	180,817,409
d Unallocated	147,489,522	157,656,205
Total	873,903,811	815,899,472

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 08, 2013

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") and its subsidiaries, which comprise the consolidated Balance Sheet as at March 31, 2013, and 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 Company in accordance with 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 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 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company'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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by 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 for 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 Company as at March 31, 2013;
- (b) in the case of the consolidated Profit and Loss Account, of the profit for the year ended on that date; and
- (c) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

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

Place : Secunderabad
Date : 08th May 2013

G.Ganesh
(Partner)
Membership No : 211704



Consolidated Balance Sheet As At 31st March, 2013

(Amount in ₹.)

Particulars	Note No.	As at 31.03.2013	As at 1.03.2012
I EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2.1	104,022,000	104,022,000
(b) Reserves and Surplus	2.2	505,271,372	505,747,608
		609,293,372	609,769,608
(2) NON-CURRENT LIABILITIES			
(a) Long-Term Borrowings	2.3	261,047,504	274,795,581
(b) Deferred Tax Liabilities (Net)		3,304,080	4,692,080
		264,351,583	279,487,661
(3) Current Liabilities			
(a) Short-Term Borrowings	2.4	42,300,038	7,076,343
(b) Trade Payables	2.5	69,335,615	129,608,000
(c) Other Current Liabilities	2.6	24,522,103	66,298,388
(d) Short-Term Provisions	2.7	14,604,140	12,089,700
		150,761,896	215,072,431
TOTAL		1,024,406,851	1,104,329,700
II ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	2.8	680,696,824	744,249,104
(ii) Capital Work-in-Progress		246,701	36,842,000
(b) Non-Current Investments	2.9	113,881,078	113,766,728
(c) Long-Term Loans and Advances	2.10	1,955,446	2,347,336
		796,780,049	897,205,168
(2) Current Assets			
(a) Inventories	2.11	35,376,166	11,982,857
(b) Trade Receivables	2.12	82,067,146	33,257,040
(c) Cash and Cash Equivalents	2.13	22,944,129	17,423,618
(d) Short-Term Loans and Advances	2.14	49,177,404	109,314,181
(e) Other Current Assets	2.15	38,061,958	35,146,836
		227,626,802	207,124,532
TOTAL		1,024,406,851	1,104,329,700
Significant Accounting Policies and Notes on Accounts	1 & 2		

As per our report of even date attached

For Surana Telecom and Power Limited

For Sekhar & Co

Chartered Accountants

Firm's Registration Number : 003695-S

G. Ganesh

Partner

Membership No: 211704

Narender Surana

Chairman

Devendra Surana

Director

Place : Secunderabad

Date : May 08, 2013

R. Lakshman Raju

Chief Financial Officer



Statement Of Consolidated Profit And Loss For The Year Ended 31st March, 2013

(Amount in ₹.)

Particulars	Note No.	For the year 31.03.2013	For the year 31.03.2012
I REVENUE FROM OPERATIONS	2.16	222,033,545	110,500,098
II OTHER INCOME	2.17	45,843,771	18,386,152
TOTAL REVENUE		267,877,316	128,886,250
III EXPENSES			
Cost of Materials Consumed	2.18	85,447,546	59,224,275
Changes in Inventories of Finished Goods, Work-in-Progress and Stock in Trade	2.19	-	6,884,291
Employee Benefit Expenses	2.20	4,602,363	3,716,032
Finance Costs	2.21	37,444,285	3,599,512
Depreciation and Amortisation Expenses	2.22	95,142,172	25,562,780
Other Expenses	2.23	29,509,038	25,216,943
TOTAL EXPENSES		252,145,404	124,203,833
IV PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY			
ITEMS AND TAX		15,731,912	4,682,417
V PRIOR PERIOD ADJUSTMENT		682,637	290,742
VI PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX		16,414,549	4,973,159
VII PROFIT BEFORE TAX		16,414,549	4,973,159
VIII TAX EXPENSE			
1. Current tax		2,700,000	-
2. Deferred tax		(1,388,000)	(1,860,000)
3. MAT Credit entitlement		-	-
IX PROFIT AFTER TAX		15,102,549	6,833,159
X Earning Per Equity Share			
(a) Basic		0.73	0.33
(b) Diluted		0.73	0.33
No. of Shares		20,804,400	20,804,400
Significant Accounting Policies and Notes on Accounts			

As per our report of even date attached

For Surana Telecom and Power Limited

For Sekhar & Co

Chartered Accountants

Firm's Registration Number : 003695-S

G. Ganesh

Partner

Membership No: 211704

Narender Surana

Chairman

Devendra Surana

Director

Place : Secunderabad

Date : May 08, 2013

R. Lakshman Raju

Chief Financial Officer



Consolidated Cash Flow Statement For The Year Ended 31st March, 2013

(Amount in ₹.)

PARTICULARS	2012-13		2011-12	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before tax as per annexed profit and loss account		16,414,549		4,973,159
Adjustments for :				
Depreciation & Amortisations	95,142,172		25,562,780	
Preliminary Expenses	35,582		35,582	
Bad Debts Written Off & Provision for Bad Debts	8,723,095		2,986,735	
Balances / Provisions no longer required written back	(1,083,640)		(1,000,015)	
(Profit)/Loss on Sale of Investments(Net)	5,674		18,403	
Profit / Loss on Sale of Assets	(4,252,095)		(4,894,260)	
Interest Expense	37,444,285		3,599,027	
Interest Income	(22,939,220)		(6,110,878)	
Dividend Income	(3,385,443)		(5,380,405)	
		109,690,410		14,816,969
Operating Profit before Working Capital Changes		126,104,959		19,790,128
Adjustments for :				
Inventories	(23,393,309)		49,567,518	
Loans and Advances	36,354,305		(26,170,314)	
Other Current Assets	(383,381)		12,199,741	
Sundry Debtors	(57,253,538)		54,009,125	
Trade Payables and other Liabilities	(109,550,789)		40,245,326	
		(154,226,712)		129,851,396
Cash generated from Operations		(28,121,753)		149,641,524
Adjustments for :				
Income Taxes (Paid) / refund	21,360,584		3,247,338	
Prior Period adjustment	(617,569)		-	
		20,743,015		3,247,338
Net Cash from Operating Activities		(7,378,738)		152,888,862
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets & Changes in CWIP	(12,418,307)		(384,424,609)	
Sale of Fixed Assets	20,701,161		18,246,086	
Investment in of Shares & Other Investments (Net)	(120,024)		(9,187,871)	
Dividend Received	3,385,443		5,380,405	
Interest Received	20,206,014		4,036,140	
Debentures Refunded	-		29,400,000	
Net Cash (used in) / from Investing Activities		31,754,287		(336,549,849)



Consolidated Cash Flow Statement For The Year Ended 31st March, 2013

(Amount in ₹.)

PARTICULARS	2012-13		2011-12	
C. CASH FLOW FROM FINANCING ACTIVITIES				
Increase/(Decrease) in Secured Loans	113,773,695		76,884,273	
Increase/(Decrease) in Un Secured Loans	(83,650,969)		112,487,185	
Interest Paid	(37,282,868)		(3,372,088)	
Dividend Paid	(11,694,896)		(12,139,130)	
Net Cash (used in) / from Financing Activities		(18,855,038)		173,860,240
NET CASH GENERATED / (UTILISED)		5,520,511		(9,800,747)
Reconciliation : See Note 2 & 3 below				
Opening Cash and Cash Equivalent		17,423,618		27,224,365
Closing Cash and Cash Equivalent		22,944,129		17,423,618
Net Increase/(decrease) in Cash & Cash Equivalents		5,520,511		(9,800,747)

Notes:

- The above cash flow statement has been prepared under the 'Indirect method' as set out in Accounting Standard-3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India and Ministry of Company Affairs.

2 The Cash and Cash Equivalents as per the Balance Sheet	2012-2013	2011-2012	Change Over previous Year
Cash in Hand	99,800	86,653	13,147
Balances with Banks	22,844,329	17,325,681	5,518,648
Total	22,944,129	17,412,334	5,531,795
3 Previous Figures are regrouped wherever required to make them comparable with current year			
4 The Following items of Cash and Cash Equivalents are not available as free balances to the Company			
Balances with Banks		2012-2013	2011-2012
In Dividend account		4,150,906	3,756,102
Deposit held to the extent of Margin Money		7,735,186	9,093,801
Total		11,886,092	12,849,903
5 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 08, 2013

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 ICAI.
- 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 ICAI.
- 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”
- 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	Sub Note	As at 31.03.2013	As at 31.03.2012
Share Capital			
a. Authorized			
3,00,00,000 (March 31, 2012 : 3,00,00,000) Equity Shares of ₹. 5/- each.			
TOTAL		150,00,000	150,00,000
b. Issued, Subscribed and Paid-Up Capital			
2,08,04,400 (March 31, 2012 : 2,08,04,400) Equity Shares of ₹. 5/- fully paid up			
TOTAL		104,222,000	104,222,000
(Of which 36,80,140 Bonus shares have been allotted in earlier years and net of 18,00,000 shares bought back during the year 2008-09)			
c. Buyback of Shares in Past Five Years : 2008-09		1,800,000	1,800,000
d. Equity Shareholder Holding More than 5% of Equity Shares are given below.			
Name of Shareholder	%	No of shares	No of shares
Bhagyanagar India Limited	8.92	1,856,462	1,837,262
Narender Surana	17.33	3,605,414	3,509,932
Devendra Surana	14.25	2,965,692	2,920,692

Note : 2.2	Sub Note	As at 31.03.2013	As at 31.03.2012
Reserves and Surplus			
Reserves and Surplus			
(i) General Reserves			
Balance at Beginning of the Year		245,570,967	240,570,967
Add: Transferred from Profit & Loss Account		5,000,000	5,000,000
Balance at the year end		250,570,967	245,570,967
(ii) Capital Redemption Reserve			
Balance at Beginning of the Year		24,000,000	24,000,000
Balance at the year end		24,000,000	24,000,000
(iii) Revaluation Reserve			
Balance at Beginning of the Year		28,799,209	77,812,909
Adjusted Against Sale of Plant & Machinery/ Building		-	(10,505,286)
Adjusted Against Revaluation of Plant & Machinery		-	(33,521,059)
Adjusted Against Depreciation		(974,647)	(4,987,354)
Balance at the year end		27,824,562	28,799,210
(iv) Central Subsidy		3,500,000	3,500,000



(Amount in ₹.)

Note : 2.2	Sub Note	As at 31.03.2013	As at 31.03.2012
(v) Surplus			
Balance of Profit and Loss account Available for Appropriation		203,877,433	214,133,973
Add: Profit During the Year		15,102,549	6,833,158
Amount Available for Appropriation		218,979,982	220,967,131
Less : Appropriations			
Proposed Equity Dividend		12,482,640	10,402,200
Tax on Proposed Equity Dividend		2,121,500	1,687,500
Transfer to General Reserve		5,000,000	5,000,000
Balance at the year end		199,375,843	203,877,431
TOTAL		505,271,372	505,747,608

Note : 2.3	Sub Note	As at 31.03.2013	As at 31.03.2012
Long-Term Borrowings			
Secured			
(a) Term Loan from Bank	2.3 (a)	198,550,000	120,000,000
Un Secured			
(a) Loan from Body Corporate		35,000,000	115,574,077
(b) Deferred Sales Tax	2.3 (b)	27,497,504	39,221,504
TOTAL		261,047,504	274,795,581

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 loan is repayable in 25 quarterly installments beginning from March 2013. Accordingly due with in a Year is ₹. 4,00,00,000/- which is classified under Short Term Borrowings.

Notes: 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 ₹.1,17,24,000/- which is classified under Other Current Liabilities.

Note: 2.4	Sub Note	As at 31.03.2013	As at 31.03.2012
Short-Term Borrowings			
Secured			
(a) Term Loan from Bank		40,000,000	
(a) Cash Credit	2.4 (a)	2,300,038	7,076,343
TOTAL		42,300,038	7,076,343



Notes: 2.4 (a)

(Amount in ₹.)

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	Sub Note	As at 31.03.2013	As at 31.03.2012
Trade Payables			
Sundry Creditors - Others		69,335,615	2,945,772
Sundry Creditors - Capital Goods		-	126,662,228
TOTAL		69,335,615	129,608,000

Notes:

In case of Trade payables, Letters seeking confirmation of year-end balances are sent to the respective parties. Hence the Balances are subject to confirmation and reconciliation. Further, as per the information about the industrial status of the creditor there are no dues to any micro and small enterprises under the micro small and medium enterprises development act 2006.

Note: 2.6	Sub Note	As at 31.03.2013	As at 31.03.2012
Other Current Liabilities			
(a) Unclaimed Dividends		4,150,906	3,756,102
(b) Other Payables		-	
-Other Liabilities		1,441,038	4,319,548
-Deferred Sales tax		11,724,000	3,076,892
-Lease Deposits		4,897,395	4,124,396
- Advance from Customers		2,308,764	51,021,450
TOTAL		24,522,103	66,298,388

Notes: 2.6 (a)

Section 205 of the Companies Act, 1956 mandates that companies transfer dividend that has been unclaimed for a period of seven years from unpaid dividend account to the Investor Education and Protection Fund (IEPF). Accordingly, dividend pertaining to the year 2004-05 of ₹.6,15,956/- has been transferred to IEPF.

Note: 2.7	Sub Note	As at 31.03.2013	As at 31.03.2012
Short-Term Provisions			
(a) Proposed Dividend		12,482,640	10,402,200
(b) Tax on Dividend		2,121,500	1,687,500
TOTAL		14,604,140	12,089,700

Notes: 2.7 (a)

The Board of Directors have recommended a dividend of ₹. 0.60 per share for the year ended 31st March, 2013 (Previous Year ₹. 0.50/- per share)



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
A. Gross Block										
At 1st April, 2011	35,644,899	38,851,209	66,318,126	383,421,103	63,550,092	17,976,730	4,711,934	11,376,825	3,282,619	625,133,537
Additions	-	15,843,939	3,400,000	517,908,509	-	-	-	-	-	537,152,448
Disposals	-	-	-	(35,181,629)	-	-	(1,254,925)	-	-	(36,436,554)
At 31st March, 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)
At 31st March, 2013	72,871,149	36,747,198	75,517,252	868,269,032	63,550,092	19,037,115	6,020,186	11,392,185	3,282,619	1,156,686,828
B. Depreciation										
At 1st April, 2011	-	860,065	31,540,497	285,299,897	13,430,959	10,052,753	3,811,326	4,910,171	3,052,231	352,957,899
Charge for the Year	-	800,952	3,524,790	20,313,542	3,355,445	1,102,225	190,559	1,170,464	92,155	30,550,133
Disposals	-	-	-	(939,315)	-	-	(968,388)	-	-	(1,907,703)
At 31st March, 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	475,990,003
C. Net Block (A-B)										
At 31st March, 2012	35,644,899	53,034,131	34,652,839	561,473,859	46,763,688	6,821,752	423,512	5,296,190	138,233	744,249,102
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



(Amount in ₹.)

Note: 2.9	Sub Note	As at 31.03.2013	As at 31.03.2012
Non-Current Investments			
(Long Term at Cost, Unless Otherwise Specified)			
A) Unquoted Investments (At Cost)			
a) In Companies under the same management			
1,50,000	(March 31, 2012: 1,50,000) Equity Shares of ₹.10/-each of Bhagyanagar Securities Pvt Ltd	18,000,000	18,000,000
b) In Joint Venture Company (foreign)			
1,49,745	(March 31, 2012: 1,49,745) Equity Shares of 100 taka each in Bangladesh Currency of Radiant Alliance Ltd.	9,212,065	9,212,065
15,000	(March 31, 2012: 15,000) Equity Shares of ₹.10 each fully Paid Up of Yellow Renewable Energy Pvt. Ltd.		
SUB TOTAL		27,212,065	27,212,065
B) Quoted Investments (At Cost)			
a) In Companies under the Same Management			
22,90,331	(March 31, 2012: 22,80,831) Equity Shares of ₹.2/- each of Bhagyanagar India Ltd	35,201,302	35,068,207
44,10,000	(March 31, 2012: 44,10,000) Equity Shares of ₹.10/- each of Surana Ventures Ltd	44,100,000	44,100,000
SUB TOTAL		79,301,302	79,168,207
b) In Other Companies (At Cost)			
200	(March 31, 2012: 200) Equity Shares of ₹.10/- each of BOC India Ltd	45,510	45,510
50,000	(March 31, 2012: 50,000) Equity Shares of ₹.10/- each of Dolphin Medical Services Limited	600,000	600,000
300	(March 31, 2012: 300) Equity Shares of ₹. 10/- each of Parry Sugar Industries Ltd (formerly GMR Industries Ltd)	25,482	25,482
1,50,000	(March 31, 2012: 1,50,000) Equity Shares of ₹. 10/- each of Indosolar Limited	3,650,713	3,650,713
100	(March 31, 2012: 100) Equity Shares of ₹. 10/- each of Indswift Laboratories Limited	14,700	14,700
17,315	(March 31, 2012: 17,315) Equity Shares of ₹. 10/- each of Megasoft Limited	2,407,415	2,407,415
45	(March 31, 2012: 45) Equity Shares of ₹. 10/- each of Mahindra Lifespace Developers Limited	23,307	23,307
610	(March 31, 2012: 610) Equity Shares of ₹. 10/- each of Mahanagar Telephone Nigam Limited	85,368	85,368
6	(March 31, 2012: 6) Equity Shares of ₹. 10/- each of Prithvi Information Solutions Limited	301	301



(Amount in ₹.)

Note: 2.9	Sub Note	As at 31.03.2013	As at 31.03.2012
Nil (March 31, 2012: 300) Equity Shares of ₹. 10/- each of Suzlon Energy Limited		-	17,382
10,000 (March 31, 2012: 10,000) Equity Shares of ₹. 10/- each of Sree Shakti Paper Mills Limited		300,000	300,000
2,107 (March 31, 2012: 2,107) Equity Shares of ₹. 10/- each of Talbors Automotive Components Limited		214,915	214,915
Nil (March 31, 2012: 100) Equity Shares of ₹. 10/- each of Vaibhav Gems Limited		-	1,363
SUB TOTAL		7,367,711	7,386,456
GRAND TOTAL		113,881,078	113,766,728
Aggregate Market Value of Quoted Investments		151,484,486	120,821,446

Note: 2.10	Sub Note	As at 31.03.2013	As at 31.03.2012
Long Term Loans and Advances (Unsecured, Considered Good)			
a) Loans and advances to Others			
i) Other Advances		-	397,692
ii) Deposits		1,955,446	1,949,644
TOTAL		1,955,446	2,347,336

Note: 2.11	Sub Note	As at 31.03.2013	As at 31.03.2012
Inventories (Valued at Lower of Cost and Net Realizable Value)			
a) Raw Materials		35,376,166	11,982,857
TOTAL		35,376,166	11,982,857

Note: 2.12	Sub Note	As at 31.03.2013	As at 31.03.2012
Trade Receivables (Unsecured, considered good unless stated otherwise)			
(i) Aggregate amount of Trade Receivables Outstanding for a Period Less Than Six Months		77,955,035	19,450,175
(ii) Aggregate amount of Trade Receivables Outstanding for a Period Exceeding Than Six Months		4,112,111	13,806,865
TOTAL		82,067,146	33,257,040



(Amount in ₹.)

Notes: 2.12 (a) Due from Related Parties

Name of the Company	Sub Note	Balance as on 31.03.2013	Balance as on 31.03.2012
Surana Ventures Limited		5,324,479	-
Surana Solar Systems Private Limited		53,482,690	
Total		58,807,169	-

Notes: 2.12 (b)

In case of Trade Receivables Letters of Confirmation of year end balances are sent. Hence, the balances as on the date of Balance Sheet are subject to Confirmation and Reconciliation.

Note: 2.13	Sub Note	As at 31.03.2013	As at 31.03.2012
Cash and Cash Equivalents			
(a) Balance With Banks			
In Current Account		10,958,237	4,475,778
In Dividend Account		4,150,906	3,756,102
Deposit Held to the Extent of Margin Money		7,735,186	9,093,801
(b) Cash on Hand		99,800	97,937
TOTAL		22,944,129	17,423,618

Notes: 2.13 (a)

Section 205 of the companies Act, 1956 mandates that companies transfer dividend that has been unclaimed for a period of seven years from unpaid dividend account to the Investor Education and Protection Fund (IEPF). Accordingly, dividend pertaining to the year 2004-05 of ₹. 6,15,956/- has been transferred to IEPF.

Note: 2.14	Sub Note	As at 31.03.2013	As at 31.03.2012
Short-Term Loans and Advances			
(Unsecured, Considered Good)			
(a) Advance Tax & TDS (Net of Provisions)		8,949,329	33,009,913
(b) Taxes Paid Under Protest		32,111,144	32,396,411
(c) Advances to Suppliers		6,077,077	1,143,903
(d) Other Advances		300,594	40,465,354
(e) Deposits			
- E.M.D		-	656,612
- Other Deposit		1,739,260	1,641,990
(f) Capital Advances			-
(g) Share Application Money (Paid)			-
TOTAL		49,177,404	109,314,183



(Amount in ₹.)

Note: 2.15	Sub Note	As at 31.03.2013	As at 31.03.2012
Other Current Assets			
(Secured, considered good unless otherwise stated)			
(a) Loans Against Pledge of Securities			
Secured, Considered Good		19,958,212	17,390,889
Net Receivable			
(b) Balances with Statutory Authorities		18,068,164	17,684,783
(c) Preliminary Expenses to the extent not written off			
Opening Balance		71,164	106,746
Less: written off during the year		35,582	35,582
Closing Balance		35,582	71,164
TOTAL		38,061,958	35,146,836



Notes to Consolidated Profit & Loss Account

(Amount in ₹.)

Note: 2.16	Sub Note	For the year 31.03.2013	For the year 31.03.2012
Revenue from Operations			
(a) Sale of products			
Solar Power		116,565,294	11,454,345
Wind Power		7,036,321	6,534,580
Verified Emmission Reduction		-	4,154,976
Electric Power Cable / Components		15,159,699	59,247,355
Jelly Filled Telephone Cables		-	4,425,253
Optical Fibre/ Cables		-	2,335,169
Scrap & Misc		176,681	16,831,731
Traded Goods/ Solar Modules		76,178,264	1,327,995
Sub Total		215,116,259	106,311,404
Less: Inter Unit Sales		-	-
Gross Sales		215,116,259	106,311,404
Less: Excise Duty		2,103,624	7,029,367
Net Sales		213,012,635	99,282,037
(b) Infrastcture Leasing		9,020,910	11,218,061
TOTAL		222,033,545	110,500,098

Note: 2.17	Sub Note	For the year 31.03.2013	For the year 31.03.2012
Other Income			
(a) Interest Income			
Interest on Loans,Deposits and Others (See Note)		22,939,220	6,110,878
(b) Dividend Income		3,385,443	5,380,405
(c) Profit on Sale of Sundry Assets		4,252,095	4,894,260
(d) Other Non-Operating Income			
Miscellaneous Income		71,356	126,311
Balances no Longer Payable Written Back		1,083,640	1,000,015
Gain on Foreign Exchange Fluctuation		1,769,657	-
Balances Written off in Earlier Years Received Back		12,342,360	874,283
TOTAL		45,843,771	18,386,152

Notes: 2.17 (a)

Interest Income includes interest of ₹.1,20,59,977/- received from Info Tech Cororation of Goa Ltd.on account of abolition of Lease Deed



(Amount in ₹.)

Note: 2.18	Sub Note	For the year 31.03.2013	For the year 31.03.2012
Cost of Raw Material/ Traded Goods			
Opening Stock - Raw Materials		11,982,857	54,666,084
Purchases - Raw Material including incidental of charges (Net of Modvat)		108,840,855	12,856,188
Less: Closing Stock- Raw Materials		35,376,166	11,982,857
Less: Inter-Unit Purchases		-	-
Raw Material Consumed		85,447,546	55,539,415
Purchases - Traded Goods (Net of Modvat)		-	3,684,860
Cost of Traded Goods		-	3,684,860
TOTAL		85,447,546	59,224,275

Note: 2.19	Sub Note	For the year 31.03.2013	For the year 31.03.2012
Changes in Inventories			
Opening Stock WIP		-	1,510,964
Opening Stock Finished Goods		-	5,373,327
Less: Closing Stock WIP		-	-
Less: Closing Stock Finished Goods		-	-

Note: 2.20	Sub Note	For the year 31.03.2013	For the year 31.03.2012
Employee Benefits Expense			
Salaries, Wages and Other Benefits		4,559,910	3,424,313
Contribution to Provident and Other Funds		42,453	291,719
TOTAL		4,602,363	3,716,032

Note: 2.21	Sub Note	For the year 31.03.2013	For the year 31.03.2012
Finance Costs			
Interest Expense			
On Cash Credit & Others		6,700,036	786,812
On Term Loan		28,650,695	139,189
Financial Charges		2,093,554	2,673,511
TOTAL		37,444,285	3,599,512

Note: 2.22	Sub Note	For the year 31.03.2013	For the year 31.03.2012
Depreciation and Amortisation Expenses			
Depreciation		93,887,782	24,761,828
Amortisation Expenses - Lease Premium/ Rent		1,254,389	800,952
TOTAL		95,142,172	25,562,780



(Amount in ₹.)

Note: 2.23	Sub Note	For the year 31.03.2013	For the year 31.03.2012
Other Expenses			
Consumption of Stores and Spare Parts		960,173	323,149
Processing & Conversion Charges		170,961	5,128,657
Travelling & Conveyance		1,955,045	1,240,055
Advertisement & Business Promotion		1,010,353	121,744
Directors Remuneration			600,000
Director's Sitting Fees		87,000	90,000
Power and Fuel		4,813,141	3,403,015
Professional & Consultancy Charges		780,882	929,439
Repairs			
Buildings		54,027	392,023
Machinery		3,037,798	416,341
Others		76,325	117,906
Insurance		663,860	532,869
Rates and Taxes		708,962	449,742
Packing & Forwarding		254,730	1,462,945
Loss on Foreign Exchange Fluctuation		-	348,363
Loss on Sale of Investments		5,674	18,403
Taxes Paid			
Service Tax		12,478	111,725
Sales Tax		2,469,788	3,206,506
Sundry Balances Written Off		8,723,095	2,986,735
Miscellaneous Expenses		3,634,856	3,278,337
Payments to the Auditor			
for Statutory Audit		61,800	36,517
for Tax Audit		28,090	22,472
TOTAL		29,509,038	25,216,943



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

(Amount in ₹.)

Note: 2.24 Commitments and Contingent Liabilities	As at 31.03.2013	As at 31.03.2012
i Commitments/ Contingent Liabilities		
a Unexpired Letters of Credit	10,759,228	5,290,487
b Counter Guarantees given to the Bankers	17,883,088	32,676,633
ii Claims against the company not acknowledged as debts in respect of		
a Excise Matters, under Dispute	17,021,462	17,317,656
b Sales Tax Matters, under Dispute	1,234,042	1,195,331

Note: 2.25 Earnings Per Share (EPS)

Particulars	for the year ended 31.03.2013 Basic and diluted	for the year ended 31.03.2012 Basic and diluted
Net Profit After Tax	15,102,549	6,833,159
Net Profit available for Equity Share-Holders	15,102,549	6,833,159
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	0.73	0.33

Note: 2.26	As at 31.03.2013	As at 31.03.2012
Deferred Tax Liability		
Deferred Tax adjustments recognised in the Financial Statements are as under		
Deferred Tax Liability as at the beginning of the year	4,692,080	6,552,080
Liability / (Asset) arising during the year	(1,388,000)	(1,860,000)
Deferred Tax Liability as at the end of the year	3,304,080	4,692,080

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 India Limited	18	Innova Technologies Private Limited
2	Bhagyanagar Metals Limited	19	Majestic Logistics Private Limited
3	Bhagyanagar Properties Private Limited	20	Solar Dynamics Private Limited
4	Metropolitan Venuturs India Limited	21	Bhagyanagar Capital Private Limited
5	Scientia Infocom India Private Limited	22	Bhagyanagar Foods & Beverages Private Limited
6	Bhagyanagar Infrastructure Limited	23	Bhagyanagar Energy & Telecom Private Limited
7	Green Energy Systems Private Limited	24	Bhagyanagar Entertainment Lttd
8	GMS Realtors Private Limited	25	Bhagyanagar Ventures Private Limited
9	Surana Infocom Private Limited	26	Surana Ventures Limited
10	AP Golden Apparels Private Limited	27	Everytime foods Industries Private Limited
11	Blossom Residency Private Limited	28	Royal skyscrapers India Private Limited
12	Epicentre Entertainment Private Limited	29	Surana Boichemicals Private Limited
13	Innova Biotech India Private Limited	30	Sitetonic websolutions Private Limited
14	Innova Infrastructure Private Limited	31	Stealth Energy Private Limited
15	Shresht Energy Private Limited	32	Value Infrastructure & Properties Private Limited
16	Tranquil Avenues India Private Limited	33	Andhra Electro Galvanising works
17	Bhagyanagar Entertainment and Infra development Co Private Limited	34	Surana Solar Systems Private Limited

b Subsidiary Company

Globecom Infotech Private Limited
 Celestial Solar Solutions Private Limited

c Joint Venture Company

Radiant Alliance Limited

d Key Managerial Personnel

Narender Surana
 Devendra Surana



(Amount in ₹.)

e	The following is the summary of Related Party Transactions	For the year 31.03.2013	For the year 31.03.2012
i	Sale of Goods	82,005,910	23,909,813
ii	Purchase of Goods	3,585,278	78,803,090
iii	Jobwork (Purchases)	-	105,236,000
iv	Interest Paid	873,495	3,222,009
v	Interest Received	1,083,921	-
vi	Dividend Income	3,121,133	5,322,333
vii	Loans/ advances Taken	18,175,593	196,127,764
vii	Loans/ advances given	59,512,192	-
viii	Loans Repaid	155,599,371	124,334,070
The following are the significant related parties			
	Particulars	ended 31.03.2013	ended 31.03.2012
i	Sales to		
	Bhagyanagar India Ltd	-	4,176,594
	Surana Ventures Ltd	27,735,720	19,733,219
	Surana Solar Systems Pvt Ltd	53,482,690	-
	Bhagyanagar Ventures Private Limited	787,500	-
	Total	82,005,910	23,909,813
ii	Purchases from		
	Bhagyanagar India Ltd	-	5,769,530
	Surana Ventures Ltd	3,585,278	70,544,020
	Total	3,585,278	76,313,550
iii	Jobwork (Purchases)		
	Surana Ventures Ltd	-	105,236,000
	Total	-	105,236,000
iv	Interest Paid		
	Bhagyanagar India Ltd	873,495	3,222,009
	Total	873,495	3,222,009
v	Interest Received		
	Surana Ventures Ltd	1,083,921	-
	Total	1,083,921	-
vi	Loans/ Advances Taken		
	Bhagyanagar India Ltd	18,175,593	196,127,764
	Total	18,175,593	196,127,764



(Amount in ₹.)

e The following is the summary of Related Party Transactions		For the year 31.03.2013	For the year 31.03.2012
vii	Loans/ Advances Given		
	Surana Ventures Ltd	59,512,192	
	Total	59,512,192	-
vii	Loans/ Advances Repaid		
	Bhagyanagar India Ltd	96,087,179	124,334,070
	Surana Ventures Ltd	59,512,192	-
	Total	155,599,371	124,334,070
f The company has the following amounts due to/ from related parties			
i	Due to Related Parties	31.03.2013	31.03.2012
	Bhagynagar India Ltd	-	80,574,077
		-	80,574,077
ii	Due from Related Parties	As at 31.03.2013	As at 31.03.2012
	Surana Ventures Limited	5,324,479	-
	Celestial Solar Solutions Private Limited	8,652	-
	Globecom Infotech Private Limited	37,302,057	-
		42,635,188	-

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	
		31.03.2013	31.03.2012	31.03.2013	31.03.2012
A.	Subsidiaries				
	Globecom Infotech Private Limited	37,302,057	36,958,740	37,302,057	36,958,740
	Celestial Solar Solutions Private Limited	8,652	NIL	8,652	NIL
B.	Advances in the nature of Loans where interest is below section 372A of Companies Act,1956	NIL	NIL	NIL	NIL
C.	Advances in the nature of Loans to Firms/ Companies in which directors are interested	NIL	NIL	NIL	NIL



Note: 2.29

(Amount in ₹.)

Raw Material Consumed during the year	for the year ended 31.03.2013	for the year ended 31.03.2012
Raw Material		
i Copper	-	9,801,207
ii Polythene Granules	-	6,351,055
iii G S Tape	-	3,954,808
iv Alluminium Scrap	11,181,057	32,487,119
v Solar related Products	67,293,754	-
vi Others including incidental charges	6,972,735	2,945,226
Total	85,447,546	55,539,415

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 ended 31.03.2013		for the year ended 31.03.2012	
	Value	% of total Consumption	Value	% of total Consumption
Imported	78,224,270	91.55	32,487,119	58.49
Indigenous	7,223,276	8.45	23,052,296	41.51
Total	85,447,546	100.00	55,539,415	100.00

Note: 2.31 CIF Value of imports

Particulars	for the year ended 31.03.2013	for the year ended 31.03.2012
Raw Material	100,356,553	13,577,070
Total	100,356,553	13,577,070

Note: 2.32 Expenditure in foreign Currency

Particulars	for the year ended 31.03.2013	for the year ended 31.03.2012
Travelling	651,315	-
Total	651,315	-

Note: 2.33 Earnings in foreign Currency

Particulars	for the year ended 31.03.2013	for the year ended 31.03.2012
Exports on FOB basis	-	4,154,976
Total	-	4,154,976



Note: 2.34 Retirement and Other Employees Benefits

The Company's employee benefits primarily cover provident fund, gratuity and leave encashment (Amount in ₹.)

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.

a	Expenses recognised in the Profit & Loss Account	
	Particulars	Gratuity
	Current Service Cost	29,535
	Interest Cost	4,435
	Expected Return on Planned Assets	(8,238)
	Net Actuarial (Gain) / Loss recognised in the year	(44,361)
	Expenses recognised in Statement of Profit and loss	(18,629)
b	Change in Present value of obligation during the year ended 31st March, 2013	
	Particulars	Gratuity
	Present Value of obligation as at beginning of the year	55,441
	Interest cost	4,435
	Current service cost	29,535
	Benefits Paid-Actuals	-
	Actuarial (gain) /loss	(44,361)
Present Value of obligation as at end of the year	45,050	
c	Change in fair value of Plan Assets during the year ended 31st March, 2013	
	Particulars	Gratuity
	Fair value of Plan Assets as at the beginning of the year	91,538
	Expected return on Plan Assets	8,238
	Contributions	-
	Benefits Paid	-
	Fair value of Plan Assets as at the end of the year	99,776
d	Actuarial Gain/ loss recognized	
	Particulars	Gratuity
	Actuarial (gain) / loss for the year -Obligation	44,361
	Actuarial (gain) / loss for the year -Plan Assets	-
	Total (gain)/ Loss for the Year	(44,361)
Actuarial (gain) / loss recognized in the year	(44,361)	



Note: 2.35 Segment Information

(Amount in ₹.)

The company is in the business of manufacture and sale of solar products and Generation of wind Electricity. Considering the core activities of the company, management is of the view that there is no secondary segment

Particulars	for the year ended 31.03.2013	for the year ended 31.03.2012
Segment Revenue (Net of Excise duty)		
a Power (Solar)	116,565,294	11,454,345
b Power (Wind)	7,036,321	10,689,556
c Others	98,431,930	88,356,197
Net Sales/ Income from operations	222,033,545	110,500,098
Segmental Results		
(Profit before Tax & Interest)		
a Power (Solar)	29,565,397	4,745,453
b Power (Wind)	3,415,758	3,130,567
c Others	15,411,050	(4,849,946)
Total	48,392,205	3,026,074
Less: Interest	37,444,285	3,599,027
Unallocable Expenditure	(5,466,629)	(5,601,703)
Net of unallocable Income		
Total Profit before tax	16,414,549	5,028,750
Capital employed		
a Power (Solar)	480,326,968	428,622,979
b Power (Wind)	43,813,965	48,802,879
c Others	239,535,209	180,817,409
d Unallocated	147,489,522	157,656,205
Total	911,165,665	815,899,472

Previous years figures have been regrouped and recast wherever necessary to make them comparable with current year's figures

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 08, 2013

Narender Surana

Chairman

Devendra Surana

Director

R. Lakshman Raju

Chief Financial Officer



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

S.No.	Name of subsidiary Company	Celestial Solar Systems Private Limited	Globecom Infotech Private Limited
1.	Financial Year ending of the Subsidiary	31.03.2013	31.03.2013
2.	Shares of the subsidiary held by Holding Company on the above date		
	a. Number and Face Value	10,000 Equity Share of Rs. 10/- each	50,000 Equity Share of Rs. 10/- each
	b. Extent of Holding	100.00%	100.00%
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		
	a. For the financial year or the years of the Subsidiary aforesaid	(11,462)	(107,534)
	b. For the previous financial years of the subsidiary since it became the Holding Company's Subsidiary	--	(139,859)
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
	b. For the previous financial years of the subsidiary since it became the Holding Company's Subsidiary	Nil	Nil

Brief Financial particulars of Subsidiary as per MCA General Circular No 2/2011 dt 8th 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	(0.11)	1	1	-	-	(0.11)	-	(0.11)	-
Globecom Infotech Private Limited	1	(2.47)	371.70	371.70	-	-	(1.08)	-	(1.08)	-



**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)	<input type="checkbox"/> Savings
	<input type="checkbox"/> Current
	<input type="checkbox"/> Cash Credit
Bank Account Ledger Folio No. (If any)	
Effective date of this mandate	

I, hereby, declare that the particulars given above are correct and complete. If the payment transaction is delayed or not effected at all for any reasons, including but not limited to incomplete or incorrect information, I will not hold M/s. 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.

ATTENDANCE SLIP

24th Annual General Meeting on September 27, 2013.

DP.Id*
Client Id*

Reg. Folio No.

Name and Address of the Shareholder : _____

No. of Share(s) held : _____

I certify that I am a member/proxy for a member of the Company. I hereby record my presence at 24th Annual General Meeting of the members of **SURANA TELECOM AND POWER LIMITED**, will be held on 27th September, 2013 at 12.30 p.m. at Kamat Lingapur Hotel,1-10-44/2, Chikoti Gardens, Begumpet, Hyderabad- 500 016

** 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.

PROXY FORM

DP.Id*
Client Id*

Reg. Folio No.

I/We.....
of
being member/members of M/s. Surana Telecom and Power Limited, hereby appoint
of
or failing him
of
as my/our proxy to vote for me/us on my/our behalf at the 24th Annual General Meeting of the members of **SURANA TELECOM AND POWER LIMITED**, will be held on 27th September, 2013 at 12.30 p.m. at Kamat Lingapur Hotel,1-10-44/2, Chikoti Gardens, Begumpet, Hyderabad- 500 016 and at every adjournment thereof.

Signed thisday of....., 2013.

- Note : 1. Proxy need not be a member.
2. Proxy Form, complete in all respects, should reach the Registered Office of the Company on or not later than 48 hours before the time for holding of the Meeting.

Please Affix Re.1/- Revenue Stamp Signature

* Applicable for Investors holding shares in electronic form.

NO GIFTS WILL BE GIVEN

NO GIFTS WILL BE GIVEN

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 27.09.2013 and to those shareholders whose names appear as Beneficial owners as on 27.09.2013 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 8th 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.

**PRINTED MATTER
BOOK - POST**



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

E-mail: surana@surana.com

Investor Complaints: cs@surana.com, investorservices_stl@surana.com

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