

# Neueon Towers Limited

(formerly known as "Sujana Towers Limited")

Corp: Office: Plot No 18, Nagarjuna Hills, Punajagutta, Hyderabad-500082

CIN: L40109TG2006PLCo49743

---

Date: 6<sup>th</sup> October, 2016

To

The Secretary,  
BSE Limited,  
New Trading Wing, Rotunda Building  
P.J.Towers, Dalal Street,  
MUMBAI - 400 001  
Scrip Code: 532887

The Manger  
National Stock Exchange of India Ltd  
Exchange Plaza, C-1,Block "G"  
5<sup>th</sup> Floor, Bandra (E),  
MUMBAI - 400 051  
Scrip Symbol: SUJANATOW

Dear Sir/Madam,

Sub: Annual Report for the Financial Year 2015-16-reg.

Pursuant to the Regulation 34 of the SEBI (LODR) Regulations, 2015, please find enclosed herewith the Annual Report of the Company for the Financial Year 2015-16 for your information and record.

Kindly acknowledge the same.

Thanking you,

Yours faithfully,  
For NEUEON TOWERS LIMITED

  
S HANUMANTHA RAO  
DIRECTOR

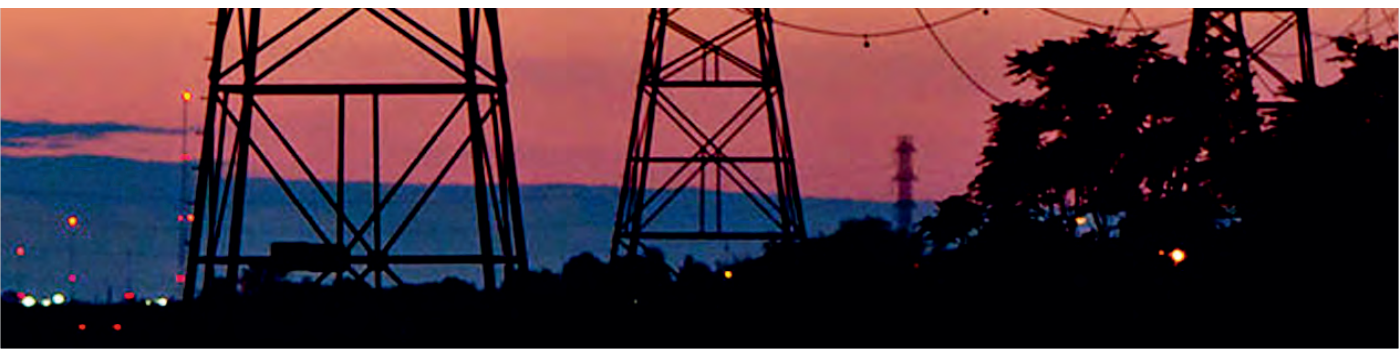
Encl: as above.



# 9<sup>th</sup> ANNUAL REPORT

2015 - 2016

## Sujana Towers Limited



## CORPORATE INFORMATION

### BOARD OF DIRECTORS

<b>NON-EXECUTIVE CHAIRMAN</b>	:	Shri M. V. Bhaskara Rao *
<b>MANAGING DIRECTOR</b>	:	Shri G. Srinivasa Raju
<b>DIRECTORS</b>	:	Shri S. Hanumantha Rao Shri A. S. Anand Kumar * Shri L. V. Rao* Smt A.Syamala Reddy Shri Yashpal Gupta # <i>*Independent, Non-Executive Directors</i> <i># Nominee from IDBI Bank</i>

<b>AUDIT COMMITTEE</b>	:	Shri A. S. Anand Kumar Shri S. Hanumantha Rao Shri M. V. Bhaskara Rao Shri L. V. Rao
------------------------	---	---

<b>MANAGEMENT COMMITTEE</b>	:	Shri G. Srinivasa Raju Shri S. Hanumantha Rao Shri M. V. Bhaskara Rao
-----------------------------	---	---

<b>CORPORATE SOCIAL RESPONSIBILITY COMMITTEE</b>	:	Shri G. Srinivasa Raju Shri S. Hanumantha Rao Shri M. V. Bhaskara Rao
--	---	---

<b>NOMINATION AND REMUNERATION COMMITTEE</b>	:	Shri S. Hanumantha Rao Shri A. S. Anand Kumar Shri M. V. Bhaskara Rao
--	---	---

<b>RISK MANAGEMENT COMMITTEE</b>	:	Shri G. Srinivasa Raju Shri S. Hanumantha Rao Shri M. V. Bhaskara Rao
----------------------------------	---	---

<b>SHARE TRANSFER COMMITTEE</b>	:	Shri G. Srinivasa Raju Shri M. V. Bhaskara Rao Shri S. Hanumantha Rao
---------------------------------	---	---

<b>SHAREHOLDERS' GRIEVANCES COMMITTEE</b>	:	Shri G. Srinivasa Raju Shri S. Hanumantha Rao Shri M. V. Bhaskara Rao
---	---	---

<b>VICE-PRESIDENT (FINANCE)</b>	:	Smt S. Kalyani
---------------------------------	---	----------------

<b>COMPANY SECRETARY</b>	:	Shri P. Apser Hussen
--------------------------	---	----------------------

<b>STATUTORY AUDITORS</b>	:	M/s. Venugopal & Chenoy Chartered Accountants, Tilak Road, Hyderabad.
---------------------------	---	---

<b>INTERNAL AUDITORS</b>	:	Shri M. Balarama Krishnaiah Chartered Accountant, Hyderabad.
--------------------------	---	--

# SUJANA TOWERS LIMITED

<b>COST AUDITORS</b>	:	M/s Nageswara Rao & Co. Cost Accountants, Hyderabad
<b>BANKERS</b>	:	Andhra Bank Central Bank of India Exim Bank Limited IDBI Bank Limited Karnataka Bank Ltd Punjab National Bank UCO Bank
<b>REGISTERED OFFICE &amp; CORPORATE OFFICE</b>	:	Plot No. 18 Nagarjuna Hills, Panjagutta, Hyderabad, Telangana- 500 082 Website: www.sujana.com
<b>WORKS</b>	:	(i) Plot No. 128 Part, Sy.No.172/B, I.D.A. Bollaram - 502 325, Jinnaram Mandal, Medak Dist, Telangana. (ii) Plot No. 10, 11 and 12, Sy. No.172 I.D.A. Bollaram - 502 325, Jinnaram Mandal, Medak Dist, Telangana. (iii) Plot No. 9, Sy. No.172/EE, U, UU, I.D.A. Bollaram - 502 325, Jinnaram Mandal, Medak Dist, Telangana. (iv) Plot No.8 B & C, Sy. No.172/EE, U, UU I.D.A. Bollaram - 502 325, Jinnaram Mandal, Medak Dist, Telangana. (v) Sy. No. 321, Turkala Khanapur Village - 502 201, Hatnur Mandal, Medak Dist. Telangana.
<b>LISTING</b>	:	<b>EQUITY</b> <b>BSE Limited (BSE)</b> PhirozeJeejeebhoy Towers Dalal Street, Mumbai - 400 001 <b>National Stock Exchange of India Limited (NSE)</b> 5th Floor, Exchange Plaza Bandra (E), Mumbai - 400 051
<b>REGISTRAR &amp; SHARE TRANSFER AGENT</b>	:	<b>M/s. Bigshare Services Private Limited</b> 306, Right Wing, 3rd Floor. Amrutha Ville, Opp: Yashoda Hospital, Raj Bhavan Road, Somajiguda, Hyderabad - 500 082 Phone No. 040-2337 4967 Email: bsshyd@bigshareonline.com Website: bigshareonline.com



## NOTICE

**NOTICE is hereby given that the 9th Annual General Meeting of the Members of Sujana Towers Limited will be held on Friday, the 30th day of September, 2016 at Katriya Hotel& Towers, # 8, Raj Bhavan Road, Somajiguda, Hyderabad-500082 at 02.00 p.m., to transact the following businesses:**

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial statements of the Company (including Audited Consolidated Financial statements) for the financial year ended March 31, 2016 and the report of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Shri L V Rao (DIN: 02754292), who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify the appointment of M/s Venugopal & Chenoy (Regn. No.004671S), Chartered Accountants, Hyderabad, as Statutory Auditors and if thought fit to pass with or without modifications(s), the following resolution as an ordinary resolution

“RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules 2014 and all other applicable provisions, if any, of the Companies Act, 2013, the members of the Company hereby ratifies the appointment of M/s. Venugopal & Chenoy (Regn. No.004671S), Chartered Accountants, Hyderabad, as Statutory Auditors of the company to hold office till the conclusion of the 10th Annual General Meeting of the Company to be held in the year 2017, and the Board of Directors be and are hereby authorized to fix their remuneration, in accordance with the recommendation of the Audit Committee in consultation with the auditors.”

### SPECIAL BUSINESS

4. **To consider and appoint Smt. A.Syamala Reddy (DIN:02224082) as an Independent Director and in this regard, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 & 161 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013, (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 [Including any statutory modification(s) or re-enactment(s) thereof, for the time being in force] read with Regulation 17 of the SEBI(Listing Obligations And Disclosure Requirements) Regulations, 2015, Smt. A.Syamala Reddy (DIN: 02224082), who was appointed as an Additional Director (Independent) of the Company by the Board of Directors w.e.f. August 27th, 2016 and who holds office up to the date of this Annual General meeting and in respect of whom the Company has received a notice in writing from a member proposing the candidature of Smt A.Syamala Reddy for the Director of the Company, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for 5 (five) consecutive years commencing from September 30th , 2016 to September 30th , 2021.”

5. **To consider and approve the increase of Authorised Share Capital of the Company from Rs.100 crores to Rs.1500 crores, and in this regard, if thought fit, to pass, with or without modification(s), the following resolution as Special Resolution:**

“RESOLVED that pursuant to the provisions of Section 13 and 61 and other applicable provisions, if any, of the Companies Act, 2013(including any statutory modification(s) or re-enactment thereof, for the time being in force) and subject to the approval of members of the Company, the existing Authorised Share Capital of the Company be and is hereby increased from Rs.100,00,00,000/- (Rupees One Hundred Crores only) divided into 7,90,00,000 (Seven Crores Ninety Lakhs) Equity Shares of Rs.10/- (Rupees Ten only) each and 21,00,000 (Twenty One Lakhs) Preference Shares of Rs.100/- (Rupees One Hundred only) each to Rs.1500,00,00,000/- (Rupees Fifteen Hundred Crores only) divided into 40,00,00,000 (Forty Crores) Equity Shares of Rs.10/- (Rupees Ten only) each and 11,00,00,000(Eleven crores ) Preference

## SUJANA TOWERS LIMITED

Shares of Rs.100/- (Rupees One Hundred only) each by further creation of 32,10,00,000 (Thirty Two Crores and Ten Lakhs only) Equity shares of Rs.10/- each and 10,79,00,000 (Ten Crores and Seventy Nine Lakhs) Preference Shares of Rs.100/- (Rupees One Hundred only) each.”

RESOLVED FURTHER that subject to the approval of members of the Company, Board/ Management Committee of the Board of Directors of the Company be and is hereby authorized to finalise the desired level/limit of authorized share capital of the Company upto Rs. 1500 Crores (Rupees Fifteen Hundred Crores only) keeping in view the proposed further issues of the Company and to file necessary e-forms with the Registrar of Companies, Andhra Pradesh and Telangana, Hyderabad and to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper, desirable or expedient.

RESOLVED FURTHER that the date on which the resolution passed by the Board/ Management Committee of the Board to increase the authorized share capital of the Company basing the consent given by the members to the desired levels as above, shall be treated as date of consent given by the members of the Company.

RESOLVED FURTHER that the Clause V(a) of the Memorandum of Association of the Company and Article 3 of Articles of Association be altered as follows:

The Authorised Share Capital of the Company is Rs.1500,00,00,000/- (Rupees Fifteen Hundred Crores only) divided into 40,00,00,000 (Forty Crores) Equity Shares of Rs.10/- (Rupees Ten only) each and 11,00,00,000 (Eleven Crores) Preference Shares of Rs.100/- (Rupees One Hundred only each).”

6. **To consider and approve the issue of Cumulative Redeemable preference shares (CRPS) and in this regard, if thought fit, to pass, with or without modification(s), the following resolution as Special Resolution:**

“RESOLVED that in accordance with the provisions of Sections 42, 55, 62 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) read with the Rules framed there under, as may be amended from time to time and the Articles of Association of the Company and the regulations/guidelines, if any, prescribed by any relevant authorities from time to time, to the extent applicable and subject to such other approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be considered necessary by the Board of Directors (hereinafter referred to as the “Board” which term shall be deemed to include any Committee thereof for the time being exercising the powers conferred on the Board by this Resolution) or as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board and subject to approval of members, the consent of the Board be and is hereby accorded to offer or invite to subscribe, issue and allot, such number of Preference Shares of the Company of the face value of Rs. 100/- each, for an aggregate value not exceeding Rs. 1100 crores (including existing paid up preference share capital), as Cumulative Redeemable Preference Shares (“CRPS”), to the lenders who are proposing to invoke the provisions of strategic debt restructuring (SDR) formulated by reserve Bank of India, as set out in Resolution No. 7 of this Notice through conversion of existing loans and / or interest on such loans at such price or prices as the Board or Committee thereof may in its absolute discretion think fit.”

RESOLVED FURTHER that in accordance with provisions of Section 43 of the Act, the CRPS shall be non participating, carry a preferential right, vis-à-vis Equity Shares of the Company, with respect to payment of dividend and repayment in case of a winding up or repayment of capital and shall carry voting rights as per the provisions of Section 47(2) of the Act.

RESOLVED FURTHER THAT the said Cumulative Redeemable Preference Shares shall not be convertible with equity shares and accordingly the same shall not be listed with any Stock Exchange.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and execute all such deeds, documents and writings, as it may in its absolute discretion deem necessary or incidental, and pay such fees and incur such expenses in relation thereto as it may deem appropriate.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors, or Executive Director or any other Director(s) or officer(s) of the Company to give effect to the aforesaid resolution."

**7. To approve and confirm the Strategic Debt Restructuring Scheme(SDR) / outside SDR formulated by the Reserve Bank of India and in this regard, if thought fit, to pass, with or without modification(s), the following resolution as Special Resolution:**

"RESOLVED THAT subject to the applicable provisions of the Companies Act, 2013 and all other applicable laws (including any statutory modification(s) or re-enactment thereof for the time being in force) and in accordance with the provisions of the Memorandum and Articles of Association of the Company, listing agreements entered into with stock exchanges on which the equity shares of the Company are listed (the "Equity Shares"), the applicable rules, notifications, guidelines issued by the Government of India, the Reserve Bank of India and any regulatory or other appropriate authorities (including but not limited to Securities and Exchange Board of India ("SEBI"), and subject to approvals, permissions, sanctions and consents as may be necessary from any regulatory or other appropriate authorities (including but not limited to SEBI, the Reserve Bank of India (the "RBI") and pursuant to the Strategic Debt Restructuring Scheme (SDR) Scheme formulated by the Reserve Bank of India vide Circular I DBR.BP.BC.No.101/21.04.132/2014-15, dated June 8, 2015, Circular II DBR.BP.BC.No.41/21.04.048/2015-16 dated September 24, 2015, Circular III DBR.BP.BC.No.82/ 21.04.132 / 2015-16 dated February 25, 2016 and Circular IV DBR.

No.BP.BC.103/21.04.132/2015-16 dated June 13,2016 issued by the Reserve Bank of India (hereinafter referred to as the "SDR Circulars"), the action taken / proposed to be taken stipulating the invocation of the provisions of SDR Circulars, by IDBI Bank Limited, Punjab National Bank, Andhra Bank, The Karnataka Bank Limited, UCO Bank, EXIM Bank, The Central Bank of India (hereinafter referred to as the "Lenders") vide the Minutes of the Meeting of Joint Lenders' Forum held on 30th January 2016 and March 1st, 2016 and confirmed by majority lenders vide Minutes of the Meeting of Joint Lenders' Forum held on 4th July, 2016, agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board", which terms shall be deemed to include any committee which the Board has constituted or may constitute to exercise its powers, including the powers conferred under this resolution), be and is hereby approved and the consent of the members of the Company be and is hereby accorded to adopt and implement the provisions of the SDR Circulars between the Company and the Lenders of the Company whose loans are being restructured under the Strategic Debt Restructuring Scheme issued by the RBI and the Board and/or any person authorized by the Board in respect thereof from time to time, be and is hereby authorized on behalf of the Company to discuss, negotiate, amend, if required, the terms and conditions of the SDR Circulars in the manner as may be approved by and between the Company and the Lenders, amend or make changes to the documents and enter into other documents in pursuance of the SDR Scheme, implement the SDR Scheme, on the basis of the terms set out in the SDR Scheme and as may be agreed between the respective parties, and execute the necessary documents for the same including, inter-alia issuance of Equity Shares / preference shares/convertible securities to the Lenders of the Company by conversion of loans into fully paid equity shares/preference shares/convertible securities in terms of the SDR Scheme."

RESOLVED FURTHER THAT in such event of invocation and implementation of

## SUJANA TOWERS LIMITED

SDR Circulars, by the Lenders as agreed by the Company, there will be change of management in the Company and the new persons / entities as may be identified by the Lenders will have management and control over the entire affairs of management of the Company and the members of the Company hereby accord their consent and approval for such change of management and change of persons having control over the Company subject to the provisions of Companies Act, 2013, and rules made thereunder, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (SEBI ICDR Regulations) and Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (SEBI SAST Regulations) post conversion of equity shares”.

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and are hereby severally authorised to do all such acts, deeds and things which are necessary for the purpose of giving effect to this Resolution.”

**8. To ratify the remuneration of the cost auditors for the financial year ending march 31st, 2017 and the in this regard to consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications(s) or re-enactment thereof, for the time being in force), the remuneration of Rs. 2,00,000/- (Rupees Two Lakh Only) plus Service tax as applicable and reimbursement of actual expenses and out of packet expenses to be paid to M/s. Nageswara Rao & Co, (Membership No: 000332) Cost Auditors of the Company, for the financial year 2016-17, as approved by the Board of Directors of the Company, be and is hereby ratified.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take

all such steps as may be necessary, proper or expedient to give effect to this resolution.”

By order of the Board

**G. Srinivasa Raju**  
Managing Director

Place : Hyderabad

Date : 27th August, 2016

### NOTES:

1. The Explanatory Statements pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special businesses set out in the Notice are annexed.
2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty (50) members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report
3. Corporate Members intending to send their authorised representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorising their representative(s) to attend and vote on their behalf at the Meeting.
4. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.



5. Members/ proxies should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
7. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours up to the date of the Meeting.
8. The Share Transfer Books and Register of Members of the Company will remain closed on 29th September, 2016 (One Day only).
9. Copy of the draft letters for respective appointment of Smt. A.Syamala Reddy as an Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company and also available @ [www.sujana.com](http://www.sujana.com).
10. Details under SEBI (Listing Obligations & Disclosure Requirements) 2015 in respect of the Directors seeking appointment/ re-appointment at the Annual General Meeting, forms integral part of the notice. The directors have furnished the requisite declarations for their appointment/ re-appointment.
11. Shareholders desiring any information as regards the accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready at the meeting.
12. The registration of share transfers and other related correspondence will be dealt at M/s. Bigshare Services Private Limited of Mumbai, having its branch office at 306, Right Wing, 3rd Floor, Amruta Ville, Opp: Yashoda Hospital, Raj Bhavan Road, Somajiguda, Hyderabad - 500 082 and Section 136 of the Companies Act, 2013 read with relevant Rules issued there under, Companies can serve Annual Reports and other communications through electronic mode to those shareholders who have registered their email address either with the Company or with the Depository. It is a welcome move for the society at large, as this will reduce paper consumption to a great extent and allow shareholders to contribute towards a greener environment. This is a golden opportunity for every shareholder of Sujana to contribute to the cause of Green Initiative. Members who have not registered their e-mail address with the Company are requested to register the same by submitting the letter to Companies RTA. The Members holding shares in electronic form are requested to register their e-mail address with their Depository Participants only. The Members of the Company, who have registered their e-mail address, are entitled to receive communications in physical form, upon request.
13. Electronic copy of the Annual Report for 2015-16 (including Notice of the 9th Annual General Meeting of the Company along with Attendance Slip and Proxy Form) is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2015-16 is being sent in the permitted mode.
14. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates with their respective Depository Participants to receive all the communications in electronic mode. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company RTA.
15. Members may also note that the Notice of the 9th Annual General Meeting and the Annual Report for 2015-16 will also be available on the Company's website [www.sujana.com](http://www.sujana.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Hyderabad for inspection during normal business hours on working days.
16. Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc., from the Company electronically.
17. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address

## SUJANA TOWERS LIMITED

or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.

### 18. Instructions for members for voting electronically are as under:-

- In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 ("Amended Rules 2015") and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 9th Annual General Meeting by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the Annual General Meeting ("remote evoting") will be provided by National Securities Depository Limited (NSDL).
- The facility for voting through ballot paper shall be made available at the Annual General Meeting and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- The members who have cast their vote by remote e-voting prior to the Annual General Meeting may also attend the Annual General Meeting but shall not be entitled to cast their vote again.
- The remote e-voting period commences on September 26th, 2016 (9:00 A.M.) and ends on September 29th, 2016 (5:00 P.M.). During this period members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date of Friday, September 23rd, 2016, may cast their vote by remote e-voting. The remote e-voting module shall be disabled

by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

- Shri Y. Ravi Prasada Reddy, Practicing Company Secretary, Hyderabad, has been appointed as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- The Chairman shall at the Annual General Meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the Annual General Meeting but have not cast their votes by availing the remote evoting facility.
- The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses and shall make, not later than three days of the conclusion of the Annual General Meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- The results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.sujana.com](http://www.sujana.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorised by him in writing. The results shall also be immediately forwarded to the stock exchanges at which the shares of the Company are listed.

### The process and manner for remote e-voting are as under :

- (a) In case a Member receives an e-mail from NSDL (for members whose e-mail ID's are registered with the Company/Depository Participant(s)):
  - (i) Open e-mail and open PDF file with your Client ID or Folio No. as password. The said PDF

- file contains your user ID and password for e-voting. Please note that the password is an initial password.
- (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
  - (iii) Click on Shareholder – Login
  - (iv) Put user ID and password as initial password noted in step (i) above. Click Login.
  - (v) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - (vi) Home page of e-Voting opens. Click on e-Voting: Active Voting Cycles.
  - (vii) Select “EVEN” of Sujana Towers Limited
  - (viii) Now you are ready for e-Voting as Cast Vote page opens
  - (ix) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
  - (x) Upon confirmation, the message “Vote cast successfully” will be displayed
  - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote
  - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail [yvafcs@gmail.com](mailto:yvafcs@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- (b) **In case of Shareholders’ receiving Physical copy of Notice [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :**
    - (i) Initial password is provided at the bottom of the Attendance Slip.
    - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
  - (c) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - (d) If you are already registered with NSDL for e-voting then you can use your existing user ID and password for casting your vote.
  - (e) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
  - (f) The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 23rd September, 2016.
  - (g) Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 23rd September, 2016, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or Issuer/ RTA.
- However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.

By order of the Board

**G. Srinivasa Raju**  
Managing Director

Place : Hyderabad  
Date : 27th August, 2016

# SUJANA TOWERS LIMITED

## EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013 ("the Act"):

The following statement sets out all material facts relating to the business mentioned in Item no. 04 to 08 of the accompanying Notice:

### Item No. 4:

The Board of Directors of the Company, in pursuant to the provisions of Section 149, 152 & 161 of the Act and the Articles of Association of the Company and Regulation 17 of SEBI (Listing Obligations & Disclosures Requirements) Regulations 2015, has appointed Smt. A.Syamala Reddy (DIN: 02224082) as an Additional Director (Independent Director) of the Company w.e.f. August 27th, 2016 who shall hold office upto the conclusion of this Annual General Meeting. It is proposed by the Board to recommend her to appoint as Independent Director for a term up to 5 (five) consecutive years w.e.f. September 30th, 2016 to September 30th, 2021 subject to her election as a Director by the members at this Annual General Meeting.

The Company has received notice in writing from a member, under Section 160 of the Act proposing the candidature of Smt. A.Syamala Reddy (DIN: 02224082) and as Independent Director of the Company.

The Company has also received declarations from Smt. A. Syamala Reddy (DIN: 02224082) that she meets with criteria of Independence as prescribed both under Sub-Section (6) of Section 149 of the Act and under Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Smt A. Syamala Reddy (DIN: 02224082) is not disqualified from being appointed as Director in terms of Section 164 of the Act. The Board of Directors of your Company, after reviewing the provisions of the Act, are of the opinion that she is eligible to be appointed as an Independent Director pursuant to the provisions of Section 149 of the Act and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board of Directors of your Company is also of the opinion that the appointee is independent of the management of the Company.

The Board considers that keeping in view of her vast expertise and knowledge; it will be in the interest of the Company to appoint her as an Independent Director. Accordingly, the Board recommends the

resolution in relation to her appointment as an Independent Director pursuant to provisions of Section 149 read with Schedule IV of the Act for the approval by the shareholders of the Company.

The details as stipulated under Regulation 36(3) of SEBI (Listing Obligations & Disclosures Requirements) Regulations 2015 are provided as Annexure to the Notice.

Smt A. Syamala Reddy, 48 years, is a post graduate in M.Sc., (Home Science) and a Bachelor's degree in Science. She was a Director in various companies and having an industrial experience for more than 10 years.

Smt. A. Syamala Reddy (DIN: 02224082) being an appointee is interested in the resolutions set out at Item No.4 of the Notice with regard to her appointment.

Save and except the above, none of the other Directors/Key Managerial Personnel of the Company/their relatives is in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Ordinary Resolution set out at Item No.4 of the Notice for approval by the shareholders.

### Item No. 5 :

The Consortium of the Lenders of the Company (i.e. IDBI Bank Limited, Punjab National Bank, Andhra Bank, The Karnataka Bank Limited, UCO Bank, EXIM Bank, The Central Bank of India) are proposing to invoke the provisions of Strategic Debt Restructuring Scheme (SDR) formulated by Reserve Bank of India vide Circular I DBR.BP.BC. No.101/21.04.132/2014-15, dated June 8, 2015, Circular II DBR.BP.BC.No.41/21.04.048/2015-16 dated September 24, 2015, Circular III DBR.BP.BC.No.82/ 21.04.132 / 2015-16 dated February 25, 2016 and Circular IV DBR.No.BP.BC.103/21.04.132/2015-16 dated June 13, 2016 at their meeting held on 4th July, 2016 as set out in Item No. 7 of this Notice, in accordance with which Preference shares may have to be issued to the lenders in terms of above scheme. Accordingly there is a requirement of increasing the Authorised Share Capital of the Company from Rs.100,00,00,000/- (Rupees One Hundred Crores only) divided into 7,90,00,000 (Seven Crores Ninety Lakhs ) Equity Shares of Rs.10/- (Rupees Ten only) each and 21,00,000 (Twenty One Lakhs) Preference Shares of Rs.100/- (Rupees One Hundred only) each to Rs.1500,00,00,000/- (Rupees Fifteen Hundred Crores only) divided into 40,00,00,000 (Forty Crores



) Equity Shares of Rs.10/- (Rupees Ten only) each and 11,00,00,000 (Eleven crores ) Preference Shares of Rs.100/- (Rupees One Hundred only) each by further creation of 32,10,00,000 (Thirty Two Crores and Ten Lakhs only) Equity shares of Rs.10/- each and 10,79,00,000 (Ten Crores and Seventy Nine Lakhs ) Preference Shares of Rs.100/- (Rupees One Hundred only) each.

The Board/Management Committee of the Board will finalise the desired level/limit of authorized share capital of the Company to be increased upto an extent of Rs.1500 Crores (Rupees Fifteen Hundred Crores only) as required from time to time, keeping in view the proposed further issues of the Company.

The proposed increase in the Authorised Share Capital of the Company requires the approval of the members in the Annual General Meeting.

Consequent upon the increase in Authorised Share Capital of the Company, its Memorandum and Articles of Association also require alteration so as to reflect the increase in authorised share capital.

The Board is of the opinion that the aforesaid Resolution is in the best interest of the Company and hence, recommends the above resolution for your approval as a special resolution.

None of the Directors / Key Managerial Personnel of the Company / their relatives is in any way, concerned or interested, financially or otherwise, in the Special Resolution, except as Shareholders of the Company.

#### **Item No. 6**

The Consortium of the Lenders of the Company (i.e. IDBI Bank Limited, Punjab National Bank, Andhra Bank, The Karnataka Bank Limited, UCO Bank, EXIM Bank, The Central Bank of India) are proposing to invoke the provisions of Strategic Debt Restructuring Scheme (SDR) formulated by Reserve Bank of India vide Circular I DBR.BP.BC.No.101/21.04.132/2014-15, dated June 8, 2015, Circular II DBR.BP.BC.No.41/21.04.048/2015-16 dated September 24, 2015, Circular III DBR.BP.BC.No.82/ 21.04.132 / 2015-16 dated February 25, 2016 and Circular IV DBR.No.BP.BC.103/21.04.132/2015-16 dated June 13, 2016 at their meeting held on 4th July, 2016 as set out in Item No.7 of this Notice. In such an event,

Preference shares may have to be issued to the lenders in terms of above scheme.

Therefore, it is proposed to issue and allot 'Cumulative Redeemable Preference Shares' (CRPS) of the face value of Rs.100/- (Rupees one hundred only) each, for an aggregate value not exceeding Rs. 1100 crores (including existing paid up preference share capital) to the lenders through conversion of existing loans and / or interest on such loans at such price or prices as the Board or duly authorized Management Committee thereof may in its absolute discretion think fit.

This resolution empowers the Board / Committee of the Board of Directors, to issue CRPS of Rs.100/- each on such terms and conditions including but not limited as to the rate of dividend, period and manner of redemption, amount of premium, if any, as the Board/Management Committee in its absolute discretion may determine. The Board/Management Committee shall also be authorized to approve any modification, alteration and re-setting of all or any of the terms and conditions of the Preference Shares from time-to-time in consultation and agreement with the Subscribers/ holders of Preference Shares.

The terms and conditions of the Preference Shares shall however be subject to provisions of the Companies Act, 2013 and the Memorandum and Articles of Association of the Company. The authority conferred on the Board/Management Committee is continuing authority enabling it to make such further issue(s) of Preference Shares within such limit on appropriate terms and conditions on any subsequent redemption of such and / or outstanding Preference Shares or any part thereof from time-to-time, so however that the total Preference Share Capital outstanding at any point of time shall not exceed the Authorized Preference Share Capital stipulated under the Memorandum and Articles of Association of the Company. The Preference Shares shall rank in priority to Equity Shares for repayment of Capital and payment of Dividend. The Preference Shares shall be transferred in the same manner as Equity shares. The Preference Shares shall be redeemed in accordance to the provisions of the Companies Act, 2013 and the Memorandum and Articles of Association of the Company. However, the final terms and conditions of the issue of Preference Shares shall be determined by the Board / Management Committee.

## SUJANA TOWERS LIMITED

The consent of the shareholders is therefore being sought pursuant to the provisions of Section 62 of the Companies Act, 2013 read with the Companies (Share Capital & Debentures) Rules, 2014, authorising the Board/Management Committee to raise additional capital by issue of Cumulative Redeemable Preference Shares in such manner or on such terms as the Board may deem fit in the manner proposed in the Resolution.

None of the Directors / Key Managerial Personnel of the Company / their relatives is in any way, concerned or interested, financially or otherwise, in the Special Resolution, except as Shareholders of the Company.

### Item No. 7

#### **To approve and confirm the Strategic Debt Restructuring Scheme.**

At present

- the Business of the Company is highly working capital intensive
- Present Promoters not in a position to commit further funds at this stage
- Hence, scouting for new investor with strong financial muscle and experience in steel sector

Under the above circumstances, the Consortium of the Lenders of the Company (i.e. IDBI Bank Limited, Punjab National Bank, Andhra Bank, The Karnataka Bank Limited, UCO Bank, EXIM Bank, The Central Bank of India) are proposing to invoke the provisions of Strategic Debt Restructuring Scheme as formulated by Reserve Bank of India under any of the below mentioned Circulars. The Consortium of the Lenders may stipulate issue of preference shares to the Lenders against the conversion of loans and interest accrued thereon, change of management to a new investor and any other applicable conditions.

1. Circular I : No. DBR.BP.BC.No.101/21.04.132/ 2014-15, dated June 8, 2015
2. Circular II : No. DBR.BP.BC.No.41/21.04.048/ 2015-16 September 24, 2015
3. Circular III : No. DBR.BP.BC.No.82/ 21.04.132 /2015-16 dated February 25, 2016
4. Circular IV : No. DBR.No.BP.BC.103/21.04.132 /2015-16 dated June 13, 2016.

Therefore, in order to Honour the Lenders' proposed action, Shareholders resolution for restructuring the debts of the Company/change of management under SDR Scheme formulated by the Reserve Bank of India, may be required for which the approval of the members of the Company is sought by way of special resolution as set out in this notice.

None of the Directors / Key Managerial Personnel of the Company / their relatives is in any way, concerned or interested, financially or otherwise, in the Special Resolution, except as Shareholders of the Company.

### Item No. 8

The Board of Directors, on recommendation of the Audit Committee, at their meeting held on May 30th , 2016, has approved the appointment and remuneration of the M/s. Nageswara Rao & Co, (Member Ship No: 000332) Cost Accountants in practice, as Cost Auditors of the Company to conduct the audit of the cost records of the Company across various segments, for the financial year ending 31st March, 2017 on a remuneration of Rs. 2,00,000/- (Rupees Two Lakh Only) plus Service tax as applicable and reimbursement of actual expenses and out of packet expenses.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No.8 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2017.

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

The Board recommends the Ordinary Resolution set out at Item No.8 of the Notice for approval by the shareholders.

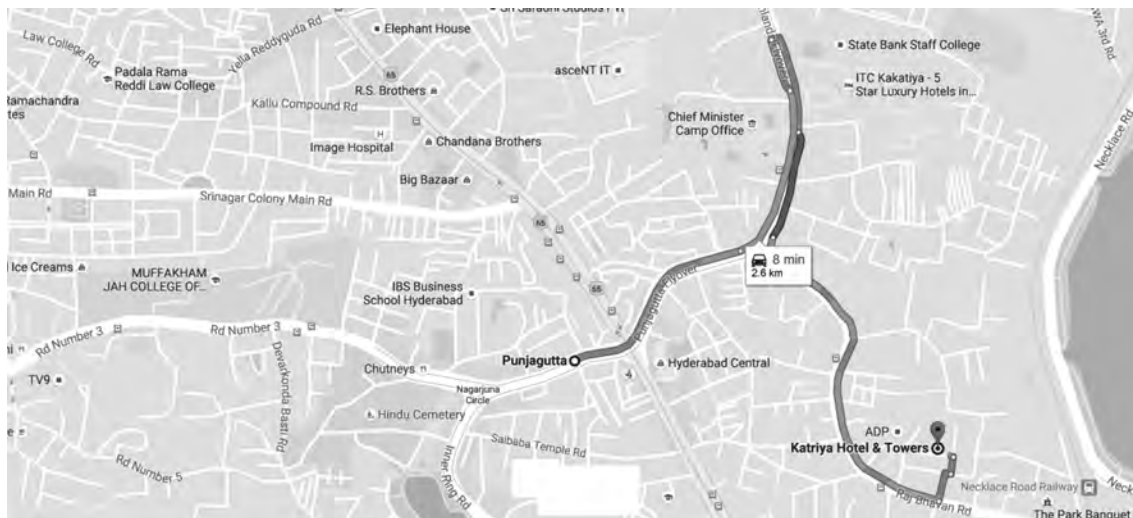
By order of the Board

**G. Srinivasa Raju**  
Managing Director

Place : Hyderabad

Date : 27th August, 2016

**Route Map to the AGM Venue : Katriya Hotel & Towers, # 8, Raj Bhavan Road, Somajiguda, Hyderabad - 500 082, Telangana.**



**Details of the Directors seeking appointment/re-appointment in the forthcoming Annual General Meeting**  
(in pursuance of Regulation 36(3) of the Listing Regulations, 2015)

Name of Director	Smt A. Syamala Reddy	Shri L. V. Rao
Director Identification Number	02224082	02754292
Date of Birth	10.08.1966	18.09.1947
Date of Appointment	27.08.2016	29.07.2009
Expertise	She was a Director in various companies and having an industrial experience for more than 10 years.	He hold a degree of Bachelor of Engineering (Electrical), from Osmania University(1970), Hyderabad and a gold medalist. He is a retired Executive Director of NTPC with excellent exposure to power generation and power trading. He had various positions in NTPC for three decades, including those of ED-South, ED-West, CEO of NTPC Power Trading Corporation and also as the ED of the APDERP programme.
Qualifications	M.Sc.,	BE (Electrical)
Directorship held in other public companies (excluding foreign companies)	1. Bartronics India Limited. 2. Vijay Home Appliances Limited.	1. Yuvraj Power Projects Limited. 2. Sowbhagya Energy Private Limited. 3. Raus Power Limied.
Membership / Chairmanship of Committees of other public companies (includes only Audit Committees and Shareholders' Grievances Committee) C = Chairman, M = Member	Audit Committee : 1. Bartronics India Limited (M&C)	Nil
Shareholdings in the Company	Nil	Nil
Relationship between directors inter-se	Nil	Nil

# SUJANA TOWERS LIMITED

## DIRECTORS' REPORT

### TO THE SHAREHOLDERS

The Directors have pleasure in presenting their Report and the Audited Financial Statements of your Company for the year ended 31st March 2016.

#### Company's Performance:

Your Company has achieved a turnover of Rs. 1,39,780.63 lakhs for the year ended 31st March, 2016, as against the turnover of Rs. 2,11,440.84 lakhs for the previous year ended 31st March, 2015, the highlights of the financial results are as follows:

(Rs. in lakhs)

Particulars	Financial Year ended 31st March, 2016	Financial Year ended 31st March, 2015
Profit before Depreciation and Interest	23,572.30	25,924.59
Interest	25,795.56	22,680.27
Depreciation	7,830.51	2,741.00
Profit before tax	(10,053.77)	503.32
Provision for		
- Current tax	-	100.70
- Deferred tax	4,501.99	19.89
Profit after tax	(14,555.76)	382.73
Dividend on CRPS	-	2.53
Profit carried to Balance Sheet	(14,555.76)	380.20

#### Review of Operations:

In order to complete in the changing market conditions, STL started adapting different strategic initiatives in its existing businesses. A focussed approach and unique strategy was adopted for each business division with the objective of achieving higher growth and profitability. Various strategic initiatives are also in pipeline to lead the divisions towards profitability and stability. However, these initiatives are yet to yield any results. Your company is also in talks with the lender for restructuring of its debt obligations in view of the sluggish cash flows.

#### Subsidiary Companies:

Your Company has the following Wholly Owned Subsidiaries:

#### A) Digitech Business Systems Ltd:

The operations of M/s. Digitech Business Systems Limited have commenced in a small way. We have stepped up the marketing activities under the aegis of this Company and we hope to clock good turnover during the next year. Company has started looking for a strategic investor either to sell off or to join as a partner.

#### B) Telesuprecon Limited:

M/s Telesuprecon Limited has branches in three countries viz., Malawi, Zambia and Kenya, providing telecom infrastructure services to Telecom operators. The Telecom Business in Africa was slowdown and many contracts were kept pending due to Global recession. We hope for the improvement of the situation during the next year. As per the law prevailing in Mauritius, financial statements of M/s Telesuprecon Limited are not required to be audited.

#### C) STL Africa Limited:

As of date the concentration is more on CAD/CAM contracts and Company is planning to enter into Execution Contracts across Eastern Africa and has already started working in this direction.

#### Consolidated Financial Statements:

As required under the Listing Agreements entered into with the Stock Exchanges, a consolidated financial statement of the Company and all its subsidiaries is attached. The consolidated financial statement has been prepared in accordance with the relevant accounting standards as prescribed under Section 133 of the Companies Act, 2013. The consolidated financial statement discloses the assets, liabilities, income, expenses and other details of the Company and its subsidiaries.

As per the provisions of Companies Act, 2013 annual accounts of the subsidiary companies and the related detailed information will be made available to the holding and subsidiary companies' investors seeking such information at any point of time. The annual accounts of the subsidiary companies will also be kept for inspection by any investor at its Head Office in Hyderabad and that of the subsidiary companies concerned. A gist of the financial performance of the subsidiaries in the prescribed Form AOC-1 is enclosed to this annual report.



### **Particulars of Loans, Guarantees or Investments:**

Particulars of Loans, Guarantees and Investments as required under the provisions of Section 186 of the Companies Act, 2013 are provided in the notes to the Financial Statements.

### **Deposits:**

The Company has not accepted any deposits covered under chapter V of the Companies Act, 2013 and as such, no amount of principal or interest was outstanding as on 31st March, 2016.

### **Industrial Relations:**

Your directors are happy to report that during the year there were very cordial and extremely good industrial relations at all levels.

### **Meetings:**

During the year under review 6 (Six) board meetings were held on 6th May, 2015, 20th May, 2015, 12th August, 2015, 14th November 2015, 28th December, 2015 and 12th February, 2016. The maximum time-gap between any two consecutive meetings was within the period prescribed under the Companies Act, 2013.

### **Directors:**

During the year under review, the members of the Company at their Annual General Meeting held on September 30th, 2015 appointed Smt B.Sandhyasri as Independent Directors under Section 149 of the Act to hold office for 5 (Five) consecutive years w.e.f March 30, 2015 and appointed Shri G. Srinivasa Raju, as the Managing Director of the Company for a period a 5(Five) years w.e.f. May 28th, 2015.

During the year, Smt B.Sandhyasri, an Independent and Non Executive Director of the Company resigned from the Board of Directors with effect from May 30th, 2016. The Board placed on record its sincere appreciation and thanks to Smt B. Sandhyasri for her support and guidance provided from time to time during her tenure as Director of the Company.

The Board has appointed Smt A.Syamala Reddy, as Additional Director (Independent Director) w.e.f August 27th, 2016 and now it is recommended her appointment to be regularized and be appointed for a period of 5(Five) years i.e from September 30th, 2016 to September 30th, 2021. Her appointment on the Board shall also fulfill the requirement of a Woman Director on the Board of the Company as required under the Companies Act, 2013 and

Regulation 17(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

Pursuant to the provisions of Section 152 of the Companies Act, 2013 and in accordance with the Articles of Association of the Company, Shri. L.V. Rao, Director of the Company will retire by rotation at the ensuing Annual General Meeting and, being eligible, offers himself for re-appointment.

The Resolutions proposing their reappointment/appointments as Directors will be placed before the Shareholders for their approval at the ensuing Annual General Meeting of the Company.

The Company has received declarations from all the Independent Directors of the Company confirming that they continue to meet with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and under Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

None of the Directors of your Company is disqualified under Section 162 (2) of the Companies Act, 2013. As required by law, this position is also reflected in the Auditors' Report.

The following persons are Key Managerial Personnel of the Company:

1. Shri G. Srinivasa Raju, Managing Director
2. Shri S. Kalyani, Vice-President (Finance)
3. Shri P. Apser Hussien, Company Secretary

During the year there is no change in the role of the aforesaid KMP.

For Directors seeking appointment/re-appointment in the forthcoming Annual General Meeting of the Company; the particulars as required to be disclosed in accordance with Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, forms part of this Report.

### **Related Party Transactions:**

The Board of Directors, on recommendation of the Audit Committee framed a policy for Related Party Transaction which includes matters covered u/s 178(3) of the Companies Act, 2013. The details of the same are provided in the Corporate Governance Report. The Policy is also posted in the Investors section of the Company's website.

All Related Party Transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with

## SUJANA TOWERS LIMITED

Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. The requisite details of the related party transactions entered into during the financial year are provided in Annexure (I) included in this to this report.

Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements. All Related Party Transactions are placed before the Audit Committee as also the Board for approval, where ever required. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseeable and repetitive nature. A statement giving details of all related party transactions entered into pursuant to the omnibus approval so granted are placed before the Audit Committee on a quarterly basis.

None of the Directors, other than to the extent of their shareholding, receipt of remuneration / commission, has any pecuniary relationships or transactions vis-à-vis the Company.

### **Audit Committee:**

Your Company has constituted an Audit Committee as per the requirements of Section 177 of the Companies Act, 2013. The details of the composition of the Audit Committee as required under the provisions of Section 177(8) of the Companies Act, 2013, is given in the Corporate Governance Report furnished as part of the Annual Report. During the year under review, the Board has accepted all the recommendations of the Audit Committee.

### **Sexual Harassment Policy:**

The Company as required under the provisions of "The Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013" has framed a Policy on Prohibition, Prevention and Redressal of Sexual Harassment of Women at Workplace and matters connected therewith or incidental thereto.

In the year under review, the Company has not received any complaint under the said Policy.

### **Corporate Social Responsibility:**

The Board of Directors, on recommendation of the Corporate Social Responsibility Committee framed a Corporate Social Responsibility Policy in consonance with Section 135 of the Companies Act, 2013 read with the rules framed there under

duly indicating the activities to be undertaken by the Company as specified in the Schedule VII of the Companies Act, 2013. The Corporate Social Responsibility Policy is posted in the Investors section of the Company's website.

The Annual Report on CSR activities is annexed herewith as Annexure (II) and forms part of this report.

### **Risk Management:**

The Risk Management programme at the Company is focused on ensuring that risks are known and addressed. The Board of Directors, on recommendation of the Audit Committee, established a robust Risk Management framework by framing a Risk Management Policy to deal with all risks including possible instances of fraud and mismanagement, if any. The Risk Management Policy details the Company's objectives and principles of Risk Management along with an overview of the Risk Management process, procedures and related roles and responsibilities.

The Board is of the opinion that there are no elements of risks that may threaten the existence of the Company. The board periodically tracks the progress of implementation of the Risk Management policy.

### **Directors' Responsibility Statement:**

Directors' Responsibility Statement as required under the provisions of Section 134(3)(c) of the Companies Act, 2013, is given in the Annexure (III) attached hereto and forms part of this Report.

### **Statutory Auditors:**

The Statutory Auditors of the Company, M/s. Venugopal & Chenoy, Chartered Accountants, (Firm Regn. No. 004671S), were re-appointed by the members at the 7th Annual General Meeting held on 30th September, 2014 for a term of 3(Three) years till the conclusion of 10th Annual General Meeting to be held in 2017. Members are requested to ratify the same at the ensuing Annual General Meeting of the company, in accordance with section 139 of the Companies Act, 2013.

The Audit Report issued by the Statutory Auditors for the financial year ended 31st March, 2016 forms part of this Report. There are no qualifications, reservations or adverse remarks made by the Statutory Auditors which requires explanation or comments from the Board.

**Cost Auditors:**

M/s. Nageswara Rao Co., Cost Accountants, (Member Ship No Firm No.000332) Hyderabad were re-appointed as Cost Auditors of the Company for the Year 2016-17 as per the provisions of the Companies Act, 2013 and the rules made there under.

The Cost Auditor has submitted the report along with their observations and suggestions, and Annexure to the Central Government/stipulated authority within stipulated time period.

Members are requested to ratify the remuneration payable to the Cost Auditors at the ensuing Annual General Meeting of the company, in accordance with section 148 of the Companies Act 2013.

**Secretarial Audit:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules framed there under, the Board of Directors, on recommendation of the Audit Committee, appointed Shri Y Ravi Prasada Reddy, Practicing Company Secretary (CP. No 5360) to undertake the Secretarial Audit of the Company. The Secretarial Audit Report issued by Shri Y Ravi Prasada Reddy Practicing Company Secretaries for the financial year ending 31st March, 2016 is given in the Annexure (IV) attached hereto and forms part of this Report. There are no qualifications, reservations or adverse remarks made by the secretarial auditor and the observation made is self explanatory and requires no further explanation from the Board.

**Extract of Annual Return:**

Pursuant to the provisions of Section 92 of the Companies Act, 2013 and rules framed there under, the extract of the Annual Return in form MGT-9 is annexed herewith as Annexure (V) and forms part of this Report.

**Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo**

Particulars with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as required under Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 are given in the Annexure (VI) attached hereto and forms part of this Report.

**Environment and Social Obligation:**

The Company's plants comply with all norms set up for clean and better environment by the competent

authorities. The Company undertakes regular checks / inspections including certification for the maintenance of the environment. The Company values environmental protection and safety as the major considerations in its functioning.

**Particulars of Employees:**

The information required pursuant to the provision of Section 197 read with Rule, 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, are set out in Annexure-(VII) of this Report.

**Vigil Mechanism:**

The Board of Directors, on recommendation of the Audit Committee, established a vigil mechanism by framing a Whistle Blower Policy to deal with instance of fraud and mismanagement, if any. The Vigil Mechanism framework ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination shall be meted out to any person for a genuinely raised concern. The designated officer/ Audit Committee Chairman can be directly contacted to report any suspected or confirmed incident of fraud/ misconduct.

**Remuneration Policy:**

The Board of Directors, on recommendation of the Nomination and Remuneration Committee framed a Nomination and Remuneration policy for selection, appointment and remuneration of Directors, KMP and Senior Management and matters covered u/s 178(3) of the Companies Act 2013. The details of the same are provided in the Corporate Governance Report.

The Policy is also posted in the Investors section of the Company's website [www.sujana.com](http://www.sujana.com).

**Board Evaluation:**

The Board of Directors evaluated the annual performance of the Board as a whole, its committee's and the directors individually in accordance with the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement in the following manner:

- Structured evaluation forms, after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance, for evaluation of the performance of the

## SUJANA TOWERS LIMITED

Board, its Committee's and each director were circulated to all the members of the Board along with the Agenda Papers.

- The members of the Board were requested to evaluate by filling the evaluation forms and the duly filled in evaluation forms were required to be sent to the Company Secretary in a sealed envelope or personally submitted to the Chairman at the concerned meeting.
- The Board also provided an individual feedback to the concerned director on areas of improvement, if any.

A separate meeting of Independent Directors was held on 30th March, 2016 to evaluate the performance of the Chairman, the Non Independent Directors, the Board and flow of information from management.

### Human Resource Management:

Human Capital has gained prime importance in last few years. Our Company believes that the human capital is of utmost importance to sustain the market leadership in all product segments and also to capture new markets. We have changed the Organisation Structure to optimise best resources & to leverage the market potential. We have identified the high Performers and rewarded them appropriately, which has helped to achieve better employee engagement.

### Dividend:

As per the terms of issue of Cumulative Redeemable Preference Shares (CRPS), your Company is required to pay the dividend of Rs. 1,24,203/- (Previous year Rs. 1,48,513/-) which represents 1% on 1,24,203 Cumulative Redeemable Preference Shares (CRPS) of Rs.100/- each to the holders of Cumulative Redeemable Preference Shares for the year under review. However, the Company has not provided a provision for dividend due to losses.

With an unprecedented raise costs and interrupted supplies and power cuts, operations are severely hit. The Company's operations also hampered during the year. As a result the profit of the Company was declined and your director's are not proposing any equity dividend during the year.

### Quality:

Your Company accord to high priority to quality, safety, training, development, health and environment. The Company endeavors to ensure continuous compliance and improvements in this regard.

### Material Changes and Commitments:

There is no material change and commitments has occurred, affecting the financial position of the Company, between the end of the financial year of the company i.e. 31st March, 2016 and the date of this report.

### Details of significant and material Orders passed by the regulators or courts or tribunals impacting the going concern status of the Company and the Company's operations in future:

There are no significant and material orders passed during the year.

### Internal Control Systems and their adequacy:

Your Company has an effective Internal Control System to prevent fraud and misuse of Company's resources and protect shareholders' interest. Your Company has an independent Internal Audit Department to monitor and review and focus on the compliances of various business processes. The internal audit report alongwith audit findings and tracking of process improvements & compliances is presented for review to the Audit Committee of Board of Directors.

### Corporate Governance:

Your Company has complied the applicable regulations of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 regarding Corporate Governance. Management Discussion and Analysis a report on the Corporate Governance practices, the practicing Company Secretary' Certificate on compliance of mandatory requirements thereof and are given as Annexures (VIII) & (IX) to this report.

### Acknowledgment:

The Board of Directors places on record their appreciation for the co-operation and support extended by all stakeholders in the Company including the Shareholders, Bankers, Suppliers and other Business Associates.

The Directors also wish to place on record their appreciation for all the employees for their commitment and contribution towards achieving the goals of the Company.

The Directors also thank the Governments of various Countries, Government of India, State Governments in India and concerned Government Departments/Agencies for their co-operation.

BY ORDER OF THE BOARD

G.Srinivasa Raju

S.Hanumantha Rao

Managing Director

Director

Place: Hyderabad

Date: 27th August, 2016



**Annexure**  
**FORM AOC-1**

*(Pursuant to first proviso to sub-section(3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)*

**Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures**

**Part “A” : Subsidiaries**

*(Information in respect of each subsidiary to be presented with amounts in Rs. In lakhs)*

1. Sl.No.	1	2	3
2. Name of the Subsidiary	Digitech Business Systems Limited	STL Africa Limited	Telesuprecon Limited
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01.04.2015 to 31.03.2016	01.04.2015 to 31.03.2016	01.04.2015 to 31.03.2016
4. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	1USD = ₹ 66.33	1USD = ₹ 66.33	1USD = ₹ 66.33
5. Share Capital	19,832.21	0.07	0.66
6. Reserves & Surplus	327.24	13,694.60	(8,507.44)
7. Total Assets	20,159.45	13,694.67	822.55
8. Total Liabilities	20,159.45	13,694.67	822.55
9. Investments	-	-	-
10. Turnover	6,909.41	-	-
11. Profit before taxation	23.09	-	-
12. Provision for taxation	-	-	-
13. Profit after taxation	23.09	-	-
14. Proposed Dividend	-	-	-
15. % of shareholding	100	100	51

**Part “B”: Associates and Joint Ventures**

**Statement pursuant to section 129(3) of the Companies Act, 2013  
related to Associate Companies and Joint Venture**

**NOT APPLICABLE**

By order of the Board

**G. Srinivasa Raju**  
Managing Director

**S. Hanumantha Rao**  
Director

Place: Hyderabad  
Date : 27th August, 2016

# SUJANA TOWERS LIMITED

## Annexure (I):

### Details of Related Party Transactions

#### Form No. AOC-2

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

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

No transactions.

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

Sl. No.	(a) Name(s) of the related party and nature of relationship	(b) Nature of contracts/ arrangements/ transactions	(c) Duration of the contracts/ arrangements/ transactions	(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	(e) Date(s) of approval by the Board, if any:	(f) Amount paid as advances, if any:
1	Sujana Metal Products Ltd, Common Director	Sales	One year	Rs. 675.50 Lakhs	Not Applicable	Nil
2	Sujana Metal Products Ltd, Common Director	Purchases	One year	Rs. 690.30 Lakhs	Not Applicable	Nil
3	Sujana Universal Industries Limited, Common Director	Sales	One year	Rs. 2.49 Lakhs	Not Applicable	Nil
4	Sujana Universal Industries Limited, Common Director	Purchases	One year	Rs. 7.75 Lakhs	Not Applicable	Nil
5	Mr. Y. Kamesh, Managing Director *	Remuneration	One Year	Rs. 5.61 Lakhs	Not Applicable	Nil

\* Shri Y. Kamesh has resigned as Managing Director of the Company w.e.f. 20th May, 2015.

By order of the Board

**G.Srinivasa Raju**  
Managing Director

**S.Hanumantha Rao**  
Director

Place: Hyderabad

Date : 27th August, 2016

## Annexure (II):

### Annual Report on Corporate Social Responsibility (CSR) activities

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

The Board of Directors, on recommendation of the Corporate Social Responsibility (CSR) Committee framed a Corporate Social Responsibility Policy which is posted in the Investors section of the Company's website [www.sujana.com](http://www.sujana.com). the Company proposes to take up the CSR activity by making donations to "Sujana Foundation" which is a registered non government organization to take up projects or programmes under one or more of the activities as prescribed under Schedule VII of the Companies Act, 2013, as amended from time to time.

2. **Composition of the CSR Committee:**

- a. S Hanumantha Rao (Non- Executive Director)
- b. G Srinivasa Raju (Managing Director)
- c. Shri M V Bhaskara Rao (Independent Director)

3. **Average net profit of the Company for last three financial years:** Rs. 311.80 lakhs

4. **Prescribed CSR Expenditure (two percent of the amount as in item 3 above):** Rs. 6.24 lakhs

5. **The Company is required to spend:** 6.24 lakhs towards CSR.

6. **Details of CSR spent during the financial year:**

- a. Total amount spent for the financial year: 6.24 lakhs
- b. Amount unspent, if any: - Nil
- c. Manner in which the amount spent during the financial year is detailed below:

S. No.	Projects/ Activities	Sector	Locations (State)	Amount Outlay (Budget) Project or Programs wise	Amount Spent on Project or Programs wise	Cumulative expenditure upto reporting period	Amount Spent directly or through implementing agency
1	Sujana Charitable Trust	Education and related field	Telangana	6.24 lakhs	6.24 lakhs	6.24 lakhs	Through implementing agency

7. **Reasons for not spending two percent of the average net profit of the last three financial years on CSR: Nil**

8. **The CSR Committee Confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and policy of the company.**

By order of the Board

**G.Srinivasa Raju**  
Managing Director

**S.Hanumantha Rao**  
Director

Place: Hyderabad  
Date : 27th August, 2016

## **Annexure (III): Directors' Responsibility Statement**

Pursuant to the requirement of Section 134(3)(c) of the Companies Act, 2013, and on the basis of compliance certificate received from the executives of the Company and subject to disclosures in the Annual Accounts, as also on the basis of the discussion with the Statutory Auditors of the Company from time to time, and to the best of their knowledge and information furnished, the Board of Directors states:

- I. That in preparation of the Annual Accounts for the year ended 31st March, 2016; all the applicable Accounting Standards prescribed by the Institute of Chartered Accountants of India have been followed along with proper explanation relating to material departures, if any.
- II. That the Directors have adopted such accounting policies, as selected in consultation with Statutory Auditors, and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company is Rs. 14,555.76 lakhs for the financial year ended 31st March, 2016.
- 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, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- IV. That the Annual Accounts for the year ended 31st March, 2016, has been prepared on a going concern basis.
- V. That proper internal financial control were in place and that the financial controls were adequate and were operating effectively.
- VI. That systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

By order of the Board

**G.Srinivasa Raju**  
Managing Director

**S.Hanumantha Rao**  
Director

Place: Hyderabad  
Date : 27th August, 2016



## **Annexure (IV):**

### **Form No. MR-3**

### **SECRETARIAL AUDIT REPORT**

***[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]***

**FOR THE FINANCIAL YEAR ENDED 31st March, 2016**

To,  
The Members of  
**Sujana Towers Limited**  
18, Nagarjuna Hills, Punjagutta,  
Hyderabad – 500 082

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s Sujana Towers Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in our opinion, the company has, during the audit period covering the Financial Year ended on 31st March, 2016 (i.e. from 1st April, 2015 to 31st March, 2016) complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2016 according to the provisions of:
  - a. The Companies Act, 2013 (the Act) and the rules made there under;
  - b. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
  - c. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
  - d. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
  - e. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
    - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - ii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
    - iii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
2. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company under the financial year under report:-

## SUJANA TOWERS LIMITED

- a. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - b. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - c. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - d. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
3. The Company is into general manufacturing sector.
4. I have also examined compliance with the applicable clauses/regulations of the following:
- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI)
  - (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Uniform Listing Agreements entered into with BSE Limited and National Stock Exchange of India Limited;
- During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.
5. The Company Petition i.e. C.P. 137/2013, u/s 433 of the Companies Act, 1956 filed against the Company by M/s. Bhiragacha Finance Company Private Limited is not admitted by the Hon' ble High Court of Judicature at Hyderabad for the State of Telangana and The State of Andhra Pradesh and the said petition is pending for admission and hearing.

### I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place: Hyderabad  
Dated: May 30th, 2016

**Y. Ravi Prasada Reddy**  
Practising Company Secretary  
FCS No: 5783, CP No: 5360

## Annexure (V):

### EXTRACT OF ANNUAL RETURN

As on Financial Year Ended on 31.03.2016

*Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.*

### FORM No. MGT – 9

#### I. REGISTRATION AND OTHER DETAILS:

CIN	L40109TG2006PLC049743
Registration Date	04-06-2006
Name of the Company	SUJANA TOWERS LIMITED
Category/Sub-category of the Company	COMPANY LIMITED BY SHARES INDIAN NON-GOVERNMENT COMPANY
Address of the Registered office & contact details	8-2-248/1/7/18, Plot No.18, Nagarjuna Hills, Panjagutta, Hyderabad - 500 082, Telanagana.
Whether listed company	YES
Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s Bigshare Services Pvt.Ltd. 306, Right Wing, 3rd Floor, Amrutha Ville, Opp: Yashoda Hospital, Raj Bhavan Road, Somajiguda, Hyderabad - 500 082. Phone No: 040 – 2337 4967 Email: bsshyd@bigshareonline.com Website: www.bigshareonline.com

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Galvanised Steel Products	72161000	100%

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and address of the Company	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1	Digitech Systems Private Limited	NA	HOLDING	Section 2(87)
2	STL Africa Limited	NA	HOLDING	Section 2(87)
3	Telesuprecon Limited	NA	HOLDING	Section 2(87)

\*WOFS - Wholly Owned Foreign Subsidiary.

# SUJANA TOWERS LIMITED

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

### (i) Category-wise Shareholding

Category code	Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2015)				No. of Shares held at the end of the year (31.03.2016)					% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	Total	% of total shares	
<b>(A)</b>	<b>Promoter and Promoter Group</b>										
1	Indian										
(a)	Individuals/ Hindu Undivided Family	562,841	1,357	564,198	1.09	562,841	1,357	564,198	564,198	1.00	-0.09
(b)	Central Government/ State Government(s)										
(c)	Bodies Corporate	18,380,616	-	18,380,616	35.41	23,010,245	-	23,010,245	23,010,245	40.69	5.29
(d)	Financial Institutions/ Banks	0	-	-	-	-	-	-	-	-	
(e)	Any Other (specify)	0	-	-	-	-	-	-	-	-	
	<b>Sub-Total (A)(1)</b>	<b>18,943,457</b>	<b>1,357</b>	<b>18,944,814</b>	<b>36.49</b>	<b>23,573,086</b>	<b>1,357</b>	<b>23,574,443</b>	<b>23,574,443</b>	<b>41.69</b>	<b>5.20</b>
2	Foreign										
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0	-	-	-	-	-	-	-	-	
(b)	Bodies Corporate	0	-	-	-	-	-	-	-	-	
(c)	Institutions	0	-	-	-	-	-	-	-	-	
(d)	Qualified Foreign Investor	0	-	-	-	-	-	-	-	-	
(e)	Any Other (Specify)	0	-	-	-	-	-	-	-	-	
	<b>Sub-Total (A)(2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
	<b>Total Shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)</b>	<b>18,943,457</b>	<b>-</b>	<b>18,944,814</b>	<b>36.49</b>	<b>23,573,086</b>	<b>1,357</b>	<b>23,574,443</b>	<b>23,574,443</b>	<b>41.69</b>	<b>5.20</b>
<b>(B)</b>	<b>Public Shareholding</b>										
1	Institutions	0	-	-	-	0	-	-	-	-	
(a)	Mutual Funds/ UTI	0	-	-	-	0	-	-	-	-	
(b)	Financial Institutions/Banks	595,500	100	595,600	1.15	595,500	100	595,600	595,600	1.05	-0.09
(c)	Central Government/State Government(s)	0	-	-	-	0	-	-	-	-	
(d)	Venture Capital Funds	0	-	-	-	0	-	-	-	-	
(e)	Insurance Companies	0	-	-	-	0	-	-	-	-	
(f)	Foreign Institutional Investors	80000	-	80,000	0.15	80000	-	80,000	80,000.00	0.14	-0.01
(g)	Foreign Venture Capital Investors	0	-	-	-	0	-	-	-	-	
(h)	Qualified Foreign Investor	0	-	-	-	0	-	-	-	-	
(i)	Any Other (specify)	0	-	-	-	0	-	-	-	-	
	<b>Sub-Total (B)(1)</b>	<b>675,500</b>	<b>0</b>	<b>675600</b>	<b>1.30</b>	<b>675,500</b>	<b>100</b>	<b>675600</b>	<b>675,600</b>	<b>1.19</b>	<b>-0.11</b>
B2	Non-Institutions										
(a)	Bodies Corporate	8188882	24,582	8,213,464	15.82	7674966	4,600	7,679,566	7,679,566	13.58	-2.24
(b)	Individuals -										
I	i. Individual shareholders holding nominal share capital up to Rs.2 lakh.	8751898	300,918	9,052,816	17.44	10649422	318550	10,967,972	10,967,972	19.40	1.96
II	ii. Individual shareholders holding nominal share capital in excess of Rs.2 lakh.	14105105	-	14,105,105	27.17	12715146	-	12715146	12,715,146	22.49	-4.68
(c)	Qualified Foreign Investor	0	-	-	-	-	-	-	-	-	
(d)	Foreign Body Corporate	0	-	-	-	-	-	-	-	-	
(d1)	Clearing Members	570273	-	570,273	1.10	535139	-	535,139	535,139	0.95	-0.15
(d2)	NRI	352851	-	352,851	0.68	396686	-	396,686	396,686	0.70	0.02
(d3)	OCB's	0	-	-	-	0	-	0	0	-	
(d4)	Trust	0	-	-	-	0	-	0	0	-	
(d5)	GDR	0	-	-	-	0	-	0	0	-	
	<b>Sub-Total (B)(2)</b>	<b>31969009</b>	<b>325,500</b>	<b>32,294,509</b>	<b>62.21</b>	<b>31971359</b>	<b>323,150</b>	<b>32,294,509</b>	<b>32,294,509</b>	<b>57.11</b>	<b>-5.09</b>
	<b>Total Public Shareholding (B) = (B1 +B2)</b>	<b>32,644,509</b>	<b>325,500</b>	<b>32,970,109</b>	<b>63.51</b>	<b>32,646,859</b>	<b>323,250</b>	<b>32,970,109</b>	<b>32,970,109</b>	<b>58.31</b>	<b>(5.20)</b>
	<b>TOTAL (A) + (B)</b>	<b>51,587,966</b>	<b>325,500</b>	<b>51,914,923</b>	<b>100.00</b>	<b>56,219,945</b>	<b>324,607</b>	<b>56,544,552</b>	<b>56,544,552</b>		
<b>(C)</b>	<b>Shares held by Custodians and against which Depository Receipts have been issued.</b>	<b>0</b>	<b>-</b>	<b>-</b>		<b>0</b>	<b>0</b>	<b>-</b>			
	<b>Sub-Total (C)</b>	<b>0</b>	<b>-</b>	<b>-</b>		<b>0</b>	<b>0</b>	<b>-</b>			
	<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>51,587,966</b>	<b>-</b>	<b>51,914,923</b>	<b>100.00</b>	<b>55,544,445</b>	<b>0</b>	<b>56,544,552</b>			



## (ii) SHARE HOLDING OF PROMOTERS

Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
Shri Y.S.Chowdary	375,657	0.72	0.72	375,657	0.66	0.66	(0.06)
Shri G Srinivasa Raju	180,184	0.35	0.35	180,184	0.32	0.32	(0.03)
Sri S Hanumantha Rao(trustee for fraction share)	8,357	0.02	0.02	8,357	0.01	0.01	(0.01)
Sujana Finance and Trading Private Ltd	516,435	0.99	0.99	516,435	0.91	0.91	(0.08)
Yelamanchili Finance and Trading (p) Ltd	4,767,500	9.18	9.18	4,767,500	8.43	8.43	(0.75)
Sujana Holdings Limited	7,500,000	14.45	14.45	12,129,629	21.45	21.45	7.00
Foster Infin and Tradign (p) Limited	5,095,999	9.82	9.82	5,095,999	9.01	9.01	(0.81)
Sujana Capital Services Limited	682	0.00	-	682	0.00	-	-
Sujana Pumps and motors (p) Limited	500,000	0.96	0.96	500,000	0.88	0.88	(0.08)
<b>TOTAL</b>	<b>18,944,814</b>	<b>36.49</b>	<b>36.49</b>	<b>23,574,443</b>	<b>41.69</b>	<b>41.69</b>	<b>5.20</b>

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

Sl. No	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	At the beginning of the year	1-4-2015		18,944,814	36.49%	-	-
2	Changes during the year	27-11-2015	Allot	4,629,629	8.19%	23,574,443	41.69%
3	At the end of the year	31-3-2016		-	-	23,574,443	41.69%

## (iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Name of the shareholder	No. of Shares at the beginning/End of the year	Date	Increase / Decrease in share-holding	Reason	Cumulative Number of Shares	Percentage of total shares of the company
1	SRIHARI BABU KANCHERLA	1,008,318	31-Mar-15	0	Transfer	1,008,318	1.94
			18-Sep-15	-1008318	Transfer	0	0.00
			23-Sep-15	1008318	Transfer	1,008,318	1.94
			25-Sep-15	-1008318	Transfer	0	0.00
			28-Sep-15	1008318	Transfer	1,008,318	1.94
			2-Oct-15	-1008318	Transfer	0	0.00
			27-Nov-15	1008318	Transfer	1,008,318	1.94
			4-Dec-15	-1008318	Transfer	0	0.00
			31-Dec-15	1008318	Transfer	1,008,318	1.94
		1,008,318	31-Mar-16	0	Transfer	1,008,318	1.94
2	ESHAN FINANCIAL SERVICES PVT LTD	847,800	31-Mar-15	0	Transfer	847,800	1.63
			28-Aug-15	-847800	Transfer	0	0.00
			8-Jan-16	847800	Transfer	847,800	1.63
		847,800	31-Mar-16	0	Transfer	847,800	1.63
3	AJITKUMAR JOGENDARPRASAD SINGH	1,412,602	31-Mar-15	0	Transfer	1,412,602	2.72
			10-Apr-15	65201	Transfer	1,477,803	2.85
			17-Apr-15	-59469	Transfer	1,418,334	2.73
			24-Apr-15	46879	Transfer	1,465,213	2.82

## SUJANA TOWERS LIMITED

			8-May-15	68567	Transfer	1,533,780	2.95
			15-May-15	37352	Transfer	1,571,132	3.03
			22-May-15	12391	Transfer	1,583,523	3.05
			5-Jun-15	36270	Transfer	1,619,793	3.12
			19-Jun-15	13244	Transfer	1,633,037	3.15
			26-Jun-15	35606	Transfer	1,668,643	3.21
			10-Jul-15	6609	Transfer	1,675,252	3.23
			17-Jul-15	89738	Transfer	1,764,990	3.40
			24-Jul-15	7942	Transfer	1,772,932	3.42
			7-Aug-15	9568	Transfer	1,782,500	3.43
			14-Aug-15	1284	Transfer	1,783,784	3.44
			21-Aug-15	62166	Transfer	1,845,950	3.56
			28-Aug-15	114050	Transfer	1,960,000	3.78
			4-Sep-15	10	Transfer	1,960,010	3.78
			11-Sep-15	-73384	Transfer	1,886,626	3.63
			18-Sep-15	-508655	Transfer	1,377,971	2.65
			23-Sep-15	473471	Transfer	1,851,442	3.57
			25-Sep-15	-471567	Transfer	1,379,875	2.66
			28-Sep-15	450000	Transfer	1,829,875	3.52
			30-Sep-15	31364	Transfer	1,861,239	3.59
			2-Oct-15	-450000	Transfer	1,411,239	2.72
			9-Oct-15	13274	Transfer	1,424,513	2.74
			16-Oct-15	-586599	Transfer	837,914	1.61
			23-Oct-15	31000	Transfer	868,914	1.67
			30-Oct-15	-27914	Transfer	841,000	1.62
			27-Nov-15	250002	Transfer	1,091,002	2.10
			4-Dec-15	-250002	Transfer	841,000	1.62
			31-Dec-15	250002	Transfer	1,091,002	2.10
			8-Jan-16	102498	Transfer	1,193,500	2.30
			15-Jan-16	-31670	Transfer	1,161,830	2.24
			22-Jan-16	-70087	Transfer	1,091,743	2.10
			29-Jan-16	-33012	Transfer	1,058,731	2.04
			5-Feb-16	-78000	Transfer	980,731	1.89
			12-Feb-16	-96370	Transfer	884,361	1.70
			19-Feb-16	-19310	Transfer	865,051	1.67
			26-Feb-16	-15000	Transfer	850,051	1.64
			4-Mar-16	-23000	Transfer	827,051	1.59
		827,051	31-Mar-16	0	Transfer	827,051	1.59
4	RELIGARE FINVEST LTD	568,637	31-Mar-15	0	Transfer	568,637	1.10
			1-May-15	-50000	Transfer	518,637	1.00
			18-Sep-15	-518637	Transfer	0	0.00
			23-Sep-15	518637	Transfer	518,637	1.00
			25-Sep-15	-518637	Transfer	0	0.00
			28-Sep-15	518637	Transfer	518,637	1.00
			2-Oct-15	-518637	Transfer	0	0.00
			27-Nov-15	518637	Transfer	518,637	1.00
			4-Dec-15	-518637	Transfer	0	0.00
			31-Dec-15	518637	Transfer	518,637	1.00
		518,637	31-Mar-16	0	Transfer	518,637	1.00
5	VIMGI INVESTMENTS PVT LTD	0	31-Mar-15		Transfer	0	0.00
			29-May-15	320000	Transfer	320,000	0.62
			28-Aug-15	-272916	Transfer	47,084	0.09
			4-Sep-15	113000	Transfer	160,084	0.31
			18-Sep-15	-160084	Transfer	0	0.00
			23-Sep-15	160084	Transfer	160,084	0.31
			25-Sep-15	-160084	Transfer	0	0.00

			28-Sep-15	160084	Transfer	160,084	0.31
			2-Oct-15	-160084	Transfer	0	0.00
			27-Nov-15	160084	Transfer	160,084	0.31
			4-Dec-15	-160084	Transfer	0	0.00
			31-Dec-15	160084	Transfer	160,084	0.31
			8-Jan-16	232200	Transfer	392,284	0.76
			22-Jan-16	120000	Transfer	512,284	0.99
		512,284	31-Mar-16	0	Transfer	512,284	0.99
6	INDIAN OVERSEAS BANK	500,000	31-Mar-15	0	Transfer	500,000	0.96
			18-Sep-15	-500000	Transfer	0	0.00
			23-Sep-15	500000	Transfer	500,000	0.96
			25-Sep-15	-500000	Transfer	0	0.00
			28-Sep-15	500000	Transfer	500,000	0.96
			2-Oct-15	-500000	Transfer	0	0.00
			27-Nov-15	500000	Transfer	500,000	0.96
			4-Dec-15	-500000	Transfer	0	0.00
			31-Dec-15	500000	Transfer	500,000	0.96
		500,000	31-Mar-16	0	Transfer	500,000	0.96
7	VARA LAKSHMI G	243,464	31-Mar-15	0	Transfer	243,464	0.47
			10-Apr-15	100000	Transfer	343,464	0.66
			24-Apr-15	-4465	Transfer	338,999	0.65
			15-May-15	-576	Transfer	338,423	0.65
			29-May-15	80000	Transfer	418,423	0.81
			5-Jun-15	-8056	Transfer	410,367	0.79
			18-Sep-15	-410367	Transfer	0	0.00
			23-Sep-15	410367	Transfer	410,367	0.79
			25-Sep-15	-410367	Transfer	0	0.00
			28-Sep-15	410367	Transfer	410,367	0.79
			2-Oct-15	-410367	Transfer	0	0.00
			27-Nov-15	410367	Transfer	410,367	0.79
			4-Dec-15	-410367	Transfer	0	0.00
			31-Dec-15	410367	Transfer	410,367	0.79
		410,367	31-Mar-16	0	Transfer	410,367	0.79
8	MRKR CONSTRUCTIONS PRIVATE LIMITED	395,000	31-Mar-15	0	Transfer	395,000	0.76
			18-Sep-15	-395000	Transfer	0	0.00
			23-Sep-15	395000	Transfer	395,000	0.76
			25-Sep-15	-395000	Transfer	0	0.00
			28-Sep-15	395000	Transfer	395,000	0.76
			2-Oct-15	-395000	Transfer	0	0.00
			27-Nov-15	395000	Transfer	395,000	0.76
			4-Dec-15	-395000	Transfer	0	0.00
			31-Dec-15	395000	Transfer	395,000	0.76
		395,000	31-Mar-16	0	Transfer	395,000	0.76
9	SMC GLOBAL SECURITIES LIMITED	13,205	31-Mar-15	0	Transfer	13,205	0.03
			10-Apr-15	3000	Transfer	16,205	0.03
			17-Apr-15	-1000	Transfer	15,205	0.03
			24-Apr-15	-4550	Transfer	10,655	0.02
			1-May-15	600	Transfer	11,255	0.02
			8-May-15	-900	Transfer	10,355	0.02
			15-May-15	-50	Transfer	10,305	0.02
			22-May-15	3120	Transfer	13,425	0.03
			29-May-15	-950	Transfer	12,475	0.02
			5-Jun-15	237164	Transfer	249,639	0.48
			12-Jun-15	724	Transfer	250,363	0.48
			19-Jun-15	-21654	Transfer	228,709	0.44

## SUJANA TOWERS LIMITED

			26-Jun-15	-2341	Transfer	226,368	0.44
			30-Jun-15	-104	Transfer	226,264	0.44
			3-Jul-15	1000	Transfer	227,264	0.44
			10-Jul-15	1300	Transfer	228,564	0.44
			17-Jul-15	-130	Transfer	228,434	0.44
			24-Jul-15	2900	Transfer	231,334	0.45
			31-Jul-15	1550	Transfer	232,884	0.45
			7-Aug-15	-6600	Transfer	226,284	0.44
			14-Aug-15	4800	Transfer	231,084	0.45
			21-Aug-15	-3550	Transfer	227,534	0.44
			28-Aug-15	179197	Transfer	406,731	0.78
			4-Sep-15	-1198	Transfer	405,533	0.78
			11-Sep-15	7950	Transfer	413,483	0.80
			18-Sep-15	-207122	Transfer	206,361	0.40
			23-Sep-15	202066	Transfer	408,427	0.79
			25-Sep-15	-199609	Transfer	208,818	0.40
			28-Sep-15	199049	Transfer	407,867	0.79
			30-Sep-15	850	Transfer	408,717	0.79
			2-Oct-15	-199059	Transfer	209,658	0.40
			9-Oct-15	745	Transfer	210,403	0.41
			16-Oct-15	1951	Transfer	212,354	0.41
			23-Oct-15	9766	Transfer	222,120	0.43
			30-Oct-15	3588	Transfer	225,708	0.43
			6-Nov-15	-2938	Transfer	222,770	0.43
			20-Nov-15	22520	Transfer	245,290	0.47
			27-Nov-15	183951	Transfer	429,241	0.83
			4-Dec-15	-176642	Transfer	252,599	0.49
			11-Dec-15	1360	Transfer	253,959	0.49
			18-Dec-15	21601	Transfer	275,560	0.53
			25-Dec-15	4045	Transfer	279,605	0.54
			31-Dec-15	130406	Transfer	410,011	0.79
			8-Jan-16	50600	Transfer	460,611	0.89
			15-Jan-16	23550	Transfer	484,161	0.93
			22-Jan-16	600	Transfer	484,761	0.93
			29-Jan-16	1000	Transfer	485,761	0.94
			5-Feb-16	-1470	Transfer	484,291	0.93
			19-Feb-16	500	Transfer	484,791	0.93
			26-Feb-16	-75368	Transfer	409,423	0.79
			4-Mar-16	-10	Transfer	409,413	0.79
			11-Mar-16	180	Transfer	409,593	0.79
			18-Mar-16	-2430	Transfer	407,163	0.78
			31-Mar-16	-500	Transfer	406,663	0.78
		406,663	31-Mar-16	0	Transfer	406,663	0.78
10	A. JAIN & CO. PVT LTD	360,150	31-Mar-15	0	Transfer	360,150	0.69
			18-Sep-15	-360150	Transfer	0	0.00
			23-Sep-15	360150	Transfer	360,150	0.69
			25-Sep-15	-360150	Transfer	0	0.00
			28-Sep-15	360150	Transfer	360,150	0.69
			2-Oct-15	-360150	Transfer	0	0.00
			27-Nov-15	360150	Transfer	360,150	0.69
			4-Dec-15	-360150	Transfer	0	0.00
			31-Dec-15	360150	Transfer	360,150	0.69
		360,150	31-Mar-16	0	Transfer	360,150	0.69



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

S. No.	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
<b>1</b>	<b>Shri Y S Chowdary</b>						
	At the beginning of the year	1-4-2015		375,657	0.72%	375,657	0.66%
	Changes during the year	Nil		-		-	
	At the end of the year	31-3-2016				375,657	0.66%
<b>2</b>	<b>G Srinivasa Raju - Mnaging Director</b>						
	At the beginning of the year	1-4-2015		180,184	0.35%	180,184	0.32%
	Changes during the year	Nil					
	At the end of the year	31-3-2016		-		180,184	0.32%
<b>3</b>	<b>S. Hanumantha Rao - Director</b>						
	At the beginning of the year	1-4-2015		7,000	0.02%	7,000	0.01%
	Changes during the year	Nil					
	At the end of the year	31-3-2016				7,000	0.01%
<b>4</b>	<b>M V Bhaskara Rao - Director</b>						
	At the beginning of the year	1-4-2015		Nil	0.00%	Nil	0.00%
	Changes during the year	Nil					
	At the end of the year	31-3-2016			0.00%	Nil	0.00%
<b>5</b>	<b>Shri L V Rao - Independent Director</b>						
	At the beginning of the year	1-4-2015		Nil	0.00%	Nil	0.00%
	Changes during the year	Nil					0.00%
	At the end of the year	31-3-2016				Nil	0.00%
<b>6</b>	<b>Shri Yashpal Gupta (IDBI-Nominee)</b>						
	At the beginning of the year	1-4-2015		Nil	0.00%	Nil	0.00%
	Changes during the year	Nil					
	At the end of the year	31-3-2016			0.00%	Nil	0.00%
<b>10</b>	<b>B. Sandhyasri - Independent Director</b>						
	At the beginning of the year	1-4-2015		Nil	0.00%	Nil	0.00%
	Changes during the year	Nil					
	At the end of the year	31-3-2016				Nil	0.00%

**V. INDEBTEDNESS**

(Amount in Lakhs)

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Depo-sits	Total Indebtness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	147,866.25	28,445.93	-	1,76,312.18
ii) Interest due but not paid	9,614.16	-	-	9,614.16
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	157,480.41	28,445.93	-	1,85,926.34
<b>Change in Indebtedness during the financial year</b>				
*Addition	45,394.82	1,349.14	-	46,743.96
*Reduction	(912.00)	-	-	(912.00)
Net Change	44,482.82	1,349.14	-	45,831.96
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	172,815.88	29,795.07	-	2,02,610.95
ii) Interest due but not paid	29,147.35	-	-	29,147.35
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	201,963.23	29,795.07	-	2,31,758.30

# SUJANA TOWERS LIMITED

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
	Name	Shri G. Srinivasa Raju	(Rs. in Lakhs)
	Designation	Managing Director	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission		-
	- as % of profit	-	-
	- others, specify	-	-
5	Others, please specify	-	-
	Total (A)	-	-
	Ceiling as per the Act	The overall ceiling is as per limits stipulated in Schedule V / Section 197 of the Companies Act, 2013 the Act	

### B. Remuneration to other Directors

S. No.	Particulars of Remuneration	Name of Directors					Total Amount (Rs in lakhs)
		Shri M V Bhaskara Rao	Shri A S Anand Kumar	Shri L V Rao	Smt. B. Sandhyasri	Shri Yashpal Gupta	
1	Independent Directors						
	Fee for attending board committee meetings	0.80	0.80	1.00	0.30	0.10	3.00
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total	0.80	0.80	1.00	0.30	0.10	3.00
	Overall Ceiling as per the Act	The overall ceiling is as per limits stipulated in Schedule V / Section 197 of the Companies Act, 2013					

### C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD/Company Secretary

S. No.	Particulars of Remuneration	Name of Key Managerial Personnel		Total Amount
	Name	Smt. S. Kalyani	Shri P. Apser Hussien	(Rs. in lakhs)
	Designation	VP	CS	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	30.00	-	30.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others, please specify	-	-	-
	Total	30.00	-	30.00

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

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]
A. COMPANY				
Penalty			NONE	
Punishment				
Compounding				
B. DIRECTORS				
Penalty			NONE	
Punishment				
Compounding				
C. OTHER OFFICERS IN DEFAULT				
Penalty			NONE	
Punishment				
Compounding				

### Annexure (VI):

#### Statement of particulars of the conservation of energy, technology absorption, foreign exchange earnings and outgo as per Rule 8 of Companies (Accounts) Rules, 2014

##### A) Conservation of energy:

Electricity, Coal & Furnace Oil — purchased for manufacture of re-rolled products and galvanized towers parts

	2015-16	2014-15
<b>1. Electricity</b>		
Units (KWH)	1954546	1593052
Total amount (Rs.)	20820852	19732921
Rate/units (Rs.)	10.65	12.39
<b>2. Coal</b>		
Quantity (Tonnes)	2240.11	1465.25
Total Cost (Rs.)	10556927	8274646
Average Rate (Rs.)	4712.68	5647.26
<b>3. Furnace Oil</b>		
Quantity (Ltrs.)	-	248320
Total Cost (Rs.)	-	10698226
Average Rate (Rs.)	-	43.08
Electricity (KWH)	145.17	81.95
Coal (Tonnes)	0.20	0.13

- Steps taken or impact on conservation of energy: NA
- Steps taken by the company for utilising alternate sources of energy: NA
- Capital investment on energy conservation equipment: NA

##### B) Technology absorption:

- Efforts made towards technology absorption; NA
- The benefits derived like product improvement, cost reduction, product development or import substitution Nil
- In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): N/A
- Details of the expenditure incurred on Research and Development: Nil

##### C) Foreign exchange earnings and Outgo:

The Foreign Exchange earned in terms of actual inflows during the year is Rs. Nil lakhs and the Foreign Exchange outgo is Rs Nil lakhs during the year in terms of actual outflows.

# SUJANA TOWERS LIMITED

## Annexure (VII):

**Details pertaining to remuneration as required u/s 197(12) of The Companies Act, 2013 read with rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

- The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2015-16, percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year 2015-16, and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

S. No.	Name of the Director/ KMP (Designation)	Remuneration for FY 2015-16 (in lacs)	Ratio of remuneration to the median remuneration of the employees	% increase in remuneration in the FY 2015-16
01	G. Srinivasa Raju (Managing Director) *	Nil	-	-
02	S. Kalyani, Vice-President (Finance)	30.00	12.82	Nil
03	P. Apser Hussen (Company Secretary)	Nil	-	-

- None of the other directors expect as disclosed above draws any remuneration in the Company. The median remuneration of employees of the Company during the financial year 2015-16 was 2.34 lacs against the median remuneration of 2.21 lacs during the previous year an increase of 6.03% in the financial year; As on 31st March 2016, there were 100 Number of permanent employees on the rolls of Company;

### 2. The relationship between average increase in remuneration and company performance:

The average increase in remuneration during the financial year 2015-16 is Nil. The total employees cost for the financial year ended 31st March, 2016 is Rs. 535.56 lakhs against Rs. 761.38 lakhs for the financial year ended 31st March 2015. The total net revenue of the company for financial year ended 31st March 2016 is Rs. 139890.25 lakhs as against Rs. 211905.51 lakhs for the financial year ended 31st March 2015. The total employees cost as a percentage of net total revenue was 0.38% (last year 0.36%). The performance was decreased 33.98% during the financial year compared to last year.

### 3. Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company:

Rs. in lakhs

Particulars	2015-16	2014-15
Aggregate Remuneration of KMP in Financial Year	30.00	75.30
Revenue	139890.25	211905.51
Remuneration of KMP (as % of revenue)	0.021	0.036

- Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market

quotations of the shares of the Company in comparison to the rate at which the company came out with the last public offer:

Sl. No.	Description	Rs. in lakhs
<b>1</b>	<b>Market Capitalisation</b>	
	Mcap at 31st March 2016	5762.56
	Mcap at 31st March 2015	6416.68
	Variation in Mcap in FY 2016 (%)	(2.20%)
<b>2</b>	<b>Price Earnings Ratio (PE Ratio) – (Mkt Price / EPS)</b>	
	PE at 31st March 2016	(0.41)
	PE at 31st March 2015	16.93
	Variation in PE in FY 2016 (%)	(1.02)
<b>3</b>	<b>% Increase/Decrease from last Public Offer</b>	Not Applicable <sup>^</sup>
	FPO price per share	
	Market price as at 31 March, 2016	
	% decrease from last FPO	

<sup>^</sup> The Company was demerged from M/s. Sujana Metal Products Limited with approval of Hon'ble High Court.

5. Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year: Nil
6. The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy of the Company: N.A.
7. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: N.A.
8. Particulars of employees as required under rule 5 (2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014: Nil
9. It is hereby confirmed that the remuneration paid is as per the Remuneration Policy of the Company.



## Annexure (VIII):

### MANAGEMENT DISCUSSION AND ANALYSIS

The year 2015-16 is one similar to the preceding year, without any let. Company has attempted on many organizational restructuring programs for a better future of the Company, where in the Management has aimed to make the Company debt free and start on a fresh note in the sunrise sectors like Specialty Structural Steel Manufactures. Due to various reasons, despite statutory approvals, these efforts have failed to yield any positive results. In this back drop, the lending institutions are also exploring the options for them, like inducting a strategic partner under the extant rules.

The business environment of your company during the year under review has seen mixed environment with the order book slowing down and on the upside, the prices firming up, with the competition being fierce. We are glad that the days of the predatory pricing are a matter of past and the supply prices are expected to stabilise. The marginal reduction in the prices of primary steel has been offset by the increase in the prices of other inputs, especially Zinc. The areas of challenge now restricted to Liquidity and realisations. We are glad to note that the Government's action in resolving the ROW (Right of Way) issues are yielding results and we hope that these initiatives would percolate into results during the present financial year. All in all, T&D sector is witnessing green shoots, even though sporadically. If the same pace continues, we are sure that the situation would vastly improve in the next three years.

### INDUSTRY STRUCTURE AND DEVELOPMENTS

This year, the major economies in the world have registered positive growth. As per the data released by the World Bank, India stood as top 5 fast growing economies with a growth rate of 7.6% due to the Dynamic and forward thinking Government in place, supported by the stability in the prices of Crude and Commodities. It is heartening to note that China has registered a positive growth of 6.9%.

While the chimes of optimism are ringing, your company wishes to be circumspect due to the observations of the IMF in its report for the update on prospects (Jan, 16) for the year. The excerpts are:

- Global growth, currently estimated at 3.1 percent in 2015, is projected at 3.4 percent in 2016 and 3.6 percent in 2017. The pickup in global activity is projected to be more gradual than in the October 2015 World Economic Outlook (WEO), especially in emerging market and developing economies.
- In advanced economies, a modest and uneven recovery is expected to continue, with a gradual further narrowing of output gaps. The picture for emerging market and developing economies is diverse but in many cases challenging. The slowdown and rebalancing of the Chinese economy, lower commodity prices, and strains in some large emerging market economies will continue to weigh on growth prospects in 2016–17.
- Risks to the global outlook remain tilted to the downside and relate to ongoing adjustments in the global economy: a generalized slowdown in emerging market economies, China's rebalancing, lower commodity prices, and the gradual exit from extraordinarily accommodative monetary conditions in the United States. If these key challenges are not successfully managed, global growth could be derailed.

Your Company is less than optimistic in assuming that these extraneous factors may not unduly influence the juggernaut of Indian Economy, especially under the current political leadership, which is proactive in facing any challenge. The actions of the GOI, especially in bringing whole country under uniform tax regime (GST) and forward looking tax reforms, especially an assurance as to the levy of the taxes with retrospective effect have certainly created a positive sentiment among the business fraternity.

Your Company feels that in the given circumstances, it is only a matter of time that the Indian companies can successfully put a check to the invasion of the Chinese products in the markets. This, we consider as a good augury for "Make in India – Made by India" in the times to come.

We hope that these would percolate into good times for your company in the near future. Company faces a discrimination in procuring the orders due to it on account of your Company being tagged as a CDR Company which made the customers to shun from placing bulk orders on us. The realisation from the debtors is getting stagnated due to the delays in executing the orders at various levels, causing concern.

Keeping the changed environment in view, your Company is looking out for a strategic investor. We are of the opinion, in view of many external and internal factors and in view of the long term prospects and growth possibilities, your Company should do well, if it focuses with adequate liquidity on Transmission business and further focus its efforts and recourses on the Specialty Structural Steel Manufactures business, which is one of the expected sector to grow rapidly due to the many reforms and FDI norms that are proposed by the Indian Government.

## **OPPORTUNITIES AND THREATS**

In a sluggish global scenario, one cannot perceive changes in the economic situation and business outlook on year to year basis. In so far as your Company is concerned the scenario as to the Opportunities and Threats remain more or less unchanged.

A developing country such as India needs to invest heavily on key sectors such as Power and Transportation. The new Government has not just maintained investments into these sectors but has increased manifold, the short, medium and long term investments for these sectors. The company is aiming to target the emerging markets in the developing economies as these countries have increased their investments substantially on their Power and related infrastructures development.

The subdued global scenario and the gloomy prediction by the IMF make us to not to go gung ho, and to ensure that we remain in a consolidation phase. A threat by way of extremist activates may too, act as a dampener and may could prove to be a threat to the Indian Economy, however remote.

Your Company is convinced that it's chosen mode, i.e., to be conservative in its approach would help it to achieve its objects of consolidation and to face any eventuality.

Company has earlier proposed to divest its manufacturing facilities in view of the cash flow constraints and various other factors which call for deep pockets, as mentioned in the previous report to the members. Unfortunately, these efforts have not borne fruit. Your company is still convinced that it would be good to divest some of the business segments or to scout for a strategic investor to give it the necessary teeth to prevent the slippages in executing the orders.

The concern, that has arisen out of watching the reluctance of the customers' to place further orders on account of the reference of your Company to the CDR Mechanism, is still continues unabated.

## **RISK AND CONCERNS**

Your Company has put in place, a comprehensive risk management policy for identification and assessment of risks which is monitored by the risk management committee of the Company. The Committee closely monitors the process and suggests suitable measures to mitigate the risks. While the risks caused or likely to be caused by the internal happenings are promptly identified and dealt with by the Company. While the external factors still remain imponderable and still not yet under the control of the Company. Any amount of precautionary measures are taken by the Company are yet to negate the impact of these risks.

### **BUSINESS RISK**

The business risk is in general the risk imposed by the competition from the competitors. There is always as possibility of the new entrants into this sector and predatory pricing by them to get the orders. All the decisions by the Company are taken only after taking into consideration, these dynamic and issue specific factors.

### **INTEREST RATE RISK**

This aspect, while constitutes a certain risk, is beyond the control of the Company due to it having availed credit facilities from various banks. While one can argue that the rates may also come down, in our past

## **SUJANA TOWERS LIMITED**

experience, we have not come across an occasion when the lending institutions have passed on the rate reduction as announced by the RBI. Therefore, we categorise the interest rate fluctuation as an inherent risk. The mitigation of this risk lies in our accelerating the cash to cash cycle to offset the negative impact caused by such rate increase.

### **MARKET RISK**

This is an inherent risk that is to be faced by any company, forever and cannot be wished away. India as such abhors any monopolistic business practices and actively encourages competition. Therefore, your Company is always on the lookout for any aggressive competition and takes immediate steps to counter it by offering non fiscal incentives. Your company never believed in aggressive pricing as a tool to capture the market. On the other hand it trusts that quality and customer service are the two tools, which give great dividends in the long run and also ensure that the Company remains a long term player in the market. Company's backward integration in its manufacturing facilities do provide it with certain insulation from fluctuations in the market. The very large installed capacity is armour for your company to ward off competition.

### **LIQUIDITY RISK**

The liquidity risk may come in the way of smooth operation of the company due to one or the other reasons. Whenever there is blockage of funds in the hands of customers, the liquidity crunch is likely to happen and indeed, happening, which is crippling the operations of the Company, notwithstanding the wholehearted support and hand holding from the bankers. Company is trying to mitigate this risk by exploring for other avenues for liquidity.

### **FINANCIAL RISK**

Increase in operation cost as well as raw material cost poses financial risk to the Company. The impact of this risk is to some extent minimized with the escalation clause in majority of domestic orders. Even though Company is not facing any major hurdles on this front due to its short term contracts, this risk is not entirely ruled out, till your Company can implement various mitigation strategies like purchase in bulk as well as import of raw materials etc. to minimize the impact of this ever present risk.

### **GROWTH PLANS**

As stated earlier, your Company is in consolidation phase, after the failure of its plans to cede the business segments. It is approaching the customers with very cautious outlook and is definitely not in an aggressive mode. The marketing strategies would only be finalised only after induction of a strategic investor or tying for additional funds is accomplished. Pending this, your Company is attempting to develop itself as one of the key player in Specialty Structural Steel Manufacturing business with establishment of speciality steel structural manufacturing facilities and increase the volumes of its services.

The Company has not shifted its commitment from its professed ethos such as fast and quality execution, cost reduction, obtaining of financial support from banks with competitive interest rates etc.,

### **SUJANA'S COMPETITIVE STRENGTHS**

Strength can only be termed as competitive when it offers an edge over other competitors. Even though at the cost of being termed as boastful, your company is not very much concerned by the competition at this point of time, due to various inherent elements such as huge installed capacity; track record of supplies; comparative advantage due to the vertically integrated manufacturing facilities and approvals by the end customers. Company is yet to face an environment, wherein all these are put to test.

### **OUTLOOK AND OPPORTUNITIES**

Company is modest in assessing its outlook in view of the aforementioned external factors. Your Company is treading cautiously in taking new orders as the focus is on realisations and not on sales, per-se. We expect the current financial year to be a consolidating one, which paves way for a take off stage in the ensuing fiscal, to garner tremendous opportunities in future for the products of the Company.

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

The internal control systems as prevailing in the Company are commensurate with the size and nature of business of the Company. The Company has the system of Internal Audit. Internal Auditors regularly

make assessment of internal control in various areas of operation and report to the Audit Committee with their suggestions for the improvement of the same. Accordingly, the suggestions for improvement wherever deemed necessary are implemented immediately. In addition, the management itself keeps continuous watch on internal control systems of the company.

## **HUMAN RESOURCE AND INDUSTRIAL RELATIONS**

The relations between the Company and the employees are cordial. Company recognizes that the key to achieving its plans and sustaining them is none other than having best human resources pool.

Your Company endeavours in recruiting the best of talent, motivating and retaining them and considers development of this biggest asset as its primary responsibility.

## **HIGHLIGHTS OF THE FINANCIAL RESULTS**

During the financial year, Your Company has achieved a turnover of Rs. 139,780.63 lakhs for the year ended 31st March, 2016, as against the turnover of Rs. 2,11,440.84 lakhs for the previous year ended 31st March, 2015,

## **SEGMENT WISE PERFORMANCE & GEOGRAPHICAL INFORMATION**

The Company primarily engaged in the business of Iron & Steel products, more specifically Transmission / Telecom Towers and TSF products, which constitute a single segment in the context of accounting standard-17 on "Segment Reporting". Geographically, all the manufacturing facilities of the Company are situated within India, while it's marketing operations spread over many countries.

## **STATUTORY COMPLIANCE**

Your Company gives priority to comply all of the statutory requirements in time and the management regularly discusses the same with all of the departmental heads. The Company Secretary, as compliance officer, timely ensures compliance of the SEBI Regulations and provisions of listing agreements.

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

Sujana Foundation, the CSR arm of the Sujana Group was established in 2007 to serve the society and community in the sectors of agriculture, education, management, healthcare, rural development, rural entrepreneurship and poverty elevation. Sujana Group has integrated the real mechanisms of CSR accountability, sustainability, transparency and responsibility into it's core business strategy. Over the years, the Sujana Group is sharing it's success and resources with those less privileged in society through community involvement.

The Company has constituted a Committee viz., Corporate Social Responsibility (CSR) Committee also to comply the provisions of the Companies Act, 2013.

## **CAUTIONARY STATEMENT**

Statements in the Management Discussion and Analysis describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities, law and regulations. The Company assumes no responsibility to publicly amend, modify or revise forward looking statements, on the basis of subsequent event or development. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations, to mention some, are the selling price of finished goods, input availability and price, changes in government regulations, tax laws, economic development within and outside the country and other factors such as litigation and industrial relations.

## ANNEXURE-IX

### REPORT ON CORPORATE GOVERNANCE

(Pursuant to Regulation 34 (3) and Schedule V (C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

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

The Company's Philosophy is that Corporate Governance is a process which enables the Company to operate in a systemic manner to meet its ethical, legal and business expectations and at the same time fulfill its social responsibilities. The core value of Corporate Governance lies in integrity, transparency, high degree of disclosures, emphasis on product quality, adopting best business practices.

Your Company confirms the compliance of Corporate Governance as contained in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, the details of which are given below:

#### 2. BOARD OF DIRECTORS:

##### 2.1 Appointment and Tenure:

The Directors of the Company (except Nominee Directors) are appointed by the shareholders at General Meetings. All Executive Directors are subject to retirement by rotation and at every Annual General Meeting, 1/3rd of such Directors as are liable to retire by rotation, if eligible, generally offer themselves for re-election, in accordance with the provisions of Section 152 of the Companies Act, 2013 and that of the Articles of Association of the Company.

##### 2.2. Board composition, category of Directors, meetings and attendance Record of each director:

The Company has a balanced mix of Executive and Non-Executive Independent Directors to maintain the independence of the board and to separate the board functions of governance and management. As at March 31st ,2016, the Board of Directors comprises of Seven (7) members, out of which one (1) is Promoter & Managing Director, four (4) of them are Independent and Non-Executive Directors, one (1) Non-Executive Director and one (1) is a Nominee Director of IDBI Shri Yashpal Gupta. All Independent Directors are persons of eminence and bring a wide range of expertise and experience to the Board thereby ensuring the best interest of stakeholders and the Company.

The Chairman is an Independent & Non-Executive Director of the Company. The number of Independent Directors are 4 which is in compliance with the requirements of Regulations 17 of the SEBI (Listing Obligations and Disclosures Requirements), Regulations 2015. The number of Non-Executive Directors is more than 50% of the total number of Directors.

All Independent Directors meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (Hereinafter referred to as the "Listing Regulations, 2015").

No Director is related to any other Director on the Board in terms of the definition of "relative" as defined in Section 2(77) of the Companies Act, 2013. None of the Directors on the Board are Independent Directors of more than seven listed companies and none of the Whole-time Directors are Independent Directors of any listed company

None of the Directors on the Board is a member of more than 10 committees and Chairman of more than 5 committees (as specified in Regulation 26 of the Listing Regulations, 2015) across all the Companies in which he/she is a Director.

The information stipulated under Schedule II of the Listing Regulations, 2015 is being made available to the Board.

The details of composition of the Board of Directors as at March 31st, 2016, the attendance record of the Directors at the Board Meetings held during the financial year 2015-16 and at the last Annual General Meeting (AGM) and as also the number of Directorships, Committee Chairmanships and Memberships held by them in other Companies are given below are as given below:

Sl. No	Name of the Director	Other Director-ships <sup>1</sup>	Committee positions in other companies <sup>2</sup>		No of Board Meetings attended out of 6 meetings held during the year	Attended last A.G.M
			As Chairman	As member		
Promoter-Executive Director						
1.	Shri G. Srinivasa Raju	12	-	2	6	Yes
Non-Executive Director						
2.	Shri S. Hanumantha Rao	9	1	3	5	Yes
Independent & Non-Executive Directors						
3.	Shri A.S. Anand Kumar	1	-	-	4	No
4.	Shri M.V.Bhaskara Rao	2	-	-	5	Yes
5.	Shri L.V. Rao	3	-	-	6	Yes
6.	Smt. B. Sandhyasri	2	-	-	3	Yes
Nominee Directors						
7.	Shri Yashpal Gupta, Nominee from IDBI	-	-	-	1	No

**Notes:**

1. Including private limited Companies.
2. Only Audit and Shareholders' Grievances Committees considered.

**Change in Composition of Board of Directors since the date of last AGM held on 30th September, 2015:**

Resignation of Smt B.Sandhyasri, Independent & Non-Executive Director of the Company w.e.f May 30th, 2016 and Smt. A. Syamala Reddy appointed as an Additional Director of the Company w.e.f. August 27th, 2016.

Shri H. Biswas, Niminee Director of the IDBI has resigned w.e.f 22/08/2015, and Shri Yashpal Gupta has appointed as Niminee Director of the IDBI, w.e.f 14/11/2015.

**2.3. Board Meetings, Board Committee Meetings and Procedures:**

The Board of Directors oversees the overall functioning of the Company. The Board provides and evaluates the strategic direction of the Company, management policies and their effectiveness and ensures that the long-term interests of the stakeholders are being served. The Chairman and Managing Director are assisted by the Executive Directors/ Senior Managerial Personnel in overseeing the functional matters of the Company.

The Company believes that a Vibrant and Independent Board should be at the helm of affairs to ensure the highest levels of Corporate Governance. Accordingly your Company has always had adequate competent Independent Directors. For effective discharge of its functions and proper deliberations, Board has constituted various committees.

A minimum of four Board Meetings are held every year. Dates for the Board Meetings in the ensuing quarter are decided well in advance and communicated to the Directors. The Agenda



## SUJANA TOWERS LIMITED

along with the explanatory notes are sent in advance to the Directors. Additional meetings of the Board are held when deemed necessary to address the specific needs of the Company. In case of business exigencies or urgency of matters, resolutions are passed by circulation.

While preparing the Agenda, Notes on Agenda, Minutes etc. of the meeting(s), adequate care is taken to ensure adherence to all applicable laws and regulations including the Companies Act, 2013, read with the Rules made there under.

Six (6) Board Meetings were held during the year 2015-16 and the gap between two meetings did not exceed four months. The dates on which the Board Meetings were held were as follows:

- (1) May 6th, 2015
- (2) May 20th, 2015
- (3) August 12th, 2015
- (4) November 14th, 2015
- (5) December 28th, 2015
- (6) February 12th, 2016

In addition to items which are mandated to be placed before the Board for its noting and/or approval, information is provided on various significant items.

The Board periodically reviews compliance reports of all laws applicable to the Company. Steps were taken by the Company to rectify instances of non-compliance, if any.

### **Independent Directors Meeting:**

The Independent Directors met on March 30th, 2016 without the presence of Non- Independent Directors and members of the Management. At this meeting, the Independent Directors evaluated the performance of the Non-Independent Directors and the Board of Directors as a whole, evaluated the performance of the Chairman of the Board and discussed aspects relating to the quality, quantity and timeliness of the flow of information between the Company, the Management and the Board.

### **Familiarization programme for Independent Directors:**

The Company has held familiarization programme for the Independent Directors by way of presentations by business heads of the Company from time to time and deliberations held on major developments in legal and regulatory areas, particularly regarding Companies Act, 2013 and Regulation 25(7) of SEBI LODR Regulations.

## **3. BOARD COMMITTEES:**

In addition to functional Committees, your Board has constituted the following Committees as stipulated under the Listing Regulations, 2015.

### **3.1 Audit Committee:**

The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of the Listing Regulations, 2015 read with Section 177 of the Companies Act, 2013. The terms of reference, role and powers of the Audit Committee are as mentioned in Regulation 18(3) of the Listing Regulations, 2015 read with Section 177 of the Companies Act, 2013 and includes overseeing of the Company's financial reporting process, reviewing with the management of the financial statements and the adequacy of the internal audit function, internal control and to discuss significant internal audit findings, statutory compliance and issues related to risk management and compliances.

### **Composition and Procedure of the Audit Committee:**

The audit committee shall meet at least four times in a year and not more than four months shall elapse between two meetings.

The quorum for the audit committee shall be either two members or one third of the members whichever is higher and minimum of at least two independent directors.

The Audit Committee of your Company comprises of Four (4) members, out of which Three (3) are independent and non-executive directors and one (1) Non-Executive Director. The Members possess adequate knowledge of Accounts, Audit, Finance, etc. The composition of the Audit Committee meets with the requirements of Section 177 of the Companies Act, 2013 and of Regulation 18 of the Listing Regulations, 2015.

During the financial year 2015-16, the audit committee met Four times on the following dates:

- (1) May 20th , 2015
- (2) August 12th, 2015
- (3) November 14th, 2015
- (4) February 12th, 2016

The necessary quorum was present at the meetings.

The Constitution of the existing Audit Committee and the attendance of each Member are as given below:

Sl. No.	Name of the Director & position in Committee	Category	No.of Meetings attended
1.	Shri A S Anand Kumar – Chairman	Independent and Non-Executive Director	4
2.	Shri L V Rao - Member	Independent and Non-Executive Director	4
3.	Shri M V Bhaskara Rao – Member	Independent and Non-Executive Director	3
4.	Shri S. Hanumantha Rao – Member	Non-Executive Director	3

### **Change in Composition of Audit Committee since the date of last AGM held on September 30th, 2015: Nil**

Audit Committee meetings are attended by the Chief Financial Officer, Representatives of Statutory Auditors, representatives of Cost Auditors and Representatives of Internal Auditors. The Company Secretary acts as the Secretary of the Audit Committee.

### **3.2. Nomination and Remuneration Committee (Formerly known as Remuneration Committee)**

Nomination and Remuneration Committee has been reconstituted by the Board of Directors. In compliance with Section 178 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 19 of revised the Listing Regulations, 2015, Remuneration Committee were renamed “Nomination and Remuneration Committee” of the Board of Directors of the Company.

The Scope of Nomination & Remuneration Committee is to review the remuneration package payable to Executive Director(s) and Executives in the top level Management of the Company and gives its recommendation to the Board and acts in terms of reference of the Board from time to time.

## SUJANA TOWERS LIMITED

The Remuneration Committee of your Company comprises of three (3) members, all of them are non-executive directors, the chairman of the committee being an independent director.

### The existing Committee comprises of:

Sl. No.	Name of the Director & Position in the Committee	Category
1.	Shri A S Anand Kumar	Independent and Non-Executive Director
2.	Shri M V Bhaskara Rao	Independent and Non-Executive Director
3.	Shri S Hanumantha Rao	Non-Executive Director

No Nomination and Remuneration Committee meeting was held during the year.

There were no changes in composition of Nomination and Remuneration Committee since the date of last AGM held on September 30th, 2015.

### Remuneration Policy:

The remuneration recommendations about the remuneration of Directors are subject to the approval of the Members of the Company and the remuneration of the key managerial persons is to be recommended by the Nomination and Remuneration Committee to the Board.

### Sitting Fee details:

Sl. No.	Name of the Director	Sitting fee paid During the year (Rs)
1	Shri M V Bhaskara Rao	80000
2	Shri A S Aannd Kumar	80000
3	Shri L V Rao	100000
4	Shri Yashpal Gupta(Nominee from IDBI Limited)	10000
5	Smt. B.Sandhyasri	30000
	Total	300000

The Company pays sitting fees at the rate of Rs. 10,000/- for each meeting of the Board and sub-committees attended by them.

Statement showing number of Equity Shares held by the Non-Executive Directors as on March 31, 2016:

Name of the Director	Designation	No.of Shares held
Shri M V Bhaskara Rao	Independent and Non-Executive Director	Nil
Shri A S Aannd Kumar	Independent and Non-Executive Director	Nil
Shri L V Rao	Independent and Non-Executive Director	Nil
Shri Yashpal Gupta	IDBI Nominee	Nil
Smt. B Sandhyasri	Independent and Non-Executive Director	Nil
Shri S Hanumantha Rao	Non-Executive Director	7000

### 3.3. Shareholders' Grievances Committee:

#### Scope of the Shareholders' Grievance Committee:

The Shareholders' Grievance Committee of your Company shall look into the redressing of shareholder and investor complaints like non-receipt of Balance Sheet, non-receipt of declared Dividend, etc.,

### **Constitution and Composition of the Shareholders' Grievance Committee:**

The Shareholders' Grievance Committee of your Company comprises of three (3) members.

No Shareholders' Grievance Committee Meeting was held during the financial year 2015-16.

### **The existing Committee consists of Three Directors, The details of the same are:**

Sl. No.	Name of the Director & position in the Committee	Category
1.	Shri G. Srinivasa Raju - Chairman	Promoter and Executive Director
2.	Shri S. Hanumantha Rao – Member	Non-Executive Director
3.	Shri M. V. Bhaskara Rao – Member	Independent, Non-Executive Director

### **Name and Designation of the Compliance Officer :**

The name and designation of the Compliance Officer of your Company is Shri Pathan Apser Hsussen, Company Secretary of your Company.

### **Status of the Complaints:**

Number of Shareholders Complaints received during the Financial Year 2015-16	2
Number of complaints not solved to the satisfaction of the shareholders	Nil
Number of pending Complaints	Nil

### **3.4. Share Transfer Committee:**

The Share transfer committee comprises of Shri G. Srinivasa Raju, Shri M V Bhaskara Rao and Shri S Hanumantha Rao the role, terms of reference, the authority and powers of the Share Transfer Committee are in conformity with the provisions of the Companies Act, 2013. During the year under review the Share Transfer Committee met 3 (Three) times.

There are no share transfers pending for more than a fortnight.

### **3.5. Management Committee:**

The Management Committee comprises of Shri G.Srinivasa Raju, Shri S Hanumantha Rao and Shri M V Bhaskara Rao. The role, terms of reference, the authority and powers of the management committee are in conformity with the provisions of the Companies Act, 2013. During the year under review the management committee met 15 (Fifteen) times.

### **3.6 CSR Committee as per the provisions of Section 135 of Companies Act, 2013:**

As per the Section 135 of the Companies Act, 2013, the Company is required to constitute a Committee viz., 'Corporate Social Responsibility (CSR) Committee of the Board of Directors of the Company consisting of three or more Director, out of which at least one Director should be Independent Director. In this connection, the CSR Committee was constituted by the Board Meeting held on May 30th, 2014 with the following Directors:

Sl. No.	Name of the Director & Position in the Committee	Category
1	Shri S. Hanumantha Rao - Chairman	Non-Executive Director
2	Shri G. Srinivasa Raju - Member	Promoter & Executive Director
3.	Shri M. V. Bhaskara Rao - Member	Independent & Non-Executive Director

## SUJANA TOWERS LIMITED

**The terms of reference of CSR Committee shall, inter-alia, include the following:**

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

The quorum for the CSR Committee Meeting shall be one-third of its total strength (any fraction contained in that one-third be rounded off as one) or two members, whichever is higher".

No CSR committee was held during the year 2015-16.

The Company Secretary to the Company shall act as Secretary to the CSR Committee.

### **3.7. Risk Management Committee pursuant to Regulation 21 of the Listing Regulations, 2015:**

As per the Regulation 21 of the Listing Regulations, 2015, the Company is required to constitute a Committee viz., 'Risk Management Committee of the Board of Directors of the Company consisting of three or more Director. In this connection the Committee was constituted with the following Directors in the Board Meeting held on May 30th, 2014:

Sl. No.	Name of the Director & Position in the Committee	Category
1	Shri S.Hanumantha Rao -Chairman	Non-Executive Director
2	Shri G.Srinivasa Raju- Member	Promoter & Executive Director
3.	Shri M V Bhaskara Rao -Member	Independent & Non-Executive Director

The Risk Management Committee shall be responsible for framing, implementing & monitoring the risk management plan of the Company.

## **4. GENERAL BODY MEETINGS:**

### **4.1 Details of Last three AGMS held :**

Sl. No.	No. of Annual General Meeting	Date of the Annual General Meeting	Venue	Time	Details of Special Resolutions passed
1	8TH	30th September, 2015	Katriya Hotel and Towers, No.8, Raj Bhavan Road, Somajiguda, Hyderabad - 500082.	02.00. P.M.	<ol style="list-style-type: none"> <li>To consider and appoint Shri G. Srinivasa Raju, as Managing Director &amp; Key Managerial Person of the Company and in this regard, if thought fit, to pass, with or without modification(s)</li> <li>To alter Clause 145 of the Articles of Association of the Company under Section 14 of the Companies Act, 2013 by replacing new Clause 145 and in this regard to consider and if thought fit, to pass, with or without modification(s),</li> </ol>

2	7TH	30th September, 2014	Kohinoor Taj Deccan, Road No.1, Banjara Hills Hyderabad - 500 034	12.30. P.M.	<ol style="list-style-type: none"> <li>1. Approve the Borrowing limits along with guarantee or counter guarantee and in this regard to consider and if thought fit to pass with or without modifications.</li> <li>2. Mortgage and/or charge any of its movable and / or immovable properties wherever situated both present and future and in this regard to consider and if thought fit, to pass, with or without modification.</li> <li>3. Approve and adopt the new set of Articles of Association of the Company in this regard to consider and if thought fit, to pass, with or without modification.</li> </ol>
3	6th	30th September, 2013	Hotel Sitara, Residency, Beside Chandana Brothers, Ameerpet, Hyderabad-500016	12.00 Noon	To sell, lease, or otherwise dispose of the whole, or substantially the whole of the undertaking of the Company under Section 293(1)(a) of the Companies Act, 1956.

4.2 No Extra-ordinary General Meeting of the shareholders was held during the year.

#### 4.3 Details of resolutions passed in the last year through postal ballot:

Your Company passed a special resolution through postal ballot during the period (01st April, 2015 to 31st March, 2016). However the members have approved the following resolutions through postal ballot on 21st July, 2015

Resolution No.	Particulars
1	Special Resolution under Section 180 (1) (a) of the Companies Act, 2013, for hiving off the Business Verticals of the Company
2	To approve, ratify and confirm the Corporate Debt Restructuring (CDR) Scheme
3	Special Resolution under Section 62 of the Companies Act, 2013 to Issue and allotment of 46,29,629 Equity Shares of Rs. 10/- each (Rupees Ten only) at a premium of Rs. 44/- each [Rupees Forty Four only ] for cash, to the Promoters / Promoters' Group in compliance with the terms and conditions of CDR package.

## 5. DISCLOSURES:

### (i) Materially Significant related party transactions:

There were no materially significant related party transactions during the year having potential conflict with the interest of the Company at large. The Company has formulated the Policy on Materiality of Related party transactions to decide the materiality for the related party transaction and to deal with related party transaction.

The said Policy has been posted on the website of the Company [www.sujana.com](http://www.sujana.com). All transactions were carried out on an arms-length basis and were not prejudicial to the interest of the Company.

### (ii) Compliances:

The Company has complied with the requirements of the Stock Exchanges, SEBI and other Statutory Authorities on all matters relating to capital markets during the last three years. No penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other Statutory Authorities relating to the above.



## SUJANA TOWERS LIMITED

**(iii) Risk Management:**

The Company has laid down procedures to inform the Board of Directors about the Risk Assessment and Minimization Procedure. These procedures are periodically reviewed by the Board to ensure that Executive management controls risk through means of a properly defined framework.

**(iv) Code of Conduct:**

The Company has adopted a Code of Conduct as required under Listing Regulations, 2015, which applies to all the Board Members and Senior Management of the Company. The Board Members and Senior Management personnel have affirmed their compliance with the Code on annual basis and their confirmations have been received in this regard. The Code of Conduct has been posted on the Company's website. A separate declaration to this effect signed by the Managing Director is attached.

**(v) Vigil Mechanism:**

In line with requirement of the Companies Act, 2013 and of Regulation 22 of Listing Regulations, 2015, the Board of Directors, on recommendation of the Audit Committee, established a vigil mechanism by framing a Whistle Blower Policy to deal with instance of fraud and mismanagement, if any. The Vigil Mechanism framework ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination shall be meted out to any person for a genuinely raised concern. The designated officer/ Audit Committee Chairman can be directly contacted to report any suspected or confirmed incident of fraud/misconduct.

**(vi) Disclosure of Accounting Treatment:**

In the preparation of the financial statements, the Company has followed Accounting Standards notified by Ministry of Corporate Affairs. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

**(vii) CEO & CFO Certification:**

Shri G Srinivasa Raju, Managing Director and Shri S Kalyani, Vice-President (Finance) of the Company have given annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of Listing Regulations, 2015. The Managing Director and the Chief Financial Officer also give quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2)(a) of Listing Regulations, 2015.

**(viii) Details of Non-Compliance and Penalties:**

There was no non-compliance during the last three years by the Company on any matter related to Capital Market. There were no penalties imposed nor strictures passed on the Company by any Stock Exchanges, Securities and Exchange Board of India or any Statutory Authority relating to the capital markets.

**(ix) Compliance Certificate:**

Compliance Certificate for Corporate Governance from the Practicing Company Secretary is annexed hereto and forms part of this Report.

**(x) Details of the Compliance with Mandatory and Non-mandatory requirements of the Listing Regulations, 2015:**

During the Financial year under review, your Company has duly complied with all the mandatory requirements of the Listing Regulations, 2015.

Following is the status of the compliances with Non-mandatory requirements.

During the year under review there is no audit qualification on the Company's financial statements.

The Chairman of the Board as a Non-executive Chairman and his position is separate from that of the Managing Director and CEO of the Company.

The Internal Auditor reports to the Audit Committee of the Company.

**(xi) It is confirmed that no personnel has been denied access to the Audit Committee.**

**(xii) Disclosure under Regulation 53(f) read with Schedule V of Listing Regulations, 2015:**

- (a). None of the Independent/Non-Executive Directors has any pecuniary relationship or transactions with the Company which in the judgment of the Board may affect the independent of the director except receiving sitting fee for attending Board/Committee meetings.
- (b). None of the non-executive director except Shri S. Hanumantha Rao is holding any shares in the Company.

**(xiii) Management Discussion and Analysis Report:**

A management Discussion and Analysis Report form part of this Annual Report and is in accordance with the requirements as laid down in the Listing Regulations, 2015.

**(xiv) Shareholders Information:**

- (a) Appointment/Re-appointment of Directors: The brief resume of directors retiring by rotation, appointment of Directors and re-appointment of directors, including nature of their experience in specific functional areas, names of companies in which they hold directorship and membership of committees of the Board is appended to the Notice for calling Annual General Meeting.
- (b) None of the Directors are related to each other.

**(xv) Prevention of Insider Trading:**

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Company Secretary is responsible for implementation of the Code.

## **6. MEANS OF COMMUNICATION:**

- (i) Publication of Quarterly/Annual Financial Results in daily newspapers – Andhra Prabha (Telugu) or Financial Express (English) or Business Standard (English) and the same will be updated in the Company's Website at [www.sujana.com](http://www.sujana.com)
- (ii) Furnishing the Quarterly / Annual Financial Results to Stock Exchanges in which Company's shares are listed.
- (iii) Sending Balance Sheet, Profit & Loss Account, Directors' Report & Auditors' Report to Shareholders through Post/Courier/Email.

**(iv) Company's Corporate Website :**

The Company's website [www.sujana.com](http://www.sujana.com) is a comprehensive reference on Sujana Towers Limited's management, vision, mission, policies, corporate governance, corporate sustainability, investor relations, sales network, updates and news. The Section on 'Investor Relations' serves to inform the shareholders, by giving complete financial details, shareholding patterns, corporate

## SUJANA TOWERS LIMITED

benefits, information relating to stock exchanges, registrars, share transfer agents and frequently asked questions. Investors can also submit their queries and get feedback through online interactive forms. The Section on 'Newsrooms' includes all major press reports and releases, awards, campaigns.

(v) **Uploading on NEAPS & BSE Listing Centre:** The quarterly results, quarterly compliances and all other corporate communications to the Stock Exchanges are filed electronically on NEAPS for NSE and on BSE listing Centre for BSE

(vi) **Annual Report:** Annual Report containing, inter alia, Audited Annual Accounts, Consolidated Financial Statements, Directors' Report, Auditor's Report and other important information is circulated to members and others entitled thereto. The Management Discussion and Analysis (MD&A) Report forms part of the Annual Report.

(vii) **SEBI Complaints Redress System (SCORES):**

SCORES is a system implemented by SEBI which enables investors to lodge their complaints electronically on the SEBI website. The investor complaints are processed in a centralized web based complaints redressal system. The salient features of this system are Centralised database of all complaints, online uploading of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status. All complaints received through SCORES are resolved in a timely manner by the Company, similar to other complaints.

(viii) **Chairman's Communiqué:** Printed copy of the Chairman's Speech is distributed to all the shareholders at the Annual General Meetings.

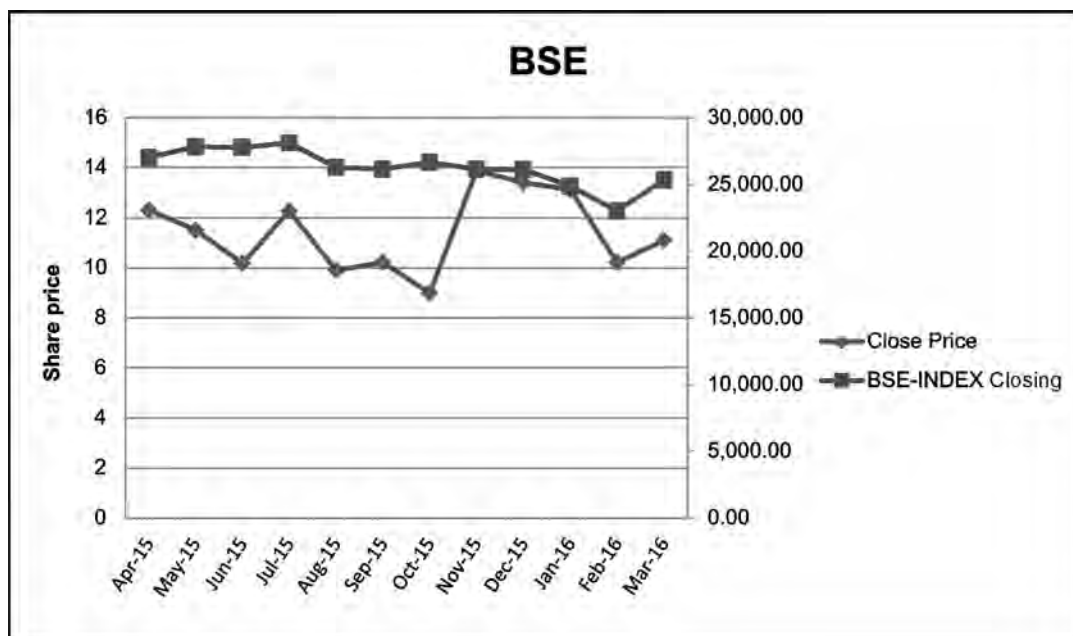
### 7. GENERAL SHAREHOLDERS INFORMATION:

1.	Date	September 30th , 2016
2.	Time	02.00 PM
3.	Venue	Katriya Hotel&Towers, #8, Raj Bhavan Road, Somajiguda, Hyderabad - 500 082, Telangana.
4.	Financial year	2015-2016, (consisting of 12 months from 01.04.2015 to 31.03.2016)
5.	Book Closure Date	29.09.2016 (One day only)
6.	Dividend Payment Date	Not Applicable
7.	Listing on Stock Exchanges	BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001 National Stock Exchange of India Ltd Exchange Plaza, Bandra-Kurla Complex, Bandra(E), Mumbai - 400 051.
8.	Stock code	(a) BSE Scrip Code : 532887 NSE Symbol : SUJANATWR (b) Demat ISIN for equity shares : INE333I01036 (c) Corporate Identity Number (CIN) : L40109TG2006PLC049743
9.	Listing Fee	The Listing fee for the year 2015-2016 has been paid to both the above said Stock Exchanges.
10.	E-voting facility	www.evoting.nsdl.com Open Date: September 26th , 2016@ 9:00 A.M. Closing Date: September 29th, 2016@ 5:00 P.M. cut-off date is September 23rd, 2016
11.	Company's Website	www.sujana.com

### Market Price Data:

The monthly high and low stock prices during the financial year 2015-16 and performance in comparison to the Broad-based indices such as BSE- Sensex is provided hereunder.

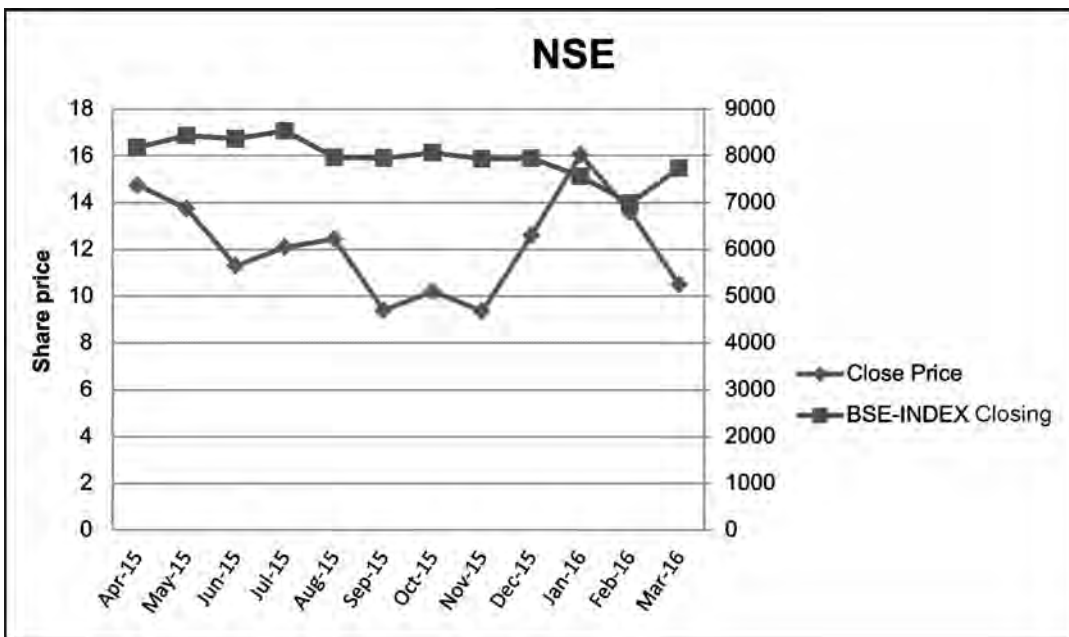
Month	High Price	Low Price	Close Price	BSE SENSEX
				(Closing)
April 2015	16.41	12.10	12.31	27,011.31
May 2015	14.70	11.00	11.51	27,828.44
June 2015	11.90	9.64	10.18	27,780.83
July 2015	14.29	10.12	12.27	28,114.56
August 2015	13.70	9.30	9.90	26,283.09
September 2015	13.69	8.70	10.22	26,154.83
October 2015	11.07	8.50	8.99	26,656.83
November 2015	13.89	8.00	13.89	26,145.67
December 2015	15.27	10.14	13.40	26,117.54
January 2016	18.59	11.50	13.13	24,870.69
February 2016	14.35	9.82	10.21	23,002.00
March 2016	11.64	10.00	11.10	25,341.86



## SUJANA TOWERS LIMITED

The monthly high and low stock prices during the financial year 2015-16 and performance in comparison to the Broad-based indices such as NSE-Nifty is provided hereunder.

Date	High Price	Low Price	Close Price	NSE - Nifty Closing
April 2015	14.75	12.60	14.75	8181.5
May 2015	14.50	12.60	13.75	8433.65
June 2015	11.80	11.00	11.30	8368.5
July 2015	12.20	11.90	12.10	8532.85
August 2015	12.85	12.10	12.45	7971.3
September 2015	10.20	9.25	9.40	7948.9
October 2015	10.40	10.00	10.20	8065.8
November 2015	9.40	8.80	9.35	7935.25
December 2015	15.05	12.35	12.60	7946.35
January 2016	16.05	13.55	16.05	7563.55
February 2016	14.40	13.15	13.60	6987.05
March 2016	10.80	10.10	10.50	7738.4



### Share Transfer System :

Your Company has appointed M/s. Bigshare Services Private Limited for dealing in with the shares of the Company in physical and electronic mode. Presently they are completing the process of transfer within a period of 10 to 15 days from the date of receipt, subject to the documents being valid and complete in all respects. Pursuant to Regulation 40 of SEBI LODR Regulations, certificates, on half-yearly basis, have been given by a Practicing Company Secretary duly certifying compliance of shares transfer formalities

### Dematerialization of Shares :

99.37% of the Company's Paid-up capital has been dematerialized upto 31.03.2016 as per the following details.

Particulars	Number of shares	% of share capital
NSDL	23852259	45.94
CDSL	27738057	53.43
Physical	326957	0.63
Total	5,19,14,923	100.00

### Distribution of Shareholding :

As on 31st March, 2016, the Distribution Shareholding was as follows:

Range (Rs)	No. of Shares	% of Shareholding	No. of Shareholders	% of Shareholders
01 - 5,000	1973950	3.8023	18181	82.3303
5,001 - 10,000	1160510	2.2354	1399	6.3352
10,001 - 20,000	1423068	2.7412	913	4.1344
20,001 - 30,000	1009498	1.9445	391	1.7706
30,001 - 40,000	697611	1.3438	194	0.8785
40,001 - 50,000	1007752	1.9412	211	0.9555
50,001-1,00,000	2680444	5.1631	359	1.6247
1,00,001-5,00,000	7042050	13.5646	327	1.4808
5,00,001-10,00,000	3545491	6.8294	40	0.2219
10,00,001-50,00,000	10248715	19.7414	47	0.2128
50,00,001-1,00,00,00,000	4534017	8.7336	7	0.0317
1,00,00,00,001-9,99,99,999	16591817	31.9596	5	0.0226
Total	51914923	100.00	22083	100.00

### Pattern of shareholding as on 31st March, 2016 (Face Value: Rs.10/- each):

Sl.No.	Category	No.of Holders	No.of Shares	% to Equity
1	Promoters and Promoters Group	9	1,89,44,814	36.49
2	Bodies Corporate	453	76,79,566	13.58
3	Public – Individuals	21,338	2,36,83,118	41.88
4	NRI's	172	3,96,686	0.70
5	Foreign Institutional Investors	1	80,000	0.14
6	Financial Institutions/Banks	3	5,95,600	1.05
7	Clearing Members	107	5,35,139	0.95
Total		22,083	5,19,14,923	100.00

### Outstanding GDR/ADR/Warrants or any convertible instruments, conversion date and impact on equity:

There are no outstanding GDR/ADR/Warrants or any convertible instruments as on the date of this report.

### Reconciliation of Share Capital Audit Report:

SEBI has vide its Circular No: CIR/MRD/DP/30/2010 dated: 06.09.2010 renamed the Secretarial Audit Report as the Reconciliation of Share Capital Audit Report.



## SUJANA TOWERS LIMITED

Reconciliation of Share Capital Audit Report in terms of SEBI Guidelines vide Circular No. CIR/MRD/DP/30/2010 dated 06th September, 2010, confirming that the total issued capital of the Company is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) is placed before the board on a quarterly basis and is also submitted to the Stock Exchanges where the shares of the Company are listed.

### Plant Location:

S.No.	State	Location
1	Telangana	Plot No. 128 Part, Sy. No. 172/B, I.D.A., Bollaram - 502 325, Jinnaram Mandal, Medak Dist., Telangana
2	Telangana	Plot No. 10, 11 and 12 Part, Sy. No.172, I.D.A., Bollaram - 502 325, Jinnaram andal, Medak Dist., Telangana
3	Telangana	Plot No. 9, Sy. No.172/EE, U, UU, I.D.A., Bollaram - 502 325, Jinnaram Mandal, Medak Dist., Telangana
4	Telangana	Plot No. 8, B & C, Sy. No.172/EE, U, UU, I.D.A., Bollaram - 502 325, Jinnaram Mandal, Medak Dist., Telangana
5	Telangana	Sy.No. 321, Turkala Khanapur Village - 502 201, Hatnur Mandal, Medak Dist., Telangana

### Address for Correspondence :

S.No	Name of the Office	Address
1	Company Secretarial Department	Plot No.18, Nagarjuna Hills, Panjagutta, Hyderabad - 500 082, Telangana. Phone No.2335 1882/85/87, Fax No: +91-40-23358499 Email: pah2862@sujana.com
2	Registered Office and Corporate Office	Plot No.18, Nagarjuna Hills, Panjagutta, Hyderabad - 500 082, Telangana.
3	Registrars and Share Transfer Agents:	M/s. Bigshare Services Private Limited, 306, Right Wing, Third Floor, Amruta Ville, Opp: Yashoda Hospital, Raj Bhavan Road, Somajiguda, Hyderabad – 500 082. Phone No. 040-23374967 Email: bsshyd@bigshareonline.com

### DECLARATION ON COMPLIANCE WITH CODE OF BUSINESS CONDUCT AND ETHICS IN TERMS OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.

I hereby declare that the Company has obtained affirmation from all the members of the Board and Senior Management Personnel that they have complied with the Code of Business Conduct & Ethics for Board Members/ Senior Management Personnel in respect of the financial year 2015-16, pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I further declare that the said Code of Conduct have been posted on the website of the Company in accordance with the Listing Regulations, 2015.

Place: Hyderabad  
Date: August 27th, 2016

**G Srinivasa Raju**  
Managing Director  
DIN: 00132249

**CERTIFICATE UNDER REGULATION 17(8) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

- A. We have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief:
- (1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) These statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by our company during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of our company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any.
- D. We have indicated to the auditors and the Audit committee
- (1) Significant changes in internal control over financial reporting during the year;
  - (2) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (3) Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

Place: Hyderabad  
Date: 30.05.2016

**S KALYANI**  
(Vice-President-Finance)

**G SRINIVASA RAJU**  
Managing Director

**CERTIFICATE ON CORPORATE GOVERNANCE**

To

The Members of Sujana Towers Limited,

I have examined the compliance of conditions of Corporate Governance by M/s. Sujana Towers Limited ("the Company"), for the year ended March 31, 2016, as stipulated in Clause 49 of the Listing Agreement ("Listing Agreement") of the Company with the stock exchanges for the period April 1, 2015 to November 30, 2015 and as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing regulations)" as referred to in Regulation 15(2) of the Listing Regulations, for the period December 1, 2015 to March 31, 2016.

The compliance of conditions of corporate governance is the responsibility of the Management. My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my knowledge and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement/Listing Regulations, as applicable.

I 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.

Place: Hyderabad  
Dated: August 27th , 2016

**Y. Ravi Prasada Reddy**  
FCS No:5783, CP No:5360

# SUJANA TOWERS LIMITED

## INDEPENDENT AUDITORS' REPORT

To  
The Members,  
Sujana Towers Limited.

### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of SUJANA TOWERS LIMITED ("the Company"), which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

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

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its profit and its cash flows for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A to this report, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e) On the basis of the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion, and to the best of our information and according to the explanations given to us :
    - i. There are no pending litigations for the company that will impact the financial position of the company;
    - ii. There are no foreseeable losses on long-term contracts including derivative contracts;
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For VENUGOPAL & CHENOY**  
Chartered Accountants,  
FRN: 004671S

**(P.V. SRI HARI )**  
Partner  
Membership No.021961

Place: Hyderabad  
Date: 30-05-2016

# SUJANA TOWERS LIMITED

## ANNEXURE - A TO THE INDEPENDENT AUDITORS' REPORT

The Annexure A referred to in our Independent Auditor's Report to the members of the Company on the standalone financial statements for the year ended March 31, 2016, we report that:

- i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies have been noticed on such physical verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii) (a) The inventories have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable.
- (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company has maintained proper records of the said stocks. As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to the book records.
- iii) The Company has granted a loan aggregating to Rs 1114.79 lakhs a company covered under the register maintained under section 189 of The Act. The rate of interest and other terms and conditions are prima facie not prejudicial to the interests of the company.
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- v) The Company did not accept any deposits from public.
- vi) We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of the activities carried on by the Company, wherever applicable and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records
- vii) (a) According to the information and explanations given to us and on the basis of examination 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, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts are payable in respect of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax or cess and other material statutory dues were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable except:

	Rs. In Lakhs
Income Tax (2009-2010)	151.14
Income Tax (2010-2011)	2688.45
Income Tax (2011-2012)	2447.15
Income Tax (2012-2013)	129.69
Income Tax (2013-2014)	102.20

- (b) According to information and explanations given to us, the following dues (amounts) have not been deposited by the Company on account of disputes/assessment:

Name of the Statute (Nature of the Dues)	Period to which the amount relates	Forum where matter is pending	Amount
<b>Excise Department:</b>			
Excise Duty on Job Work	2010-2011	Additional Commissioner of central Excise	Rs. 30.98 lacs (paid Rs.15.49 lacs during the year 2010-2011)
<b>Sales Tax Department:</b>			
Submission of C Forms	2011-2012	Appellate Deputy Commissioner	Rs. 72.02 lacs

- viii) According to the information and explanations given to us and on the basis of examination of the records, the company has not defaulted in the repayment of loans along with interest to the Banks/ financial institutions.
- ix) The Company did not raise any money from public during the year.
- x) According to the information and explanations given to us, no material fraud by the company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid managerial remuneration of Rs.5.61 lakhs to its Managing Director.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has made preferential allotment of 4629629 no.of equity shares and has complied with Section 42 of the Companies Act, 2013, and has used the money for the purposes for which it is raised.
- xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**For VENUGOPAL & CHENOY**

Chartered Accountants,  
FRN: 004671S

**(P.V. SRI HARI )**

Partner

Membership No. 021961

Place: Hyderabad

Date: 30.05.2016



# **SUJANA TOWERS LIMITED**

## **ANNEXURE - B TO THE AUDITORS' REPORT**

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

We have audited the internal financial controls over financial reporting of SUJANA TOWERS LIMITED ("the Company") as of 31 March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

#### **Auditors' Responsibility**

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

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

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

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

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

timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For VENUGOPAL & CHENoy**

Chartered Accountants,  
FRN: 004671S

**(P.V. SRI HARI )**

Partner  
Membership No. 021961

Place: Hyderabad  
Date: 30.05.2016

# SUJANA TOWERS LIMITED

## BALANCE SHEET AS AT 31.03.2016

(Rs. In Lakhs)

Particulars	Note	As at 31 March 2016	As at 31 March 2015
<b>EQUITY AND LIABILITIES</b>			
Shareholders' funds			
Share capital	3	5,778.90	5,340.01
Reserves and surplus	4	59,532.95	72,051.67
<b>Non-Current Liabilities</b>			
Long-term borrowings	5	99,963.81	98,906.08
Deferred tax liabilities (net)	6	11,243.99	6,742.00
Other long term liabilities	7	304.67	27,298.92
Long term provisions	8	185.50	220.69
<b>Current liabilities</b>			
Short-term borrowings	9	96,154.11	64,456.27
Trade payables	10	7,008.86	33,974.35
Other current liabilities	11	36,135.02	23,286.89
Short term provisions	12	5,632.49	5,698.61
<b>Total</b>		<b>3,21,940.30</b>	<b>3,37,975.49</b>
<b>ASSETS</b>			
<b>Non current assets</b>			
<b>Fixed Assets</b>			
Tangible	13	1,65,898.03	43,158.94
Intangible		5.13	7.91
Non Current investments	14	13,993.74	13,993.74
Long term loans and advances	15	2,210.17	1,32,770.53
<b>Current assets</b>			
Inventories	16	3,032.81	3,804.86
Trade receivables	17	1,34,634.04	1,42,037.78
Cash and cash equivalents	18	109.38	54.85
Short term loan and advances	19	2,057.00	2,146.88
Other current assets	20	-	-
<b>Total</b>		<b>3,21,940.30</b>	<b>3,37,975.49</b>

As per our report of even date

**M/s. Venugopal & Chenoy**

Chartered Accountants

Firm's Registration No: 004671S

**P.V. Sri Hari**

Partner

Membership No. 21961

Place: Hyderabad

Date: May 30, 2016

For and on behalf of the Board

**G. Srinivasa Raju**

Managing Director

**S. Hanumantha Rao**

Director

**S. Kalyani**

Vice-President (Finance)

Place: Hyderabad

Date: May 30, 2016

**P. Apser Hussien**

Company Secretary

# STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2016

(Rs. In Lakhs)

Particulars	Note	For the Year Ended 31.03.2016	For the Year Ended 31.03.2015
<b>Revenue from operations</b>			
a) Sale of Products		1,40,143.81	2,12,441.44
b) Other operating revenues	21	99.77	391.51
Less: Excise duty		363.18	1,000.60
<b>Total revenue from operations</b>		<b>1,39,880.40</b>	<b>2,11,832.34</b>
Other income	22	9.85	73.17
<b>Total Revenue</b>		<b>1,39,890.25</b>	<b>2,11,905.51</b>
<b>Expenses</b>			
Cost of materials consumed	23	2,277.27	9,349.01
Purchases of Stock-in-Trade	24	1,11,184.03	1,69,968.33
Change in inventory of finished goods, work-in-progress and stock-in trade	25	685.84	2,653.59
Employee benefits	26	535.56	761.38
Finance costs	27	25,795.56	22,680.27
Depreciation and amortisation expense	13	7,830.51	2,741.00
Other expenses	28	1,635.25	3,248.61
<b>Total expenses</b>		<b>1,49,944.02</b>	<b>2,11,402.19</b>
<b>Profit before tax</b>		<b>(10,053.77)</b>	<b>503.32</b>
<b>Tax Expense</b>			
Current tax		-	100.70
Deferred tax		4,501.99	19.89
<b>Profit / (Loss) for the period from continuing operations</b>		<b>(14,555.76)</b>	<b>382.72</b>
<b>Earning Per Share</b>			
Basic		(27.20)	0.73
Diluted		(27.20)	0.73
<b>Number of shares used in computing earnings per share</b>			
Basic		535,13,096	519,15,000
Diluted		535,13,096	519,15,000

As per our report of even date

**M/s. Venugopal & Chenoy**

Chartered Accountants

Firm's Registration No: 004671S

**P.V. Sri Hari**

Partner

Membership No. 21961

Place: Hyderabad

Date: May 30, 2016

For and on behalf of the Board

**G. Srinivasa Raju**

Managing Director

**S. Hanumantha Rao**

Director

**S. Kalyani**

Vice-President (Finance)

Place: Hyderabad

Date: May 30, 2016

**P. Apser Hussien**

Company Secretary

# SUJANA TOWERS LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2016

(Rs. in Lakhs)

S. No.	Particulars	For the Year Ended 31.03.2016	For the Year Ended 31.03.2015
<b>A.</b>	<b>Cash Flow From Operating Activities</b>		
	Net Profit before Tax	(14,555.76)	503.32
	Adjusted for Depreciation	7,830.51	2,741.00
	Provision for Gratuity and Earned Leave	29.17	16.67
	Financial Charges	25,795.56	22,680.27
	<b>Operating Profit Before Working Capital Changes</b>	<b>19,099.48</b>	<b>25,941.27</b>
	Adjusted For		
	Decrease/(Increase) in Inventories	772.05	2,996.83
	Decrease/(Increase) in Debtors	7,403.74	57,886.01
	Decrease/(Increase) in Loans and Advances	89.88	106.64
	(Decrease)/Increase in Liabilities	(9,515.08)	14,480.98
	<b>Cash Generated From Operations</b>	<b>17,850.07</b>	<b>1,01,411.73</b>
	Other Income		
	Taxes Paid	-	34.97
	<b>Cash From Operating Activities (A)</b>	<b>17,850.07</b>	<b>1,01,446.70</b>
<b>B.</b>	<b>Cash Flow From Investing Activities</b>		
	(Increase) in Fixed Assets	(1,30,566.95)	(31.82)
	Sale of Fixed Assets	0.12	-
	(Increase) / Decrease in Capital work in Progress	1,30,560.36	(1,00,709.00)
	Increase in Investments	-	-
	Interest Received	-	-
	<b>Cash Used In Investing Activities (B)</b>	<b>(6.47)</b>	<b>(1,00,740.82)</b>
<b>C.</b>	<b>Cash Flow From Financial Activities</b>		
	(Decrease)/Increase in Long Term Borrowings	(291.41)	(4,957.49)
	(Decrease)/Increase in Unsecured Loans	1,349.14	27,031.84
	(Decrease)/Increase in Shareholders Funds	438.89	(98.82)
	Interest Paid	(19,285.69)	(22,700.15)
	<b>Net Cash from Financing Activities ( C )</b>	<b>(17,789.07)</b>	<b>(724.62)</b>
<b>D.</b>	<b>Net Increase in Cash and Cash Equilant (A+B+C)</b>	<b>54.53</b>	<b>(18.74)</b>
	Cash and Cash Equilant At Beginning	54.85	73.59
<b>E.</b>	<b>Cash and Cash Equilant As On 31.03.16</b>	<b>109.38</b>	<b>54.85</b>

As per our report of even date

**M/s. Venugopal & Chenoy**

Chartered Accountants

Firm's Registration No: 004671S

**P.V. Sri Hari**

Partner

Membership No. 21961

Place: Hyderabad

Date: May 30, 2016

For and on behalf of the Board

**G. Srinivasa Raju**

Managing Director

**S. Hanumantha Rao**

Director

**S. Kalyani**

Vice-President (Finance)

Place: Hyderabad

Date: May 30, 2016

**P. Apser Hussien**

Company Secretary

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

#### 1. Basis of Preparation of Financial Statements

Financial statements are prepared on Accrual basis under the historical cost convention in accordance with the Accounting Standards as notified by the Companies (Accounting Standards) Rules 2006 and the relevant provisions of the Companies Act 1956.

#### 2. Use of Estimates

The Preparation of financial statements, in conformity with the generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amount of revenue and expenses for the period.

Estimates are based on historical experience where applicable and other assumptions that management believes are reasonable under the circumstances. Actual results could vary from these estimates and any such differences are dealt with in the period in which the results are known/ materialize.

#### 3. Fixed Assets

Fixed Assets are carried at cost less accumulated depreciation and impairment loss if any. Cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which take substantial period of time to get ready for their intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

#### 4. Depreciation

Depreciation on fixed assets is provided on Straight Line method at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 2013.

#### 5. Revenue Recognition

Revenue is recognized when it is earned and to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Revenue from sale of manufactured goods is recognized on physical delivery of the products, when all significant contractual obligations have been satisfied, the property in the goods is transferred for a price, significant risks and rewards of ownership are transferred to the customers and no effective ownership is retained.

Revenue from traded goods is recognized on symbolic delivery. Significant risks and rewards incidental to ownership are transferred upon issuance of tax invoice and acknowledged by the customers.

Sales are net of sales returns and trade discounts. Export turnover includes related export benefits. Excise duty recovered is presented as a reduction from gross turnover.

#### 6. Inventories

Cost of Inventories comprises - of Cost of Purchase, cost of conversion and other costs incurred in bringing them to their present location and condition.

Raw Materials and Work-in-Progress are valued at cost using the Weighted Average cost method.

Finished Goods- produced and purchased are valued at Cost or Net Realizable value whichever is lower.

Excise duty in respect of finished goods awaiting dispatch is included in the valuation of inventory.

Stores and Spares, Packing material are carried at cost, ascertained on weighted average basis. Necessary provision is made in the case of obsolete and non moving items.

#### 7. Investments

Long-term investments are carried at cost less provision for other than temporary diminution in the carrying value of each investment. Current investments are stated at the lower of cost or quoted /fair value.

#### 8. Leases

Lease arrangements where the risks and rewards incident to the ownership of an asset substantially vest with the lessor, are recognized as Operating leases. Lease rentals under operating leases are recognized in the Profit and Loss account on a straight-line basis over the lease term.

#### 9. Employee Benefits

Short term employee benefits (benefits which are repayable within twelve months after the end of the period in



# SUJANA TOWERS LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

which the employees render service) are measured at cost and are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related services are rendered.

Contributions to Provident Fund, a defined contribution plan, are made in accordance with the statute and are recognized as an expense when employees have rendered service entitling them to the contributions.

Other long term employee benefits (benefits which are payable after the end of twelve months from the end of the year in which the employees render service) are measured on a discounted basis by the Projected Unit Credit Method on the basis of actuarial valuation. Actuarial gains and losses are recognized in the profit and loss account.

### 10. Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and in respect of which a reliable estimate can be made.

Contingent liabilities are not provided for and are disclosed by way of notes.

Contingent assets are neither recognized, nor disclosed in the financial statements.

### 11. Foreign Currency Transactions

Transactions in foreign currencies are recorded at the exchange rates prevailing on the dates of transactions and in the case of purchase of material and sale of goods, the exchange gains/losses on the settlements during the year are changed to profit and loss account.

Monetary assets and liabilities denominated in foreign currencies are translated at the rates prevailing as on the date of Balance Sheet.

### 12. Borrowing Cost

Borrowing costs that are attributable to the acquisition or construction of qualifying fixed assets are capitalized as part of the cost of such assets till such time as the asset is ready for its intended use or sale.

### 13. Taxation

Current tax is determined as the amount of tax payable in respect of taxable income of the year. Deferred tax for timing differences between the income as per the financial statement and income as per the Income tax Act, 1961 is accounted for using the tax rates and laws that have been enacted or substantially enacted as of the balance sheet date.

Deferred tax assets arising from timing differences are recognized to the extent there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be created.

### 14. Impairment of Assets

Assets that are subject to impairment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

### 15. Earnings per Share

The earnings considered in ascertaining EPS comprises the Net Profit after tax. The numbers of shares used in computing the Basic EPS are the weighted average number of shares outstanding during the period.

For the purpose of calculating the diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

### 16. Cash flow statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payment. The cash flows from regular revenue generating investment and financing activities of the Company are segregated.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### NOTE 2: NOTES ON FINANCIAL STATEMENTS

#### 1. CONTINGENT LIABILITY

(Rs in Lakhs)

Particulars	As at 31.03.2016	As at 31.03.2015
Bank Guarantees availed from Banks	<b>2960.87</b>	3970.42
Disputed Excise Liability not provided for	<b>30.98</b>	30.98
Disputed Sales tax liability for which the company preferred an appeal	<b>72.02</b>	72.02

#### 2. CAPITAL COMMITMENT

(Rs in Lakhs)

Particulars	As at 31.03.2016	As at 31.03.2015
Estimated amount of contracts to be executed on capital account and not provided for	<b>Nil</b>	Nil
Other contracts	<b>Nil</b>	Nil
Total	<b>Nil</b>	Nil

#### 3. RETIREMENT BENEFITS

Gratuity is a unfunded defined benefit plan and the gratuity scheme provides for a lump sum benefit, subject to a vesting period of 5 years in case of early separation, based on final last drawn salary and completed years of service.

(Rs in Lakhs)

Particulars	Gratuity		Leave Encashment	
	For the year ended 31.03.2016	For the year ended 31.03.2015	For the year ended 31.03.2016	For the year ended 31.03.2015
Present value of obligations as at beginning of year	<b>164.44</b>	145.33	<b>84.08</b>	66.43
Interest Cost	<b>12.83</b>	13.30	<b>7.69</b>	6.08
Current service cost	<b>22.70</b>	25.18	<b>(37.18)</b>	17.65
Benefits paid	<b>(20.57)</b>	(6.46)	<b>(30.98)</b>	(11.60)
Actuarial loss/(Gain)	<b>(11.63)</b>	(12.91)	<b>23.29</b>	5.52
Present value of obligations at year end	<b>167.77</b>	164.44	<b>46.89</b>	84.08
Current Liability	<b>5.87</b>	11.16	-	-
Non-Current Liability	<b>161.90</b>	153.29	-	-

# SUJANA TOWERS LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rs in Lakhs)

Particulars	Gratuity		Leave Encashment	
	For the year ended 31.03.2016	For the year ended 31.03.2015	For the year ended 31.03.2016	For the year ended 31.03.2015
<b>Changes in the fair value of plan assets:</b>				
Fair value of plan assets at beginning of year	-	-	-	-
Expected return on plan assets	-	-	-	-
Contributions	-	-	-	-
Benefits paid	-	-	-	-
Actuarial gain on plan assets	-	-	-	-
Fair value of plan assets at the end of year	-	-	-	-
Excess / (Shortfall) of plan assets over obligation	(151.74)	(143.78)	(46.89)	(84.08)
<b>Amounts recognized in the Balance sheet</b>				
Present value of obligations at the end of year	(151.74)	(143.78)	(46.89)	(84.08)
Fair value of plan assets as at the end of the year	-	-	-	-
Funded Status (Liability)	(151.74)	(143.78)	(46.89)	(84.08)
Net Liability recognized in the Balance Sheet	(151.74)	(143.78)	(46.89)	(84.08)
<b>Net Gratuity Cost for the year ended 31.03.16</b>				
Current service cost	22.70	25.18	(37.18)	17.65
Interest Cost	12.83	13.30	7.69	6.08
Expected return on plan assets	(1.43)	(1.92)	-	-
Net Actuarial (Gain)/Loss	(11.62)	12.91	23.29	5.52
Expense recognized in the year	22.47	23.64	(6.20)	29.25
<b>Assumptions in accounting for the Gratuity Fund</b>				
Discount Rate	7.90%	7.80%	7.90%	7.80%
Salary Escalation Rate	10%	10%	10%	10%
Expected Average remaining working lives of employees (years)	18	20	18	20

### 4. SEGMENT REPORTING

The company is principally engaged in single business segment viz., "Power and Telecom Tower", and operates in one geographical segment as per Accounting Standard 17 on 'Segment Reporting'. Accordingly no segment reporting has been made by the company.

### 5. LEASE COMMITMENTS

The Company has finance Lease agreements for vehicles, the minimum lease rental outstanding as on 31st March, 2016 are as follows:-

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rs. in Lakhs)

Particulars	Total Minimum Lease payments outstanding		Future Interest on Outstanding Payments		Present Value of Minimum Lease Payments	
	As at 31.03.2016	As at 31.03.2015	As at 31.03.2016	As at 31.03.2015	As at 31.03.2016	As at 31.03.2015
Within one year	5.81	5.28	0.49	0.82	5.32	4.77
Latter than one year and not later than five years	Nil	5.71	Nil	0.34	Nil	5.17
Later than five years	Nil	Nil	Nil	Nil	Nil	Nil
<b>Total</b>	<b>5.81</b>	<b>10.99</b>	<b>0.49</b>	<b>1.15</b>	<b>5.32</b>	<b>9.94</b>

### 6. RELATED PARTY DISCLOSURES

As per Accounting Standard -18 notified under The Companies (Accounting Standard ) Rules 2006 , the disclosures of transactions with related parties are as follows:

Name of the Subsidiary	Country of Incorporation	% of Holding as at 31.03.2016
<b>Subsidiaries held directly</b>		
Telesuprecon Limited	Mauritius	51
Digitech Business Systems Limited	Hong Kong	100
STL Africa Limited	Mauritius	100
<b>Key Managerial Personnel</b>		
Shri.G. Srinivasa Raju	Managing Director	
Shri .Y. Kamesh*	Managing Director	

\*Managing Director upto 27.05.2015

### List of Related Parties

Sl. No.	Name of the Company	Shri G. Srinivasa Raju	Shri S. Hanumantha Rao
1	Foster Infin and Trading Private Limited	√	-
2	Glade Steel Private Limited	√	-
3	Sujana Energy Limited	-	√
4	Sujana Finance and Trading Private Limited	√	-
5	Sujana Holding Limited	√	√
6	Sujana Metal Products Limited	√	√
7	Sujana Power (Gangikondan) Limited	-	√
8	Sujana Power (India) Limited	√	√
9	Sujana Power (Tuticorin) Limited	-	√
10	Sujana Projects Limited	√	√
11	Sujana Universal Industries Limited	√	√
12	Yalamanchili Finance and Trading Private Limited	√	-
13	Sujana Pumps & Motors Pvt. Ltd	-	-

# SUJANA TOWERS LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Related Party Transactions

Rs. in Lakhs

	Particulars	Subsidiaries		Key Managerial Personnel	
		2015-16	2014-15	2015-16	2014-15
<b>A</b>	<b>Sales</b>				
	Sujana Metal Products Ltd	-	-	675.50	1223.27
	Sujana Universal Industries Limited	-	-	2.49	28.76
	<b>Sub-total</b>	-	-	<b>677.99</b>	<b>1252.03</b>
<b>B</b>	<b>Purchases</b>				
	Sujana Metal Products Ltd	-	-	690.30	375.36
	Sujana Universal Industries Limited	-	-	7.75	7.99
	<b>Sub-total</b>	-	-	<b>698.05</b>	<b>383.35</b>
<b>C</b>	<b>Investments made during the year/period</b>				
	<b>Sub-total</b>	-	-	-	-
<b>D</b>	<b>Other income</b>				
	<b>Sub-total</b>	-	-	-	-
<b>E</b>	<b>Other Expenses</b>				
	Sujana Universal Industries Limited	-	-	-	-
	<b>Sub-total</b>	-	-	-	-
<b>F</b>	<b>Remuneration</b>				
	Mr. Y.Kamesh	-	-	5.61	36.00
	<b>Sub-total</b>	-	-	<b>5.61</b>	<b>36.00</b>
<b>G</b>	<b>Advances given/(refunded) during the year</b>				
	Sujana Holdings Limited	-	-	-	-
	<b>Sub-total</b>	-	-	-	-
	<b>Grand Total</b>	-	-	<b>1381.65</b>	<b>1671.38</b>

### 7. PAYMENT TO AUDITORS

(Rs. in Lakhs)

Particulars	For the year ended 31.03.2016	For the Year ended 31.03.2015
a) Statutory Audit fees	15.00	15.00
b) Limited Reviews	2.00	2.00
c) Other Certifications	Nil	Nil
<b>Total</b>	<b>17.00</b>	<b>17.00</b>

### 8. EARNINGS PER SHARE (EPS)

Particulars	For the year ended 31.03.2016	For the Year ended 31.03.2015
Profit attributable to equity shareholders - (A) (Rs. in Lakhs)	14,654.16	380.20
Weighted average number of equity shares outstanding during the year used as denominator for calculating EPS (B) (in No's)	53,513,096	51,914,923
Nominal value of equity shares (in Rs)	10.00	10.00
Basic earnings per share (A/B) (Rs.) #	(27.39)	0.73
Diluted Earnings Per share (Rs.) #	(27.39)	0.73

# not annualized

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 9. VALUE OF MATERIALS CONSUMED DURING THE YEAR (Rs. in Lakhs)

Description	For the year ended 31.03.2016			For the Year ended 31.03.2015		
	Mts.	(Rs. in Lakhs)	%	Mts.	(Rs. in Lakhs)	%
<b>Iron Steel</b>						
Indigenous	6790.28	1934.06	100	14,439	5363.91	100
Imported						
<b>Tower Parts</b>						
Indigenous	829.06	343.21	100	8254	3,985.10	100
Imported						
<b>Others</b>						
Indigenous						
Imported						
<b>Total</b>		2277.27	100		9349.01	100

### 10. VALUE OF BOUGH-OUT MATERIAL CONSUMED (Rs. in Lakhs)

Description	For the year ended 31.03.2016			For the Year ended 31.03.2015		
	Mts.	(Rs. in Lakhs)	%	Mts.	(Rs. in Lakhs)	%
<b>Iron Steel</b>						
Indigenous	141766	56713.62	100	296474	112282.22	100
Imported				584	31.88	
<b>Tower Parts</b>						
Indigenous	124726	54470.42	100	140325	57654.23	100
Imported				-	-	
<b>Others</b>						
Indigenous						
Imported						
<b>Total</b>		111184.03			169,968.33	

### 11. VALUE OF CONSUMABLES, STORES AND SPARES CONSUMED DURING THE PERIOD (Rs in Lakhs)

Description	For the year ended 31.03.2016	%	For the year ended 31.03.2015	%
Consumables (Indigenous)	820.78	100	1603.25	100
Consumables (Imported)			-	-
<b>Total</b>	820.78	100	1603.25	100

### 12. EXPENDITURE IN FOREIGN CURRENCY (ACCRUAL BASIS) (Rs in Lakhs)

	For the year ended 31.03.2016	For the year ended 31.03.2015
Travelling Expenses	Nil	Nil
GDR Service Charges	Nil	Nil
Bank Charges for GDR Issue	Nil	Nil



# SUJANA TOWERS LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 13. INVESTMENT IN EQUITY AND LOANS IN FOREIGN CURRENCY

(Rs in Lakhs)

Particulars	For the year ended 31.03.2016	For the year ended 31.03.2015
Equity	13,993.74	13,993.74
Loans given to Subsidiary	1114.79	1114.79

### 14. EARNING IN FOREIGN CURRENCY (CASH AND ACCRUAL BASIS)

(Rs. In Lakhs)

	For the year ended 31.03.2016	For the year ended 31.03.2015
FOB Value of Exports	Nil	Nil

### 15. CIF VALUE OF IMPORTS

(Rs. In Lakhs)

	For the year ended 31.03.2016	For the year ended 31.03.2015
Raw Materials and Traded Goods	Nil	31.88
Stores and Spares and Consumables	Nil	Nil
Capital Goods	Nil	Nil

### 16. LOANS AND ADVANCES IN THE NATURE OF LOANS GIVEN TO SUBSIDIARIES AS PER THE LISTING REGULATIONS / LISTING AGREEMENTS

(Rs in Lakhs)

Name of the company	Balance as on		Maximum Outstanding	
	31.03.2016	31.03.2015	2015-2016	2014-2015
Telesuprecon Limited	1114.79	1114.79	1114.79	1114.79
Digitech Business Systems Limited	-	-	-	-
STL Africa Limited	-	-	-	-

17. Few Sundry Debtors, Sundry Creditors, Loans and Advances, Unsecured Loans are subject to confirmation of balances and consequential adjustments, if any.

18. Previous years' figures have been regrouped and reclassified wherever necessary in conformity to the Current Period's classification.

As per our report of even date

**M/s. Venugopal & Chenoy**

Chartered Accountants

Firm's Registration No: 004671S

**P.V. Sri Hari**

Partner

Membership No. 21961

Place: Hyderabad

Date: May 30, 2016

For and on behalf of the Board

**G. Srinivasa Raju**

Managing Director

**S. Hanumantha Rao**

Director

**S. Kalyani**

Vice-President (Finance)

**P. Apser Hussen**

Company Secretary

Place: Hyderabad

Date: May 30, 2016

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 3. Share Capital

(Rs. in Lakhs)

Particulars	As at 31 March 2016	As at 31 March 2015
<b>Authorised</b>		
<b>Equity shares</b>		
79,000,000 shares @ Rs.10/- (previous year 79,000,000, Rs. 10/- par value)	7,900.00	7,900.00
<b>Cumulative Redeemable Preference shares</b>		
2,100,000 shares @ Rs. 100/- (previous year 2,100,000 Rs. 100/- each)	2,100.00	2,100.00
	<b>10,000.00</b>	<b>10,000.00</b>
<b>Issued, Subscribed and fully Paid up</b>		
<b>Equity shares</b>		
56,544,552 Rs.10/- fully paid (previous year 51,914,923 Rs 10/- fully paid up)	5,654.45	5,191.50
<b>Cumulative Redeemable Preference shares</b>		
124,203 (previous year. 148,513) - 1% Cumulative Redeemable Preference Shares, Rs 100 par value, fully paid up	124.45	148.51
<b>Total</b>	<b>5,778.90</b>	<b>5,340.01</b>

#### 3.1. Share capital (continued)

The reconciliation of the number of equity shares outstanding is set out below:

Particulars	As at 31 March 2016 (in number)	As at 31 March 2015 (in number)
Shares outstanding at the beginning of the year	519,14,923	519,14,923
Shares Issued during the year	46,29,629	-
Shares bought back during the year	-	-
<b>Shares outstanding at the end of the year</b>	<b>565,44,552</b>	<b>519,14,923</b>

The reconciliation of the number of preference shares outstanding is set out below:

Particulars	As at 31 March 2016 (in number)	As at 31 March 2015 (in number)
Shares outstanding at the beginning of the year	1,48,513	2,47,335
Shares Issued during the year	-	-
Shares bought back during the year	24,310	98,822
<b>Shares outstanding at the end of the year</b>	<b>1,24,203</b>	<b>1,48,513</b>

1% Cumulative Redeemable Preference Shares (CRPS) are redeemable in 12 quarterly installments commenced from 01.10.2013.

# SUJANA TOWERS LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

The details of shareholder holding more than 5% equity shares is set below: (Rs. in Lakhs)

Name of Shareholder	As at 31 March 2016		As at 31 March 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Yalamanchili Finance & Trading (P) Ltd	47,67,500	8.43	47,67,500	9.18
Sujana Holdings Limited	121,29,629	21.45	75,00,000	14.45
Foster Infin & Trading (P) Ltd	50,95,999	9.01	50,95,999	9.82

The details of shareholder holding more than 5% cumulative, redeemable preference shares is set below:

Name of Shareholder	As at 31 March 2016		As at 31 March 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Industrial Development Bank of India Ltd	1,24,203	100	1,48,513	100

### 4. Reserve and Surplus

Particulars	As at 31 March 2016	As at 31 March 2015
<b>Capital Reserves</b>		
Opening Balance	11,669.67	11,669.67
Additions during the year	-	-
Deductions during the year	-	-
Closing Balance	11,669.67	11,669.67
<b>Securities Premium Account</b>		
Opening Balance	34,295.15	34,295.15
Add: Premium from shares issued	2,037.04	-
Closing Balance	36,332.19	34,295.15
<b>Surplus balance in the statement of profit and loss account</b>		
Opening Balance	25,938.47	25,657.20
Add: Profit for the year/period	(14,555.76)	382.73
Less: Prior Period Adjustments	-	-
Less: Dividend on CRPS	-	2.53
Less: Transfer to Capital Redemption Reserve Account	98.92	98.92
Closing Balance	11,283.79	25,938.47
<b>Capital Redemption Reserve Account</b>		
Opening Balance	148.38	49.46
Add: Transferred during the year	98.92	98.92
Closing Balance	247.30	148.38
<b>Total</b>	<b>59,532.95</b>	<b>72,051.67</b>

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rs. in Lakhs)

Particulars	As at 31 March 2016	As at 31 March 2015
<b>5. Long term borrowings</b>		
<b>Secured</b>		
<b>Term loans</b>		
from banks (i)	66,937.74	70,087.42
from other parties	3,231.00	372.73
<b>Sub Total (a)</b>	<b>70,168.74</b>	<b>70,460.15</b>
<b>Un-Secured</b>		
Promoters Contribution as per CDR Schedule	13,295.07	11,945.93
Loans from Promoters and Promoter Group Companies	16,500.00	16,500.00
<b>Sub Total (b)</b>	<b>29,795.07</b>	<b>28,445.93</b>
<b>Total (a+b)</b>	<b>99,963.81</b>	<b>98,906.08</b>
(i) Term loans from Banks carry interest @11% are secured by first charge on all fixed assets of the Company, excluding fixed assets of Khanapur plant, present and future and secured by personal guarantees of promoter directors and repayable in quarterly installments as per CDR package.		
<b>6. Deferred tax liabilities (net)</b>		
<b>Opening Balance</b>	<b>6,742.00</b>	<b>6,722.10</b>
<b>Add:</b> On account of Depreciation	<b>4,571.64</b>	<b>96.91</b>
<b>Less:</b> On account of retirement benefits	<b>69.65</b>	<b>77.01</b>
<b>Total</b>	<b>11,243.99</b>	<b>6,742.00</b>
<b>7. Other Long term liabilities</b>		
Deferred sales tax liability (a)	304.67	304.67
Sundry Creditors	-	26,994.25
	<b>304.67</b>	<b>27,298.92</b>
(a) 14 years Interest free Sales Tax Deferment Loan received from Government of Andhra Pradesh Repayment.		
<b>8. Long term provisions</b>		
<b>Provision for employee benefits</b>		
Gratuity	161.90	142.13
Compensated absences	23.60	78.56
<b>Total</b>	<b>185.50</b>	<b>220.69</b>

# SUJANA TOWERS LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rs. in Lakhs)

Particulars	As at 31 March 2016	As at 31 March 2015
<b>9. Short term borrowings</b>		
<b>Secured</b>		
Working Capital demand loan from banks (a)	96,148.30	64,446.00
Finance Lease Obligations (b)	5.81	10.27
<b>Total (a+b)</b>	<b>96,154.11</b>	<b>64,456.27</b>
(a) Working capital demand loan from banks carry interest @ 11.5% is secured by way of pari passu first charge on the current assets and pari passu second charge on the fixed assets of the Company, both present and future, and further secured by the personal guarantee of promoter directors of the Company.		
(b) Finance lease obligations secured by the assets purchased out of the said loan.		
<b>10. Trade payables</b>		
Trade Payables		
- due to micro and small enterprises	-	-
- others creditors	7,008.86	33,974.35
<b>Total</b>	<b>7,008.86</b>	<b>33,974.35</b>
<b>11. Other Current Liabilities</b>		
Interest accrued and due on borrowings		
from other parties	7,676.22	9,614.16
Current Maturities of Long term debt	27,964.17	12,949.83
Advances from customers	-	30.78
Due to Statutory authorities	72.10	34.07
Other current liabilities	422.53	658.05
<b>Total</b>	<b>36,135.02</b>	<b>23,286.89</b>
<b>12. Short term provisions</b>		
<b>Others (Specify nature)</b>		
Provision for taxation	5,527.80	5,629.21
Provision for Fringe Benefit Tax	10.70	10.70
Proposed dividends	16.64	5.78
Provision for employee benefits		
Provision for bonus	48.18	36.25
Gratuity	5.87	11.15
Compensated absences	23.30	5.52
<b>Total</b>	<b>5,632.49</b>	<b>5,698.61</b>

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

## 13. FIXED ASSETS

(Rs. In Lakhs)

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	Opening Gross Block as on 01.04.2015	Additions during the period Apr'15 to Mar'16	Deletions during the period Apr'15 to Mar'16	Closing Gross Block as on 31.03.2016	Acc. Dep. As on 01.04.2015	Depreciation for the period Apr'15 to Mar'16	Depreciation withdrawn	Acc. Dep. As on 31.03.2016	Net Block as on 31.03.2016	Net Block as on 31.03.2015
Land	1,868.84	-	-	1,868.84	-	-	-	-	1,868.84	1,868.84
Building	3,554.18	-	-	3,554.18	671.43	118.71	-	790.14	2,764.04	2,882.75
Plant & Machinery	54,371.52	1,30,565.57	-	1,84,937.09	16,185.20	7,674.26	-	23,859.46	1,61,077.63	38,186.32
Workshop Equipments	9.60	-	-	9.60	4.17	0.46	-	4.63	4.97	5.43
Weighing Machine	11.34	-	-	11.34	7.31	0.54	-	7.85	3.49	4.03
Electrical Installations	174.72	-	-	174.72	72.45	8.30	-	80.75	93.97	102.27
Furniture & Fixtures	32.87	0.29	-	33.16	15.17	2.10	-	17.26	15.89	17.71
Office Equipments	49.58	1.09	0.12	50.55	16.95	2.40	-	19.35	31.20	32.63
Vehicles	205.04	-	-	205.04	147.56	19.48	-	167.04	38.00	57.48
Computers	108.10	-	-	108.10	106.62	1.48	-	108.10	0.00	1.48
Total	60,385.79	1,30,566.95	0.12	1,90,952.62	17,226.86	7,827.73	-	25,054.59	1,65,898.03	43,158.94
<b>Intangible Assets</b>										
Particulars	Gross Block				Accumulated Depreciation				Net Block	
	Opening Gross Block as on 01.04.2015	Additions during the period Apr'15 to Mar'16	Deletions during the period Apr'15 to Mar'16	Closing Gross Block as on 31.03.2016	Acc. Dep. As on 01.04.2015	Depreciation for the period Apr'15 to Mar'16	Depreciation withdrawn	Acc. Dep. As on 31.03.2016	Net Block as on 31.03.2016	Net Block as on 31.03.2015
Computer Software	17.13	-	-	17.13	9.22	2.78	-	12.00	5.13	7.91



# SUJANA TOWERS LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rs. in Lakhs)

Particulars	As at 31 March 2016	As at 31 March 2015
<b>14. Non Current investments</b>		
Investment in Subsidiaries - Equity instruments - Unquoted		
23,32,04,400 (Previous Year 23,32,04,400) Equity Shares of HKD 1 each fully paid in Digitech Business Systems Limited	<b>13,993.47</b>	13,993.47
510 (Previous Year 510) Equity Shares of USD 1 each fully paid in Telesupricon Ltd	<b>0.22</b>	0.22
116 (Previous Year 116) Equity shares of USD 1 each fully paid in STL Africa Ltd	<b>0.05</b>	0.05
Less : Provision for diminution in Value	-	-
<b>Total</b>	<b>13,993.74</b>	13,993.74
<b>15. Long term loans and advances</b>		
<b>Capital Advances for purchase of fixed assets</b>		
Secured, considered good Doubtful		
Less: Provision for doubtful advances	-	1,30,560.36
<b>Sub Total (a)</b>	-	1,30,560.36
<b>Loans and advances to related parties</b>		
Secured, considered good	<b>1,114.79</b>	1,114.79
Less: Provision for doubtful loans and advances		
<b>Sub Total (b)</b>	<b>1,114.79</b>	1,114.79
<b>Other loans and advances</b>		
Advance for business Acquisition	<b>1,095.38</b>	1,095.38
<b>Sub Total (c)</b>	<b>1,095.38</b>	1,095.38
<b>Total (a+b+c)</b>	<b>2,210.17</b>	1,32,770.53

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rs. in Lakhs)

Particulars	As at 31 March 2016	As at 31 March 2015
<b>16. Inventories</b>		
Raw Materials and components	591.98	626.54
Goods-in transit (Raw material is valued at cost using the weighted average cost method)	-	-
<b>Sub Total (a)</b>	<b>591.98</b>	<b>626.54</b>
<b>Work-in-progress</b>	<b>729.79</b>	<b>1,563.57</b>
(Work in progress is valued at cost using the weighted average cost method)		
<b>Sub Total (b)</b>	<b>729.79</b>	<b>1,563.57</b>
Finished goods	1,151.01	1,003.08
Goods-in transit (Finished goods are valued at cost or net realisable value whichever is less)		
<b>Sub Total (c)</b>	<b>1,151.01</b>	<b>1,003.08</b>
Stores and spares	560.03	611.67
(Stores and spares are carried at cost, ascertained on weighted average basis)		
<b>Sub Total (d)</b>	<b>560.03</b>	<b>611.67</b>
<b>Total (a+b+c+d)</b>	<b>3,032.81</b>	<b>3,804.86</b>
<b>17. Trade receivables</b>		
<b>Unsecured</b>		
<b>Debts outstanding for period exceeding six months</b>		
Considered Good	77,071.88	16,047.47
Considered Doubtful	-	-
<b>Other debts</b>		
Considered Good	57,799.54	1,26,227.69
Less: Provision for doubtful debts	237.38	237.38
<b>Total</b>	<b>1,34,634.04</b>	<b>1,42,037.78</b>
<b>18. Cash and cash equivalents</b>		
Cash and Cash Equivalents		
Cash on hand	5.37	8.17
Balance with banks in Current Accounts	55.19	7.68
<b>Sub Total (a)</b>	<b>60.56</b>	<b>15.85</b>
Other Bank Balances		
Margin money	48.81	39.00
<b>Sub Total (b)</b>	<b>48.81</b>	<b>39.00</b>
<b>Total (a+b)</b>	<b>109.38</b>	<b>54.85</b>

# SUJANA TOWERS LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rs. in Lakhs)

Particulars	As at 31 March 2016	As at 31 March 2015
<b>19. Short term loan and advances</b>		
<b>Loans and advances to related parties</b>		
Secured Considered good	-	-
<b>Sub Total (a)</b>	-	-
<b>Others</b>		
Deposits with Govt authorities	1,353.69	1,276.16
Margin money with parties	243.77	226.87
Advance for expenses	28.54	31.13
Other Advances	431.00	612.72
<b>Sub Total (b)</b>	2,057.00	2,146.88
<b>Total (a+b)</b>	2,057.00	2,146.88
<b>20. Other current assets</b>		
Interest accrued	-	-
<b>Total</b>	-	-
<b>21. Other operating revenues</b>		
Others	99.77	391.51
<b>Total</b>	99.77	391.51
<b>22. Other income</b>		
Interest income	9.85	73.17
<b>Total</b>	9.85	73.17
<b>23. Cost of material consumed</b>		
Opening stock	626.54	1,246.19
Add: Purchases	2,242.71	8,729.35
Add (Less:) Raw material received (transferred)	-	-
Less: Closing stock	591.97	626.53
Raw materials consumed	2,277.27	9,349.01
<b>24. Purchases of Stock-in-Trade</b>		
Opening stock	-	-
Add: Purchases	1,11,184.03	1,69,968.33
Add (Less:) Raw material received (transferred)	-	-
Less: Closing stock	-	-
Stock-in-Trade materials consumed	1,11,184.03	1,69,968.33

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rs. in Lakhs)

Particulars	For the year ended 31.03.2016	For the year ended 31.03.2015
<b>25. Change in inventory of finished goods, work-in-progress and stock in trade</b>		
<b>Opening stock</b>		
Finished goods	1,003.08	3,769.69
Work-in-progress	1,563.57	1,450.55
<b>Sub-Total (a)</b>	<b>2,566.65</b>	<b>5,220.24</b>
<b>Less: Closing stock</b>		
Finished goods	1,151.01	1,003.08
Work-in-progress	729.80	1,563.57
<b>Sub-Total (b)</b>	<b>1,880.81</b>	<b>2,566.65</b>
<b>Total (a-b)</b>	<b>685.84</b>	<b>2,653.59</b>
<b>26. Employee benefits expense</b>		
Salaries and wages	519.71	712.14
Contribution to provident fund and other funds	10.24	13.24
Directors remuneration	5.61	36.00
<b>Total</b>	<b>535.56</b>	<b>761.38</b>
<b>27. Finance Cost</b>		
Interest on working capital loans	9,650.78	7,060.65
Interest Expenses on Term Loans	14,674.28	12,768.74
Other borrowing costs	1,470.50	2,850.88
<b>Total</b>	<b>25,795.56</b>	<b>22,680.27</b>
<b>28. Other Expense</b>		
Consumption of stores, loose tools and spare parts	1,022.70	2,440.59
Power and fuel	208.77	327.51
Repairs and maintenance	13.87	42.34
Rates and taxes, excluding, taxes on income	18.58	43.60
Insurance	17.49	48.57
Traveling and conveyance	33.43	46.30
Communication	10.93	12.36
Contract labor charges (security charges)	61.74	79.62
Legal and professional fees	194.21	102.73
Auditor Remuneration	22.40	19.00
Sales promotion and advertisement	21.34	57.67
Donations	-	0.03
Printing and stationery	6.31	18.20
Sitting Fees	3.39	3.82
Miscellaneous expenses	0.10	6.27
<b>Total</b>	<b>1,635.25</b>	<b>3,248.61</b>

# SUJANA TOWERS LIMITED

## BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

<b>I</b>	<b>REGISTRATION DETAILS</b>	
	Registration No / Company Identification No.	CIN: L40109TG2006PLC049743
	Balance Sheet	31.03.2016
<b>II</b>	<b>CAPITAL RAISED DURING THE YEAR</b>	
	Public Issue	NIL
	Share warrants exercised	NIL
	Bonus Issue	NIL
	Preferential allotment	462,962.90
<b>III</b>	<b>POSITION OF MOBILISATION OF AND DEPLOYMENT OF FUNDS</b>	(Amt. in Lakhs)
	Total Equity and Liabilities	321,940.30
	Total Assets	321,940.30
	<b><i>Equity and Liabilities</i></b>	
	Share Capital	5,778.90
	Reserves & Surplus	59,532.95
	Deferred Tax Liability	11,243.99
	Long term borrowings	99,963.81
	Short term borrowings	96,154.11
	Current Liabilities and Provisions	49,266.54
	<b><i>Application of Funds</i></b>	
	Net Fixed Assets	165,903.17
	Non Current Investments	13,993.74
	Long term Loans & Advances	2,210.17
	Current Assets	139,833.22
<b>IV</b>	<b>PERFORMANCE OF THE COMPANY</b>	(Amt. in Lakhs)
	Total Income	139,890.25
	Total Expenditure	149,944.02
	Profit / (Loss) before Tax	(100.54)
	Profit / (Loss) before Tax	(145.56)
	<b><i>Earnings per Share in Rs.</i></b>	
	Basic	(27.20)
	Diluted	(27.20)
<b>V</b>	<b>GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF COMPANY (AS PER MONETARY TERMS)</b>	
	PRODUCT DESCRIPTION	STEEL ANGLES, SHAPES & U,I,H, L&T SECTIONS
	ITEM CODE (IT CODE No.)	72161000
	PRODUCT DESCRIPTION	GALVANISED STEEL PRODUCTS

---

---

# **Consolidated Accounts for the year ended 31.03.2016**

---

---



# SUJANA TOWERS LIMITED

## INDEPENDENT AUDITORS' REPORT

To  
The Members  
**Sujana Towers Limited,**  
Hyderabad.

### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Sujana Towers Limited (herein referred to as "the Holding Company"), and its subsidiaries, (the Holding Company and its subsidiaries, together are referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2016, Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year ended on that date and a summary of the Significant Accounting Policies and other information annexed thereto (herein after referred to as "the consolidated financial statements")

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

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

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We have taken into account the provisions of the Act, the accounting standards and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the 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 financial control relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at March 31, 2016, and their consolidated loss and their consolidated cash flows for the year ended on that date.

## Other Matters

- (a) We did not audit the Financial Statements of one subsidiary, whose Financial Statements reflect total assets (net) of Rs. 20159.45 lakhs as at March 31, 2016, total revenues of Rs. 6909.41 lakhs and net cash inflows amounting to Rs. 23.08 lakhs for the year ended March 31, 2016, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose report has been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) and (11) of section 143 of the Act, insofar as it relates to the aforesaid subsidiary, is based solely on the report of the other auditor.
- (b) We did not audit the Financial Statements of two subsidiaries, whose financial statements reflect total assets (net) of Rs.14517.23 lakhs as at 31st March, 2016, total revenues of Rs.Nil lakhs for the year ended on that date and net cash outflows amounting to Rs.Nil lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of two subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A to this report, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) On the basis of the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion, and to the best of our information and according to the explanations given to us:
    - i. There are no pending litigations for the company that will impact the financial position of the company;
    - ii. There are no foreseeable losses on long-term contracts including derivative contracts;
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company incorporated in India.

**For VENUGOPAL & CHENOY**

Chartered Accountants

FRN: 004671S

Place: Hyderabad

Date: 30.05.2016

**P.V. SRI HARI, Partner**

Membership No. 21961

# SUJANA TOWERS LIMITED

## Annexure - A to the Independent Auditors' Report

The Annexure A referred to in our Independent Auditor's Report to the members of the Holding Company on the consolidated financial statements for the year ended March 31, 2016, we report that:

- i)
  - (a) The Holding Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable having regard to the size of the Holding Company and nature of its assets. No material discrepancies have been noticed on such physical verification.
  - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Holding Company, the title deeds of immovable properties are held in the name of the Holding Company.
- ii)
  - a) The inventories have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable.
  - b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Holding Company and the nature of its business.
  - c) The Holding Company has maintained proper records of the said stocks. As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to the book records.
- iii) The Holding Company has granted a loan aggregating to Rs 1114.79 lakhs a company covered under the register maintained under section 189 of The Act. The rate of interest and other terms and conditions are prima facie not prejudicial to the interests of the company.
- iv) In our opinion and according to the information and explanations given to us, the Holding Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- v) The Holding Company did not accept any deposits from public.
- vi) We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the Holding Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of the activities carried on by the Holding Company, wherever applicable and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records
- vii)
  - (a) According to the information and explanations given to us and on the basis of examination of the records of the Holding 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, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts are payable in respect of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax or cess and other material statutory dues were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable except:

Rs. In Lakhs	
Income Tax (2009-2010)	151.14
Income Tax (2010-2011)	2688.45
Income Tax (2011-2012)	2447.15
Income Tax (2012-2013)	129.69
Income Tax (2013-2014)	102.20

- (b) According to information and explanations given to us, the following dues (amounts) have not been deposited by the Holding Company on account of disputes/assessment:

Name of the Statute (Nature of the Dues)	Period to which the amount relates	Forum where matter is pending	Amount
<b>Excise Department:</b>			
Excise Duty on Job Work	2010-2011	Additional Commissioner of central Excise	Rs. 30.98 lacs (paid Rs.15.49 lacs during the year 2010-2011)
<b>Sales Tax Department:</b>			
Submission of C Forms	2011-2012	Appellate Deputy Commissioner	Rs. 72.02 lacs

- (viii) According to the information and explanations given to us and on the basis of examination of the records, the Holding company has not defaulted in the repayment of loans along with interest to the Banks/ financial institutions.
- ix) The Holding Company did not raise any money from public during the year.
- x) According to the information and explanations given to us, no material fraud by the company or on the Holding Company by its officers or employees has been noticed or reported during the course of our audit.
- xi) According to the information and explanations give to us and based on our examination of the records of the Holding Company, the Holding Company has paid managerial remuneration of Rs.5.61 lakhs to its Managing Director.
- xii) In our opinion and according to the information and explanations given to us, the Holding Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Holding Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv) According to the information and explanations give to us and based on our examination of the records of the Holding Company, the Holding Company has made private placement of 4629629 no of equity shares and has complied with Section 42 of the Companies Act, 2013, and has used the money for the purposes for which it is raised.
- xv) According to the information and explanations given to us and based on our examination of the records of the Holding Company, the Holding Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi) The Holding Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**For VENUGOPAL & CHENoy**  
Chartered Accountants  
FRN: 004671S

**P.V. SRI HARI**  
Partner  
Membership No. 21961

Place: Hyderabad  
Date: 30.05.2016

## Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of SUJANA TOWERS LIMITED (herein referred to as "the Holding Company") as of 31 March 2016 in conjunction with our audit of the consolidated financial statements of the Holding Company for the year ended on that date. As all the subsidiaries of SUJANA TOWERS LIMITED are incorporated outside India, this report is given only for Holding Company.

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

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

#### Auditors' Responsibility

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

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

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

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

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

management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

### **Opinion**

In our opinion, the Holding Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For VENUGOPAL & CHENoy**  
Chartered Accountants  
FRN: 004671S

**P.V. SRI HARI**  
Partner  
Membership No. 21961

Place: Hyderabad  
Date: 30.05.2016

# SUJANA TOWERS LIMITED

## CONSOLIDATED BALANCE SHEET AS AT 31.03.2016

(Rs. In Lakhs)

Particulars	Note	As at 31st March 2016	As at 31 March 2015
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	3	5,778.90	5,340.01
Reserves and surplus	4	73,377.35	84,377.67
<b>Non-Current Liabilities</b>			
Long-term borrowings	5	1,07,927.99	1,06,420.97
Deferred tax liabilities (net)	6	11,237.13	6,735.52
Other long term liabilities	7	304.67	27,298.92
Long term provisions	8	185.50	220.69
<b>Current liabilities</b>			
Short-term borrowings	9	96,154.11	64,456.27
Trade payables	10	52,519.92	78,871.03
Other current liabilities	11	36,234.07	23,381.63
Short term provisions	12	5,632.49	5,698.62
<b>Total</b>		<b>3,89,352.13</b>	<b>4,02,801.33</b>
<b>ASSETS</b>			
<b>Non current assets</b>			
<b>Fixed Assets</b>			
Tangible	13	1,66,070.99	43,331.89
Intangible		5.13	7.91
Non Current investments	14	-	-
Long term loans and advances	15	2,210.17	1,31,655.74
<b>Current assets</b>			
Inventories	16	3,176.48	3,940.42
Trade receivables	17	2,15,294.03	2,21,009.35
Cash and cash equivalents	18	164.23	90.65
Short term loan and advances	19	2,431.10	2,765.37
Other current assets	20	-	-
<b>Total</b>		<b>3,89,352.13</b>	<b>4,02,801.33</b>

As per our report for even date

**M/s. Venugopal & Chenoy**

Chartered Accountants

Firm's Registration No: 004671S

**P.V. Sri Hari**

Partner

Membership No. 21961

Place: Hyderabad

Date: May 30, 2016

For and on behalf of the Board

**G. Srinivasa Raju**

Managing Director

**S. Hanumantha Rao**

Director

**S. Kalyani**

Vice-President (Finance)

**P. Apser Hussen**

Company Secretary

Place: Hyderabad

Date: May 30, 2016



# CONSOLIDATED PROFIT AND LOSS FOR THE PERIOD ENDED 31.03.2016

(Rs. In Lakhs)

Particulars	Note	For the year ended 31.03.2016	For the year ended 31.03.2015
<b>Revenue from operations</b>			
a) Sale of Products		<b>1,47,053.22</b>	2,27,384.85
b) Other operating revenues	21	<b>99.77</b>	452.66
Less: Excise duty		<b>363.18</b>	1,000.60
<b>Total revenue from operations</b>		<b>1,46,789.81</b>	2,26,836.91
Other income	22	<b>9.85</b>	73.16
<b>Total Revenue</b>		<b>1,46,799.66</b>	2,26,910.07
<b>Expenses</b>			
Cost of materials consumed	23	<b>2,277.27</b>	9,349.01
Purchases of Stock-in-Trade	24	<b>1,18,055.12</b>	1,84,852.08
Change in inventory of finished goods, work-in-progress and stock-in trade	25	<b>685.84</b>	2,653.60
Employee benefits	26	<b>535.56</b>	842.52
Finance costs	27	<b>25,808.63</b>	22,702.26
Depreciation and amortisation expense	13	<b>7,830.51</b>	2,762.01
Other expenses	28	<b>1,637.41</b>	3,284.63
<b>Total expenses</b>		<b>1,56,830.34</b>	2,26,446.11
<b>Profit before tax</b>		<b>(10,030.68)</b>	463.96
<b>Tax Expense</b>			
Current tax		-	100.70
Deferred tax		<b>4,502.00</b>	19.90
<b>Profit for the Year/Period</b>		<b>(14,532.68)</b>	343.36
<b>Earning Per Share</b>			
Basic		<b>(27.16)</b>	0.73
Diluted		<b>(27.16)</b>	0.73
<b>Number of shares used in computing earnings per share</b>			
Basic		<b>535,13,096</b>	519,14,923
Diluted		<b>535,13,096</b>	519,14,923

As per our report for even date

**M/s. Venugopal & Chenoy**

Chartered Accountants

Firm's Registration No: 004671S

**P.V. Sri Hari**

Partner

Membership No. 21961

Place: Hyderabad

Date: May 30, 2016

For and on behalf of the Board

**G. Srinivasa Raju**

Managing Director

**S. Hanumantha Rao**

Director

**S. Kalyani**

Vice-President (Finance)

**P. Apser Hussien**

Company Secretary

Place: Hyderabad

Date: May 30, 2016

# SUJANA TOWERS LIMITED

## CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2016

(Rs. In Lakhs)

	For the Year Ended 31.03.2016	For the Year Ended 31.03.2015
<b>A. Cash Flow from Operating Activities</b>		
Net Profit after Tax	(14,532.67)	377.20
Adjusted for Depreciation	7,830.50	2,762.01
Dividend & Distribution Tax	-	2.53
Provision for Gratuity and Earned Leave	29.16	16.67
Financial Charges	25,808.63	22,702.26
<b>Operating Profit before Working Capital Changes</b>	<b>19,135.63</b>	<b>25,860.67</b>
Adjusted For		
Decrease/(Increase) in Inventories	763.94	2,992.06
Decrease/(Increase) in Debtors	5,715.33	50,321.40
Decrease/(Increase) in Loans And Advances	334.27	2,193.70
(Decrease)/Increase in Current Liabilities	(8,896.40)	19,543.33
Cash Generated from Operations	(2,082.86)	1,00,911.15
Taxes Paid	-	34.97
<b>Cash from Operating Activities (A)</b>	<b>(2,082.86)</b>	<b>1,00,946.12</b>
<b>B. Cash Flow from Investing Activities</b>		
(Increase) in Fixed Assets	(1,30,566.95)	(31.82)
Sale of Fixed Assets	0.12	-
(Increase)/Decrease in Capital work in Progress	1,30,560.36	(1,00,709.00)
Increase in Investments	-	-
<b>Cash used in Investing Activities (B)</b>	<b>(6.47)</b>	<b>(1,00,740.82)</b>
<b>C. Cash Flow from Financial Activities</b>		
(Decrease)/Increase in Long Term Borrowings	157.88	(4,685.55)
(Decrease)/Increase in Unsecured Loans	1,349.14	27,032.15
(Decrease)/Increase in Shareholders Funds	438.90	(98.82)
(Decrease)/Increase in Share Premium and Capital Reserves	3,532.35	202.74
Interest Paid	(3,315.34)	(22,756.44)
<b>Net Cash from Financing Activities (C)</b>	<b>2,162.93</b>	<b>(305.92)</b>
<b>D. Net Increase in Cash and Cash Equilant (A+B+C)</b>	<b>73.59</b>	<b>(100.61)</b>
Cash and Cash Equilant at Beginning 01.04.2015	90.65	191.26
<b>E. Cash and Cash Equilant As On 31.03.2016</b>	<b>164.24</b>	<b>90.65</b>

As per our report for even date

**M/s. Venugopal & Chenoy**

Chartered Accountants

Firm's Registration No: 004671S

**P.V. Sri Hari**

Partner

Membership No. 21961

Place: Hyderabad

Date: May 30, 2016

For and on behalf of the Board

**G. Srinivasa Raju**

Managing Director

**S. Hanumantha Rao**

Director

**S. Kalyani**

Vice-President (Finance)

**P. Apser Hussien**

Company Secretary

Place: Hyderabad

Date: May 30, 2016

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Note 1: SIGNIFICANT ACCOUNTING POLICIES

#### 1. Basis of Preparation of Consolidated Financial statements

Financial statements are prepared on accrual basis under the historical cost convention in accordance with the Accounting Standards as notified by the Companies (Accounting Standards) Rules 2006 and the relevant provisions of the Companies Act, 2013.

The Consolidated financial statements of Sujana Towers Limited together with its subsidiaries are prepared under the historical cost convention on accrual basis of accounting and in accordance with the generally accepted accounting principles in India.

#### 2. Use of Estimates

The Preparation of consolidated financial statements, in conformity with the generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amount of revenue and expenses for the period.

Estimates are based on historical experience, where applicable and other assumptions that management believes are reasonable under the circumstances. Actual results could vary from these estimates and any such differences are dealt with in the period in which the results are known/materialize.

#### 3. Fixed Assets

Fixed Assets are carried at cost less accumulated depreciation and impairment loss if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of Fixed Assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

#### 4. Intangible Assets

Intangible assets are stated at cost of acquisition less accumulated amortization.

#### 5. Depreciation and Amortization

Depreciation on fixed assets is provided on Straight Line method at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 2013 in respect of Sujana Towers Ltd., and on Written down Value Method in respect of Telesuprecon Ltd., at the rates as expected by the management after considering the useful life of the Assets.

#### 6. 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 Cost of Purchase, cost of conversion and other costs incurred in bringing them to their respective present location and condition. Cost of Raw materials, Stores and spares, Packing Materials, trading and other Products are determined on weighted average basis. Work in process includes material cost and applicable direct overheads. Finished goods are valued at the aggregate of material cost and applicable direct and indirect overheads or market value whichever is lower.

#### 7. Investments

Long-term investments are carried at cost less provision for other than temporary diminution in the carrying value of each investment. However there are no investments.

#### 8. Leases

Lease arrangements where the risks and rewards incident to the ownership of an asset substantially vest with the lessor, are recognized as operating leases. Lease rentals under operating leases are recognized in the Profit and Loss account on a straight-line basis over the lease term.

# SUJANA TOWERS LIMITED

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### 9. Employee Benefits

- a. Short term employee benefits are charged off at the undiscounted amount in the year in which related service is rendered.
- b.
  - i) The Company's contribution to provident fund is recognized on accrual basis.
  - ii) Gratuity and Leave Encashment liability is provided on the basis of an actuarial valuation carried out at the end of each financial year.

### 10. Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and in respect of which reliable estimate can be made.

Contingent liabilities are not provided for and are disclosed by way of notes.

Contingent assets are neither recognized nor disclosed in the financial statements.

### 11. Foreign Currency Transactions

Foreign Currency transactions are recorded at the rates prevailing on the date of transaction. Monetary assets and liabilities in foreign currency are translated at the period end rates. Exchange differences arising on settlement of transactions and translation of monetary items are recognized as income or expense.

### 12. Borrowing Cost

Borrowing costs that are attributable to the acquisition or construction of qualifying fixed assets are capitalized as part of the cost of such assets till such time as the asset is ready for its intended use or sale.

### 13. Taxation

Current tax is determined as the amount of tax payable in respect of taxable income of the year. Deferred tax for timing differences between the income as per the financial statement and income as per the Income tax Act 1961 is accounted for using the tax rates and laws that have been enacted or substantially enacted as of the balance sheet date.

Deferred tax assets arising from the timing differences are recognized to the extent there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be created.

### 14. Impairment of Assets

Assets that are subject to impairment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the assets carrying amount exceeds the recoverable amount.

### 15. Earnings per share

The earnings considered in ascertaining EPS comprise the net profit after tax. The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the Period. For the Purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

### 16. Consolidated Cash flow statement

Consolidated Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payment. The Consolidated cash flows from regular revenue generating investment and financing activities of the Company are segregated.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### NOTE 2: NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

#### 1. Principles of Consolidation

The Consolidated Financial Statements relate to Sujana Towers Limited ("the Company") and its subsidiary Companies. The Consolidated Financial Statements have been prepared on the following basis.

The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together the book values 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 as per Accounting Standard 21- Consolidated Financial Statements notified by the Companies (Accounting Standards) Rules, 2006.

In case of foreign subsidiaries, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at the rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognized in foreign currency translation reserve.

The Financial Statements of Subsidiaries used in the consolidation are drawn up to the same reporting dates as that of the company. i.e. March 31, 2016

The list of Subsidiary companies which are included in the consolidation and the company's holding therein are as under:

Name of the Consolidated Entities	Country of Incorporation	Nature of Interest	% of Interest
Telesuprecon Limited	Mauritius	Subsidiary	51
Digitech Business Systems Limited	Hong Kong	Subsidiary	100
STL Africa Limited	Mauritius	Subsidiary	100

2. In respect of Telesuprecon Limited and STL Africa Limited, the consolidation has been made on the basis of accounts compiled by the Management.

#### 3. CONTINGENT LIABILITY

(Rs in Lakhs)

Particulars	As at 31.03.2016	As at 31.03.2015
Bank Guarantees availed from Banks	2960.87	3970.42
Disputed Excise Liability not provided for	30.98	30.98
Disputed Sales tax liability for which the company preferred an appeal	72.02	72.02

#### 4. CAPITAL COMMITMENTS

(Rs. In Lakhs)

Particulars	As at 31.03.2016	As at 31.03.2015
Estimated amount of contracts to be executed on capital account and not provided for	Nil	Nil
Other contracts	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>

# SUJANA TOWERS LIMITED

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### 5. RETIREMENT BENEFITS

Gratuity is a unfunded defined benefit plan and the gratuity scheme provides for a lump sum benefit, subject to a vesting period of 5 years in case of early separation, based on final last drawn salary and completed years of service.

(Rs. in Lakhs)

Particulars	Gratuity		Leave Encashment	
	For the year ended 31.03.2016	For the year ended 31.03.2015	For the year ended 31.03.2016	For the year ended 31.03.2015
Present value of obligations as at beginning of year	164.44	145.33	84.08	66.43
Interest Cost	12.83	13.30	7.69	6.08
Current service cost	22.70	25.18	(37.18)	17.65
Benefits paid	(20.57)	(6.46)	(30.98)	(11.60)
Actuarial loss/(Gain)	(11.63)	(12.91)	23.29	5.52
Present value of obligations at year end	167.77	164.44	46.89	84.08
Current Liability	5.87	11.16	-	-
Non-Current Liability	161.90	153.29	-	-

<b>Changes in the fair value of plan assets:</b>				
Fair value of plan assets at beginning of year	-	-	-	-
Expected return on plan assets	-	-	-	-
Contributions	-	-	-	-
Benefits paid	-	-	-	-
Actuarial gain on plan assets	-	-	-	-
Fair value of plan assets at the end of year	-	-	-	-
Excess / (Shortfall) of plan assets over obligation	(151.74)	(143.78)	(46.89)	(84.08)
Amounts recognized in the Balance sheet				
Present value of obligations at the end of year	(151.74)	(143.78)	(46.89)	(84.08)
Fair value of plan assets as at the end of the year	-	-	-	-
Funded Status(Liability)	(151.74)	(143.78)	(46.89)	(84.08)
Net Liability recognized in the Balance Sheet	(151.74)	(143.78)	(46.89)	(84.08)

<b>Net Gratuity Cost for the year ended 31.03.16</b>				
Current service cost	22.70	25.18	(37.18)	17.65
Interest Cost	12.83	13.30	7.69	6.08
Expected return on plan assets	(1.43)	(1.92)	-	-
Net Actuarial (Gain)/Loss	(11.62)	12.91	23.29	5.52
Expense recognized in the year	22.47	23.64	(6.20)	29.25
<b>Assumptions in accounting for the Gratuity Fund</b>				
Discount Rate	7.90%	7.80%	7.90%	7.80%
Salary Escalation Rate	10%	10%	10%	10%
Expected Average remaining working lives of employees (years)	18	20	18	20

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### 6. SEGMENT REPORTING

Segments are identified in line with AS 17 “Segment Reporting”, taking into consideration the internal organization and management structure as well as the different risk and returns of the segment.

1. The group is principally engaged in single business segment Viz., “Power and Telecom Towers” and has been considered as the only reportable segment and hence no separate financial disclosure provided in respect of its single business segment.
2. The Company operates in different geographical locations. However each of these operating locations are further aggregated based on the following factors: (a) similarity of economic and political conditions; (b) relationships between operations in different geographical areas; (c) proximity of operations; (d) special risks associated with operations in a particular area; (e) exchange control regulations; and (f) the underlying currency risk. Accordingly, the following have been identified as operating and reportable segments: (a) “India”, (b) Mauritius “(c) “Hong Kong”.

Financial information as required in respect of operating and reportable segments is as given below :

(Rs. in Lakhs)

Particulars	India	Mauritius	Hongkong	Consolidated
External Sales	139,780.63	-	6,909.41	146,690.04
Inter Segment Sales	-	-	-	-
Total Revenue	139,780.63	-	6,909.41	146,690.04
Results	-	-	-	-
<b>Segment Results</b>	15,632.17	-	36.16	15,668.33
Interest Expense	-	-	-	25,808.63
Other Income	-	-	-	109.62
Income tax	-	-	-	4502.00
Minority Interest	-	-	-	-
Profit for the period	-	-	-	(14532.67)

### 7. RELATED PARTY DISCLOSURE

As per Accounting Standard -18 notified under The Companies (Accounting Standard ) Rules 2006 , the disclosures of transactions with related parties are as follows :

#### Subsidiaries

Name of the Subsidiary	Country of Incorporation	% of Holding as at 31.03.2016
<b>Subsidiaries held directly</b>		
Telesuprecon Limited	Mauritius	51
Digitech Business Systems Limited	Hong Kong	100
STL Africa Limited	Mauritius	100
<b>Key Managerial Personnel</b>		
Shri G. Srinivasa Raju	Managing Director	
Shri Y. Kamesh*	Managing Director	

\*Managing Director upto 27.05.2015



# SUJANA TOWERS LIMITED

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### List of Related Parties

Sl. No.	Name of the Company	Shri G. Srinivasa Raju	Shri S. Hanumantha Rao
1	Foster Infin and Trading Private Limited	√	-
2	Glade Steel Private Limited	√	-
3	Sujana Energy Limited	-	√
4	Sujana Finance and Trading Private Limited	√	-
5	Sujana Holding Limited	√	√
6	Sujana Metal Products Limited	√	√
7	Sujana Power (Gangikondan) Limited	-	√
8	Sujana Power (India) Limited	√	√
9	Sujana Power (Tuticorin) Limited	-	√
10	Sujana Projects Limited	√	√
11	Sujana Universal Industries Limited	√	√
12	Yalamanchili Finance and Trading Private Limited	√	-
13	Sujana Pumps & Motors Pvt. Ltd	-	-

### Related Party Transactions

Rs. in Lakhs

Particulars		Subsidiaries		Key Managerial Personnel	
		2015-16	2014-15	2015-16	2014-15
<b>A</b>	<b>Sales</b>				
	Sujana Metal Products Ltd	-	-	<b>675.50</b>	1223.27
	Sujana Universal Industries Limited	-	-	<b>2.49</b>	28.76
	<b>Sub-total</b>	-	-	<b>677.99</b>	1252.03
<b>B</b>	<b>Purchases</b>				
	Sujana Metal Products Ltd	-	-	<b>690.30</b>	375.36
	Sujana Universal Industries Limited	-	-	<b>7.75</b>	7.99
	<b>Sub-total</b>	-	-	<b>698.05</b>	383.35
<b>C</b>	<b>Investments made during the year/period</b>				
	<b>Sub-total</b>	-	-	-	-
<b>D</b>	<b>Other income</b>				
	<b>Sub-total</b>	-	-	-	-
<b>E</b>	<b>Other Expenses</b>				
	Sujana Universal Industries Limited	-	-	-	1.08
	<b>Sub-total</b>	-	-	-	1.08
<b>F</b>	<b>Remuneration</b>				
	Mr. Y.Kamesh	-	-	<b>5.61</b>	36.00
	<b>Sub-total</b>	-	-	<b>5.61</b>	36.00
<b>G</b>	<b>Advances given/(refunded) during the year</b>				
	Sujana Holdings Limited	-	-	-	-
	<b>Sub-total</b>	-	-	-	-
	<b>Grand Total</b>	-	-	<b>1381.65</b>	1671.38

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### 8. EARNINGS PER SHARE (EPS)

Particulars	For the year ended 31.03.2016	For the Year ended 31.03.2015
Profit attributable to equity shareholders -(A) (In Rs.)	<b>(14532.68)</b>	343.36
Weighted average number of equity shares outstanding during the year used as denominator for calculating EPS (B) (In No's)	<b>53,513,096</b>	51,914,923
Nominal value of equity shares (In Rs.)	<b>10.00</b>	10.00
Basic earnings per share (A/B) (In Rs.)	<b>(27.16)</b>	0.73
Diluted Earnings Per share (In Rs.)	<b>(27.16)</b>	0.73

9. The provision for Current Tax, Deferred Tax, and Fringe Benefit Tax has been made based on the computation of Income prepared by the company.
10. Previous Period figures have been regrouped and reclassified wherever necessary in conforming to the current Period's classification.

As per our report for even date

**M/s. Venugopal & Chenoy**

Chartered Accountants

Firm's Registration No: 004671S

**P.V. Sri Hari**

Partner

Membership No. 21961

Place: Hyderabad

Date: May 30, 2016

For and on behalf of the Board

**G. Srinivasa Raju**

Managing Director

**S. Hanumantha Rao**

Director

**S. Kalyani**

Vice-President (Finance)

**P. Apser Hussien**

Company Secretary

Place: Hyderabad

Date: May 30, 2016

# SUJANA TOWERS LIMITED

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### 3. Share capital

(Rs. in Lakhs)

Particulars	As at 31 March 2016	As at 31 March 2015
<b>Authorised</b>		
<b>Equity shares</b>		
79,000,000 shares @ Rs. 10/- (previous year 79,000,000 Rs. 10/- par value)	7,900.00	7,900.00
<b>Cumulative Redeemable Preference shares</b>		
2,100,000 shares @ Rs. 100/- (previous year 2,100,000 Rs. 100/- each)	2,100.00	2,100.00
	<b>10,000.00</b>	<b>10,000.00</b>
<b>Issued, Subscribed and fully Paid up</b>		
<b>Equity shares</b>		
56,544,552 Rs.10/- fully paid (previous year 519,149,230 Rs. 10/- each fully paid up )	5,654.45	5,191.50
<b>Cumulative Redeemable Preference shares</b>		
124,203 (previous year 148,513) - 1% Cumulative Redeemable Preference Shares, Rs 100 par value, fully paid up	124.45	148.51
<b>Total</b>	<b>5,778.90</b>	<b>5,340.01</b>

The reconciliation of the number of equity shares outstanding is set out below:

Particulars	As at 31 March 2016 (in number)	As at 31 March 2015 (in number)
<b>3.1. Share capital (continued)</b>		
Shares outstanding at the beginning of the year	519,14,923	519,14,923
Shares Issued during the year	46,29,629	-
Shares bought back during the year	-	-
Shares outstanding at the end of the year	<b>565,44,552</b>	<b>519,14,923</b>

The reconciliation of the number of preference shares outstanding is set out below:

Particulars	As at 31 March 2016 (in number)	As at 31 March 2015 (in number)
Shares outstanding at the beginning of the year	1,48,513	2,47,335
Shares Issued during the year	-	-
Shares bought back during the year	24,310	98,822
Shares outstanding at the end of the year	<b>124,203</b>	<b>1,48,513</b>

1% Cumulative Redeemable Preference Shares (CRPS) are redeemable in 12 quarterly installments commenced from 01.10.2013

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

The details of shareholder holding more than 5% equity shares is set below: (Rs. in Lakhs)

Name of Shareholder	As at 31st March 2016		As at 31st March 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Yalamanchili Finance & Trading (P) Ltd	47,67,500	9.18	47,67,500	9.18
Sujana Holdings Limited	121,29,629	14.45	75,00,000	14.45
Foster Infin & Trading (P) Ltd	509,59,990	9.82	509,59,990	9.82

The details of shareholder holding more than 5% cumulative, redeemable preference shares is set below:

Name of Shareholder	As at 31st March 2016		As at 31st March 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Industrial Development Bank of India Ltd	1,24,203	100	1,48,513	100

Particulars	As at 31st March 2016	As at 31st March 2015
<b>4. Reserve and Surplus</b>		
Opening Balance	11,736.77	11,736.77
Additions during the year	-	-
Deductions during the year	-	-
Closing Balance	11,736.77	11,736.77
<b>Securities Premium Account</b>		
Opening Balance	34,295.15	34,295.15
Add: Premium from shares issued	2,037.04	-
Closing Balance	36,332.19	34,295.15
<b>Foreign Currency Translation Reserve</b>		
Opening Balance	6,426.60	6,223.86
Additions/Deletions	1,495.32	202.74
Closing Balance	7,921.92	6,426.60
<b>Surplus balance in the statement of profit and loss account</b>		
Opening Balance	31,770.77	31,492.49
Add: Profit for the year/period	(14,532.67)	343.36
Add: Minority Interest	-	36.37
Less: Prior Period Adjustments	-	-
Less: Dividend on CRPS	-	2.53
Less: Transfer to Capital Redemption Reserve Account	98.92	98.92
Closing Balance	17,139.17	31,770.77
<b>Capital Redemption Reserve Account</b>		
Opening Balance	148.38	49.46
Add: Transferred during the year	98.92	98.92
Closing Balance	247.30	148.38
<b>Total</b>	<b>73,377.35</b>	<b>84,377.67</b>

# SUJANA TOWERS LIMITED

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Rs. in Lakhs)

Particulars	As at 31st March 2016	As at 31st March 2015
<b>5. Long term borrowings</b>		
<b>Secured</b>		
<b>Term loans</b>		
(i) from banks	66,937.74	70,087.43
(ii) from other parties	11,195.18	7,887.61
<b>Sub Total (a)</b>	<b>78,132.92</b>	<b>77,975.04</b>
<b>Un-Secured</b>		
Promoters Contribution as per CDR Schedule	16,500.00	16,500.00
Loans from Promoters and Promoter Group Companies	13,295.07	11,945.93
<b>Sub Total (b)</b>	<b>29,795.07</b>	<b>28,445.93</b>
<b>Total (a+b)</b>	<b>1,07,927.99</b>	<b>1,06,420.97</b>
(i) Term loans from Banks carry interest @11% are secured by first charge on all fixed assets of the Company, excluding fixed assets of Khanapur plant, present and future and secured by personal guarantees of promoter directors and repayable in quarterly installments as per CDR package.		
<b>6. Deferred tax liabilities (net)</b>		
Opening Balance	6,735.52	6,715.32
Add: On account of Depreciation	4,571.26	97.21
Less: On account of retirement benefits	69.65	77.01
<b>Total</b>	<b>11,237.13</b>	<b>6,735.52</b>
<b>7. Other Long term liabilities</b>		
Deferred sales tax liability (a)	304.67	304.67
Sundry Creditors	-	26,994.25
<b>Total</b>	<b>304.67</b>	<b>27,298.92</b>
(a) 14 years Intert free Sales Tax Deferment Loan received from Government of Andhra Pradesh. Repayment Commences from March 24, 2014 based on the deferment availed in respective years.		
<b>8. Long term provisions</b>		
Provision for employee benefits	-	-
Gratuity	161.90	142.13
Compensated absences	23.60	78.56
<b>Total</b>	<b>185.50</b>	<b>220.69</b>

# NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Rs. in Lakhs)

Particulars	As at 31st March 2016	As at 31st March 2015
<b>9. Short term borrowings</b>		
<b>Secured</b>		
(a) Working Capital demand loan from banks	96,148.30	64,446.00
(b) Finance Lease Obligations	5.81	10.27
<b>Sub-Total</b>	<b>96,154.11</b>	<b>64,456.27</b>
(a) Working capital demand loan from banks carry interest @ 11.5% is secured by way of pari passu first charge on the current assets and pari passu second charge on the fixed assets of the Company, both present and future, and further secured by the personal guarantee of promoter directors of the Company.		
(b) Finance lease obligations secured by the assets purchased out of the said loan.		
<b>10. Trade payables</b>		
Trade Payables		
- due to micro and small enterprises	-	-
- others creditors	52,519.92	78,871.03
<b>Total</b>	<b>52,519.92</b>	<b>78,871.03</b>
<b>11. Other Current liabilities</b>		
Interest accrued and due on borrowings from other parties	7,676.22	9,614.16
Current Obligations for Long Term debt	27,964.17	12,949.83
Advances from customers	-	30.78
Due to Statutory authorities	72.10	34.07
Other current liabilities	521.58	752.79
<b>Total</b>	<b>36,234.07</b>	<b>23,381.63</b>
<b>12. Short term provisions</b>		
<b>Others (Specify nature)</b>		
Provision for taxation	5,527.80	5,629.21
Provision for Fringe Benefit Tax	10.70	10.70
Proposed dividends	16.64	5.79
Provision for employee benefits		
Provision for bonus	48.18	36.25
Gratuity	5.87	11.16
Compensated absences	23.30	5.52
<b>Total</b>	<b>5,632.49</b>	<b>5,698.62</b>

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

**13. Fixed Assets**

(Rs. in Lakhs)										
Particulars	Gross Block			Accumulated Depreciation				Net Block		
	Opening Gross Block as on 01.04.2015	Additions during the period Apr'15 to Mar'16	Deletions during the period Apr'15 to Mar'16	Closing Gross Block as on 31.03.2016	Acc. Dep. As on 01.04.2015	Depreciation for the period Apr'15 to Mar'16	Depreciation withdrawn	Acc. Dep. As on 31.03.2016	Net Block as on 31.03.2016	Net Block as on 31.03.2015
Land	1,868.84	-	-	1,868.84	-	-	-	-	1,868.84	1,868.84
Building	3,554.18	-	-	3,554.18	671.43	118.71	-	790.14	2,764.04	2,882.75
Plant & Machinery	54,525.80	1,30,565.57	-	1,85,091.37	16,262.48	7,674.26	-	23,936.74	1,61,154.63	38,263.32
Workshop Equipments	9.60	-	-	9.60	4.17	0.46	-	4.62	4.97	5.43
Weighing Machine	11.34	-	-	11.34	7.31	0.54	-	7.85	3.49	4.03
Electrical Installations	235.09	-	-	235.09	93.59	8.30	-	101.89	133.20	141.50
Furniture & Fixtures	69.90	0.29	-	70.19	51.54	2.10	-	53.64	16.55	18.36
Office Equipments	73.77	1.09	0.12	74.74	22.92	2.40	-	25.32	49.42	50.85
Vehicles	439.29	-	-	439.29	358.70	19.48	-	378.17	61.11	80.59
Computers	165.00	-	-	165.00	148.78	1.48	-	150.26	14.74	16.22
<b>Total</b>	<b>60,952.80</b>	<b>1,30,566.95</b>	<b>0.12</b>	<b>1,91,519.63</b>	<b>17,620.92</b>	<b>7,827.72</b>	<b>-</b>	<b>25,448.64</b>	<b>1,66,070.99</b>	<b>43,331.89</b>
<b>Intangible Assets</b>										
Particulars	Gross Block			Accumulated Depreciation				Net Block		
	Opening Gross Block as on 01.04.2015	Additions during the period Apr'15 to Mar'16	Deletions during the period Apr'15 to Mar'16	Closing Gross Block as on 31.03.2016	Acc. Dep. As on 01.04.2015	Depreciation for the period Apr'15 to Mar'16	Depreciation withdrawn	Acc. Dep. As on 31.03.2016	Net Block as on 31.03.2016	Net Block as on 31.03.2015
Computer Software	17.13	-	-	17.13	9.22	2.78	-	12.00	5.13	7.91



# NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Rs. in Lakhs)

Particulars	As at 31st March 2016	As at 31st March 2015
<b>14. Non Current investments</b>	-	-
<b>Total</b>	-	-
<b>15. Long term loans and advances</b>		
<b>Capital Advances for purchase of fixed assets</b>		
Secured, considered good Doubtful	-	1,30,560.36
<b>Sub Total (a)</b>	-	1,30,560.36
<b>Loans and advances to related parties</b>		
Secured, considered good		
Less: Provision for doubtful loans and advances	1,114.79	-
<b>Sub Total (b)</b>	1,114.79	-
<b>Other loans and advances</b>		
Advance for business Acquisition	1,095.38	1,095.38
<b>Sub Total (c)</b>	1,095.38	1,095.38
<b>Total (a+b+c)</b>	2,210.17	1,31,655.74
<b>16. Inventories</b>		
Raw Materials and components	591.98	626.54
Goods-in transit (Raw material is valued at cost using the weighted average cost method)	-	-
<b>Sub total (a)</b>	591.98	626.54
Work-in-progress (Work in progress is valued at cost using the weighted average cost method)	873.46	1,699.13
<b>Sub Total (b)</b>	873.46	1,699.13
Finished goods	1,151.01	1,003.08
Goods-in transit (Finished goods are valued at cost or net realisable value whichever is less)	-	-
<b>Sub Total (c)</b>	1,151.01	1,003.08
Stores and spares (Stores and spares are carried at cost,ascertained on weighted average basis)	560.03	611.67
<b>Sub Total (d)</b>	560.03	611.67
<b>Total (a+b+c+d)</b>	3,176.48	3,940.42

# SUJANA TOWERS LIMITED

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Rs. in Lakhs)

Particulars	As at 31st March 2016	As at 31st March 2015
<b>17. Trade receivables</b>		
<b>Unsecured</b>		
Debts outstanding for period exceeding six months		
Considered good	1,21,331.81	1,16,580.13
Considered doubtful	-	-
<b>Other debts</b>		
Considered good	93,962.22	1,04,666.60
Considered doubtful	-	-
Less: Provision for doubtful debts	237.38	237.38
<b>Total</b>	<b>2,15,294.03</b>	<b>2,21,009.35</b>
<b>18. Cash and cash equivalents</b>		
Cash on hand	10.17	12.70
Balance with banks in current accounts	105.25	38.95
<b>Sub Total (a)</b>	<b>115.42</b>	<b>51.65</b>
<b>Other Bank balances</b>		
Margin money	48.81	39.00
<b>Sub Total (b)</b>	<b>48.81</b>	<b>39.00</b>
<b>Total (a+b)</b>	<b>164.23</b>	<b>90.65</b>
<b>19. Short term loans and advances</b>		
<b>Loans and advances to related parties</b>		
Secured Considered good	-	-
<b>Sub Total (a)</b>	<b>-</b>	<b>-</b>
<b>Others</b>		
Deposits with Govt authorities	1,353.69	1,276.16
Margin money with parties	243.77	226.87
Advance for expenses	402.64	379.12
Other Deposits	431.00	883.22
<b>Sub Total (b)</b>	<b>2,431.10</b>	<b>2,765.37</b>
<b>Total (a+b)</b>	<b>2,431.10</b>	<b>2,765.37</b>
<b>20. Other current assets</b>		
Interest accrued	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<b>21. Other operating revenues</b>		
Others	99.77	452.66
<b>Total</b>	<b>99.77</b>	<b>452.66</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Rs. in Lakhs)

Particulars	As at 31st March 2016	As at 31st March 2015
<b>22. Other income</b>		
Interest income	9.85	73.16
<b>Total</b>	<b>9.85</b>	<b>73.16</b>
<b>23. Cost of material consumed</b>		
Opening stock	626.54	1,246.19
Add: Purchases	2,242.71	8,729.35
Add (Less:) Raw material received (transferred)	-	-
Less: Closing stock	591.97	626.54
Raw materials consumed	2,277.27	9,349.01
<b>24. Purchases of Stock-in-Trade</b>		
Opening stock	-	-
Add: Purchases	1,18,055.12	1,84,852.08
Add (Less:) Raw material received (transferred)	-	-
Less: Closing stock	-	-
<b>Stock-in-Trade materials consumed</b>	<b>1,18,055.12</b>	<b>1,84,852.08</b>

# SUJANA TOWERS LIMITED

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Rs. in Lakhs)

Particulars	For the year ended 31.03.2016	For the year ended 31.03.2015
<b>25. Change in inventory of finished goods, work-in-progress and stock in trade</b>		
<b>Opening stock</b>		
Finished goods	1,003.08	1,450.55
Work-in-progress	1,563.57	3,769.69
<b>Sub Total (a)</b>	<b>2,566.65</b>	<b>5,220.24</b>
<b>Less: Closing stock</b>		
Finished goods	1,151.01	1,003.08
Work-in-progress	729.80	1,563.57
<b>Sub Total (b)</b>	<b>1,880.81</b>	<b>2,566.65</b>
<b>Total (a-b)</b>	<b>685.84</b>	<b>2,653.60</b>
<b>26. Employee benefits expense</b>		
Salaries and wages	519.71	793.28
Contribution to provident fund and other funds	10.24	13.24
Directors remuneration	5.61	36.00
<b>Total</b>	<b>535.56</b>	<b>842.52</b>
<b>26. Finance Cost</b>		
Interest on working capital loans	9,650.78	7,108.11
Interest Expenses on Term Loans	14,674.28	12,768.74
Other borrowing costs	1,483.57	2,825.41
<b>Total</b>	<b>25,808.63</b>	<b>22,702.26</b>
<b>27. Other expense</b>		
Consumption of stores, loose tools and spare parts	1,022.70	2,440.59
Power and fuel	208.77	327.51
Repairs and maintenance:	13.87	42.84
Rates and taxes, excluding, taxes on income	18.58	44.59
Insurance	17.49	49.94
Traveling and conveyance	33.63	48.04
Communication	10.99	18.85
Contract labor charges (security charges)	61.74	79.61
Legal and professional fees	194.84	105.91
Auditor Remuneration	23.67	22.44
Sales promotion and advertisement	21.34	74.64
Donations	-	0.03
Printing and stationery	6.31	18.44
Staff Welfare	-	0.29
Sitting Fees	3.39	3.82
Miscellaneous expenses	0.10	7.09
<b>Total</b>	<b>1,637.41</b>	<b>3,284.63</b>

**SUJANA TOWERS LIMITED**

Regd. Office: Plot No.18, Nagarjuuna Hills, Punjagutta, Hyderabad - 500 082.

**CIN : L40109TG2006PLC049743****9th Annual General Meeting - Friday, 30th September, 2016****ATTENDANCE SLIP**

I, hereby record my presence at the 9th Annual General Meeting of the Company to be held on Friday, September 30th, 2016 at Katriya Hotel& Towers, # 8, Raj Bhavan Road, Somajiguda, Hyderabad - 500 082, Telangana at 02.00 PM.

Folio No. / DP ID-Client ID:.....

Full Name of the Shareholder in Block Letters:.....

No. of Shares held:.....

Name of Proxy (if any) in Block Letters:.....

Signature of the Shareholder/Proxy/Representative\*

\*Strike out whichever is not applicable

EVEN	User ID	Password
<b>105438</b>		

**SUJANA TOWERS LIMITED**

Regd. Office: Plot No.18, Nagarjuuna Hills, Punjagutta, Hyderabad - 500 082.

**CIN : L40109TG2006PLC049743****PROXY FORM****9th Annual General Meeting - Friday, 30th September, 2016**

Name of the Member(s):	E-Mail Id:
Registered Address:	
Folio No./Client Id:	DP Id:

I/We, being the member (s) of ..... shares of the above named company, hereby appoint:

Name:	Address:
E-mail Id	Signature:
or failing him;	
Name:	Address:
E-mail Id	Signature:
or failing him;	
Name:	Address:
E-mail Id	Signature:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 9th Annual General Meeting of the Company, to be held on the Friday, September 30th, 2016 at 02.00 PM at Katriya Hotel & Towers, # 8, Raj Bhavan Raod, Somajiguda, Hyderabad - 500 082, Telangana and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolution No.	Resolutions
<b>Ordinary Business</b>	
1.	Adoption of Financial Statements for the year ended 31st March, 2016.
2.	Re-appointment of Shri L V Rao, who retires by rotation.
3.	To re-appoint M/s.Venugopal & Chenoy, Chartered Accountants, as Statutory Auditors of the Company.
<b>Special Business</b>	
4.	Appointment of Smt A.Syamala Reddy, Independent Director in terms of Section 149 of the Companies Act, 2013.
5.	To consider and approve the increase of Authorised Share Capital of the Company from Rs.100 crores to Rs.1500 crores
6.	To consider and approve the issue of Cumulative Redeemable preference shares (CRPS).
7.	To approve and confirm the Strategic Debt Restructuring scheme (SDR)/outside SDR formulated by Reserve Bank of India.
8.	Ratification of remuneration of the Cost Auditor of the Company.

Signed this ..... day of September 2016.

Signature of shareholder

Signature of Proxy holder(s)

Affix Re.1  
Revenue  
Stamp

**Notes:**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 9th Annual General Meeting.
3. Please complete all details including details of member(s) in above box before submission.

**Form No. MGT-12****POLLING PAPER**

**[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]**

Name of the Company : Sujana Towers Limited  
CIN : L40109TG2006PLC049743

**BALLOT PAPER**

S.No.	Particulars	Details
1.	Name of the First Named Shareholder (In block letters)	
2.	Postal address	
3.	Registered folio No. / *Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4.	Class of Share	Equity

I hereby exercise my vote in respect of Ordinary/ Special resolution enumerated below by recording my assent or dissent to the said resolution in the following manner:

Item No.	Resolution	No. of shares held by me	I assent to the resolution	I dissent from the resolution
	<b>Ordinary Business</b>			
1.	Adoption of Financial Statements for the year ended 31st March, 2016.			
2.	Re-appointment of Shri L V Rao, who retires by rotation.			
3.	To re-appoint M/s.Venugopal & Chenoy, Chartered Accountants as Statutory Auditors of the Company.			
	<b>Special Business</b>			
4.	Appointment of Smt A.Syamala Reddy, Independent Director in terms of Section 149 of the Companies Act, 2013.			
5.	To consider and approve the increase of Authorised Share Capital of the Company from Rs.100 crores to Rs.1500 crores			
6.	To consider and approve the issue of Cumulative Redeemable preference shares (CRPS).			
7.	To approve and confirm the Strategic Debt Restructuring scheme (SDR)/outside SDR formulated by Reserve Bank of India.			
8.	Ratification of remuneration of the Cost Auditor of the Company.			

Place:

Date:

(Signature of the shareholder)

**INSTRUCTIONS**

- This Ballot paper is for the members who have not voted through e-voting facility. A member can opt for only one mode of voting i.e., either through e-voting or by Ballot paper. If a Member casts votes in both the modes, then vote cast through e-voting shall prevail and Ballot paper shall be treated as invalid.
- The vote should be cast either in favour or against by putting the tick (✓) mark in the column provided for assent or dissent. Ballot paper bearing tick marks in both the columns will be treated as invalid. Please do not use pencil.
- This form should be completed and signed by the Member/Proxy Holder as per the specimen signatures registered with the Company/Depository. In case of joint holding this form should be completed and signed by the first named member.
- Any cutting/overwriting on this Ballot paper should be signed by the shareholder/proxy holder.
- Unsigned, incomplete, improperly or incorrectly tick marked Ballot papers will be rejected. A Ballot paper will also be rejected if it is received torn, defaced or mutilated to an extent which makes it difficult for the Scrutinizer to identify either the member or as to whether the votes are in favour or against or if the signature cannot be verified.
- The decision of Scrutinizer on the validity of the Ballot paper and any other related matter shall be final.
- The Scrutinizer will collate the votes downloaded from the e-voting system and votes cast through Ballot paper to declare the final result for each of the Resolutions enumerated above.
- The Results shall be declared on or after the date of AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website : [www.sujana.com](http://www.sujana.com) and on the website of [www.bighshareonline.com](http://www.bighshareonline.com) within three (3) days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges.



INTENTIONALLY KEPT BLANK

PRINTED MATTER  
By Registered Post / Speed Post / Courier



If undelivered, please return to:

**Sujana Towers Limited**

**Registered Office :**

#18, Nagarjuna Hills, Panjagutta, Hyderabad - 500 082.

Phone: 040-23351882, 23351887

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