



Surana Group

# SURANA TELECOM AND POWER LTD.

(formerly Surana Telecom Ltd.)

ISO 9001 - 2008 Certified Company

5th Floor, Surya Towers,  
Sardar Patel Road,

Secunderabad-500 003. Telangana, India

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CIN No.: L23209TG1989PLC010336

STPL/SECT/ 041 /18-19

Date: 26<sup>th</sup> September, 2018

|                                                                                                                                                                                    |                                                                                                  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|
| The Secretary<br>National Stock Exchange of India Limited<br>Exchange Plaza, 5 <sup>th</sup> Floor, Plot C/1,<br>G Block, Bandra – Kurla Complex,<br>Bandra (E), MUMBAI – 400 051. | The Secretary,<br>BSE Limited<br>Phiroze Jeejeebhoy Towers,<br>Dalal Street,<br>MUMBAI – 400 001 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|

Dear Sir/Madam,

**Sub: Submission of Annual Report as per Regulation 34(1) of of SEBI (LODR) Regulations, 2015**

**Ref: Scrip Code: SURANAT&P (NSE) and Scrip Code: 517530 (BSE)**

With reference to the above stated subject, Please find attached Annual Report for the Financial Year 2017-18 which was approved by the shareholders in the 29<sup>th</sup> Annual General Meeting of the Company held on Monday the 24<sup>th</sup> September, 2018 at 03.30 pm at the Grand Solitaire Hotel 1-240, 41 & 43, S.D. Road, Parklane, Secunderabad – 500 003.

We request you to kindly take the same on your records.

Thanking you,

Yours faithfully,

**FOR SURANA TELECOM AND POWER LIMITED**

  
**SRINIVAS DUDAM**  
**COMPANY SECRETARY**



Encl: As Above





# SURANA TELECOM AND POWER LIMITED

**29<sup>th</sup> Annual Report  
2017-18**





Solar Street Light



Solar Farm



## BOARD OF DIRECTORS

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

### STATUTORY COMMITTEES

#### AUDIT COMMITTEE

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

#### NOMINATION & REMUNERATION COMMITTEE:

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

#### STAKEHOLDERS RELATIONSHIP COMMITTEE:

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

#### COMPANY SECRETARY

Srinivas Dudam

#### BANKERS

State Bank of India  
Corporation Bank  
Indian Overseas Bank

#### STATUTORY AUDITORS

##### Luharuka & Associates

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

#### INTERNAL AUDITORS

##### Sekhar & Co.,

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

#### COST AUDITORS

##### BVR & Associates

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

#### SECRETARIAL AUDITOR

##### Rakhi Agarwal,

Company Secretary in Practice  
6-3-660, Flat 520, Block 4,  
Amrit Apartments, Kapadia Lane,  
Somajiguda, Hyderabad- 500082

#### REGISTRAR & TRANSFER AGENT:

##### KARVY COMPUTERSHARE PRIVATE LIMITED

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

E-mail : einward.ris@karvy.com

Web Site : www.karvy.com

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

#### WORKS

##### Solar Power Project

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

##### Solar Module Manufacturing Unit

##### Hard Ware Park

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

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

Kapatgudda, Gadag District,  
Karnataka, India.

#### REGISTERED OFFICE

##### Surana Telecom and Power Limited

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

Tel: + 91 40 27845119, 44665750

Fax: + 91 40 27818868

E-mail: surana@surana.com,

**Investors :** cs@surana.com,

investorservices\_stl@surana.com

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

CIN: L23209TG1989PLC010336

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## NOTICE OF 29<sup>TH</sup> ANNUAL GENERAL MEETING

NOTICE is hereby given that the 29<sup>th</sup> Annual General Meeting of the members of Surana Telecom And Power Limited will be held on Monday the 24<sup>th</sup> September, 2018 at 03.30 PM at the Grand Solitaire Hotel, 1-240, 41 & 43, S.D.Road, Parklane, Secunderabad, Telangana 500003 to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements of the Company (including consolidated financial statements) for the financial year ended 31<sup>st</sup> March, 2018, together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Ms.Vinita Surana, who retires by rotation and being eligible, offers herself for re-appointment.

### SPECIAL BUSINESS:

3. **Appointment of Shri D.Venkata Subbaiah as Non-Executive Independent Director of the Company:**

To consider and, if thought fit, to pass the following resolution with or without modifications, as **Special Resolution**:

**“RESOLVED THAT** in furtherance to earlier ordinary resolution passed by the members at the 25<sup>th</sup> Annual General Meeting held on 22<sup>nd</sup> September, 2014, and pursuant to the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the appointment of Shri D.Venkata Subbaiah as Non-Executive Independent Director of the Company for a period of five years (w.e.f. 22.09.2014 upto 22.09.2019 as approved by the Members of the Company at 25<sup>th</sup> Annual General Meeting of the Company held on 22.09.2014) be and is hereby approved by way of special resolution.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to file necessary terms with the concerned authorities and to do all acts, deeds and things required to give effect to this Resolution”.

4. **Appointment of Dr.R.N.Sreenath as Non-Executive Independent Director of the Company:**

To consider and, if thought fit, to pass the following resolution with or without modifications, as **Special Resolution**:

**“RESOLVED THAT** in furtherance to earlier ordinary resolution passed by the members at the 25<sup>th</sup> Annual General Meeting held on 22<sup>nd</sup> September, 2014, and pursuant to the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the appointment of Dr. R.N.Sreenath as Non-Executive Independent Director of the Company for a period of five years (w.e.f. 22.09.2014 upto 22.09.2019 as approved by the Members of the Company at 25<sup>th</sup> Annual General Meeting of the Company held on 22.09.2014) be and is hereby approved by way of special resolution.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to file necessary terms with the concerned authorities and to do all acts, deeds and things required to give effect to this Resolution”.

5. **To ratify the remuneration of Ms.Vinita Surana, Whole-time Director of the Company:**

To consider and, if thought fit, to pass the following resolution with or without modifications, as **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 as recommended by the Nomination and Remuneration Committee, the consent of members be and is hereby accorded and ratified for payment of consolidated remuneration not exceeding to ₹ 2,45,000/- per month (either by way of salary, allowances and perquisites) to Ms.Vinita Surana, Whole-time Director of the Company with effect from 30<sup>th</sup> May, 2018, for the remainder of her term of office till 29<sup>th</sup> May, 2020.

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

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to alter or vary the scope of remuneration of Ms.Vinita Surana, Whole-time Director, including the monetary value thereof from time to time as may be considered appropriate, as recommended by the nomination and remuneration committee, within the overall limits as permissible under provisions of the Companies Act, 2013 and subject to approval of shareholders and other necessary approvals.

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

6. **To approve the overall limits u/s 186 for Loans/ Guarantees/ Securities/ Investment by the Company:**

To consider and, if thought fit, to pass the following resolution with or without modifications, as **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 186 of the Companies Act, 2013 and any other applicable provisions of the Companies Act, 2013 and Rules made there under (including any statutory modification thereof for the time being in force and as

may be enacted from time to time), subject to such approvals, consents, sanctions and permissions, as may be necessary, and the Articles of Association of the Company and all other provisions of applicable laws, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company to (a) give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, upto an aggregate amount not exceeding ₹ 400 Crores, notwithstanding that the aggregate of the loans or guarantees or securities so far given or to be given and/or securities so far acquired or to be acquired by the Company may collectively exceed the limits prescribed under Section 186 of the Companies Act, 2013.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of the Company be and is hereby authorised to take from time to time all decisions and such steps as may be necessary-for giving-loans, guarantees or providing securities or for making such investments and to execute such documents, deeds, writings, papers and/or agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion, deem fit; necessary or appropriate.

**7. To raise funds through issue of shares/convertible securities/ADR/GDR/FCCB's/ECB's etc.**

To consider and, if thought fit, to pass, with or without modifications, the following resolution as **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 42, 62 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debenture) Rules, 2014 and all other applicable provisions of the Companies Act, 2013, as applicable, and/or Foreign Exchange Management Act, 1999 (including any statutory modification(s) or reenactment thereof), the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India), Regulations, 2000, as amended, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Deposit Receipt Mechanism) Scheme, 1993, as amended and the applicable Rules, Regulations, Notifications and Circulars, if any, issued by Securities and Exchange Board of India (SEBI) from time to time, including the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the ICDR Regulations), Reserve Bank of India (RBI), Government of India or any other competent Authority and clarifications, if any, issued thereon from time to time by appropriate authorities, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other concerned and appropriate authorities, and other applicable laws, if any, and relevant provisions of the Memorandum and Articles of Association of the Company and subject to such approval(s), consent(s), permission(s) and/or sanction(s), if any, of the Government of India, RBI, SEBI and any other appropriate Authority(ies), Bank(s), Institution(s) or Body(ies), as may be necessary and subject to such conditions as may be prescribed by any of them in granting any such approval, consent,

permission or sanction, as are accepted, the Board of Directors of the Company, (hereinafter referred to as the “Board”, which term shall be deemed to include any duly constituted Committee thereof), be and is hereby authorized to create, offer, issue and allot Equity Shares/Securities in one or more tranches, in the course of domestic or international offerings, by way of Follow-on Public Offer (FPO) and/or by way of a Qualified Institutions Placement (QIP) in terms of the Chapter VIII of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time and/or Equity Shares in the form of Global Depository Receipts (GDRs), and/or American Depository Receipts (ADRs), and/ or External Commercial Borrowings (ECBs) with rights of conversion into shares, and/ or Foreign Currency Convertible Bonds (FCCBs) and/or Optionally or Compulsorily Convertible Redeemable Preference Shares (OCPs/CCPS), convertible into Equity Shares of the Company with voting rights or with differential rights as to voting, dividend or otherwise in accordance with such rules and subject to such conditions as may be prescribed or any other instrument convertible into Equity Shares with voting rights or with differential voting rights as to voting, dividend or otherwise (hereinafter referred to as the “Securities”), to be subscribed to, by International and/or Indian Banks, Institutions, Institutional Investors, Mutual Funds, companies, other Corporate Bodies, Resident/Non-Resident Indians, Foreign Nationals and other eligible Investors, as may be decided by the Board, (hereinafter referred to as “Investors”), whether or not such Investors are members of the Company or not (including the provisions for reservation on firm and/or competitive basis, of such part of issue and for such categories of persons including employees of the Company, group/associate company(ies) as may be permitted by the ICDR Regulations from time to time, at such time or times, at such price or prices, at discount / premium to the market or prices in such manner and on such terms and conditions including security, rate of interest etc. including the discretion to determine the categories of Investors to whom the offer, issue and allotment shall be made to the exclusion of all other categories of Investors, as may be determined by the Board at the time of such issue and allotment, considering the then prevailing market conditions and other relevant factors wherever necessary, up to an aggregate of **US\$ 30 million** in any foreign currency or in Rupees (inclusive of such premium as may be determined) and such issue and allotment be made at such time or times, in such tranche or tranches, in such currency or currencies, in such manner and on such terms and conditions (including, if necessary, in relation to security on convertible debt instruments) as may be decided and deemed appropriate by the Board in its sole discretion at the time of issue / allotment.”

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

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

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

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

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

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

**8. To approve and ratify the remuneration of Cost Auditors for the financial year 2018-19:**

To consider and, if thought fit, to pass, with or without modifications, the following resolution as an **Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications or re-enactments thereof, for the time being in force), the cost audit fees of ₹ 10,000 (Rupees Ten Thousand Only) to be paid to M/s. BVR & Associates, Cost Accountants in practice, the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year 2018-19 be and is hereby ratified and approved.

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

**9. Approval of charges for service of documents on the shareholders:**

To consider and, if thought fit, to pass, with or without modifications, the following resolution as an **Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Section 20 of the Companies Act 2013 and other applicable provisions, if any, of the said Act and relevant rules prescribed there under, whereby a document may be served on any shareholder by the Company by sending it to him by post or by registered post or by speed post or by courier or by electronic or other mode as may be prescribed, the consent of the shareholders be and is hereby accorded to charge from the member the fee in advance equivalent to the estimated actual expenses of delivery of the documents, pursuant to any request made by the shareholder for delivery of such document to him, through a particular mode of services mentioned above provided such request along with requisite fee has been duly received by the Company at least one week in advance of the dispatch of document by the Company and that no such request shall be entertained by the Company post the dispatch of such document by the Company to the shareholder.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, director or key managerial personnel of the Company be and are hereby severally authorized to do all acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the matter aforesaid and further to do all acts, deeds, matters and things as may be necessary, proper or desirable or expedient to give effect to the above resolution”.

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

Place: Secunderabad  
Date: 06.08.2018

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

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, TO VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE VALID AND EFFECTIVE, MUST BE DELIVERED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

Pursuant to provisions of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014 a person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights.

2. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing such representative to attend and vote on their behalf at the Meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 19.09.2018 to 24.09.2018 (both days inclusive) for the purpose of annual closure.
4. The Company's Equity shares are listed at BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001 and National Stock Exchange of India Ltd., Exchange Plaza, 5<sup>th</sup> Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051 and the Company has paid the Listing Fees to the said Stock Exchanges.
5. Members / Proxies are requested to bring their copies of Annual Report with them for the Annual General Meeting and the attendance slip duly filled in for attending the Meeting. No copies of the Annual Report will be distributed at the meeting.
6. Members holding shares in dematerialized form are requested to intimate all changes pertaining to, nominations, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, Karvy Computershare Private Limited to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to Karvy Computershare Private Limited
7. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or Karvy Computershare Private Limited, the details of such folios together with the share certificates for consolidating their holding in one folio. A consolidated share certificate will be returned to such Members after making requisite changes thereon.

8. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
9. Members seeking any information with regard to the Accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the meeting.
10. Regulation 36 of SEBI (LODR) Regulations, 2015 of the Listing Agreement executed with the stock exchanges permits sending of soft copies of annual reports to all those members who have registered their email addresses for the purpose.

The Companies Act, 2013 has also recognized serving of documents to any member through electronic mode. In terms of the circular No. NSDL/CIR/II/10/2012 dated March 9, 2012 issued by National Securities Depository Limited, email addresses made available by the Depository for your respective DPs accounts as part of the beneficiary position downloaded from the Depositories from time to time will be deemed to be your registered email address for serving notices/ documents including those covered under Section 101 and 136 of the Companies Act, 2013 read with Section 20 of the Companies Act, 2013 and the applicable Rules. In light of the requirements prescribed by the aforesaid circulars, for those members whose Depository Participant accounts do not contain the details of their email addresses, printed copies of the Annual Report would be dispatched.

11. Shareholders are requested to furnish their e-mail IDs to enable the Company to forward all the requisite information in electronic mode and support the green initiative. In case of the Shareholders holding shares in demat form the email IDs of the shareholders registered with DP and made available to the Company shall be the registered email IDs unless communication is received to the contrary.
12. The Securities Exchange Board of India has notified that the shareholder/transferee of shares (including joint holders) holding shares in physical form are required to furnish a certified copy of their PAN card to the Company's RTA while transacting in the securities market including transfer, transmission or any other Corporate Action. Accordingly, all the shareholders/ transferee of shares (including joint holders) are requested to furnish a certified copy of their PAN card to the Company's RTA while transacting in the securities market including transfer, transmission or any other corporate action.
13. The Securities and Exchange Board of India (SEBI) vide its circular dated 20<sup>th</sup> April, 2018 has mandated registration of Permanent Account Number (PAN) and Bank Account Details for all securities holders. Members holding shares in physical form are therefore, requested to submit their PAN and Bank Account Details to Karvy / the Company by sending a duly signed letter along with self-attested copy of PAN Card and original cancelled

cheque. The original cancelled cheque should bear the name of the Member. In the alternative Members are requested to submit a copy of bank passbook / statement attested by the bank. Members holding shares in demat form are requested to submit the aforesaid information to their respective Depository Participant.

14. Pursuant to Section 108 of the Companies Act, 2013 read with relevant Rules under the Act, the Company is pleased to provide the facility to the Members to exercise their right to vote through electronic voting. The members who have not cast their vote by remote e-voting shall be able to vote at the Annual General Meeting.
15. The members whose names appear on the Register of Members/ list of beneficial owners as on 17<sup>th</sup> September, 2018 are eligible to participate in e-voting on the resolutions set forth in this notice.
16. The Companies (Management and Administration) Rules, 2015 provide that the electronic voting period shall close at 5:00 PM, on the date preceding the AGM. Accordingly, the e-voting will be available at the <https://evoting.karvy.com>. The remote e-voting period will commence at 9:00 A.M. (IST) on 20<sup>th</sup> September, 2018 and will end at 5:00 P.M. (IST) on 23<sup>rd</sup> September, 2018. The remote e-voting will not be allowed beyond the aforesaid period and time, and the remote e-voting module shall be disabled by M/s Karvy Computershare Private Limited, the agency engaged by the company to provide e-voting facility.
17. The member(s) who have cast their vote by remote e-voting may also attend the meeting but shall not be entitled to cast their vote again. Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently.
18. In order to enable its members, who do not have access to e-voting facility, to send their assent or dissent in writing in respect of the resolutions as set forth in their Notice, the Company is enclosing a Ballot form with the Notice. Resolution (s) passed by the members through ballot forms, remote e-voting and voting at the AGM are deemed to have passed as if they have been passed at the AGM.
19. The Company has appointed Mrs. Rakhi Agarwal, Company Secretary in Practice, Hyderabad to act as Scrutinizer to scrutinize the poll at the Annual General Meeting, remote e-voting process and through ballot form in a fair and transparent manner.
20. The Login ID and Password for e-voting along with process, manner and instructions for e-voting is being sent to the members who have not registered their e-mail ids with the Company/their respective Depository Participant along with physical copy of the Notice. Those members who have registered their e-mail IDs with the Company/their respective Depository Participant are being forwarded the login ID and password for e-voting along with process, manner and instruction by e-mail.
21. Members are requested to send all communication relating to shares to the Company's Share Transfer Agents (Physical and Electronic) at M/s KARVY COMPUTERSHARE PRIVATE LIMITED, Karvy Selenium Tower B, Plot No 31&32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500 032. Further, kindly note that members holding shares in physical form and intending to transfer their shares have to furnish the PAN particulars of transferee along with the share transfer deeds for affecting the physical share transfer.
22. Any person who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice of AGM and holds shares as on the cut-off date of 17<sup>th</sup> September, 2018, may obtain User ID and Password by sending a request at [evoting@karvy.com](mailto:evoting@karvy.com). However, if you are already registered with Karvy for e-voting, then you can use your existing User ID and Password for casting your vote.
23. Please note that, any queries pertaining to accounting related aspects may be posted /handed over to the Secretarial Department at the Registered Office of the Company at least 48 hours before the Annual General Meeting, so that the same could be clarified to the shareholders at the Annual General Meeting.
24. The relative Explanatory Statements pursuant to Section 102 of the Companies Act, 2013 in respect of Special Businesses set out above is annexed herewith.

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

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

Place: Secunderabad  
Date: 06.08.2018

## EXPLANATORY STATEMENT

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

### Item No. 3

As per SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, no listed entity shall appoint a person or continue the directorship of any person as non-executive director who has attained the age of seventy five years unless a special resolution is passed to that effect.

Shri D.Venkata Subbaiah, 76 years, a Graduate in Electronics and Communications. He was appointed as Non-Executive Independent Director of the Company for a period of 5 years with effect from 22<sup>nd</sup> September, 2014 in the 25<sup>th</sup> Annual General Meeting of the Company held on 22.09.2014. He is having rich experience in R&D work and engineering of Radio Relay systems covering VHF, UHF and Microwave Bands and worked in various positions in Government Sectors. The Board believes that his experience and vision will contribute to the growth of the Company and also in steering the Company with best Corporate Governance practices.

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

None of the Directors except Shri D.Venkata Subbaiah himself, is concerned or interested in the resolution. None of the other Directors, Key Managerial Personnel or their relatives are concerned or interested in the resolution.

### Item No. 4:

As per SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, no listed entity shall appoint a person or continue the directorship of any person as non-executive director who has attained the age of seventy five years unless a special resolution is passed to that effect.

Dr.R.N.Sreenath, 77 years holding Msc., Ph.D (I.I.S.C.) in the field of specialization semiconductor & solar photo voltaic Technology, has over 50 years of vast experience out of which 26 year of experience in semiconductor technology and balance 17 years in solar photovoltaic technology served on BEL, Bangalore for over 33 year from 1966 to 1999. He has served in various organizations as Senior Vice President and

head of solar factory. He was appointed as Non-Executive Independent Director of the Company for a period of 5 years with effect from 22<sup>nd</sup> September, 2014 in the 25<sup>th</sup> Annual General Meeting of the Company held on 22.09.2014. The Board believes that his experience and vision will contribute to the growth of the Company and also in steering the Company with best Corporate Governance practices.

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

None of the Directors except Dr.R.N.Sreenath, himself, is concerned or interested in the resolution. None of the other Directors, Key Managerial Personnel or their relatives are concerned or interested in the resolution.

### Item No. 5:

Ms.Vinita Surana is serving as Whole-time Director on the Board of the Company since 30/09/2015. The Board of Directors at its meeting held on 6<sup>th</sup> August, 2018 on the recommendations of Nomination and Remuneration Committee approved for payment of consolidated remuneration not exceeding to ₹ 2,45,000/- per month to Ms.Vinita Surana, Whole-time Director of the Company with effect from 30<sup>th</sup> May, 2018, for the remainder of his term of office till 29<sup>th</sup> May, 2020, subject to the approval of the shareholders. The Board had further authorised the Nomination and Remuneration Committee to approve the revision in the remuneration from time to time within the limit as approved by the Board. A brief profile of Ms.Vinita Surana is annexed to the Corporate Governance Report.

In compliance with the provisions of Sections 196, 197 and other applicable provisions of the Companies Act, 2013 read with Schedule V to the Act, the terms of appointment and remuneration as set out in Item No. 5 are now being placed before the members for their approval by way of Special Resolution.

The following additional detailed information Pursuant to the provisions of Section II of Part II of Schedule V of the Companies Act, 2013:

| <b>I. General Information:</b> |                                                                                                                                                      |                                                                                                                                                                                           |
|--------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1                              | Nature of Industry                                                                                                                                   | The Company is mainly into the business of generation of renewable energy viz., Solar and Wind.                                                                                           |
| 2                              | Date of expected date of commencement of commercial production                                                                                       | The Company incorporated in the year 1989 since then the Company is in its commercial Operations.                                                                                         |
| 3                              | In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus. | Not Applicable                                                                                                                                                                            |
| 4                              | Financial performance based on given indicators                                                                                                      | The following are the financial parameters of the Company as on 31 <sup>st</sup> March, 2018:<br>Total Income - ₹ 25.59 Cr<br>Profit Before Tax- ₹ 2.95 Cr<br>Profit After Tax- ₹ 2.31 Cr |
| 5                              | Foreign Investments or collaborations, if any.                                                                                                       | Nil                                                                                                                                                                                       |

| II. Information about the appointees: |                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|---------------------------------------|-----------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1                                     | Background details and Experience                                                                                     | Ms.Vinita Surana holds a degree in M.Sc International Business and Management, Manchester Business School, Manchester, UK and International Diploma Programme (Business Administration) University of California, Berkeley Ext., CA, USA. Ms.Vinita Surana also holds MBA from The Wharton School, University of Pennsylvania being one of the Top 3 Universities in USA. She was awarded by Womens Leader in India (2010). She is also a member of YEO, YI, YFLO. She is the Founder and President of V-Care Welfare Association, an NGO in Hyderabad, Telangana. She looks after day to day company affairs, administration and finance activities. |
| 2                                     | Age                                                                                                                   | 34 years                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 3                                     | Date of first appointment                                                                                             | 30/09/2015                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 4                                     | Board Meetings attended during the year                                                                               | Ms.Vinita Surana attended five board meetings during the year 2017-18.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 5                                     | Past Remuneration (per month)                                                                                         | ₹ 2,45,000/-                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 6                                     | Recognition or awards                                                                                                 | -                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| 7                                     | Job Profile and her suitability                                                                                       | Ms.Vinita Surana, who looks after day to day company affairs, administration, and finance activities and exercises powers under the supervision and superintendence of the Managing Director. Considering the rich experience in administration, Ms.Vinita Surana is aptly suitable for the above mentioned roles and responsibilities.                                                                                                                                                                                                                                                                                                               |
| 8                                     | Remuneration proposed (per month)                                                                                     | As per the existing remuneration of ₹ 2,45,000/- per month.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 9                                     | Comparative remuneration profile with respect to industry, size of company, profile of the position and person        | Considering the responsibility shouldered by her of the enhanced business activities of the Company, proposed remuneration is Commensurate with industry standards and similarly positioned businesses.                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 10                                    | Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any | Ms.Vinita Surana does not have any pecuniary relationship with the Company except remuneration drawn as Whole-time Director.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| III. Other Information                |                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 1                                     | Reasons of loss or inadequate profits                                                                                 | Company is primarily engaged in the business of generation of solar power and wind power. Consequent adverse market conditions prevailing, frequent changes in government regulatory policies and lower tariff and increase in cost of solar panels affects the margins of the Company. However, the Company has been able to earn profits due to effective cost control and saving interest cost affects the margins of the Company.                                                                                                                                                                                                                 |
| 2                                     | Steps taken or proposed to be taken for improvement                                                                   | The company is consolidating its Solar Power Generation portfolio by establishing new grid connected solar power plants (in MW) and supplying of power under open access route. The Company is also participating in various tenders floated by government and non-government organization. The Company is making all possible efforts to improve the margins.                                                                                                                                                                                                                                                                                        |
| 3                                     | Expected increase in productivity and profits in measurable terms:                                                    | Considering the prevalent volatile conditions, the turnover and profitability are not precisely predictable. However, based on the current business plans and Demand for power and government targets and various initiatives in renewable sector, the Company believes that it would be able to sustain the volatile market conditions and emerge successfully in terms of good turnover and profits in the days to come.                                                                                                                                                                                                                            |

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

None of the Directors except Ms.Vinita Surana, herself, Shri Narender Surana, Managing Director and Shri Devendra Surana Director, is concerned or interested in the resolution. None of the other Directors, Key Managerial Personnel or their relatives are concerned or interested in the resolution.

**Item No.6:**

As per the provisions of Section 186 of the Companies Act, 2013, the Board of Directors of a Company can make any loan, investment or give guarantee or provide any security beyond the prescribed ceiling of i) Sixty per cent of the aggregate of the paid-up capital and free reserves and securities premium account or, ii) Hundred per cent of its free reserves and securities premium account, whichever is more, if special resolution is passed by the members of the Company. As a measure of achieving greater financial flexibility and to enable optimal financing structure, this permission is sought pursuant to the provisions of Section 186 of the Companies Act, 2013 to give powers to the Board of Directors or any duly constituted committee thereof, for making further investment, providing loans or give guarantee or provide security in connection with loans to subsidiary/ associate/group companies for an amount not exceeding ₹ 400 crores.

The investment(s), loan(s), guarantee(s) and security (ies), as the case may be, will be made in accordance with the applicable provisions of the Companies Act, 2013 and relevant rules made there under. These investments are proposed to be made out of own/ surplus funds/internal accruals and or any other sources including borrowings, if necessary, to achieve long term strategic and business objectives.

The Board accordingly recommends the Special resolution for your approval.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in this resolution except as members.

**Item No.7:**

The resolution contained in the AGM Notice relates to a proposal by the Company to create, offer, issue and allot Securities through further public offerings, preferential allotments, qualified institutions placements, issuance of Global Depository Receipts, American Depository Receipts and such other Securities in such manner as stated in the resolution. The Company intends to issue Securities for a value of up to US\$ 50 million. Subject to applicable laws and regulations, the Company intends to use the net proceeds of the Issue primarily for making acquisition, expansion and modernization of existing facilities, working capital requirements and general corporate purpose.

The Special Resolution also seeks to empower the Board of Directors to undertake a qualified institutions placement with qualified institutional buyers as defined by SEBI (ICDR) Regulations. The Board of Directors may in their discretion adopt this mechanism as prescribed under Chapter VIII of the SEBI (ICDR) Regulations for raising the funds for the expansion plans of the company, without the need for fresh approval from the shareholders. In case of an issuance of Securities to qualified institutional buyers, whether or not such investors are existing members of the Company, through a qualified institutions placement under Chapter VIII of the SEBI (ICDR) Regulations, the final price at which the Securities will be offered will be subject to investor response and

prevailing market conditions, and computed in accordance with the relevant provisions of Chapter VIII of the SEBI (ICDR) Regulations. Furthermore, a discount of 5% to the floor price of the Equity Shares, or such other discount as may be permitted under Chapter VIII of the SEBI (ICDR) Regulations may also be contemplated at the time of issuance, for which authorization is being taken from the shareholders of the Company through this Special Resolution. The detailed terms and conditions of the issue as and when made will be determined by the Board of Directors in consultation with the Merchant Bankers, Lead Managers, Advisors and other experts in accordance with the applicable provisions of law.

The Special Resolution seeks to give the Board powers to issue Securities in one or more tranche or tranches, at such time or times, at such price or prices and to such person(s) including institutions, incorporated bodies or otherwise as the Board in its absolute discretion deem fit. The consent of the Shareholders is being sought pursuant to the provisions of Section 62(1)(c) and Section 42 of the Companies Act, 2013 and other applicable provisions and rules of the Companies Act, 2013, to the extent notified and in force, and in terms of the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 executed by the Company with the Stock Exchanges where the Equity Shares of the Company are listed i.e. BSE Limited and National Stock Exchange of India Limited. Section 62(1)(c) of the Companies Act, 2013 provides, inter-alia, that when it is proposed to increase the issued capital of the Company by allotment of further shares, such further shares shall be offered to the existing shareholders of the Company in accordance with the Act unless the shareholders in a general meeting decide otherwise. The special resolution seeks the consent and authorization of the members to the Board to make the proposed issue of Securities and in the event it is decided to issue Securities convertible into Equity Shares, to issue to the holders of such convertible Securities in such manner and such number of Equity Shares on conversion as may be required to be issued in accordance with the terms of the issue.

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

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

**Item No.8:**

The Board of Directors, on recommendation of the Audit committee, at their meeting held on 26.05.2018 has approved the appointment and remuneration of the M/s. BVR & Associates, Cost Accountants in practice, as Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial year ending 31.03.2019 on a remuneration of ₹ 10,000/- (ten Thousand).

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified

by the shareholders of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No.8 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31.03.2019.

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

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

**Item No.9:**

As per the provisions of Section 20 of the Companies Act, 2013, a shareholder may request for any document through a particular mode, for which the shareholder shall pay such fees as may be determined by the Company in its annual general meeting. Since the cost of providing documents may vary according to the mode of service, weight and its destination etc., therefore it is proposed that actual expense

that may be borne by the Company for such dispatch will be paid in advance by the shareholder to the company.

The Board of Directors recommends the Ordinary Resolution as set out in item no. 9 of the Notice for your approval.

No Director of the Company, Key Managerial Personnel or their relatives respectively is in any way concerned or interested in the proposed resolution.

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

Place: Secunderabad  
Date: 06.08.2018

**NARENDER SURANA**  
**MANAGING DIRECTOR**  
**DIN : 00075086**

## DIRECTORS' REPORT

To the Members of  
Surana Telecom and Power Limited

The Directors have pleasure in presenting the 29<sup>th</sup> Annual Report of your Company together with the Audited Balance Sheet as at 31<sup>st</sup> March 2018 and Statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2018.

### FINANCIAL RESULTS

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

(Amount in ₹)

| Particulars                                            | Standalone Results |                   | Consolidated Results |                   |
|--------------------------------------------------------|--------------------|-------------------|----------------------|-------------------|
|                                                        | 2017-18            | 2016-17           | 2017-18              | 2016-17           |
| Sales and other Income                                 | <b>255,927,521</b> | 275,122,174       | <b>357,401,412</b>   | 344,522,335       |
| Profit before Depreciation and Interest                | <b>140,637,163</b> | 135,944,838       | <b>232,689,430</b>   | 193,840,864       |
| <b>LESS :</b>                                          |                    |                   |                      |                   |
| Depreciation & Amortization                            | <b>71,867,146</b>  | 74,127,977        | <b>138,390,864</b>   | 105,124,324       |
| Interest                                               | <b>39,287,415</b>  | 39,379,813        | <b>69,485,997</b>    | 63,128,885        |
| Profit for the year                                    | <b>29,482,602</b>  | 22,437,048        | <b>24,812,569</b>    | 25,587,655        |
| Prior period Adjustments                               |                    | --                |                      | --                |
| Profit before Taxation                                 | <b>29,482,602</b>  | 22,437,048        | <b>24,812,569</b>    | 25,587,655        |
| Provision for Taxation :<br>Current Tax                | <b>6,015,000</b>   | 43,70,000         | <b>6,630,000</b>     | 44,49,068         |
| Deferred Tax                                           | <b>408,000</b>     | 4,53,000          | <b>(585,480)</b>     | 2,46,862          |
| Income Tax in respect of earlier years                 | --                 | --                |                      | --                |
| Profit after Tax                                       | <b>23,059,602</b>  | 17,614,048        | <b>18,768,049</b>    | 20,891,725        |
| Add: Other Comprehensive Income                        | <b>32,048,459</b>  | (3,308,032)       | <b>32,048,459</b>    | (3,308,032)       |
| <b>Total Comprehensive Income for the year</b>         | <b>55,108,061</b>  | <b>14,306,016</b> | <b>50,816,508</b>    | <b>17,583,693</b> |
| Less: Minority Interest (Current year's Profit/(loss)) | --                 | --                | <b>(3,865,795)</b>   | 15,50,948         |
| Add: Share in Net Profit of Associate Company          |                    |                   | <b>24,707,141</b>    | 24,251,053        |
| Surplus brought forward from previous year             | <b>218,868,588</b> | 204,562,572       | <b>242,157,525</b>   | 201,873,727       |
| Balance carried forward to Balance Sheet               | <b>273,976,649</b> | 218,868,588       | <b>321,546,969</b>   | 242,157,525       |

*Note: The previous years' figures regrouped and rearranged wherever necessary in order to make them comparable as per Ind-AS.*

### PERFORMANCE

During the year under review, the Income from Operations is ₹ 23,53,45,624 as against ₹ 26,65,32,956 for the corresponding previous year. The Profit Before Tax stood at ₹ 2,94,82,602 as against ₹ 2,24,37,048 for the previous year. The Profit After Tax stood at ₹ 2,30,59,602 as against ₹ 1,76,14,048 for the corresponding period. The Basic Earnings Per Share for the year ended 31.03.2018 is ₹ 0.17 as against ₹ 0.13 for the corresponding previous year ended 31.03.2017.

### OPERATIONS

The Company's 5 MW Solar Power Project is situated at Gujarat Solar Park, Charanka Village, Santalpur Taluq, Patan District is generating steady income.

M/s.Surana Solar Systems Pvt. Ltd., a subsidiary company is

successfully operating its 5 MW Solar Power Plant situated at Shankapur Village, Shankarampet Mandal, Medak District, Telangana.

M/s.Aryavaan Renewable Energy Pvt. Ltd., a subsidiary of the Company has successfully commissioned its grid connected 5 MW Solar Power Plant at Barhara Village, Sarila Tehsil, Hamirpur District, Uttar Pradesh on 08.02.2017 and since then successfully injecting power to the grid. For sale of power, the Company has entered into long term Power Purchase Agreement with Uttar Pradesh Power Corporation Ltd.

Pursuant to the Scheme of Arrangement, the 5 MW Solar Power Project located at Munipally Village, Sadashivpet, Medak District of M/s Bhagyanagar India Limited has transferred to the Company. The project is running successfully. The power is being sold to M/s.Tata Communications Ltd., through Open Access route.

M/s. Tejas India Solar Energy Pvt. Ltd., a Subsidiary Company has completed erection of 3 MW grid connected Solar Power Plant at Gajwel Mandal, Medak District, Telangana. The power will be sold under Open Access to third party. The Company is awaiting approvals from the authorities for synchronization of the plant with the grid, which is expected by the end of July, 2018.

## SUBSIDIARIES

Your company has 4 subsidiary companies as on 31.03.2018 as mentioned below. Further there has been no material change in the nature of business of the subsidiaries.

| Sl. No. | Name of the Subsidiary                    | Percentage of Shareholding |
|---------|-------------------------------------------|----------------------------|
| 1.      | Globecom Infotech Private Limited         | 100%                       |
| 2.      | Surana Solar Systems Private Limited      | 51%                        |
| 3.      | Tejas India Solar Energy Private Limited  | 51%                        |
| 4.      | Aryavaan Renewable Energy Private Limited | 51%                        |

During the year under review, your company has divested 51% equity stake, held in Celestial Solar Solutions Private Limited which has set up 10 MW solar power project in the State of Karnataka, to NVR infrastructure and Services Pvt Ltd, since the outline investment for executing 10 MW solar power project was done by NVR infrastructure and Services Pvt Ltd, which was holding 49% stake in the said company.

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

## CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements prepared and annexed in accordance with the Accounting Standards 21 and 23 as prescribed under Section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2014 and Guidelines issued by Securities and Exchange Board of India ("SEBI") also forms part of this Annual Report.

As per the provisions of Section 136 of the Companies Act, 2013, the Company has placed separate audited accounts of its subsidiaries on its website [www.suranatele.com](http://www.suranatele.com) and copy of separate audited financial statements of its subsidiaries will be provided to the shareholders at their request.

## SECRETARIAL STANDARDS:

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

## SHARECAPITAL

The paid-up Share Capital of the Company as on 31<sup>st</sup> March, 2018 is ₹ 13,57,59,963 divided into 13,57,59,963 equity shares of Re.1/- each.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review as stipulated under Listing Regulations, is presented in a separate section forms part of the Annual Report as Annexure-II.

## DIRECTORS' RESPONSIBILITY STATEMENT

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

- That the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- That the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year 31<sup>st</sup> March, 2018 and of the profit and loss of the company for that period;
- That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- That the directors have prepared the annual accounts for the financial year 31<sup>st</sup> March, 2018 on a going concern basis; and
- That the directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- That the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS

The Independent Directors have submitted the declaration of independence, as required pursuant to sub-section (7) of section 149 of the Companies Act, 2013 stating that they meet the criteria of independence as provided in sub-section(6) of Section 149.

## NOMINATION AND REMUNERATION POLICY

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy which lays down a framework in relation to selection, appointment and remuneration to Directors, Key Managerial Personnel

and Senior Management of the Company. The details of Nomination and Remuneration Committee and Policy are stated in the Corporate Governance Report.

### **PARTICULARS OF LOANS, GUARANTEES OR SECURITIES OR INVESTMENTS**

The details of Loans, Guarantees Securities and Investments made during the financial year ended 31<sup>st</sup> March, 2018 are given in the notes to the Financial Statements in compliance with the provisions of Section 186 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014.

### **RELATED PARTY TRANSACTIONS**

All transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. All Related Party Transactions are placed before the Audit Committee and also the Board for approval, where ever required. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseeable and repetitive nature. A statement giving details of all related party transactions entered into pursuant to the omnibus approval so granted are placed before the Audit Committee and the Board of Directors on a quarterly basis. The Company has developed a Policy on Related Party Transactions for the purpose of identification and monitoring of such transactions. The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website.

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

### **DIVIDEND**

The Board of Directors have not recommended the dividend for the financial year 2017-18 due to low profitability and to retain maximum possible cash in the system to meet the financial commitments.

### **EXTRACT OF ANNUAL RETURN**

The Extracts of Annual Return as per the provisions of Section 92 of the Companies Act, 2013 and Rule 12 of Companies (Management and Administration) Rules, 2014 in Form MGT-9 are enclosed as Annexure - IV to this Report.

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

The information on Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and outgo required to be disclosed under Section 134(3)(m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014 are provided in the Annexure-I forming part of this Report.

### **RISK MANAGEMENT POLICY**

In terms of the requirement Section 134(3)(n) and Regulation 21 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with relevant provisions of the Companies Act 2013 the Company has developed and implemented the Risk Management Policy. The Audit Committee has additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The development and implementation of risk management policy has been covered in the management discussion and analysis, which forms part of this report. At present the Company has not identified any element of risk which may threaten the existence of the company.

### **BOARD EVALUATION**

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

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

### **DIRECTORS**

Ms. Vinita Surana, Director of the Company will retire by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment.

Shri D.Venkata Subbaiah and Dr.R.N.Sreenath, Independent Directors of the Company who attained the age above 75 years are being appointed as Non-Executive Independent Directors through Special Resolution by shareholders at this Annual General Meeting pursuant to SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018.

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

Pursuant to the provisions of Section 203 of the Act, the appointment of Shri Narender Surana, Managing Director and Shri Devendra Surana, Director and Ms.Vinita Surana, Whole-time Director and Shri Baunkara Shekarnath, Whole-time Director and Shri. Srinivas Dudam, Company Secretary were formalized as the Key Managerial Personnel of the Company.

### **MEETINGS**

During the financial year under review, 5 (Five) Board Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the meetings was within the period of 120 days as prescribed under the Companies Act, 2013 and Regulation 17 of SEBI Listing Regulations, 2015.

## DEPOSITS

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

## STATUTORY AUDITORS

M/s. Luharuka & Associates, Chartered Accountants were appointed as Statutory Auditors of your Company at the Annual General Meeting held on 26<sup>th</sup> September, 2017, for a term of five consecutive years. As per the provisions of Section 139 of the Companies Act, 2013, the appointment of Auditors is required to be ratified by Members at every Annual General Meeting.

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

## AUDITORS' REPORT

There are no qualifications, reservations or adverse remarks made by M/s. Luharuka & Associates, Chartered Accountants, Statutory Auditors in their report for the Financial Year ended 31<sup>st</sup> March, 2018.

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

## INTERNAL AUDITORS

The Board of Directors of the Company have appointed M/s Sekhar & Co., Chartered Accountants as Internal Auditors to conduct Internal Audit of the Company for the Financial Year ended 31<sup>st</sup> March, 2019.

## COST AUDITORS

The Board of Directors, subject to the approval of the Central Government, re-appointed M/s BVR & Associates, Cost Accountants, holding certificate of practice No.16851, as a Cost Auditor for conducting the Cost Audit for the financial year 2018-19. Subject to section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 issued by the MCA, the Audit Committee recommended their re-appointment. The Company has also received a letter from the Cost Auditor, stating that the appointment, if made, will be within the limits prescribed pursuant to the section 141 of Companies Act, 2013.

## CORPORATE GOVERNANCE

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

A separate report on corporate governance practices followed by the Company together with a Certificate from the Company's Auditors confirming compliances forms an integral part of this Report.

## VIGIL MECHANISM

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

## SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013, and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Ms. Rakhi Agarwal, Company Secretary in Practice as Secretarial Auditors to conduct Secretarial audit of the company for the financial year ended March 31, 2018.

The Secretarial Audit Report issued by Ms. Rakhi Agarwal, Company Secretary in Practice in Form MR-3 is enclosed as Annexure - V to this Annual Report.

The Secretarial Audit Report does not contain any qualifications, reservation or adverse remarks.

## PARTICULARS OF EMPLOYEES

The Company has not employed any individual whose remuneration falls within the purview of the limits prescribed under the provisions of Section 197 of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

## PARTICULARS OF REMUNERATION

The remuneration and perquisites provided to the employees and Management are at par with the industry levels. The remunerations paid to the Managing Director and senior executives are reviewed and recommended by the Nomination and Remuneration Committee.

- (i) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;

| Name of the Director                    | Ratio to Median Remuneration |
|-----------------------------------------|------------------------------|
| Shri Narender Surana, Managing Director | 46.67                        |
| Shri Devendra Surana, Director          | 0                            |
| Ms.Vinita Surana, WTD                   | 16.33                        |
| Shri Baunakar Shekarnath, WTD           | 0                            |

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

| Name of Person                          | % increase in remuneration |
|-----------------------------------------|----------------------------|
| Shri Narender Surana, Managing Director | 0                          |
| Shri Devendra Surana, Director          | 0                          |
| Ms.Vinita Surana, WTD                   | 0                          |
| Shri Baunakar Shekarnath, WTD           | 0                          |
| Shri. Srinivas Dudam, CS                | 5.53                       |

- (iii) The percentage increase in the median remuneration of employees in the financial year – (24.04%)
- (iv) The number of permanent employees on the rolls of company – 19.
- (v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;  
  
The average increase in salaries of employees other than managerial personnel in 2017-18 was 6.23%. Percentage increase in the managerial remuneration for the year was Nil.
- (vi) Affirmation that the remuneration is as per the remuneration policy of the company - Yes.

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

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

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

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

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

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

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

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

There are no material changes and commitments, affecting the financial position of the Company which occurred between the end of the financial year 31<sup>st</sup> March, 2018 to which the financial statements relates and the date of signing of this report.

#### **HUMAN RESOURCES**

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

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

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

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

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

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

#### **APPRECIATION**

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

#### **CAUTIONARY STATEMENT**

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

#### **ACKNOWLEDGEMENTS**

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

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

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

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

Place: Secunderabad

Date: 06.08.2018

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

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

**F O R M A**

**1. CONSERVATION OF ENERGY:**

- |                                                                                                                                    |   |                                                                                                                                                                                     |
|------------------------------------------------------------------------------------------------------------------------------------|---|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (i) Energy conservation measures taken                                                                                             | : | Operations of the Company are not energy intensive. However adequate measures have been initiated to reduce energy consumption, the cost of maintenance and conserve the resources. |
| (ii) Additional Investments and proposals, if any, being implemented for reduction of consumption of energy                        | : | Nil                                                                                                                                                                                 |
| (iii) Impact of the clause (i) and (ii) above for reduction of energy consumption and consequent impact on the production of goods | : | Nil                                                                                                                                                                                 |

**2. TECHNOLOGY ABSORPTION:**

**F O R M B**

(Disclosure of particulars with respect to Technology Absorption)

**A. Research and Development (R & D) :**

- |                                                                |   |     |
|----------------------------------------------------------------|---|-----|
| 1. Specific areas in which R & D is carried out by the Company | : | Nil |
| 2. Benefits derived as a result of the above R & D             | : | Nil |
| 3. Future plan of action                                       | : | Nil |
| 4. Expenditure on R & D                                        | : | Nil |

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

The Company is making all its efforts towards technology absorption, adaption and innovation for improving productivity, product quality.

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

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

|                                            |   |     |
|--------------------------------------------|---|-----|
| Total Foreign Exchange outflow and inflow: | : |     |
| Total Foreign Exchange outflow:            | : | Nil |
| Total Foreign Exchange inflow:             | : | Nil |

For and on behalf of the Board of Directors

Place: Secunderabad  
Date: 06.08.2018

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

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

## **MANAGEMENT DISCUSSION & ANALYSIS**

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

### **SOLAR ENERGY**

#### **INTRODUCTION**

Solar PV leads the way in power generating capacity and is considered a cost-competitive source of new generation in many emerging markets across the world. Solar energy is the cleanest and most abundant renewable energy source available. Solar energy is lauded as an inexhaustible fuel source that is pollution- and often noise-free. India has some of the richest solar resources in the world. Modern technology can harness this energy for a variety of uses, including generating electricity, providing light or a comfortable interior environment, and heating water for domestic, commercial, or industrial use. India receives solar energy equivalent to over 5000 trillion kWh/year, which is far more than the total energy consumption of the country. If the means to make efficient use of solar energy could be found, it would reduce our dependence on non-renewable sources of energy and make our environment cleaner.

#### **GLOBAL SCENARIO:**

Worldwide growth of photovoltaics is extremely dynamic and varies strongly by country. New installations totalling more than 97 GW in 2017 took global solar PV power generating capacity to nearly 400 GW by year-end, a 32% increase versus the end of 2016. Capacity has nearly quadrupled in the past five years. It shows renewables, excluding hydro, made up three-fifths of net power capacity growth in 2017 and supplied a record 12% share of global electricity generation. Renewable capacity expansion continues to be driven mostly by new installations of solar and wind energy, which together accounted for 85% of all new capacity installed in 2017. Asia accounted for 64% of new capacity in 2017 (up from 58% last year), resulting in a total of 919 GW or 42% of global capacity. According to IHS Markit, new PV installations in 2018 are expected to hit 108 GW globally. China, India and the US are expected to hold their top positions as leading 3 global PV markets in 2018. The top 3 are forecast to contribute two-thirds of the total 108 GW of new PV installations in 2018. However, impending trade cases in India and import tariffs in the US may impact the balance of global supply and demand.

The renewable industry is experiencing a level of policy uncertainty that may be unprecedented even for an industry accustomed to the shifting sands of federal and state policy. But despite short-term uncertainty, renewable energy is well-entrenched and growing wind and solar markets are finally reaching the scale and scope to expand exploration of new technologies that show potential to further reduce costs and spark growth. The pace of growth will likely moderate as markets mature, and US policy uncertainty may cause additional challenges along the way. But longer term, powerful enablers such as robust customer demand across multiple business segments and global regions, declining prices, decarbonization, digitalization, and the drive to boost resiliency will likely underpin continued strong growth.

### **INDIAN INDUSTRY ANALYSIS**

Solar power plants in India had a combined output of 25.9 billion kWh in the fiscal year through March 2018, marking a 92% year-on-year jump, according to the Central Electricity Authority (CEA). In spite of the increase and the expansion of installed photovoltaic (PV) capacity, solar accounted for only 1.98% of the country's total power generation. At the same time, thermal power generation had a 79.28% share of the overall electricity generation mix, indicating India's "huge dependence" on coal power.

At the end of fiscal 2017/18, India had 345 GW of installed power capacity, of which 70 GW came from renewables. This represents a share of 20.32% of its total power generation mix, which rose by 2.8 percentage points from the previous fiscal year. India's cumulative solar power capacity at the end of March, 2018 totalled 22 GW. Solar tariffs reached a record low of ₹ 2.44 per unit at an auction held by Solar Energy Corporation of India (SECI) for 500 MW of projects at the Bhadla Solar Park in Rajasthan in May 2017, but have been rising slowly since then. Even so, solar tariffs compare favourably with the cost of thermal power. There is also the fear of safeguard duty being imposed on imported solar equipment.

"The Government's revised solar installation target of 100 GW by 2022 has recently clashed with Prime Minister Modi's Make in India initiative to promote domestic manufacturing. The recently announced 70 per cent preliminary safeguard duty recommendation, the ongoing anti-dumping case and a 7.85 per cent port duty on imported modules have created an atmosphere of regulatory uncertainty that is taking a toll on the industry and slowing down installation activity.

India's rooftop solar sector also witnessed steady growth last year, alongside a rise in grid-connected utility-scale solar. Rooftop solar accounts for about 1.6 GW of the 20 GW of capacity installed so far. As in previous years, rooftop solar installations have been lagging. Total rooftop capacity stood at 2.4GW as of March 2018, with around 1GW having been added in 2017-18, against a target of 40GW by 2022. Growth in rooftop solar slowed down marginally in the year due to GST and safeguard related uncertainty. The new

Ministry of New and Renewable Energy (MNRE) policy designed to further its growth. MNRE recently announced a new programme that would provide distribution companies incentives for commissioning rooftop solar projects.

#### **BUSINESS OUTLOOK:**

The company is consolidating its Solar Power Generation portfolio. It is presently operating 20 MW of Solar Power capacity under the ownership of the company/its subsidiary and a further capacity of 3 MW is expected to be operational by the end of July, 2018. On account of consolidation of Solar Portfolio the business outlook looks bright.

#### **WIND POWER GENERATION:**

India's wind energy sector has just capped a rough year. Amid a major overhaul of the wind energy tariff-determination mechanism, multiple policy issues, and flat power demand, capacity addition took a big hit in the last financial year. New windmill installations fell to a five-year low between April 2017 and March 2018, according to data from the Indian Wind Turbine Manufacturers Association (IWTMA). The country saw an addition of just 1,762 megawatts (MW) of capacity, a sharp fall from the record high of 5,400 MW in the preceding year. India's total wind energy capacity now stands at 34,042 MW, a little over half the Narendra Modi government's target of 60,000 MW by 2022.

The fall was largely due to faulty implementation of a major policy change by the government. Starting June 2016, it let firms bid for projects at competitive prices rather than have a regulator fix the tariffs. Yet, there weren't as many auctions for projects, resulting in muted capacity addition. Subsequently, wind power producers faced the threat of various state electricity utilities backtracking on power purchase agreements. The government's obsession with solar power, too, played a role, as policymakers focused away from wind. Meanwhile, wind power tariffs crashed to record lows of ₹ 2.43 per unit in December 2017, casting doubts over long-term project viability. However, the worst may now have passed. For one, the policy uncertainties have been cleared. States like Maharashtra and Gujarat have already come out with auctions and more are in the offing, both at the state and central levels. The ministry of new and renewable energy has committed to auctioning 10,000 MW of projects in 2018 and another 10,000 MW in 2019.

#### **OUTLOOK:**

The Indian government has committed to a target of 175 GW of renewable energy by 2022, including 100 GW of solar capacity and 60 GW of cumulative wind power capacity. The government has also indicated its support for rapidly growing the power sector, renewables being a core part of this strategy. The outlook remains stable.

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

The Company's businesses and operations are subject to a variety of risks and uncertainties which are no different from any other company in general and our competitors in particular. Such risks are the result of both the business environment within which the Company operates and other

factors over which there is little or no control. These risks can be categorised as operational, financial, environmental, health and safety, political, market-related and strategic risks. The Company has sufficient risk management policies in place that act as an effective tool in minimising the various risks that the businesses are exposed to during the course of their day-to-day operations as well as in their strategic actions.

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

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

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

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

##### **FINANCIAL PERFORMANCE:**

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

The Equity Share Capital of the Company as on 31<sup>st</sup> March 2018 is ₹ 135,759,963 comprising of 135,759,963 Equity Shares of ₹ 1 each fully paid.

##### **Other Equity:**

The Other Equity of the Company for the current year is ₹ 765,267,866 .and in the previous year was ₹ 710,159,806.

##### **Property, Plant and Equipment:**

During the year, the Company has added Property, Plant and Equipment amounting to ₹ 26,080,444 as against ₹ 23,429,470 in the previous year. The total net block of assets as on 31.03.2018 is ₹ 596,880,100

##### **Inventories:**

Inventories, as on 31<sup>st</sup> March, 2018 amounted to ₹ 28,025,284 and in the previous year is ₹ 100,173,909

##### **Trade Receivables:**

Trade Receivables amounting to ₹ 21,198,956.as on 31<sup>st</sup> March, 2018 and ₹ 52,787,047 in the previous year.

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

Cash and Bank balances with Scheduled Banks, as on 31<sup>st</sup> March, 2018 amounting to ₹ 3,560,271 which includes amounts deposited with banks as Security and margin Money Deposit and accrued interest.

##### **Loans (Noncurrent):**

Loans and Advances amounting to ₹ 280,686,671 as on 31<sup>st</sup> March, 2018 as against ₹ 239,494,096/ in the previous year.

**Other Current Assets:**

Short Term Loans and Advances amounting to ₹ 6,652,559 as on 31<sup>st</sup> March, 2018 as against 27,458,260 in the previous year.

**Current Liabilities:**

Current Liabilities amounting to ₹ 49,542,604 as on 31<sup>st</sup> March, 2018 as against ₹ 90,426,706 in the previous year.

**OPERATIONAL PERFORMANCE:****Turnover:**

During the year 2017-18, the Net turnover of the Company was ₹ 235,345,624 and ₹ 266,532,956 in the previous year.

Other Income as on 31<sup>st</sup> March, 2018 is ₹ 20,581,897 as against ₹ 8,589,218 in the previous year.

**Depreciation and Amortization:**

The Company has incurred a sum of ₹ 71,867,146 towards depreciation and amortization for the year and ₹ 74,127,977 in the previous year.

**Net Profit:**

The Net Profit of the Company after tax is ₹ 23,059,602 and ₹ 17,614,048 in the previous year.

**Earnings per Share:**

Basic Earnings Per Share for the year ended 31.03.2018 is ₹ 0.17 for Face Value of ₹ 1 and ₹ 0.13 per share for the year ended 31.03.2017.

**HUMAN RESOURCE DEVELOPMENT AND INDUSTRIAL RELATIONS:**

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

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

**CAUTIONARY STATEMENT:**

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

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

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

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

Place: Secunderabad  
Date: 06.08.2018

**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)<br>Name(s) of the related party and nature of relationship                                                                      | (b)<br>Nature of contracts/ arrangements/ transactions | (c)<br>Duration of the contracts/ arrangements/ transactions | (d)<br>Salient terms of the contracts or arrangements or Transactions including the value, if any: | (e)<br>Date(s) of approval by the Board, if any: | (f)<br>Amount paid as advances, if any: |
|---------|-------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|--------------------------------------------------------------|----------------------------------------------------------------------------------------------------|--------------------------------------------------|-----------------------------------------|
| 1       | <b>Surana Solar Limited</b><br>(Common Directors are holding more than 2% of the Share Capital of the Company)                      | Sale of Goods                                          | 01.04.2017 to 31.03.2018                                     | Sale of Goods - ₹ 541.32 lakhs                                                                     | 18.05.2017                                       | -                                       |
| 2       | <b>Aryavaan Renewable Energy Private Limited</b><br>(Common Directors are holding more than 2% of the Share Capital of the Company) | Lease Rent                                             | 01.04.2017 to 31.03.2018                                     | Lease Rent ₹ 9,270/- per month.                                                                    | 18.05.2017                                       | -                                       |

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

Place: Secunderabad  
Date: 06.08.2018

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

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

## EXTRACT OF ANNUAL RETURN

as on the financial year ended 31.03.2018  
[Pursuant to Section 92(3) of the Companies Act, 2013, and  
Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

### FORM NO. MGT – 9

#### I. REGISTRATION AND OTHER DETAILS:

|                                                                           |                                                                                                                                                                                                                                                                                                       |
|---------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| CIN                                                                       | L23209TG1989PLC010336                                                                                                                                                                                                                                                                                 |
| Registration Date                                                         | 14 <sup>th</sup> August, 1989                                                                                                                                                                                                                                                                         |
| Name of the Company                                                       | SURANA TELECOM AND POWER LIMITED                                                                                                                                                                                                                                                                      |
| Category / Sub-Category of the Company                                    | Company limited by shares/ Indian Non-Govt. Company                                                                                                                                                                                                                                                   |
| Address of the Registered Office and contact details                      | 5 <sup>th</sup> Floor, Surya Towers, Sardar Patel Road, Secunderabad-500 003.<br>Ph No.: 040-44665700                                                                                                                                                                                                 |
| Whether listed company                                                    | Yes                                                                                                                                                                                                                                                                                                   |
| Name, address and contact details of Registrar and Transfer Agent, if any | M/s Karvy Computershare Private Limited,<br>Karvy Selenium Tower B, Plot No 31 & 32 Gachibowli,<br>Financial District, Nanakramguda, Serilingampally<br>Hyderabad – 500 008<br>Phone # +91-40-67162222,<br>Fax # 91-40-23001153,<br>Email ID: einward.ris@karvy.com<br>Website : http://www.karvy.com |

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

All the Business Activities contributing 10% or more of the total turnover of the Company shall be stated:

| Name and Description of main Products / Services | NIC Code of the Product / Service | % to total turnover of the Company |
|--------------------------------------------------|-----------------------------------|------------------------------------|
| Generation of solar/wind energy                  | 35105/ 35106                      | 66.55                              |
| Trading of solar modules                         | 4652                              | 31.44                              |

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

| Name and address of the Company          | CIN / GLN             | Holding/ Subsidiary/ Associate | % of shares held | Applicable Section |
|------------------------------------------|-----------------------|--------------------------------|------------------|--------------------|
| Globecom Infotech Private Limited        | U72900TG2008PTC060108 | Subsidiary                     | 100.00           | 2(87)              |
| Surana Solar Systems Private Limited     | U40108TG2012PTC084662 | Subsidiary                     | 51.00            | 2(87)              |
| Tejas India Solar Energy Private Limited | U40106TG2015PTC098247 | Subsidiary                     | 51.00            | 2(87)              |
| Aryavaan Renewable Energy Pvt Ltd        | U40300TG2015PTC100834 | Subsidiary                     | 51.00            | 2(87)              |

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

## i) Category-wise Shareholding:

| Category Code                          | Category of Shareholder                                              | No. of shares held at the beginning of the year 01/04/2017 |              |                 |                   | No. of shares held at the end of the year 31/03/2018 |              |                  |                   | % Change during the year |
|----------------------------------------|----------------------------------------------------------------------|------------------------------------------------------------|--------------|-----------------|-------------------|------------------------------------------------------|--------------|------------------|-------------------|--------------------------|
|                                        |                                                                      | Demat                                                      | Physical     | Total           | % of total shares | Demat                                                | Physical     | Total            | % of total shares |                          |
| (I)                                    | (II)                                                                 | (III)                                                      | (IV)         | (V)             | (VI)              | (VII)                                                | (VIII)       | (IX)             | (X)               | (XI)                     |
| <b>(A) Promoter and Promoter Group</b> |                                                                      |                                                            |              |                 |                   |                                                      |              |                  |                   |                          |
| (1)                                    | <b>INDIAN</b>                                                        |                                                            |              |                 |                   |                                                      |              |                  |                   |                          |
| (a)                                    | Individual /HUF                                                      | 88566498                                                   | 0            | 88566498        | 65.24             | 91138763                                             | 0            | 91138763         | 67.13             | 1.89                     |
| (b)                                    | Central Government/ State Government(s)                              | 0                                                          | 0            | 0               | 0.00              | 0                                                    | 0            | 0                | 0.00              | 0.00                     |
| (c)                                    | Bodies Corporate                                                     | 10509683                                                   | 0            | 10509683        | 7.74              | 10525792                                             | 0            | 10525792         | 7.75              | 0.01                     |
| (d)                                    | Financial Institutions / Banks                                       | 0                                                          | 0            | 0               | 0.00              | 0                                                    | 0            | 0                | 0.00              | 0.00                     |
| (e)                                    | Others                                                               | 0                                                          | 0            | 0               | 0.00              | 0                                                    | 0            | 0                | 0.00              | 0.00                     |
|                                        | <b>Sub-Total A(1) :</b>                                              | <b>99076181</b>                                            | <b>0</b>     | <b>99076181</b> | <b>72.98</b>      | <b>101664555</b>                                     | <b>0</b>     | <b>101664555</b> | <b>74.89</b>      | <b>1.91</b>              |
| (2)                                    | <b>Foreign</b>                                                       |                                                            |              |                 |                   |                                                      |              |                  |                   |                          |
| (a)                                    | Individuals (NRIs/Foreign Individuals)                               | 0                                                          | 0            | 0               | 0.00              | 0                                                    | 0            | 0                | 0.00              | 0.00                     |
| (b)                                    | Bodies Corporate                                                     | 0                                                          | 0            | 0               | 0.00              | 0                                                    | 0            | 0                | 0.00              | 0.00                     |
| (c)                                    | Institutions                                                         | 0                                                          | 0            | 0               | 0.00              | 0                                                    | 0            | 0                | 0.00              | 0.00                     |
| (d)                                    | Qualified Foreign Investor                                           | 0                                                          | 0            | 0               | 0.00              | 0                                                    | 0            | 0                | 0.00              | 0.00                     |
| (e)                                    | Others                                                               | 0                                                          | 0            | 0               | 0.00              | 0                                                    | 0            | 0                | 0.00              | 0.00                     |
|                                        | <b>Sub-Total A(2) :</b>                                              | <b>0</b>                                                   | <b>0</b>     | <b>0</b>        | <b>0.00</b>       | <b>0</b>                                             | <b>0</b>     | <b>0</b>         | <b>0.00</b>       | <b>0.00</b>              |
|                                        | <b>Total A=A(1)+A(2)</b>                                             | <b>99076181</b>                                            | <b>0</b>     | <b>99076181</b> | <b>72.98</b>      | <b>101664555</b>                                     | <b>0</b>     | <b>101664555</b> | <b>74.89</b>      | <b>1.91</b>              |
| <b>(B) Public Shareholding</b>         |                                                                      |                                                            |              |                 |                   |                                                      |              |                  |                   |                          |
| (1)                                    | <b>Institutions</b>                                                  |                                                            |              |                 |                   |                                                      |              |                  |                   |                          |
| (a)                                    | Mutual Funds /UTI                                                    | 42000                                                      | 35999        | 77999           | 0.06              | 42000                                                | 6999         | 48999            | 0.04              | -0.02                    |
| (b)                                    | Financial Institutions / Banks                                       | 997447                                                     | 21000        | 1018447         | 0.75              | 637935                                               | 18500        | 656435           | 0.48              | -0.27                    |
| (c)                                    | Central Government / State Government(s)                             | 117800                                                     | 0            | 117800          | 0.09              | 0                                                    | 0            | 0                | 0.00              | -0.09                    |
| (d)                                    | Venture Capital Funds                                                | 0                                                          | 0            | 0               | 0.00              | 0                                                    | 0            | 0                | 0.00              | 0.00                     |
| (e)                                    | Insurance Companies                                                  | 0                                                          | 0            | 0               | 0.00              | 0                                                    | 0            | 0                | 0.00              | 0.00                     |
| (f)                                    | Foreign Institutional Investors                                      | 0                                                          | 14000        | 14000           | 0.01              | 0                                                    | 0            | 0                | 0.00              | -0.01                    |
| (g)                                    | Foreign Venture Capital Investors                                    | 0                                                          | 0            | 0               | 0.00              | 0                                                    | 0            | 0                | 0.00              | 0.00                     |
| (h)                                    | Qualified Foreign Investor                                           | 0                                                          | 0            | 0               | 0.00              | 0                                                    | 0            | 0                | 0.00              | 0.00                     |
| (i)                                    | Others                                                               | 0                                                          | 0            | 0               | 0.00              | 0                                                    | 0            | 0                | 0.00              | 0.00                     |
|                                        | <b>Sub-Total B(1) :</b>                                              | <b>1157247</b>                                             | <b>70999</b> | <b>1228246</b>  | <b>0.90</b>       | <b>679935</b>                                        | <b>25499</b> | <b>705434</b>    | <b>0.52</b>       | <b>-0.39</b>             |
| (2)                                    | <b>Non-Institutions</b>                                              |                                                            |              |                 |                   |                                                      |              |                  |                   |                          |
| (a)                                    | Bodies Corporate                                                     | 1813451                                                    | 166642       | 1980093         | 1.46              | 1505777                                              | 30142        | 1535919          | 1.13              | -0.33                    |
| (b)                                    | Individuals                                                          |                                                            |              |                 |                   |                                                      |              |                  |                   |                          |
|                                        | (i) Individuals holding nominal share capital upto ₹ 2 lakh          | 20275936                                                   | 4772460      | 25048396        | 18.45             | 19893982                                             | 3301803      | 23195785         | 17.09             | -1.36                    |
|                                        | (ii) Individuals holding nominal share capital in excess of ₹ 2 lakh | 7257254                                                    | 0            | 7257254         | 5.35              | 5732380                                              | 0            | 5732380          | 4.22              | -1.12                    |

| Category Code                                                                            | Category of Shareholder     | No. of shares held at the beginning of the year 01/04/2017 |                |                  |                   | No. of shares held at the end of the year 31/03/2018 |                |                  |                   | % Change during the year |
|------------------------------------------------------------------------------------------|-----------------------------|------------------------------------------------------------|----------------|------------------|-------------------|------------------------------------------------------|----------------|------------------|-------------------|--------------------------|
|                                                                                          |                             | Demat                                                      | Physical       | Total            | % of total shares | Demat                                                | Physical       | Total            | % of total shares |                          |
| (c)                                                                                      | Others                      |                                                            |                |                  |                   |                                                      |                |                  |                   |                          |
|                                                                                          | Clearing Members            | 24663                                                      | 0              | 24663            | 0.02              | 42657                                                | 0              | 42657            | 0.03              | 0.01                     |
|                                                                                          | I E P F                     | 0                                                          | 0              | 0                | 0.00              | 1912787                                              | 0              | 1912787          | 1.41              | 1.41                     |
|                                                                                          | NBFC                        | 8755                                                       | 0              | 8755             | 0.01              | 4238                                                 | 0              | 4238             | 0.00              | 0.00                     |
|                                                                                          | Non Resident Indians        | 599327                                                     | 12500          | 611827           | 0.45              | 771123                                               | 12500          | 783623           | 0.58              | 0.13                     |
|                                                                                          | NRI Non-Repatriation        | 136053                                                     | 0              | 136053           | 0.10              | 182252                                               | 0              | 182252           | 0.13              | 0.03                     |
|                                                                                          | NRI Repatriation            | 91812                                                      | 0              | 91812            | 0.07              | 0                                                    | 0              | 0                | 0.00              | 0.07                     |
|                                                                                          | Overseas Corporate Bodies   | 0                                                          | 292500         | 292500           | 0.22              | 0                                                    | 0              | 0                | 0.00              | 0.22                     |
|                                                                                          | Trusts                      | 333                                                        | 3850           | 4183             | 0.00              | 333                                                  | 0              | 333              | 0.00              | 0.00                     |
| (d)                                                                                      | Qualified Foreign Investor  | 0                                                          | 0              | 0                | 0.00              | 0                                                    | 0              | 0                | 0.00              | 0.00                     |
|                                                                                          | Sub-Total B(2) :            | 30207584                                                   | 5247952        | 35455536         | 26.12             | 30045529                                             | 3344445        | 33389974         | 24.59             | 1.52                     |
|                                                                                          | Total B=B(1)+B(2) :         | 31364831                                                   | 5318951        | 36683782         | 27.02             | 30725464                                             | 3369944        | 34095408         | 25.11             | 1.91                     |
|                                                                                          | Total (A+B) :               | 130441012                                                  | 5318951        | 135759963        | 100.00            | 132390019                                            | 3369944        | 135759963        | 100.00            | 0.00                     |
| <b>(C) Shares held by custodians, against which Depository Receipts have been issued</b> |                             |                                                            |                |                  |                   |                                                      |                |                  |                   |                          |
| (1)                                                                                      | Promoter and Promoter Group |                                                            |                |                  |                   |                                                      |                |                  |                   |                          |
| (2)                                                                                      | Public                      | 0                                                          | 0              | 0                | 0.00              | 0                                                    | 0              | 0                | 0.00              | 0.00                     |
| <b>GRAND TOTAL (A+B+C):</b>                                                              |                             | <b>130441012</b>                                           | <b>5318951</b> | <b>135759963</b> | <b>100.00</b>     | <b>132390019</b>                                     | <b>3369944</b> | <b>135759963</b> | <b>100.00</b>     |                          |

**ii) Shareholding of Promoters:**

| Shareholders Name              | Shareholding at the beginning of the year 01.04.2017 |                                  |                                                  | Shareholding at the end of the year 31.03.2018 |                                  |                                                 | % change in Share holding during the year |
|--------------------------------|------------------------------------------------------|----------------------------------|--------------------------------------------------|------------------------------------------------|----------------------------------|-------------------------------------------------|-------------------------------------------|
|                                | No. of Shares                                        | % of total shares of the Company | % of Shares Pledged / encumbered to total shares | No. of Shares                                  | % of total shares of the Company | % of Shares Pledged/ encumbered to total shares |                                           |
| Advait Surana                  | 2836913                                              | 2.09                             | -                                                | 2836913                                        | 2.09                             | -                                               | 0                                         |
| Bhagyanagar India Ltd          | 13286                                                | 0.01                             | -                                                | 0                                              | 0                                | -                                               | -0.01                                     |
| Bhagyanagar Securities Pvt Ltd | 807336                                               | 0.59                             | -                                                | 820337                                         | 0.60                             | -                                               | 0.01                                      |
| Chand Kanwar                   | 4432754                                              | 3.27                             | -                                                | 0                                              | 0                                | -                                               | -3.27                                     |
| Devendra Surana                | 18371524                                             | 13.53                            | -                                                | 20639453                                       | 15.20                            | -                                               | 1.67                                      |
| Devendra Surana (HUF)          | 90000                                                | 0.07                             | -                                                | 90000                                          | 0.07                             | -                                               | 0                                         |
| Mangilal Surana                | 6701870                                              | 4.94                             | -                                                | 6701870                                        | 4.94                             | -                                               | 0                                         |
| G.M.Surana (HUF)               | 221840                                               | 0.16                             | -                                                | 221840                                         | 0.16                             | -                                               | 0                                         |
| G.M.Surana (MHUF)              | 238366                                               | 0.18                             | -                                                | 238366                                         | 0.18                             | -                                               | 0                                         |
| Manish Surana                  | 7506938                                              | 5.53                             | -                                                | 7726323                                        | 5.69                             | -                                               | 0.16                                      |
| Mitali Surana                  | 1622500                                              | 1.20                             | -                                                | 1622500                                        | 1.20                             | -                                               | 0                                         |
| Namrata Surana                 | 7098585                                              | 5.23                             | -                                                | 7176884                                        | 5.29                             | -                                               | 0.06                                      |
| Narender Surana                | 22819208                                             | 16.81                            | -                                                | 26930998                                       | 19.84                            | -                                               | 3.03                                      |
| Narender Surana (HUF)          | 142000                                               | 0.10                             | -                                                | 142000                                         | 0.10                             | -                                               | 0                                         |
| Rahul Surana                   | 3397666                                              | 2.50                             | -                                                | 3397666                                        | 2.50                             | -                                               | 0                                         |
| Shresha Surana                 | 3463668                                              | 2.55                             | -                                                | 3534168                                        | 2.60                             | -                                               | 0.05                                      |
| Sunita Surana                  | 5660122                                              | 4.17                             | -                                                | 5742415                                        | 4.23                             | -                                               | 0.06                                      |
| Surana Infocom Pvt Ltd         | 9689061                                              | 7.14                             | -                                                | 9705455                                        | 7.15                             | -                                               | 0.01                                      |
| Vinita Surana                  | 3499211                                              | 2.58                             | -                                                | 3674034                                        | 2.71                             | -                                               | 0.13                                      |
| Nivruti Surana                 | 463333                                               | 0.34                             | -                                                | 463333                                         | 0.34                             | -                                               | 0                                         |
| <b>Total</b>                   | <b>99076181</b>                                      | <b>72.98</b>                     | <b>-</b>                                         | <b>101664555</b>                               | <b>74.89</b>                     | <b>-</b>                                        | <b>1.91</b>                               |

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

| SI no | Name of the Share Holder | Shareholding at the beginning of the Year 01/04/2017 |                                  | Increase/ Decrease in share holding |              |          | Cumulative Shareholding during the Year 31/03/2018 |                                  |
|-------|--------------------------|------------------------------------------------------|----------------------------------|-------------------------------------|--------------|----------|----------------------------------------------------|----------------------------------|
|       |                          | No of Shares                                         | % of total shares of the company | Date                                | No of Shares | Reason   | No of Shares                                       | % of total shares of the company |
| 1     | Narender Surana          | 22819208                                             | 21.94                            | 01/04/2017                          |              |          | 22819208                                           | 21.94                            |
|       |                          |                                                      |                                  | 14/04/2017                          | 51           | Purchase | 22819259                                           | 21.94                            |
|       |                          |                                                      |                                  | 14/04/2017                          | -11000       | Sale     | 22808259                                           | 21.93                            |
|       |                          |                                                      |                                  | 19/05/2017                          | 7847         | Purchase | 22816106                                           | 16.81                            |
|       |                          |                                                      |                                  | 26/05/2017                          | 1200         | Purchase | 22817306                                           | 16.81                            |
|       |                          |                                                      |                                  | 02/06/2017                          | 20413        | Purchase | 22837719                                           | 16.82                            |
|       |                          |                                                      |                                  | 09/06/2017                          | 67808        | Purchase | 22905527                                           | 16.87                            |
|       |                          |                                                      |                                  | 16/06/2017                          | 51614        | Purchase | 22957141                                           | 16.91                            |
|       |                          |                                                      |                                  | 23/06/2017                          | 52873        | Purchase | 23010014                                           | 16.95                            |
|       |                          |                                                      |                                  | 30/06/2017                          | 54382        | Purchase | 23064396                                           | 16.99                            |
|       |                          |                                                      |                                  | 07/07/2017                          | 103785       | Purchase | 23168181                                           | 17.07                            |
|       |                          |                                                      |                                  | 14/07/2017                          | 72567        | Purchase | 23240748                                           | 17.12                            |
|       |                          |                                                      |                                  | 21/07/2017                          | 42878        | Purchase | 23283626                                           | 17.15                            |
|       |                          |                                                      |                                  | 28/07/2017                          | 73067        | Purchase | 23356693                                           | 17.20                            |
|       |                          |                                                      |                                  | 04/08/2017                          | 19659        | Purchase | 23376352                                           | 17.22                            |
|       |                          |                                                      |                                  | 11/08/2017                          | 68996        | Purchase | 23445348                                           | 17.27                            |
|       |                          |                                                      |                                  | 18/08/2017                          | 16642        | Purchase | 23461990                                           | 17.28                            |
|       |                          |                                                      |                                  | 25/08/2017                          | 20905        | Purchase | 23482895                                           | 17.30                            |
|       |                          |                                                      |                                  | 01/09/2017                          | 12956        | Purchase | 23495851                                           | 17.31                            |
|       |                          |                                                      |                                  | 08/09/2017                          | 58506        | Purchase | 23554357                                           | 17.35                            |
|       |                          |                                                      |                                  | 15/09/2017                          | 20441        | Purchase | 23574798                                           | 17.37                            |
|       |                          |                                                      |                                  | 22/09/2017                          | 10186        | Purchase | 23584984                                           | 17.37                            |
|       |                          |                                                      |                                  | 06/10/2017                          | 60076        | Purchase | 23645060                                           | 17.42                            |
|       |                          |                                                      |                                  | 13/10/2017                          | 52103        | Purchase | 23697163                                           | 17.46                            |
|       |                          |                                                      |                                  | 20/10/2017                          | 5500         | Purchase | 23702663                                           | 17.46                            |
|       |                          |                                                      |                                  | 27/10/2017                          | 9            | Purchase | 23702672                                           | 17.46                            |
|       |                          |                                                      |                                  | 31/10/2017                          | -5494        | Sale     | 23697178                                           | 17.46                            |
|       |                          |                                                      |                                  | 10/11/2017                          | 10301        | Purchase | 23707479                                           | 17.46                            |
|       |                          |                                                      |                                  | 17/11/2017                          | 2            | Purchase | 23707481                                           | 17.46                            |
|       |                          |                                                      |                                  | 24/11/2017                          | 10250        | Purchase | 23717731                                           | 17.47                            |
|       |                          |                                                      |                                  | 01/12/2017                          | 79146        | Purchase | 23796877                                           | 17.53                            |
|       |                          |                                                      |                                  | 08/12/2017                          | 70016        | Purchase | 23866893                                           | 17.58                            |
|       |                          |                                                      |                                  | 15/12/2017                          | 6100         | Purchase | 23872993                                           | 17.58                            |
|       |                          |                                                      |                                  | 22/12/2017                          | 67174        | Purchase | 23940167                                           | 17.63                            |
|       |                          |                                                      |                                  | 29/12/2017                          | 14000        | Purchase | 23954167                                           | 17.64                            |

| SI no | Name of the Share Holder       | Shareholding at the beginning of the Year 01/04/2017 |                                  | Increase/ Decrease in share holding |              |          | Cumulative Shareholding during the Year 31/03/2018 |                                  |
|-------|--------------------------------|------------------------------------------------------|----------------------------------|-------------------------------------|--------------|----------|----------------------------------------------------|----------------------------------|
|       |                                | No of Shares                                         | % of total shares of the company | Date                                | No of Shares | Reason   | No of Shares                                       | % of total shares of the company |
|       |                                |                                                      |                                  | 05/01/2018                          | 34865        | Purchase | 23989032                                           | 17.67                            |
|       |                                |                                                      |                                  | 12/01/2018                          | 9995         | Purchase | 23999027                                           | 17.68                            |
|       |                                |                                                      |                                  | 19/01/2018                          | 62330        | Purchase | 24061357                                           | 17.72                            |
|       |                                |                                                      |                                  | 26/01/2018                          | 52032        | Purchase | 24113389                                           | 17.76                            |
|       |                                |                                                      |                                  | 02/02/2018                          | 2250152      | Transfer | 26363541                                           | 19.42                            |
|       |                                |                                                      |                                  | 09/02/2018                          | 83125        | Purchase | 26446666                                           | 19.48                            |
|       |                                |                                                      |                                  | 16/02/2018                          | 67019        | Purchase | 26513685                                           | 19.53                            |
|       |                                |                                                      |                                  | 23/02/2018                          | 139717       | Purchase | 26653402                                           | 19.63                            |
|       |                                |                                                      |                                  | 02/03/2018                          | 48678        | Purchase | 26702080                                           | 19.67                            |
|       |                                |                                                      |                                  | 09/03/2018                          | 49509        | Purchase | 26751589                                           | 19.71                            |
|       |                                |                                                      |                                  | 16/03/2018                          | 55125        | Purchase | 26806714                                           | 19.75                            |
|       |                                |                                                      |                                  | 23/03/2018                          | 54284        | Purchase | 26860998                                           | 19.79                            |
|       |                                |                                                      |                                  | 30/03/2018                          | 70000        | Purchase | 26930998                                           | 19.84                            |
|       |                                |                                                      |                                  | 31/03/2018                          |              |          | 26930998                                           | 19.84                            |
| 2     | Devendra Surana                | 18371524                                             | 13.53                            | 01/04/2017                          |              |          | 18371524                                           | 13.53                            |
|       |                                |                                                      |                                  | 23/06/2017                          | 2000         | Purchase | 18373524                                           | 13.53                            |
|       |                                |                                                      |                                  | 13/10/2017                          | 21000        | Purchase | 18394524                                           | 13.55                            |
|       |                                |                                                      |                                  | 29/12/2017                          | 1            | Purchase | 18394525                                           | 13.55                            |
|       |                                |                                                      |                                  | 12/01/2018                          | 5            | Purchase | 18394530                                           | 13.55                            |
|       |                                |                                                      |                                  | 02/02/2018                          | 2217282      | Transfer | 20611812                                           | 15.18                            |
|       |                                |                                                      |                                  | 09/02/2018                          | 3166         | Purchase | 20614978                                           | 15.18                            |
|       |                                |                                                      |                                  | 16/02/2018                          | 16475        | Purchase | 20631453                                           | 15.20                            |
|       |                                |                                                      |                                  | 23/02/2018                          | 4000         | Purchase | 20635453                                           | 15.20                            |
|       |                                |                                                      |                                  | 30/03/2018                          | 4000         | Purchase | 20639453                                           | 15.20                            |
|       |                                |                                                      |                                  | 31/03/2018                          |              |          | 20639453                                           | 15.20                            |
| 3     | Surana Infocom Private Limited | 9689061                                              | 9.31                             | 01/04/2017                          |              |          | 9689061                                            | 9.31                             |
|       |                                |                                                      |                                  | 28/04/2017                          | 5            | Purchase | 9689066                                            | 9.31                             |
|       |                                |                                                      |                                  | 19/05/2017                          | 1000         | Purchase | 9690066                                            | 7.14                             |
|       |                                |                                                      |                                  | 14/07/2017                          | 1            | Purchase | 9690067                                            | 7.14                             |
|       |                                |                                                      |                                  | 21/07/2017                          | 1            | Purchase | 9690068                                            | 7.14                             |
|       |                                |                                                      |                                  | 04/08/2017                          | 10001        | Purchase | 9700069                                            | 7.15                             |
|       |                                |                                                      |                                  | 01/09/2017                          | 2391         | Purchase | 9702460                                            | 7.15                             |
|       |                                |                                                      |                                  | 08/09/2017                          | -5           | Sale     | 9702455                                            | 7.15                             |
|       |                                |                                                      |                                  | 13/10/2017                          | -1           | Sale     | 9702454                                            | 7.15                             |
|       |                                |                                                      |                                  | 10/11/2017                          | 3000         | Purchase | 9705454                                            | 7.15                             |
|       |                                |                                                      |                                  | 17/11/2017                          | 1            | Purchase | 9705455                                            | 7.15                             |
|       |                                |                                                      |                                  | 31/03/2018                          |              |          | 9705455                                            | 7.15                             |

| SI no | Name of the Share Holder | Shareholding at the beginning of the Year 01/04/2017 |                                  | Increase/ Decrease in share holding |              |              | Cumulative Shareholding during the Year 31/03/2018 |                                  |
|-------|--------------------------|------------------------------------------------------|----------------------------------|-------------------------------------|--------------|--------------|----------------------------------------------------|----------------------------------|
|       |                          | No of Shares                                         | % of total shares of the company | Date                                | No of Shares | Reason       | No of Shares                                       | % of total shares of the company |
| 4     | Manish Surana            | 7506938                                              | 5.53                             | 01/04/2017                          |              |              | 7506938                                            | 5.53                             |
|       |                          |                                                      |                                  | 16/06/2017                          | 1000         | Purchase     | 7507938                                            | 5.53                             |
|       |                          |                                                      |                                  | 23/06/2017                          | 16000        | Purchase     | 7523938                                            | 5.54                             |
|       |                          |                                                      |                                  | 30/06/2017                          | 1000         | Purchase     | 7524938                                            | 5.54                             |
|       |                          |                                                      |                                  | 29/09/2017                          | 10300        | Purchase     | 7535238                                            | 5.55                             |
|       |                          |                                                      |                                  | 06/10/2017                          | 31000        | Purchase     | 7566238                                            | 5.57                             |
|       |                          |                                                      |                                  | 13/10/2017                          | 20000        | Purchase     | 7586238                                            | 5.59                             |
|       |                          |                                                      |                                  | 20/10/2017                          | 4819         | Purchase     | 7591057                                            | 5.59                             |
|       |                          |                                                      |                                  | 10/11/2017                          | 54601        | Purchase     | 7645658                                            | 5.63                             |
|       |                          |                                                      |                                  | 08/12/2017                          | 25163        | Purchase     | 7670821                                            | 5.65                             |
|       |                          |                                                      |                                  | 02/02/2018                          | 5000         | Purchase     | 7675821                                            | 5.65                             |
|       |                          |                                                      |                                  | 09/02/2018                          | 43502        | Purchase     | 7719323                                            | 5.69                             |
|       |                          |                                                      |                                  | 16/03/2018                          | 3000         | Purchase     | 7722323                                            | 5.69                             |
|       |                          |                                                      |                                  | 23/03/2018                          | 2000         | Purchase     | 7724323                                            | 5.69                             |
|       |                          |                                                      |                                  | 30/03/2018                          | 2000         | Purchase     | 7726323                                            | 5.69                             |
|       |                          |                                                      |                                  | 31/03/2018                          |              |              | 7726323                                            | 5.69                             |
| 5     | Namrata Surana           | 7098585                                              | 5.23                             | 01/04/2017                          |              |              | 7098585                                            | 5.23                             |
|       |                          |                                                      |                                  | 19/05/2017                          | 500          | Purchase     | 7099085                                            | 5.23                             |
|       |                          |                                                      |                                  | 09/06/2017                          | 32500        | Purchase     | 7131585                                            | 5.25                             |
|       |                          |                                                      |                                  | 06/10/2017                          | 12000        | Purchase     | 7143585                                            | 5.26                             |
|       |                          |                                                      |                                  | 13/10/2017                          | 13299        | Purchase     | 7156884                                            | 5.27                             |
|       |                          |                                                      |                                  | 09/02/2018                          | 20000        | Purchase     | 7176884                                            | 5.29                             |
|       |                          |                                                      |                                  | 31/03/2018                          |              |              | 7176884                                            | 5.29                             |
| 6     | Mangilal Surana          | 6701870                                              | 4.94                             | 01/04/2017                          |              |              | 6701870                                            | 4.94                             |
|       |                          |                                                      |                                  | 05/01/2018                          | 4432754      | Transmission | 11134624                                           | 8.20                             |
|       |                          |                                                      |                                  | 02/02/2018                          | -4432754     | Transfer     | 6701870                                            | 4.94                             |
|       |                          |                                                      |                                  | 31/03/2018                          |              |              | 6701870                                            | 4.94                             |
| 7     | Sunita Surana            | 5660122                                              | 4.17                             | 01/04/2017                          |              |              | 5660122                                            | 4.17                             |
|       |                          |                                                      |                                  | 19/05/2017                          | 266          | Purchase     | 5660388                                            | 4.17                             |
|       |                          |                                                      |                                  | 26/05/2017                          | 6063         | Purchase     | 5666451                                            | 4.17                             |
|       |                          |                                                      |                                  | 09/06/2017                          | 15000        | Purchase     | 5681451                                            | 4.18                             |
|       |                          |                                                      |                                  | 08/12/2017                          | 24263        | Purchase     | 5705714                                            | 4.20                             |
|       |                          |                                                      |                                  | 26/01/2018                          | 5000         | Purchase     | 5710714                                            | 4.21                             |
|       |                          |                                                      |                                  | 02/02/2018                          | 6700         | Purchase     | 5717414                                            | 4.21                             |
|       |                          |                                                      |                                  | 09/02/2018                          | 10000        | Purchase     | 5727414                                            | 4.22                             |
|       |                          |                                                      |                                  | 23/02/2018                          | 1            | Purchase     | 5727415                                            | 4.22                             |
|       |                          |                                                      |                                  | 09/03/2018                          | 5000         | Purchase     | 5732415                                            | 4.22                             |
|       |                          |                                                      |                                  | 23/03/2018                          | 10000        | Purchase     | 5742415                                            | 4.23                             |
|       |                          |                                                      |                                  | 31/03/2018                          |              |              | 5742415                                            | 4.23                             |



| SI no | Name of the Share Holder           | Shareholding at the beginning of the Year 01/04/2017 |                                  | Increase/ Decrease in share holding |              |              | Cumulative Shareholding during the Year 31/03/2018 |                                  |
|-------|------------------------------------|------------------------------------------------------|----------------------------------|-------------------------------------|--------------|--------------|----------------------------------------------------|----------------------------------|
|       |                                    | No of Shares                                         | % of total shares of the company | Date                                | No of Shares | Reason       | No of Shares                                       | % of total shares of the company |
| 8     | Chand Kanwar                       | 4432754                                              | 3.27                             | 01/04/2017                          |              |              | 4432754                                            | 3.27                             |
|       |                                    |                                                      |                                  | 05/01/2018                          | -4432754     | Transmission | 0                                                  | 0.00                             |
|       |                                    |                                                      |                                  | 31/03/2018                          |              |              | 0                                                  | 0.00                             |
| 9     | Vinita Surana                      | 3499211                                              | 2.58                             | 01/04/2017                          |              |              | 3499211                                            | 2.58                             |
|       |                                    |                                                      |                                  | 09/06/2017                          | 55000        | Purchase     | 3554211                                            | 2.62                             |
|       |                                    |                                                      |                                  | 04/08/2017                          | 1            | Purchase     | 3554212                                            | 2.62                             |
|       |                                    |                                                      |                                  | 08/09/2017                          | 10000        | Purchase     | 3564212                                            | 2.63                             |
|       |                                    |                                                      |                                  | 29/09/2017                          | 1000         | Purchase     | 3565212                                            | 2.63                             |
|       |                                    |                                                      |                                  | 06/10/2017                          | 5000         | Purchase     | 3570212                                            | 2.63                             |
|       |                                    |                                                      |                                  | 13/10/2017                          | 20301        | Purchase     | 3590513                                            | 2.64                             |
|       |                                    |                                                      |                                  | 10/11/2017                          | 3001         | Purchase     | 3593514                                            | 2.65                             |
|       |                                    |                                                      |                                  | 17/11/2017                          | 8521         | Purchase     | 3602035                                            | 2.65                             |
|       |                                    |                                                      |                                  | 08/12/2017                          | 8000         | Purchase     | 3610035                                            | 2.66                             |
|       |                                    |                                                      |                                  | 26/01/2018                          | 5000         | Purchase     | 3615035                                            | 2.66                             |
|       |                                    |                                                      |                                  | 02/02/2018                          | 13000        | Purchase     | 3628035                                            | 2.67                             |
|       |                                    |                                                      |                                  | 09/02/2018                          | 10000        | Purchase     | 3638035                                            | 2.68                             |
|       |                                    |                                                      |                                  | 09/03/2018                          | 5000         | Purchase     | 3643035                                            | 2.68                             |
|       |                                    |                                                      |                                  | 16/03/2018                          | -1           | Sale         | 3643034                                            | 2.68                             |
|       |                                    |                                                      |                                  | 23/03/2018                          | 31000        | Purchase     | 3674034                                            | 2.71                             |
|       |                                    |                                                      |                                  | 31/03/2018                          |              |              | 3674034                                            | 2.71                             |
| 10    | Shresha Surana                     | 3463668                                              | 2.55                             | 01/04/2017                          |              |              | 3463668                                            | 2.55                             |
|       |                                    |                                                      |                                  | 06/10/2017                          | 12000        | Purchase     | 3475668                                            | 2.56                             |
|       |                                    |                                                      |                                  | 13/10/2017                          | 25000        | Purchase     | 3500668                                            | 2.58                             |
|       |                                    |                                                      |                                  | 08/12/2017                          | 10500        | Purchase     | 3511168                                            | 2.59                             |
|       |                                    |                                                      |                                  | 09/02/2018                          | 19000        | Purchase     | 3530168                                            | 2.60                             |
|       |                                    |                                                      |                                  | 09/03/2018                          | 4000         | Purchase     | 3534168                                            | 2.60                             |
|       |                                    |                                                      |                                  | 31/03/2018                          |              |              | 3534168                                            | 2.60                             |
| 11    | Rahul Surana                       | 3397666                                              | 2.50                             | 01/04/2017                          |              |              | 3397666                                            | 2.50                             |
|       |                                    |                                                      |                                  | 31/03/2018                          |              |              | 3397666                                            | 2.50                             |
| 12    | Advait Surana                      | 2836913                                              | 2.09                             | 01/04/2017                          |              |              | 2836913                                            | 2.09                             |
|       |                                    |                                                      |                                  | 31/03/2018                          |              |              | 2836913                                            | 2.09                             |
| 13    | Mitali Surana                      | 1622500                                              | 1.20                             | 01/04/2017                          |              |              | 1622500                                            | 1.20                             |
|       |                                    |                                                      |                                  | 31/03/2018                          |              |              | 1622500                                            | 1.20                             |
| 14    | Bhagyanagar Securities Pvt Limited | 807336                                               | 0.59                             | 01/04/2017                          |              |              | 807336                                             | 0.59                             |
|       |                                    |                                                      |                                  | 23/06/2017                          | 4001         | Purchase     | 811337                                             | 0.60                             |
|       |                                    |                                                      |                                  | 01/09/2017                          | 9000         | Purchase     | 820337                                             | 0.60                             |
|       |                                    |                                                      |                                  | 31/03/2018                          |              |              | 820337                                             | 0.60                             |

| SI no | Name of the Share Holder  | Shareholding at the beginning of the Year 01/04/2017 |                                  | Increase/ Decrease in share holding |              |        | Cumulative Shareholding during the Year 31/03/2018 |                                  |
|-------|---------------------------|------------------------------------------------------|----------------------------------|-------------------------------------|--------------|--------|----------------------------------------------------|----------------------------------|
|       |                           | No of Shares                                         | % of total shares of the company | Date                                | No of Shares | Reason | No of Shares                                       | % of total shares of the company |
| 15    | Nivruthi Surana           | 463333                                               | 0.34                             | 01/04/2017                          |              |        | 463333                                             | 0.34                             |
|       |                           |                                                      |                                  | 31/03/2018                          |              |        | 463333                                             | 0.34                             |
| 16    | G M Surana                | 238366                                               | 0.18                             | 01/04/2017                          |              |        | 238366                                             | 0.18                             |
|       |                           |                                                      |                                  | 31/03/2018                          |              |        | 238366                                             | 0.18                             |
| 17    | G M Surana                | 221840                                               | 0.16                             | 01/04/2017                          |              |        | 221840                                             | 0.16                             |
|       |                           |                                                      |                                  | 31/03/2018                          |              |        | 221840                                             | 0.16                             |
| 18    | Narender Surana           | 142000                                               | 0.10                             | 01/04/2017                          |              |        | 142000                                             | 0.10                             |
|       |                           |                                                      |                                  | 31/03/2018                          |              |        | 142000                                             | 0.10                             |
| 19    | Devendra Surana           | 90000                                                | 0.07                             | 01/04/2017                          |              |        | 90000                                              | 0.07                             |
|       |                           |                                                      |                                  | 31/03/2018                          |              |        | 90000                                              | 0.07                             |
| 20    | Bhagyanagar India Limited | 13286                                                | 0.01                             | 01/04/2017                          |              |        | 13286                                              | 0.01                             |
|       |                           |                                                      |                                  | 03/11/2017                          | -13286       | Sale   | 0                                                  | 0.00                             |
|       |                           |                                                      |                                  | 31/03/2018                          |              |        | 0                                                  | 0.00                             |

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

| SI no | Name of the Shareholder                          | Shareholding at the beginning of the Year 01/04/2017 |                                  | Increase/ Decrease in share holding |               |          | Cumulative Shareholding during the Year 31/03/2018 |                                  |
|-------|--------------------------------------------------|------------------------------------------------------|----------------------------------|-------------------------------------|---------------|----------|----------------------------------------------------|----------------------------------|
|       |                                                  | No of Shares                                         | % of total shares of the company | Date                                | No. of Shares | Reason   | No of Shares                                       | % of total shares of the company |
| 1     | Investor Education and Protection Fund Authority | 0                                                    | 0.00                             | 01/04/2017                          |               |          | 0                                                  | 0.00                             |
|       |                                                  |                                                      |                                  | 08/12/2017                          | 1900771       | Purchase | 1900771                                            | 1.40                             |
|       |                                                  |                                                      |                                  | 29/12/2017                          | 12016         | Purchase | 1912787                                            | 1.41                             |
|       |                                                  |                                                      |                                  | 31/03/2018                          |               |          | 1912787                                            | 1.41                             |
| 2     | Anil Kumar Jain                                  | 1324510                                              | 0.98                             | 01/04/2017                          |               |          | 1324510                                            | 0.98                             |
|       |                                                  |                                                      |                                  | 03/11/2017                          | -351520       | Sale     | 972990                                             | 0.72                             |
|       |                                                  |                                                      |                                  | 12/01/2018                          | -33200        | Sale     | 939790                                             | 0.69                             |
|       |                                                  |                                                      |                                  | 31/03/2018                          |               |          | 939790                                             | 0.69                             |
| 3     | Sambhav Munoth                                   | 1097333                                              | 0.81                             | 01/04/2017                          |               |          | 1097333                                            | 0.81                             |
|       |                                                  |                                                      |                                  | 26/01/2018                          | 1097333       | Purchase | 2194666                                            | 1.62                             |
|       |                                                  |                                                      |                                  | 26/01/2018                          | -1097333      | Sale     | 1097333                                            | 0.81                             |
|       |                                                  |                                                      |                                  | 31/03/2018                          |               |          | 1097333                                            | 0.81                             |
| 4     | Savitha Jain                                     | 960988                                               | 0.71                             | 01/04/2017                          |               |          | 960988                                             | 0.71                             |
|       |                                                  |                                                      |                                  | 03/11/2017                          | -444636       | Sale     | 516352                                             | 0.38                             |
|       |                                                  |                                                      |                                  | 12/01/2018                          | -11200        | Sale     | 505152                                             | 0.37                             |
|       |                                                  |                                                      |                                  | 31/03/2018                          |               |          | 505152                                             | 0.37                             |



| SI no | Name of the Shareholder            | Shareholding at the beginning of the Year 01/04/2017 |                                  | Increase/ Decrease in share holding |               |          | Cumulative Shareholding during the Year 31/03/2018 |                                  |
|-------|------------------------------------|------------------------------------------------------|----------------------------------|-------------------------------------|---------------|----------|----------------------------------------------------|----------------------------------|
|       |                                    | No of Shares                                         | % of total shares of the company | Date                                | No. of Shares | Reason   | No of Shares                                       | % of total shares of the company |
| 5     | Vaibhav Mutha                      | 801544                                               | 0.59                             | 01/04/2017                          |               |          | 801544                                             | 0.59                             |
|       |                                    |                                                      |                                  | 31/03/2018                          |               |          | 801544                                             | 0.59                             |
| 6     | United India Insurance Company Ltd | 633475                                               | 0.47                             | 01/04/2017                          |               |          | 633475                                             | 0.47                             |
|       |                                    |                                                      |                                  | 31/03/2018                          |               |          | 633475                                             | 0.47                             |
| 7     | Gaurav Mutha                       | 528077                                               | 0.39                             | 01/04/2017                          |               |          | 528077                                             | 0.39                             |
|       |                                    |                                                      |                                  | 31/03/2018                          |               |          | 528077                                             | 0.39                             |
| 8     | Narender Munoth                    | 491247                                               | 0.36                             | 01/04/2017                          |               |          | 491247                                             | 0.36                             |
|       |                                    |                                                      |                                  | 20/10/2017                          | -15000        | Sale     | 476247                                             | 0.35                             |
|       |                                    |                                                      |                                  | 27/10/2017                          | -5000         | Sale     | 471247                                             | 0.35                             |
|       |                                    |                                                      |                                  | 10/11/2017                          | -8300         | Sale     | 462947                                             | 0.34                             |
|       |                                    |                                                      |                                  | 31/03/2018                          |               |          | 462947                                             | 0.34                             |
| 9     | Arun Kumar Jain                    | 372220                                               | 0.27                             | 01/04/2017                          |               |          | 372220                                             | 0.27                             |
|       |                                    |                                                      |                                  | 31/03/2018                          |               |          | 372220                                             | 0.27                             |
| 10    | Dundoo Ajit Kumar                  | 106647                                               | 0.08                             | 01/04/2017                          |               |          | 106647                                             | 0.08                             |
|       |                                    |                                                      |                                  | 07/04/2017                          | 30000         | Purchase | 136647                                             | 0.13                             |
|       |                                    |                                                      |                                  | 14/04/2017                          | 48508         | Purchase | 185155                                             | 0.18                             |
|       |                                    |                                                      |                                  | 21/04/2017                          | 24596         | Purchase | 209751                                             | 0.20                             |
|       |                                    |                                                      |                                  | 28/04/2017                          | 12110         | Purchase | 221861                                             | 0.21                             |
|       |                                    |                                                      |                                  | 19/05/2017                          | 20000         | Purchase | 241861                                             | 0.18                             |
|       |                                    |                                                      |                                  | 02/06/2017                          | 3217          | Purchase | 245078                                             | 0.18                             |
|       |                                    |                                                      |                                  | 09/06/2017                          | 13500         | Purchase | 258578                                             | 0.19                             |
|       |                                    |                                                      |                                  | 16/06/2017                          | 15258         | Purchase | 273836                                             | 0.20                             |
|       |                                    |                                                      |                                  | 23/06/2017                          | 12380         | Purchase | 286216                                             | 0.21                             |
|       |                                    |                                                      |                                  | 30/06/2017                          | 48081         | Purchase | 334297                                             | 0.25                             |
|       |                                    |                                                      |                                  | 07/07/2017                          | 22819         | Purchase | 357116                                             | 0.26                             |
|       |                                    |                                                      |                                  | 21/07/2017                          | 9420          | Purchase | 366536                                             | 0.27                             |
|       |                                    |                                                      |                                  | 11/08/2017                          | 26690         | Purchase | 393226                                             | 0.29                             |
|       |                                    |                                                      |                                  | 18/08/2017                          | 2267          | Purchase | 395493                                             | 0.29                             |
|       |                                    |                                                      |                                  | 01/09/2017                          | 2783          | Purchase | 398276                                             | 0.29                             |
|       |                                    |                                                      |                                  | 08/09/2017                          | 6172          | Purchase | 404448                                             | 0.30                             |
|       |                                    |                                                      |                                  | 22/09/2017                          | 94344         | Purchase | 498792                                             | 0.37                             |
|       |                                    |                                                      |                                  | 12/01/2018                          | -10000        | Sale     | 488792                                             | 0.36                             |
|       |                                    |                                                      |                                  | 31/03/2018                          |               |          | 488792                                             | 0.36                             |

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

| Sl no | Name of the Directors | Shareholding at the beginning of the year as on 01/04/2017 |                                  | Change in Shareholding |          | Shareholding at the end of the year as on 31/03/2018 |                                  |
|-------|-----------------------|------------------------------------------------------------|----------------------------------|------------------------|----------|------------------------------------------------------|----------------------------------|
|       |                       | No. of Shares                                              | % of total shares of the Company | Increase               | Decrease | No. of Shares                                        | % of total shares of the Company |
| 1     | Narender Surana       | 22819208                                                   | 16.81                            | 4111790                | -        | 26930998                                             | 19.84                            |
| 2     | Devendra Surana       | 18371524                                                   | 13.53                            | 2267929                | -        | 20639453                                             | 15.20                            |
| 3     | D.Venkatasubbiah      | -                                                          | -                                | -                      | -        | -                                                    | -                                |
| 4     | Dr. R.N Sreenath      | -                                                          | -                                | -                      | -        | -                                                    | -                                |
| 5     | Nirmal Kumar Jain     | -                                                          | -                                | -                      | -        | -                                                    | -                                |
| 6     | Baunakar Shekarnath   | -                                                          | -                                | -                      | -        | -                                                    | -                                |
| 7     | Sandeep Jain          | -                                                          | -                                | -                      | -        | -                                                    | -                                |
| 8     | Vinita Surana         | 3499211                                                    | 2.58                             | 174823                 | -        | 3674034                                              | 2.71                             |

|    | Name of the Key Managerial Personnel | Shareholding at the beginning of the year as on 01/04/2017 |                                  | Change in Shareholding |          | Shareholding at the end of the year as on 31/03/2018 |                                  |
|----|--------------------------------------|------------------------------------------------------------|----------------------------------|------------------------|----------|------------------------------------------------------|----------------------------------|
|    |                                      | No. of Shares                                              | % of total shares of the Company | Increase               | Decrease | No. of Shares                                        | % of total shares of the Company |
| 1. | Srinivas Dudam<br>Company Secretary  | -                                                          | -                                | -                      | -        | -                                                    |                                  |

## V. INDEBTEDNESS:

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

| Particulars                                                | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|------------------------------------------------------------|----------------------------------|-----------------|----------|--------------------|
| <b>Indebtedness at the beginning of the financial year</b> |                                  |                 |          |                    |
| i) Principal Amount                                        | 34.54                            | 3.50            | -        | 38.04              |
| ii) Interest due but not paid                              | -                                | 0.11            | -        | 0.11               |
| iii) Interest accrued but not due                          | -                                | 0.00            | -        | -                  |
| <b>Total (i+ii+iii)</b>                                    | 34.54                            | 3.61            | -        | 38.15              |
| <b>Change in Indebtedness during the financial year</b>    |                                  |                 |          |                    |
| Addition                                                   | 0.00                             | 0.00            | -        | 0.00               |
| Reduction                                                  | 6.49                             | 0.00            | -        | 6.49               |
| <b>Net Increase/(Decrease)</b>                             | (6.49)                           | 0.00            |          | (6.49)             |
| <b>Indebtedness at the end of the financial year</b>       |                                  |                 |          |                    |
| i) Principal Amount                                        | 28.05                            | 3.50            | -        | 31.55              |
| ii) Interest due but not paid                              | -                                | 0.11            | -        | 0.11               |
| iii) Interest accrued but not due                          | -                                | 0.00            | -        | -                  |
| <b>Total (i+ii+iii)</b>                                    | 28.05                            | 3.61            | -        | 31.66              |

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

| Sl.No. | Particulars of Remuneration                                                         | Narender Surana, Managing Director | Baunakar Sekharnath, Whole Time Director | Vinita Surana, Whole Time Director | Total Amount (₹)   |
|--------|-------------------------------------------------------------------------------------|------------------------------------|------------------------------------------|------------------------------------|--------------------|
| 1      | Gross Salary                                                                        |                                    |                                          |                                    |                    |
|        | (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 | 55,99,980                          | -                                        | 18,00,000                          | <b>73,99,980</b>   |
|        | (b) Value of perquisites under Section 17(2) Income Tax Act, 1961                   | 28,00,020                          | -                                        | 11,40,000                          | <b>39,40,020</b>   |
|        | (c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961              | -                                  | -                                        | -                                  | -                  |
| 2      | Stock Options                                                                       | -                                  | -                                        | -                                  | -                  |
| 3      | Sweat Equity                                                                        | -                                  | -                                        | -                                  | -                  |
| 4      | Commission<br>- as % of profit<br>- others, specify                                 |                                    |                                          | -                                  |                    |
| 5      | Others, please specify                                                              | -                                  | -                                        | -                                  | -                  |
|        | <b>Total (A)</b>                                                                    | <b>84,00,000</b>                   | <b>-</b>                                 | <b>29,40,000</b>                   | <b>1,13,40,000</b> |

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

| Sl. No.             | Particulars of remuneration                         | Name of Director   |                  |                   |               | Total Amount (₹) |
|---------------------|-----------------------------------------------------|--------------------|------------------|-------------------|---------------|------------------|
|                     |                                                     | D. Venkata Subbiah | Dr. R.N Sreenath | Nirmal Kumar Jain | Sandeep Jain  |                  |
| 1                   | Sitting Fee for attending Board/ Committee Meetings | 27,000             | 15,000           | 27,000            | 15,000        | <b>84,000</b>    |
| 2                   | Commission                                          | -                  | -                | -                 | -             | -                |
| 3                   | Others, please specify.                             | -                  | -                | -                 | -             | -                |
| <b>Total (B)(1)</b> |                                                     | <b>27,000</b>      | <b>15,000</b>    | <b>27,000</b>     | <b>15,000</b> | <b>84,000</b>    |

**2. Other Non-Executive Directors: NIL**

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

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

| S.No. | Particulars of Remuneration                                                         | Srinivas Dudam,<br>Company Secretary | Total Amount<br>(₹) |
|-------|-------------------------------------------------------------------------------------|--------------------------------------|---------------------|
| 1     | Gross Salary                                                                        |                                      |                     |
|       | (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 | 9,80,000                             | <b>9,80,000</b>     |
|       | (b) Value of perquisites under Section 17(2) Income Tax Act, 1961                   | -                                    | -                   |
|       | (c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961              | -                                    | -                   |
| 2     | Stock Options                                                                       | -                                    | -                   |
| 3     | Sweat Equity                                                                        | -                                    | -                   |
| 4     | Commission<br>- as % of profit<br>- Others, specify....                             | -                                    | -                   |
| 5     | Others, please specify                                                              | -                                    | -                   |
|       | <b>Total (C)</b>                                                                    | 9,80,000                             | <b>9,80,000</b>     |

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

| Type                                | Section of the Companies Act | Brief Description | Details of Penalty/<br>Punishment/<br>Compounding fees<br>imposed | Authority<br>[RD / NCLT /<br>COURT] | Appeal made, if<br>any (give details) |
|-------------------------------------|------------------------------|-------------------|-------------------------------------------------------------------|-------------------------------------|---------------------------------------|
| <b>A. COMPANY</b>                   | <b>None</b>                  |                   |                                                                   |                                     |                                       |
| Penalty                             |                              |                   |                                                                   |                                     |                                       |
| Punishment                          |                              |                   |                                                                   |                                     |                                       |
| Compounding                         |                              |                   |                                                                   |                                     |                                       |
| <b>B. DIRECTORS</b>                 | <b>None</b>                  |                   |                                                                   |                                     |                                       |
| Penalty                             |                              |                   |                                                                   |                                     |                                       |
| Punishment                          |                              |                   |                                                                   |                                     |                                       |
| Compounding                         |                              |                   |                                                                   |                                     |                                       |
| <b>C. OTHER OFFICERS IN DEFAULT</b> | <b>None</b>                  |                   |                                                                   |                                     |                                       |
| Penalty                             |                              |                   |                                                                   |                                     |                                       |
| Punishment                          |                              |                   |                                                                   |                                     |                                       |
| Compounding                         |                              |                   |                                                                   |                                     |                                       |

For and on behalf of the Board of Directors

Place: Secunderabad  
Date: 06.08.2018**NARENDER SURANA**  
**MANAGING DIRECTOR**  
(DIN-00075086)**DEVENDRA SURANA**  
**DIRECTOR**  
(DIN-00077296)

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

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

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2018**

To

The members of

**Surana Telecom and Power Limited**

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

1. Based on our verification of the books, papers, minutes books, forms, returns filed and other records maintained by the Company and also the information and according to the examinations carried out by us and explanations furnished and representations made to us by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, I hereby report that in our opinion, the Company has during the audit period covering the Financial Year ended on 31<sup>st</sup> March, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.
2. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2018 ("Audit Period") according to the provisions of:
  - i) The Companies Act, 2013 (the Act) and the rules made there-under;
  - ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there-under;
  - iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there-under;
  - iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there-under to the Extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
  - v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
    - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; Not applicable during the audit period.
    - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; Not applicable during the audit period.
    - (e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; Not applicable during the audit period
    - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not applicable during the audit period
    - (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
    - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not applicable during the audit period
    - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not applicable during the audit period
  - vi) The Company's main business is into trading of Solar Modules and generation of solar and wind energy. Accordingly, the industry specific major law that is applicable to the Company is The Electricity Act, 2003.

vii) I have also examined compliance with the applicable clauses of the following:

- (a) The Listing Agreement entered into by the Company with the Stock Exchanges and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (b) Secretarial Standards issued by the Institute of Company Secretaries of India in respect of Board and General Meetings of the Company.

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

3. I, further report that:

- (a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors except in respect of number of Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.
- (b) Adequate Notice is given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least 7 days in advance. There is adequate system for seeking and obtaining further information and clarifications on the agenda items before the meeting and meaningful participation at the meeting. Majority decision is carried through and there were no instances of dissenting members in the Board of Directors.
- (c) It is also noted that the Company has an Internal Audit System to constantly monitor the process for efficient compliances.

4. I, further report that during the audit period, there were no specific events/actions having a major bearing on the company's affairs in pursuance of the above referred laws, regulations, guidelines, standards, etc.

Place: Hyderabad  
Date: 06.08.2018

**RAKHI AGARWAL**  
**COMPANY SECRETARY IN PRACTICE**  
**FCS NO.7047**  
**CP NO.6270**

## REPORT ON CORPORATE GOVERNANCE

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

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

The Company has made disclosures under this part as per the Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, (hereinafter referred as "Listing Regulations") which came into effect from December 1, 2015.

### 2. BOARD OF DIRECTORS:

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

Your Board comprises optimal combination of Independent as well as Executive Directors and Non- Executive Directors having in-depth knowledge of the business of the industry. The size and composition of the Board confirms to the requirements of the Corporate Governance code under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As at March 31, 2018, the Board of Directors ("Board") comprises of eight Directors, of which five are Non-Executive Directors and three are Executive Directors. The Company has four Independent Directors; Independent Directors comprise half of the total strength of the Board. The composition and category of the Board of Directors is as follows:

| Sl. No | Name of Director         | Designation         | Category                          |
|--------|--------------------------|---------------------|-----------------------------------|
| 1      | Shri. Narender Surana    | Managing Director   | Executive Director (Promoter)     |
| 2      | Shri. Devendra Surana    | Director            | Non-executive Director (Promoter) |
| 3      | Ms. Vinita Surana        | Whole Time Director | Executive Director (Promoter)     |
| 4      | Dr R. N. Sreenath        | Director            | Independent Director              |
| 5      | Shri. D Venkata Subbaiah | Director            | Independent Director              |
| 6      | Shri. Nirmal Kumar Jain  | Director            | Independent Director              |
| 7      | Shri. Sandeep Jain       | Director            | Independent Director              |
| 8      | Shri Baunakar Shekarnath | Whole Time Director | Executive Director                |

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

The particulars of attendance of Board Meetings and Annual General Meeting by Directors for the financial year ended 31.03.2018 has been set out here below:

| Sl. No | Name of Director         | No. of Board Meetings |          | Attendance at last AGM on 26.09.2017 |
|--------|--------------------------|-----------------------|----------|--------------------------------------|
|        |                          | Held                  | Attended |                                      |
| 1      | Shri. Narender Surana    | 5                     | 5        | Present                              |
| 2      | Shri. Devendra Surana    | 5                     | 5        | Present                              |
| 3      | Ms. Vinita Surana        | 5                     | 5        | Present                              |
| 4      | Dr R. N. Sreenath        | 5                     | 3        | Present                              |
| 5      | Shri. D Venkata Subbaiah | 5                     | 5        | Present                              |
| 6      | Shri. Nirmal Kumar Jain  | 5                     | 5        | Present                              |
| 7      | Shri. Sandeep Jain       | 5                     | 5        | Present                              |
| 8      | Shri Baunakar Shekarnath | 5                     | 5        | Present                              |

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

| Sl. No. | Name of the Director     | Other Directorships | Committee Membership | Committee Chairmanship |
|---------|--------------------------|---------------------|----------------------|------------------------|
| 1       | Shri. Narender Surana    | 18                  | 6                    | -                      |
| 2       | Shri. Devendra Surana    | 17                  | 5                    | -                      |
| 3       | Ms. Vinita Surana        | 16                  | -                    | -                      |
| 4       | Dr. R.N. Sreenath        | 5                   | 4                    | 1                      |
| 5       | Shri. D Venkata Subbaiah | 3                   | 4                    | 2                      |
| 6       | Shri. Nirmal Kumar Jain  | 2                   | -                    | 1                      |
| 7       | Shri. Sandeep Jain       | 3                   | -                    | -                      |
| 8       | Shri Baunakar Shekarnath | 1                   | -                    | -                      |

- The number of total directorships is in accordance with Section 165 of the Companies Act, 2013.
- The Number of Directorships, Committee memberships and Chairmanships of all listed and unlisted companies are within the limits as per Regulation 26 of SEBI (LODR) Regulations, 2015 and erstwhile Clause 49(II)(D)(2) of the Listing Agreement.

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

In terms of compliance with the requirement of Regulation 17(2) of SEBI (LODR) Regulations, 2015, Five Board Meetings were held during the financial year ended 31.03.2018, as against the minimum requirement of four meetings. The maximum time gap between any of two consecutive meetings did not exceed One Hundred and Twenty days.

The dates on which the Board meetings were held are:

|            |            |            |            |            |
|------------|------------|------------|------------|------------|
| 18.05.2017 | 31.07.2017 | 26.09.2017 | 01.12.2017 | 10.02.2018 |
|------------|------------|------------|------------|------------|

**e) Disclosure of relationship between directors inter-se:**

Shri Narender Surana, Managing Director and Shri Devendra Surana, Director of the Company are Brothers and Ms.Vinita Surana is daughter of Shri Narender Surana, Managing Director. Except Shri Narender Surana and Shri Devendra Surana and Ms. Vinita Surana, none of the Directors are related to any other Director.

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

The number of equity shares of the Company held by the non-executive directors, as on 31.03.2018 are as follows:

| Sl. No | Name of the Director     | No of Equity Shares |
|--------|--------------------------|---------------------|
| 1      | Shri. Devendra Surana    | 2,06,39,453         |
| 2      | Dr R. N. Sreenath        | Nil                 |
| 3      | Shri. D Venkata Subbaiah | Nil                 |
| 4      | Shri Nirmal Kumar Jain   | Nil                 |
| 5      | Shri Sandeep Jain        | Nil                 |

**g) The details of familiarization programs imparted to independent directors are given below:**

Your Company follows a structured orientation and familiarisation programme through various reports/ codes/ internal policies for all the Directors with a view to update them on the Company's policies and procedures on a regular basis. Periodic presentations are made at the Board Meetings on business and performance, long term strategy, initiatives and risks involved. The framework on familiarisation programme has been posted in the website of the Company. The details of familiarization program is available on the website: [http://www.suranatele.com/pdf&word/policy-for-related-party-transaction/Familiarisation\\_Program\\_me\\_for\\_ID.pdf](http://www.suranatele.com/pdf&word/policy-for-related-party-transaction/Familiarisation_Program_me_for_ID.pdf)

**3. BOARD COMMITTEES:**

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

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

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

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

Further the Audit Committee also mandatorily reviews the following information:

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

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

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

During the period under review, the Audit Committee was re-constituted with appointment of Shri Narender Surana, Managing Director as member of the Committee.

As on March 31, 2018, the Audit Committee of the Board comprises of three (3) Independent Directors and (1) Executive Director. The Chairman of the Audit Committee is Independent Director. The composition of the Committee is in compliance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations:

| S. No. | Name of Director         | Designation |
|--------|--------------------------|-------------|
| 1      | Shri. Nirmal Kumar Jain  | Chairman    |
| 2      | Shri. D Venkata Subbaiah | Member      |
| 3      | Dr. R.N. Sreenath        | Member      |
| 4      | Shri Narender Surana     | Member      |

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

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

- During the financial year ended March 31, 2018, four Audit Committee Meetings were held on:

|            |            |            |            |
|------------|------------|------------|------------|
| 18.05.2017 | 31.07.2017 | 01.12.2017 | 10.02.2018 |
|------------|------------|------------|------------|

- The Company has implemented Ind-AS from the financial year 2017-18. Pursuant to SEBI Circular No. CIR/CFD/FAC/ 62/2016, dated July 5<sup>th</sup> 2016, SEBI has extended one month time for approval of un-audited financial results for the 1<sup>st</sup> & 2<sup>nd</sup> Quarter. Accordingly the Board, on recommendations of Audit Committee, approved the un-audited financial results for the 2<sup>nd</sup> quarter on 1<sup>st</sup> December, 2017 and hence there was time gap of 122 days between two meetings of Audit Committee.
- Attendance at the Audit Committee Meeting:**

| Sl No | Name of the Director     | Number of Meetings |          |
|-------|--------------------------|--------------------|----------|
|       |                          | Held               | Attended |
| 1.    | Shri. Nirmal Kumar Jain  | 4                  | 4        |
| 2.    | Shri. D Venkata Subbaiah | 4                  | 4        |
| 3.    | Dr. R.N. Sreenath        | 4                  | 2        |
| 4     | Shri Narender Surana*    | -                  | -        |

\* Appointed as member of the Audit Committee w.e.f. 10.02.2018

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

**2. NOMINATION & REMUNERATION COMMITTEE****a. Brief description of terms of reference:**

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

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

The Nomination and Remuneration Committee was constituted by the Board with 3 Independent Directors. The following is the composition of the Board.

| S.No. | Name of Director         | Designation |
|-------|--------------------------|-------------|
| 1.    | Shri. Nirmal Kumar Jain  | Chairman    |
| 2.    | Dr. R.N Sreenath         | Member      |
| 3.    | Shri. D Venkata Subbaiah | Member      |

- The Company Secretary acts as the Secretary of the Committee.
- The minutes of the meetings of the Nomination and Remuneration Committee are circulated to all the members of the Board.

**c. Nomination and Remuneration Committee meetings:**

During the period from April 1, 2017 to March 31, 2018, Nomination and Remuneration Committee Meetings was held on 10.02.2018.

| S. No | Name of the Director     | Number of Meetings |          |
|-------|--------------------------|--------------------|----------|
|       |                          | Held               | Attended |
| 1.    | Shri. Nirmal Kumar Jain  | 1                  | 1        |
| 2.    | Dr. R.N Sreenath         | 1                  | -        |
| 3.    | Shri. D Venkata Subbaiah | 1                  | 1        |

**d. Nomination and Remuneration policy:**

- The nomination and remuneration committee has adopted a Nomination and Remuneration Policy which, inter alia, deals with the manner of selection of Board of Directors, KMP & other senior management and their remuneration. Executive Directors and KMP are eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The Executive Director and KMP remuneration is determined based on levels of responsibility and scales prevailing in the industry. The executive directors are not paid sitting fee for any Board/Committee meetings attended by them.
- The Non-executive directors are paid sitting fees for attending meetings of Board/Committee.

**e. Performance evaluation of Directors:**

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

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

**4. INDEPENDENT DIRECTORS' MEETING:**

During the year, meeting of Independent Directors was held on 10.02.2018 to review the performance of the Board as a whole on parameters of effectiveness and to assess the quality, quantity and timeliness of flow of information between the management and the Board.

**5. Remuneration of Directors**

**(a) Details of Remuneration of Non – Executive Directors:**

- There were no pecuniary transactions with any non-executive director of the Company.
- Non-Executive Directors are paid Sitting Fee for attending the Board and Committee Meetings.

Following are the details of sitting fees and commission paid to the Directors The Company pays Sitting fees to Independent Directors at the rate of ₹ 3,000/- for each meeting. The details of Sitting Fees paid to the Non-executive Independent Directors for attending Board Meetings and Committee Meetings during the financial year 2017-2018 are as follows:

| S. No.       | Name of Director        | Sitting Fees paid (₹) |
|--------------|-------------------------|-----------------------|
| 1.           | Dr. R.N. Sreenath       | 15,000                |
| 2.           | Shri D.Venkata Subbaiah | 27,000                |
| 3.           | Shri Nirmal Kumar Jain  | 27,000                |
| 4.           | Shri Sandeep Jain       | 15,000                |
| <b>Total</b> |                         | <b>84,000</b>         |

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

(Amount in ₹)

| Name of Director         | Salary    | H R A     | Total     |
|--------------------------|-----------|-----------|-----------|
| Shri Narender Surana     | 55,99,980 | 28,00,020 | 84,00,000 |
| Ms. Vinita Surana        | 18,00,000 | 11,40,000 | 29,40,000 |
| Shri Baunakar Shekarnath | -         | -         | -         |

**6. STAKEHOLDERS RELATIONSHIP COMMITTEE:****(a) Brief description of terms of reference:**

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

**(b) Composition:**

| Sl. No. | Name of Director          | Designation |
|---------|---------------------------|-------------|
| 1.      | Shri. D. Venkata Subbaiah | Chairman    |
| 2.      | Shri. Narender Surana     | Member      |
| 3.      | Shri. Devendra Surana     | Member      |

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

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

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

During the year ended March 31, 2018, the Company has received and resolved 12 complaints.

**(e) Number of complaints not resolved to the satisfaction of shareholders is Nil.****(f) There were no pending complaints as at the year end.****7. GENERAL BODY MEETINGS:****(i) Location and Time, where last three Annual General Meetings held:**

| Year                           | Locations                                                                            | Date                             | Time       |
|--------------------------------|--------------------------------------------------------------------------------------|----------------------------------|------------|
| 28 <sup>th</sup> AGM (2016-17) | The Grand Solitaire Hotel, 1-240, 41 & 43, SD Road, Parklane, Secunderabad – 500 003 | 26 <sup>th</sup> September, 2017 | 12.00 Noon |
| 27 <sup>th</sup> AGM (2015-16) | The Grand Solitaire Hotel, 1-240, 41 & 43, SD Road, Parklane, Secunderabad – 500 003 | 30 <sup>th</sup> September, 2016 | 12.00 Noon |
| 26 <sup>th</sup> AGM (2014-15) | The Grand Solitaire Hotel, 1-240, 41 & 43, SD Road, Parklane, Secunderabad – 500 003 | 30 <sup>th</sup> September, 2015 | 12.00 Noon |

**(ii) Whether any Special Resolutions passed in the previous 3 Annual General Meetings**

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

- (i) Appointment of Shri. Baunakar Shekarnath as Whole Time Director of the Company.
- (ii) Authorisation to raise funds through issue of Convertible Securities /GDR's/ADR's /FCCB's/ECB's etc

**2015-16:** In the AGM held on 30<sup>th</sup> September, 2016 the Company has passed Special Resolutions as follows:

- (i) Appointment of Shri. Narender Surana as Managing Director of the Company.
- (ii) Authorisation to raise funds through issue of Convertible Securities /GDR's/ADR's /FCCB's/ECB's etc

**2014-15:** In the AGM held on 30<sup>th</sup> September, 2015 the Company has passed Special Resolutions as follows:

- (i) Adoption of New set of Articles of Association as per Companies Act, 2013.
- (ii) Authorisation to raise funds through issue of Convertible Securities/GDR's/ADR's/FCCB's/ECB's etc.

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

No Special Resolution was passed through Postal Ballot during the FY 2017-18.

**8. MEANS OF COMMUNICATION:****(a) Financial / Quarterly Results:**

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

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

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

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

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

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

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

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

There are no presentations made to the investors/ analysts.

**Website:**

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

**9. GENERAL SHAREHOLDER INFORMATION:**

|                                        |                                                                                                                                                                                  |
|----------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Annual General Meeting</b>          | <b>Date</b> : 24 <sup>th</sup> September, 2018<br><b>Time</b> : 02.00 PM<br><b>Venue</b> : Grand Solitaire Hotel, 1-240,<br>41 & 43, S.D. Road, Parklane,<br>Secunderabad-500003 |
| <b>Financial Calendar</b>              | 1 <sup>st</sup> April to 31 <sup>st</sup> March.                                                                                                                                 |
| <b>Date of Book Closure</b>            | 19.09.2018 to 24.09.2018 (both days inclusive)                                                                                                                                   |
| <b>Dividend Payment Date</b>           | Nil                                                                                                                                                                              |
| <b>Listing on Stock Exchanges</b>      | BSE Ltd<br>National Stock Exchange of India Limited                                                                                                                              |
| <b>Scrip/Stock Code</b>                | 517530 on BSE<br>SURANAT&P on NSE                                                                                                                                                |
| <b>ISIN Number for NSDL &amp; CDSL</b> | INE130B01031                                                                                                                                                                     |

The listing fee for the year 2018-19 has been paid to the above stock exchanges.

**(a) MARKET PRICE DATA:**

| Month    | NSE      |         | BSE      |         |
|----------|----------|---------|----------|---------|
|          | High (₹) | Low (₹) | High (₹) | Low (₹) |
| Apr-2017 | 5.75     | 4.25    | 5.90     | 4.70    |
| May-2017 | 5.80     | 3.35    | 5.42     | 3.79    |
| Jun-2017 | 5.00     | 4.25    | 5.00     | 4.10    |
| Jul-2017 | 5.75     | 4.25    | 5.49     | 4.16    |
| Aug-2017 | 5.45     | 4.00    | 5.34     | 4.38    |
| Sep-2017 | 4.80     | 4.25    | 5.00     | 4.30    |
| Oct-2017 | 7.80     | 4.05    | 7.92     | 4.15    |
| Nov-2017 | 9.30     | 5.85    | 9.39     | 5.75    |
| Dec-2017 | 6.55     | 5.60    | 6.61     | 5.61    |
| Jan-2018 | 7.00     | 5.75    | 7.08     | 5.66    |
| Feb-2018 | 5.90     | 5.10    | 5.93     | 5.12    |
| Mar-2018 | 5.60     | 4.35    | 5.79     | 4.40    |

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

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

|                              | 1 <sup>st</sup> April, 2017 | 31 <sup>st</sup> March, 2018 | % Change |
|------------------------------|-----------------------------|------------------------------|----------|
| Company Share Price(closing) | 5.10                        | 4.42                         | -13.33   |
| SENSEX (closing)             | 22910.22                    | 32968.68                     | 43.90    |

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

**(d) Registrar to an issue & Share Transfer Agents:**

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

**M/s KARVY COMPUTERSHARE PRIVATE LIMITED**

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

Phone # +91-40-67161526

Email ID: [einward.ris@karvy.com](mailto:einward.ris@karvy.com)/[nageswara.raop@karvy.com](mailto:nageswara.raop@karvy.com)

**(e) Share Transfer System**

SEBI vide its Circular No. CIR/MIRSD/8/2012, dated July 5, 2012 has reduced the time-line for registering the transfer of shares to 15 days, the Physical share transfers are processed and the share certificates are returned to the shareholders within a maximum period of 15 days from the date of receipt, subject to the documents being valid and complete in all respects. In compliance with the Listing Agreement with the Stock Exchanges, a Practicing Company Secretary carries out audit of the system of transfer and a certificate to that effect is issued.

**(f) Distribution of shareholding**

Shareholding Pattern as on 31<sup>st</sup> March, 2018:

| Sl.No. | Category                            | No. of. Shares      | % Holding     |
|--------|-------------------------------------|---------------------|---------------|
| 1      | Promoters                           | 91138763            | 67.13%        |
| 2      | Resident Individuals                | 28371973            | 20.90%        |
| 3      | Promoters Bodies Corporate          | 10525792            | 7.75%         |
| 4      | I E P F                             | 1912787             | 1.41%         |
| 5      | Bodies Corporate                    | 1542452             | 1.14%         |
| 6      | Non Resident Indians                | 783623              | 0.58%         |
| 7      | Indian Financial Institutions       | 633475              | 0.47%         |
| 8      | H U F                               | 549859              | 0.41%         |
| 9      | Non Resident Indian Non Repatriable | 182252              | 0.13%         |
| 10     | Mutual Funds                        | 48999               | 0.04%         |
| 11     | Clearing Members                    | 42457               | 0.03%         |
| 12     | Banks                               | 22960               | 0.02%         |
| 13     | NBFC                                | 4238                | 0.00%         |
| 14     | Trusts                              | 333                 | 0.00%         |
|        | <b>Total</b>                        | <b>13,57,59,963</b> | <b>100.00</b> |



## Distribution of shareholding as on 31.03.2018:

| Shares holding of nominal value of | No. of Shareholders | No. of Shares       | % of total shares |
|------------------------------------|---------------------|---------------------|-------------------|
| 1-5000                             | 16900               | 1,37,77,712         | 10.15             |
| 5001- 10000                        | 416                 | 3,22,10,47          | 2.37              |
| 10001- 20000                       | 187                 | 27,37,747           | 2.02              |
| 20001- 30000                       | 53                  | 13,25,171           | 0.98              |
| 30001- 40000                       | 25                  | 8,72,599            | 0.64              |
| 40001- 50000                       | 15                  | 7,15,026            | 0.53              |
| 50001- 100000                      | 28                  | 18,71,920           | 1.38              |
| 100001& Above                      | 50                  | 11,12,38,741        | 81.94             |
| <b>Total</b>                       | <b>17674</b>        | <b>13,57,59,963</b> | <b>100.00</b>     |

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

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

13,23,90,019 equity shares were dematerialised representing 97.52% of the total paid up equity share capital of the Company as on 31.03.2018.

## (h) There are no outstanding Global Depository Receipts/ American Depository Receipts or Warrants or any convertible instruments as on the date of 31.03.2018.

## (i) Commodity price risk or foreign exchange risk and hedging activities;

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

## (j) Plant Locations:

|                                                                                                                                                       |                                                                                    |
|-------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|
| <b>Solar Power Project</b><br>Gujarat Solar Park, Charanka Village,<br>Santalpur Taluk, Patan District, Gujarat.                                      | <b>Non- Conventional Energy (Wind)</b><br>Kapatgudda, Gadag District,<br>Karnataka |
| <b>Solar Module Manufacturing Unit</b><br>Hard Ware Park Plot No. 21B, Sy No. 1/1<br>Kanchaimarat, Raviryal Village, Maheswaram Mandal, R.R. District |                                                                                    |

## viii) Address for correspondence

| Sl. No. | Shareholders Correspondence for                                                                                                                                                                                                                                | Address                                                                                                                                                                                                                                                                                                                                                                                                                              |
|---------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.      | Transfer/ Dematerialization/ Consolidation/ Split of shares, Issue of Duplicate Share Certificates, Non-receipt of dividend/ Bonus shares, etc., change of address of Members and Beneficial Owners and any other query relating to the shares of the Company. | <b>M/s. Karvy Computershare Pvt. Ltd.</b><br>Karvy Selenium Tower B,<br>Plot No 31 & 32, Gachibowli,<br>Financial District, Nanakramguda,<br>Serilingampally, Hyderabad – 500 032<br>Phone # +91-40-67161526<br>Email ID: <a href="mailto:einward.ris@karvy.com">einward.ris@karvy.com</a> /<br><a href="mailto:nageswara.raop@karvy.com">nageswara.raop@karvy.com</a><br>Website : <a href="http://www.karvy.com">www.karvy.com</a> |
| 2.      | Investor Correspondence / Queries on Annual Report, Revalidation of Dividend Warrants, Sub-Division, etc.                                                                                                                                                      | <b>Company Secretary</b><br>Surana Telecom and Power Limited<br>5 <sup>th</sup> Floor, Surya Towers, S.P.Road,<br>Secunderabad – 500 003.<br>Ph Nos. 040 - 27845119/ 44665750<br>E-mail : <a href="mailto:cs@surana.com">cs@surana.com</a><br><a href="mailto:Investorservices_stpl@surana.com">Investorservices_stpl@surana.com</a><br>Website: <a href="http://www.suranatele.com">www.suranatele.com</a>                          |

**10. OTHER DISCLOSURES**

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

Besides the transactions mentioned elsewhere in the Annual Report, there were no materially significant related party transactions during the year conflicting with the interest of the Company.

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

None.

- (c) Details of establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel has been denied access to the audit committee;**

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and Regulation 22 of the SEBI Listing regulations, 2015, the Company has formulated Whistle Blower Policy for vigil mechanism for Directors and employees to report to the management about the unethical behavior, fraud or violation of Company's code of conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee. The policy is available on the Company website, [www.suranatele.com](http://www.suranatele.com). During the financial year under review, none of the Complaint has received.

- (d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements;**

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

- (e) Web link where policy for determining 'material' subsidiaries is disclosed;**

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

- (f) Web link where policy on dealing with related party transactions;**

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

- (g) Disclosure of commodity price risks and commodity hedging activities:**

Not applicable

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

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

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

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

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

#### 14. Code of Conduct

The Company has in place a comprehensive Code of Conduct applicable to all the employees and Non-executive Directors including Independent Directors. The Code is applicable to Non-executive Directors including Independent Directors to such extent as may be applicable to them depending on their roles and responsibilities. The Code gives guidance and support needed for ethical conduct of business and compliance of law. A copy of the Code has been posted on the Company's website.

#### 15. CEO and CFO Certification

In line with the requirements of Schedule-V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Shri Narender Surana, Managing Director Shri Devendra Surana, Director, Ms Vinita Surana, Whole-time Director have submitted a certificate to the Board, certifying inter-alia, that the Financial Statements and the Cash Flow Statement for the year ended March 31, 2018 were reviewed to the best of their knowledge and belief, that they do not contain any material untrue statement, do not omit any material facts, are not misleading statements, together present a true and fair view and are in compliance with the applicable laws and regulations. The certificate further confirms that the transactions entered into by the Company for establishing internal control, financial reporting, evaluation of the internal control systems and making of necessary disclosures to the Auditors and the Audit Committee have been complied with.

#### 16. Disclosure with respect to Demat suspense account/ unclaimed suspense account:

Pursuant to the SEBI Circular and Regulation 39 of the SEBI Listing Regulations, 2015, during the year under review, there are no outstanding shares in the demat suspense account.

#### 17. Unclaimed Dividend:

Pursuant to the provisions of Section 124 of the Companies Act, 2013, Dividends for the financial year ended 31<sup>st</sup> March, 2011 and thereafter, which remain unclaimed for a period of seven years, will be transferred to the Investor Education and Protection Fund established by the Central Government pursuant to Section 124 of the Companies Act, 2013, Information in respect of the due date for transfer of such unclaimed dividend to the said fund is given below:

| Financial Year | Date of Declaration | Due date for transfer | Unclaimed Dividend *<br>(Amount in ₹) |
|----------------|---------------------|-----------------------|---------------------------------------|
| 2010-11        | 21.09.2011          | 20.10.2018            | 3,31,095                              |
| 2011-12        | 29.09.2012          | 28.10.2019            | 3,86,120                              |
| 2012-13        | 27.09.2013          | 26.10.2020            | 4,32,976                              |
| 2013-14        | 22.09.2014          | 21.10.2021            | 4,34,842                              |
| 2014-15        | 30.09.2015          | 29.10.2022            | 4,42,221                              |
| <b>TOTAL</b>   |                     |                       | <b>20,27,254</b>                      |

\* As on 31<sup>st</sup> March, 2018

The members are advised to send all the unencashed dividend warrants pertaining to the above years to our RTA for revalidation or issuance of Demand Draft in lieu thereof and encash them before the due dates for transfer to the IEPF. It may also be noted that once the Unclaimed Dividend is transferred to the Investor Education and Protection Fund, no claim shall lie in respect thereof.

**18. Proceeds from public issues, rights issues, preferential issues, etc.**

During the year ended March 31, 2018, there were no proceeds from public issues, rights issues, preferential issues, etc.

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

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

**21. Company's Policy on prevention of insider trading:**

Pursuant to the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015, and in continuation with your Company's efforts to enhance the standards of corporate governance in the Company, and to strictly monitor and prevent insider trading within the company, your company has in place a Code of Conduct which is approved by the Board.

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



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

| Name of Director                              | Ms. VINITA SURANA                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | SHRI. D VENKATA SUBBIAH                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | DR R N SREENATH                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|-----------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Expertise in specific functional areas</b> | Ms.Vinita Surana holds a degree in MSc International Business and Management, Manchester Business School, Manchester, UK and International Diploma Program (Business Administration) University of California, Berkeley Ext., CA, USA. Ms.Vinita Surana also holds MBA from The Wharton School, University of Pennsylvania being one of the Top 3 Universities in USA. She was awarded by Womens Leader in India (2010). She is also a member of YEO, YI, YFLO. She is the Founder and President of V-Care Welfare Association, an NGO in Hyderabad, Telangana. | Graduate in Electronics and Communications, has held the post of Deputy Director General of Telecom Engg. Center, (TEC). He has wide experience in R&D work and engineering of Radio Relay systems covering VHF, UHF and Microwave Bands. He was also awarded the North East Telecom Award (1990) and Satellite Project Circle Award (1991) for meritorious services and outstanding contribution to Telecommunications. He has provided more than a decade of untiring service to Telecom Industry and service providers for basic telephony along with value added services covering Cellular Mobile, Radio Paging and Public Mobile Radio Trunking. | Dr R.N.Sreenath, has over 43 years of experience out of which 26 years of experience in Semi-conductor technology and balance 17 years in Solar Photovoltaic Technology Served on BEL, Bangalore for Over 33 years from 1966 to 1999.<br>He has served on the following companies as Senior Vice President and head of solar factory:<br>1. BEL, Bangalore : Over 33 years from 1966 to 1999.<br>2. Maharishi Solar Technology Pvt Ltd, New Delhi(factory in A.P): 13 years from 1999 to till date.<br>He has expertise in the following areas<br>i) Capability to set up any discrete semiconductor project and successful productionisation.<br>ii) Capability to set up Solar Photovoltaic project and successful productionisation.<br>iii) Capability for Commercial exploitation of any of the Semiconductor and Solar Photovoltaic projects & products |
| <b>Date of Birth</b>                          | 27.06.1984                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 01.07.1942                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 18.03.1941                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Qualification</b>                          | 1. M.Sc (International Business & Management), Manchester Business School, UK.<br>2. International Diploma Program (Business Administration) University of California, USA.<br>3. MBA, The Wharton School of University, USA                                                                                                                                                                                                                                                                                                                                    | B.E                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | M.Sc. Ph.D (I.I.S.C.)<br>Field of Specialization Semiconductor & Solar Photo voltaic Technology                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |

| Name of Director                                                                                                                      | Ms. VINITA SURANA                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | SHRI. D VENKATA SUBBIAH                                                                                                                                                                                                                                                                                                                                                                                                                                                          | DR R N SREENATH                                                                                                                                                                                                                                                                                                                                                                            |
|---------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>List of Other Companies in which Directorship is held as on 31<sup>st</sup> March, 2018.</b>                                       | 1. Surana Telecom and Power Limited<br>2. Hyderabad Solar Limited (Bhagyanagar Entertainment Limited)<br>3. Bhagyanagar Energy & Telecom Private Limited<br>4. Solar Dynamics Private Limited<br>5. Innova Technologies Private Limited<br>6. Tejas Technopark Private Limited<br>7. Shahsons Private Limited<br>8. Harinam Metals Private Limited (Stealth Energy Private Limited)<br>9. Bhagyanagar Metals Limited<br>10. Value Infrastructure and Properties Pvt. Ltd<br>11. Epicenter Entertainment Private Limited<br>12. Bhagyanagar Entertainment & Infra Development Company Private Limited<br>13. Every time Foods Industries Private Limited<br>14. Surana Woodworks India Private Limited (Green Energy Systems Private Limited)<br>15. Crescentia Solar Private Limited<br>16. Bhagyanagar Properties Limited<br>17. Majestic Logistics Private Limited | 1. Surana Telecom and Power Ltd<br>2. Aishwarya Technologies and Telecom Ltd<br>3. Bhagyanagar Properties Limited                                                                                                                                                                                                                                                                                                                                                                | 1. Surana Telecom And Power Limited<br>2. Bhagyanagar Properties Limited<br>3. Udhaya Semiconductors Limited<br>4. USL Photovoltaics Private Limited<br>5. Aashraya Technologies Private Limited                                                                                                                                                                                           |
| <b>Chairman/ Member of the Committees of the Board of other Companies in which he is a Director as on 31<sup>st</sup> March, 2018</b> | Nil                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 1. Bhagyanagar India Limited (Member of Nomination and Remuneration Committee)<br>2. Bhagyanagar Properties Limited (Member of Audit Committee and Nomination and Remuneration Committee)<br>3. Aishwarya Technologies And Telecom Limited (Chairman of Audit Committee and Nomination and Remuneration Committee)<br>4. Surana Telecom and Power Limited (Member of Audit Committee and Nomination & Remuneration Committee and Chairman of Stakeholder Relationship Committee) | 1. Surana Solar Limited (Member of Audit Committee and Nomination and Remuneration Committee and CSR Committee)<br>2. Surana Telecom and Power Limited (Member of Audit Committee and Nomination and Remuneration Committee)<br>3. Bhagyanagar Properties Limited (Member of Audit Committee and Chairman of Nomination and Remuneration Committee and Stakeholder Relationship Committee) |

## DECLARATION OF COMPLIANCE OF CODE OF CONDUCT

As provided under Schedule-V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors and the Senior Management Personnel have confirmed compliance with the Code of Conduct and Ethics for the financial year ended March 31, 2018.

For **Surana Telecom and Power Limited**

Place: Secunderabad  
Date: 06.08.2018

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

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## CEO AND CFO CERTIFICATION

We hereby certify that:

- a. we have reviewed financial statements and the cash flow statement for the Financial Year ended 31st March, 2018 and that to the best of our knowledge and belief:
  - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief no transactions entered into by the Company during the year which are fraudulent, illegal or violate of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the Auditors and the Audit Committee that there are no:
  - (i) significant changes in internal control over financial reporting during the year;
  - (ii) significant changes in accounting policies during the year requiring disclosure in the notes to the financial statements; and
  - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the company's internal control system over financial reporting.

For **Surana Telecom and Power Limited**

Date: 06.08.2018  
Place: Secunderabad

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

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

**Vinita Surana**  
**Whole-time Director**  
**DIN: 02332288**

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

To  
The Members of  
Surana Telecom and Power Limited  
5th Floor Surya Towers, Sardar Patel Road  
Secunderabad- 500003

1. The Corporate Governance Report prepared by Surana Telecom and Power Limited (hereinafter the "Company"), contains details as required by the provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable Criteria') with respect to Corporate Governance for the year ended March 31, 2018. This report is required by the Company for annual submission to the Stock Exchange and to be sent to the Shareholders of the Company.

### **MANAGEMENT'S RESPONSIBILITY**

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

### **AUDITOR'S RESPONSIBILITY**

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

### **OPINION**

9. Based on the procedures performed by us as referred in paragraph 7 and 8 above and according to the information and explanations given to us, we are of the opinion that the company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended March 31, 2018, referred to in paragraph 1 above.



**OTHER MATTERS AND RESTRICTION ON USE**

10. This Certificate is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

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

**For M/s. Luharuka & Associates  
Chartered Accountants**

**Ramesh Chand Jain  
Partner**

**M.No 023019**

**Firm Reg No. 01882S**

Date: 06.08.2018

Place: Secunderabad

## INDEPENDENT AUDITORS' REPORT

To The Members of

### **M/S. Surana Telecom and Power Limited**

#### **Report on the Financial Statements**

1. We have audited the accompanying Standalone IndAS financial statements of M/s. Surana Telecom And Power Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss including the statement of Other Comprehensive Income, the Cash Flow Statement and the statement of change in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information

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

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the companies (Indian Accounting Standards) Rule, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

3. Our responsibility is to express an opinion on these standalone Ind AS 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 of the standalone Ind AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as 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.

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS 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 standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS 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 Ind AS financial statements.

#### **Opinion**

5. In our opinion and to the best of our information and according to the explanations given to us, the standalone Ind AS 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, 2018, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

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

6. 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" statement on the matters Specified in paragraphs 3 and 4 of the Order.

7. As required by section 143(3) of the Act, we further report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c. The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 Companies (Indian Accounting Standards) Rules, 2015, as amended;
- e. on the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, 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 other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to

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

- (i) The Company has disclosed the impact of pending litigations which would impact its financial position. Refer note No.36 to the financial statement.
- (ii) The Company has made provision, as required under the applicable law or accounting standard, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
- (iii) During the year the Company has transfer the required amount to the Investor Education and Protection Fund and there is no delay in transferring of such sum.

#### **Other Matter**

8. The comparative financial information of the Company for the year ended 31st March 2017 and the transition date opening balance sheet as at 1st April 2016 are based on previously issued statutory financial statements prepared in accordance with the companies (Accounting Standards ) Rules, 2006 audited by the predecessor auditor whose reports for the year ended 31st March 2017 and 31st March 2016, dated 18th May 2017 and 24th May 2016 respectively expressed an unmodified opinion on those statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion is not qualified in respect of these matters.

**For Luharuka & Associates**  
**Chartered Accountants**  
**FRN: 01882S**

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

Place: Secunderabad  
Date: 26th May, 2018

**Annexure-A' referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31st March, 2018, we report that**

**Re: Surana Telecom and Power Limited**

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

| Category | No of Instances | Freehold/ Leasehold | Gross Block | Net Block   |
|----------|-----------------|---------------------|-------------|-------------|
| Land     | 1               | Freehold            | 80,65,191/- | 80,64,191/- |
| Building | 1               | Freehold            | 3,08,694/-  | 2,95,077/-  |

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

| Sl. No. | Name of Statute          | Nature of dues | Amount not paid/ (Amount involved in dispute) | Period to which it relates | Forum where dispute is pending |
|---------|--------------------------|----------------|-----------------------------------------------|----------------------------|--------------------------------|
| 1       | Central Excise Act, 1944 | Excise Duty    | 9,90,387/<br>(22,75,654)                      | 2009-10                    | CESTAT Bangalore               |
|         |                          |                | 1,40,32,981/<br>(1,40,32,981)                 | 2004-05                    | CESTAT Mumbai                  |
|         |                          |                | 16,44,861/<br>(24,63,994)                     | 2010-11                    | CESTAT Bangalore               |
|         |                          |                | 1,87,495/<br>(1,87,495)                       | 2007-08/<br>2008-09        | CESTAT Bangalore               |

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

For **Luharuka & Associates**  
**Chartered Accountants**  
**FRN: 01882S**

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

Place: Secunderabad  
Date: 26th May, 2018

## **Annexure B to the Auditor's 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 **M/s. Surana Telecom And Power Limited** ("the Company") as of 31 March 2018 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Luharuka & Associates**  
**Chartered Accountants**  
**FRN: 01882S**

Place: Secunderabad  
Date: 26th May, 2018

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

**BALANCE SHEET AS AT 31st MARCH, 2018**

(Amount in ₹)

| Particulars                         | Note No. | As at 31st March 2018 | As at 31st March 2017 | As at 1st April 2016 |
|-------------------------------------|----------|-----------------------|-----------------------|----------------------|
| <b>I. ASSETS</b>                    |          |                       |                       |                      |
| <b>(1) Non Current Assets</b>       |          |                       |                       |                      |
| a) Property, Plant and Equipment    | 5        | 596,880,100           | 646,388,458           | 440,802,240          |
| b) Financial Assets                 |          |                       |                       |                      |
| Investments                         | 6        | 297,352,611           | 181,496,463           | 135,060,128          |
| Loans                               | 7        | 280,686,671           | 239,494,096           | 27,893,727           |
| c) Other non-current assets         | 8        | 1,819,133             | 3,184,731             | 32,940,558           |
|                                     |          | <b>1,176,738,515</b>  | <b>1,070,563,748</b>  | <b>636,696,653</b>   |
| <b>(2) Current Assets</b>           |          |                       |                       |                      |
| a) Inventories                      | 9        | 28,025,284            | 100,173,909           | 189,039,106          |
| b) Financial assets                 |          |                       |                       |                      |
| Trade receivables                   | 10       | 21,198,956            | 52,787,047            | 41,801,946           |
| Cash and cash equivalents           | 11       | 3,560,271             | 10,417,224            | 12,656,603           |
| c) Current Tax Assets (net)         | 12       | 99,147                | 680,302               | 3,242,614            |
| d) Other current assets             | 13       | 6,652,559             | 27,458,260            | 18,275,496           |
|                                     |          | <b>59,536,217</b>     | <b>191,516,742</b>    | <b>265,015,765</b>   |
| <b>TOTAL ASSETS</b>                 |          | <b>1,236,274,732</b>  | <b>1,262,080,490</b>  | <b>901,712,418</b>   |
| <b>II. EQUITY AND LIABILITIES</b>   |          |                       |                       |                      |
| <b>(1) Equity</b>                   |          |                       |                       |                      |
| a) Equity share capital             | 14       | 135,759,963           | 135,759,963           | 104,022,000          |
| b) Other Equity                     | 15       | 765,267,866           | 710,159,806           | 511,467,890          |
| <b>Total Equity</b>                 |          | <b>901,027,829</b>    | <b>845,919,769</b>    | <b>615,489,890</b>   |
| <b>(2) Non Current Liabilities</b>  |          |                       |                       |                      |
| a) Financial Liabilities            |          |                       |                       |                      |
| - Borrowings                        | 16       | 275,904,314           | 316,499,372           | 176,898,374          |
| - Other financial liabilities       | 17       | 4,839,907             | 4,682,562             | 7,124,774            |
| b) Deferred tax liabilities (Net)   |          | 4,960,078             | 4,552,081             | 4,099,085            |
|                                     |          | <b>285,704,299</b>    | <b>325,734,015</b>    | <b>188,122,233</b>   |
| <b>(3) Current Liabilities</b>      |          |                       |                       |                      |
| a) Financial liabilities            |          |                       |                       |                      |
| - Borrowings                        | 18       | 2,619,918             | 1,594,996             | 14,815,554           |
| - Trade Payables                    | 19       | 570,657               | 12,936,016            | 17,441,052           |
| - Other financial liabilities       | 20       | 41,613,777            | 66,240,995            | 42,877,023           |
| b) Provisions                       | 21       | 80,000                | 60,000                | 60,000               |
| c) Other current liabilities        | 22       | 4,658,252             | 9,594,699             | 22,906,666           |
|                                     |          | <b>49,542,604</b>     | <b>90,426,706</b>     | <b>98,100,295</b>    |
| <b>Total Liabilities</b>            |          | <b>335,246,903</b>    | <b>416,160,721</b>    | <b>286,222,528</b>   |
| <b>TOTAL EQUITY AND LIABILITIES</b> |          | <b>1,236,274,732</b>  | <b>1,262,080,490</b>  | <b>901,712,418</b>   |

Significant accounting policies and key accounting estimates and judgements 1 to 4  
See accompanying notes form an integral part of Standalone Financial Statements 32 to 43

As per our report of even date attached

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

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

**Rameshchand Jain**  
**(Partner)**  
**Membership No: 023019**

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

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

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

Place: Secunderabad  
Date: 26<sup>th</sup> May, 2018

**Statement of Profit and Loss for the Year Ended 31st March 2018**

(Amount in ₹)

| Particulars |                                                                       | Note | For the year ended<br>31st March, 2018 | For the year ended<br>31st March, 2017 |
|-------------|-----------------------------------------------------------------------|------|----------------------------------------|----------------------------------------|
| <b>I</b>    | <b>Income</b>                                                         |      |                                        |                                        |
|             | Revenue from operations                                               | 23   | 235,345,624                            | 266,532,956                            |
| <b>II</b>   | <b>Other Income</b>                                                   | 24   | 20,581,897                             | 8,589,218                              |
| <b>III</b>  | <b>Total Income (I+II)</b>                                            |      | <b>255,927,521</b>                     | <b>275,122,174</b>                     |
| <b>IV</b>   | <b>Expenses</b>                                                       |      |                                        |                                        |
|             | Purchase of Traded Goods                                              | 25   | -                                      | 13,857,832                             |
|             | Increase/Decrease in Inventories & Work in Progress                   | 26   | 57,703,825                             | 75,129,997                             |
|             | Employee benefits expense                                             | 27   | 6,748,086                              | 5,031,021                              |
|             | Finance costs                                                         | 28   | 39,287,415                             | 39,379,813                             |
|             | Depreciation and Amortisation Expenses                                | 29   | 71,867,146                             | 74,127,977                             |
|             | Other expenses                                                        | 30   | 50,838,447                             | 45,158,486                             |
|             | <b>Total expenses</b>                                                 |      | <b>226,444,919</b>                     | <b>252,685,126</b>                     |
| <b>V</b>    | <b>Profit before tax (III-IV)</b>                                     |      | <b>29,482,602</b>                      | <b>22,437,048</b>                      |
| <b>VI</b>   | <b>Tax expense:</b>                                                   |      |                                        |                                        |
|             | Current Tax                                                           |      | 6,015,000                              | 4,370,000                              |
|             | Deferred Tax                                                          |      | 408,000                                | 453,000                                |
| <b>VII</b>  | <b>Profit after tax (V-VI)</b>                                        |      | <b>23,059,602</b>                      | <b>17,614,048</b>                      |
| <b>VIII</b> | <b>Other Comprehensive Income (OCI)</b>                               |      |                                        |                                        |
|             | (a) Items that will not be reclassified to profit or loss             |      | 32,048,459                             | (3,308,032)                            |
|             | (b) Items that will be reclassified to profit or loss                 |      | -                                      | -                                      |
|             | <b>Total Comprehensive Income for the Year, Net of Tax (VII+VIII)</b> |      | <b>55,108,061</b>                      | <b>14,306,016</b>                      |
| <b>IX</b>   | <b>Earning Per Equity Share</b>                                       |      |                                        |                                        |
|             | (a) Basic                                                             |      | 0.17                                   | 0.13                                   |
|             | (b) Diluted                                                           |      | 0.17                                   | 0.13                                   |

Significant accounting policies and key accounting estimates and judgements

1 to 4

See accompanying notes form an integral part of Standalone Financial Statements

32 to 43

As per our report of even date attached

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

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

**Rameshchand Jain**  
(Partner)  
Membership No: 023019

**Narender Surana**  
Managing Director  
DIN: 00075086

**Devendra Surana**  
Director  
DIN: 00077296

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

Place: Secunderabad  
Date: 26<sup>th</sup> May, 2018

## Statement of Changes in Equity for the Year ended 31st March 2018

### A. Equity Share capital

| Particulars                                    | No of shares | In Rupees   |
|------------------------------------------------|--------------|-------------|
| Balance as at 1 April 2016                     | 104,022,000  | 104,022,000 |
| Changes in equity share capital during 2016-17 | 31,737,963   | 31,737,963  |
| Balance as at 31 March 2017                    | 135,759,963  | 135,759,963 |
| Balance as at 1 April 2017                     | 135,759,963  | 135,759,963 |
| Changes in equity share capital during 2017-18 | -            | -           |
| Balance as at 31 March 2018                    | 135,759,963  | 135,759,963 |

### B. Other equity

(Amount in ₹)

| Particulars                                                          | Reserves and Surplus  |                 |                            |                     | Other Comprehensive Income |                           | Total       |
|----------------------------------------------------------------------|-----------------------|-----------------|----------------------------|---------------------|----------------------------|---------------------------|-------------|
|                                                                      | Retained Earnings     | General Reserve | Capital Redemption reserve | Revaluation Reserve | Central Subsidy            | FVTOCI Equity Instruments |             |
| Balance at 1 April 2016                                              | (A) 204,562,572       | 260,352,578     | 24,000,000                 | 19,052,740          | 3,500,000                  | -                         | 511,467,890 |
| Profit for the year                                                  | 17,614,048            | -               | -                          | -                   | -                          | -                         | 17,614,048  |
| Other Comprehensive Income (net of tax)                              | -                     | -               | -                          | -                   | -                          | (3,308,032)               | (3,308,032) |
| Total Comprehensive Income for the year 2016-17                      | (B) 17,614,048        | -               | -                          | -                   | -                          | (3,308,032)               | 14,306,016  |
| Add: Net assets transferred from M/s Bhagyanagar India Ltd on Merger | -                     | 184,385,900     | -                          | -                   | -                          | -                         | 184,385,900 |
| Balance at 31 March 2017                                             | 222,176,620           | 444,738,478     | 24,000,000                 | 19,052,740          | 3,500,000                  | (3,308,032)               | 710,159,806 |
| Balance at 1 April 2017                                              | (E) 222,176,620       | 444,738,478     | 24,000,000                 | 19,052,740          | 3,500,000                  | (3,308,032)               | 710,159,806 |
| Profit for the year                                                  | 23,059,602            | -               | -                          | -                   | -                          | -                         | 23,059,602  |
| Other Comprehensive Income (net of tax)                              | -                     | -               | -                          | -                   | -                          | 32,048,459                | 32,048,459  |
| Total Comprehensive Income for the year 2016-17                      | (F) 23,059,602        | -               | -                          | -                   | -                          | 32,048,459                | 55,108,061  |
| Balance at 31 March 2018                                             | G = (E+F) 245,236,222 | 444,738,478     | 24,000,000                 | 19,052,740          | 3,500,000                  | 28,740,427                | 765,267,867 |

Significant accounting policies and key accounting

estimates and judgements.

See accompanying notes form an integral part of the of

Standalone Financial Statements

As per our report of even date attached

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

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

**Rameshchand Jain**  
(Partner)  
Membership No: 023019

**Narender Surana**  
Managing Director  
DIN: 00075086

**Devendra Surana**  
Director  
DIN: 00077296

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

Place: Secunderabad  
Date: 26<sup>th</sup> May, 2018

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018**

(Amount in ₹)

| PARTICULARS |                                                              | 2017-18              | 2016-17              |
|-------------|--------------------------------------------------------------|----------------------|----------------------|
| <b>A.</b>   | <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                   |                      |                      |
|             | Net Profit (Loss) before Tax and Exceptional Items           | 29,482,602           | 22,437,048           |
|             | Adjustments for Non-Operating Activities:                    |                      |                      |
|             | Other Comprehensive Income                                   | 32,048,459           | (3,308,032)          |
|             | Sundry Balances written off                                  | 106,284              | 388,166              |
|             | Other Balances written off                                   | 10,794,251           | 7,329,326            |
|             | Sundry Balances written back                                 | (956)                | (2,401,529)          |
|             | (Profit)/loss on Sale of Investments                         | (7,086,543)          | (1,425,176)          |
|             | (Profit)/loss on Sale of Assets                              | -                    | (232,398)            |
|             | Interest Paid                                                | 39,287,415           | 39,379,813           |
|             | Depreciation & amortisation                                  | 71,867,146           | 74,127,977           |
|             | Interest income                                              | (12,810,761)         | (3,919,315)          |
|             |                                                              | 134,205,295          | 109,938,832          |
|             | Operating Profit before Working Capital Changes              | <b>163,687,897</b>   | <b>132,375,880</b>   |
|             | Adjustments for Working Capital Changes:                     |                      |                      |
|             | (Increase)/ Decrease in Inventories                          | 72,148,625           | 88,865,197           |
|             | (Increase)/ Decrease in Other assets                         | 22,355,053           | (38,713,317)         |
|             | (Increase)/ Decrease in Trade Receivables                    | 31,481,807           | (11,373,267)         |
|             | (Increase)/ Decrease in Trade payables and other liabilities | (17,113,068)         | (16,593,781)         |
|             | Cash Generation From Operations                              | 108,872,417          | 22,184,832           |
|             | Direct Taxes (Net)                                           | (5,433,845)          | (1,807,688)          |
|             | Net Cash from Operating Activities (A)                       | <b>267,126,469</b>   | <b>152,753,024</b>   |
| <b>B.</b>   | <b>CASH FLOW FROM INVESTING ACTIVITIES</b>                   |                      |                      |
|             | Purchase of Fixed Assets                                     | (21,990,394)         | (9,655,805)          |
|             | Sale of Fixed Assets                                         | 3,000,000            | 820,000              |
|             | Loans & advances to subsidiary company                       | (41,376,329)         | (211,375,095)        |
|             | Investment in shares (Net)                                   | (122,942,691)        | (47,861,511)         |
|             | Interest received                                            | 12,810,761           | 3,919,315            |
|             | Net Cash from Investing Activities (B)                       | <b>(170,498,653)</b> | <b>(264,153,096)</b> |

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018**

(Amount in ₹)

| PARTICULARS   |                                                                                              | 2017-18      |                      | 2016-17      |                    |
|---------------|----------------------------------------------------------------------------------------------|--------------|----------------------|--------------|--------------------|
| <b>C.</b>     | <b>CASH FLOW FROM FINANCING ACTIVITIES</b>                                                   |              |                      |              |                    |
|               | Proceeds/(Repayment) from borrowings                                                         | (63,851,445) |                      | 215,766,093  |                    |
|               | Proceeds/(Repayment) from others                                                             | -            |                      | (65,517,821) |                    |
|               | Interest Paid                                                                                | (39,287,415) |                      | (40,583,719) |                    |
|               | Dividend Paid                                                                                | (345,909)    |                      | (503,860)    |                    |
|               | (Increase)/Decrease in restricted deposits                                                   | 3,305,254    |                      | 3,912,570    |                    |
|               | Net Cash from Financing Activities (C)                                                       |              | <b>(100,179,515)</b> |              | <b>113,073,263</b> |
|               | Net Increase (Decrease) in Cash and Cash Equivalent (A+B+C)                                  |              | (3,551,699)          |              | 1,673,191          |
|               | Cash and Cash Equivalent at the beginning                                                    |              | 4,684,856            |              | 3,011,665          |
|               | Cash and Cash Equivalent at the end                                                          |              | 1,133,157            |              | 4,684,856          |
| <b>Notes:</b> |                                                                                              |              |                      |              |                    |
| 1             | Components of cash and cash equivalents                                                      |              | 2017-18              |              | 2016-17            |
|               | Cash on hand                                                                                 |              | 98,150               |              | 82,704             |
|               | Balances with bank                                                                           |              | 1,035,007            |              | 4,602,152          |
|               | <b>Total</b>                                                                                 |              | <b>1,133,157</b>     |              | <b>4,684,856</b>   |
| 2             | Accompanied notes to accounts forms an integral part of the Standalone Financial Statements. |              |                      |              |                    |

As per our report of even date attached

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

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

**Rameshchand Jain**  
**(Partner)**  
**Membership No: 023019**

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

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

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

Place: Secunderabad  
Date: 26<sup>th</sup> May, 2018

## Significant Accounting Policies

### 1. Corporate Information

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

### 2. Basis of preparation

The financial statements are separate financial statements prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). For all periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These standalone financial statements for the year ended March 31, 2018 are the first the Company has prepared in accordance with Ind AS. Refer to **Note 42** for information on how the Company adopted Ind AS.

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

### 3. Significant Accounting Policies:

#### (a) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principle in all of its revenue arrangements since it is the primary obligation in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

#### Interest income

Interest income, including income arising from other financial instruments, is recognized using the effective interest rate method.

### (b) Property, Plant and Equipment

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

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

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

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

### (c) Intangible Assets

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. The company amortizes Computer software using the straight-line method over the period of 6 years.

### (d) Depreciation and amortization

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

### (e) Current versus non-current classification

The Company presents assets and liabilities in

the balance sheet based on current/ non-current classification. An asset is treated as current when it is: -

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

A liability is current when:

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

#### (f) Financial assets

Financial assets comprise of cash and cash equivalents.

##### *Initial recognition:*

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

##### *Subsequent Measurement:*

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

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

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

##### *Impairment of Financial Assets:*

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

##### *De-recognition of financial assets:*

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

#### (g) Impairment of Non-Financial Assets

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

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

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

#### (h) Inventories

Cost of inventories have been computed to include all cost of purchases, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

Raw materials/traded goods and components, stores and spares and loose tools are valued at lower of cost and net realizable value.

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.

Cost of work-in-progress and finished goods/ Traded goods are determined on a weighted average basis. Scrap is valued at net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated



costs of completion and estimated costs necessary to make the sale.

**(i) Cash and Cash equivalents**

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

**(j) Financial liabilities**

*Initial recognition and measurement:*

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

*Subsequent measurement:*

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

*De-recognition of financial liabilities:*

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

**(k) Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest, exchange differences arising from

foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other costs that an entity incurs in connection with the borrowing of funds. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

**(l) Employee Benefits**

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

Provident Fund

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

Gratuity

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

Compensated absences

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognized on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees.

Short-term employee benefits

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

**(m) Income Taxes**

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

Deferred income tax

Deferred income tax assets and liabilities are recognized for temporary differences between the

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

#### Minimum Alternative Tax (MAT)

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

#### (n) Leases

##### As a lessee

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

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

##### As a lessor

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

##### Lease-hold land:

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

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

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

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

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

#### (p) Fair value measurement

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

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

- Level 1—Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2—Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

#### (q) Earnings per share

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

#### 4. Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions that affect the reported balances of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

##### a) Judgements

In the process of applying the accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements:

- i) Classification of property The Company determines whether a property is classified as investment property or inventory property:  
  
Investment property comprises land and buildings (principally offices, commercial

warehouse and retail property) that are not occupied substantially for use by, or in the operations of, the Company, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation. These buildings are substantially rented to tenants and not intended to be sold in the ordinary course of business.

##### b) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

##### i) Classification of leases –

The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.

##### ii) Useful lives of depreciable/amortizable assets

Management reviews its estimate of the useful lives of depreciable/amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, customer relationships, IT equipment and other plant and equipment.

##### iii) Fair value measurements

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument.

Management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

**c) Recent Amendments**

**Standards issued but not yet effective**

- i) Ind AS 115-Revenue from Contracts with Customers-The Ministry of Corporate Affairs (MCA) on March 28, 2018 has notified new Indian Accounting Standard as mentioned above .The new standard will come to into force from accounting period commencing on or after April 01, 2018.It replaces existing recognition guidance, including Ind AS 18 Revenue and Ind AS 11 Construction contract. The standard is likely to affect the measurement, recognition and disclosure of revenue. The Company has evaluated and there is no material impact of this

amendment on the Financial Statement of the Company except disclosure. The Company will adopt the Ind AS 115 on the required effective date.

- ii) Ind AS 21, The Effect of Changes in Foreign Exchange Rates - The amendments to Ind AS 21 addresses issue to determine the date of transactions for the purpose of determining the exchange rate to be used on initial recognition of related assets, expenses or income when entity has received or paid advances in foreign currencies by incorporating the same in Appendix B to Ind AS 21. The amendment will come into force from accounting period commencing on or after April 01, 2018. The Company has evaluated this amendment and impact of this amendment will not be material.

The Company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.



## Notes forming part of the Standalone Financial Statements

## 5 Property, Plant and Equipment

Following are the changes in the carrying value of Property, Plant and Equipment for the Year Ended 31st March 2018

(Amount in ₹)

| Particulars                                      | Freehold Land     | Leasehold Land    | Factory Buildings | P & M- Others      | P & M- Solar Power | P & M- wind Power | Office Equipment  | Vehicles          | Furniture & Fixtures | Computer         | Computer software | Grand Total          |
|--------------------------------------------------|-------------------|-------------------|-------------------|--------------------|--------------------|-------------------|-------------------|-------------------|----------------------|------------------|-------------------|----------------------|
| Gross carrying Value as of April 01, 2017        | 46,350,740        | 53,936,902        | 76,625,176        | 354,654,505        | 836,692,836        | 63,550,092        | 18,746,207        | 7,513,070         | 11,400,260           | 2,428,821        | 143,220           | 1,472,041,829        |
| Additions                                        | 2,290,050         | -                 | -                 | -                  | 17,410,540         | -                 | -                 | 6,379,854         | -                    | -                | -                 | 26,080,444           |
| Disposals                                        | -                 | -                 | -                 | 14,371,500         | 1,800,000          | -                 | -                 | -                 | -                    | -                | -                 | 16,171,500           |
| <b>Gross carrying Value as of March 31, 2018</b> | <b>48,640,790</b> | <b>53,936,902</b> | <b>76,625,176</b> | <b>340,283,005</b> | <b>852,303,376</b> | <b>63,550,092</b> | <b>18,746,207</b> | <b>13,892,924</b> | <b>11,400,260</b>    | <b>2,428,821</b> | <b>143,220</b>    | <b>1,481,950,773</b> |
| Accumulated depreciation as of April 01, 2017    | -                 | 9,717,895         | 45,961,984        | 323,649,628        | 382,495,042        | 30,872,353        | 17,434,424        | 4,403,844         | 8,610,419            | 2,398,829        | 108,952           | 825,653,370          |
| Depreciation                                     | -                 | 2,035,395         | 1,242,692         | 2,503,705          | 61,609,290         | 2,458,353         | 257,350           | 978,048           | 718,053              | 29,992           | 34,268            | 71,867,147           |
| Accumulated depreciation on Disposals            | -                 | -                 | -                 | 11,185,751         | 1,264,093          | -                 | -                 | -                 | -                    | -                | -                 | 12,449,844           |
| Accumulated depreciation as of March 31, 2018    | -                 | 11,753,290        | 47,204,676        | 314,967,583        | 442,840,239        | 33,330,706        | 17,691,774        | 5,381,892         | 9,328,472            | 2,428,821        | 143,220           | 885,070,673          |
| <b>Carrying Value as of March 31, 2018</b>       | <b>48,640,790</b> | <b>42,183,612</b> | <b>29,420,500</b> | <b>25,315,422</b>  | <b>409,463,137</b> | <b>30,219,386</b> | <b>1,054,433</b>  | <b>8,511,032</b>  | <b>2,071,788</b>     | <b>-</b>         | <b>-</b>          | <b>596,880,100</b>   |

| Particulars                                   | Freehold Land     | Leasehold Land    | Factory Buildings | P & M- Others     | P & M- Solar Power | P & M- wind Power | Office Equipment | Vehicles         | Furniture & Fixtures | Computer      | Computer software | Grand Total        |
|-----------------------------------------------|-------------------|-------------------|-------------------|-------------------|--------------------|-------------------|------------------|------------------|----------------------|---------------|-------------------|--------------------|
| Gross carrying Value as of April 01, 2016     | 35,998,049        | 52,444,900        | 76,316,482        | 354,654,505       | 527,129,712        | 63,550,092        | 18,627,007       | 5,359,002        | 12,650,998           | 2,428,821     | 143,220           | 1,149,302,788      |
| Additions on merger                           | 8,064,191         | -                 | 308,694           | -                 | 296,069,496        | -                 | -                | -                | -                    | -             | -                 | 304,442,381        |
| Additions                                     | 2,288,500         | 1,492,002         | -                 | -                 | 17,375,700         | -                 | 119,200          | 2,154,068        | -                    | -             | -                 | 23,429,470         |
| Disposals                                     | -                 | -                 | -                 | -                 | 3,882,072          | -                 | -                | -                | 1,250,738            | -             | -                 | 5,132,810          |
| Gross carrying Value as of March 31, 2017     | 46,350,740        | 53,936,902        | 76,625,176        | 354,654,505       | 836,692,836        | 63,550,092        | 18,746,207       | 7,513,070        | 11,400,260           | 2,428,821     | 143,220           | 1,472,041,829      |
| Accumulated depreciation as of April 01, 2016 | -                 | 7,693,160         | 44,715,317        | 321,134,685       | 273,891,901        | 28,414,000        | 17,159,846       | 3,934,165        | 9,097,434            | 2,398,829     | 61,212            | 708,500,549        |
| Depreciation on merger                        | -                 | -                 | 8,796             | -                 | 44,243,988         | -                 | -                | -                | -                    | -             | -                 | 44,252,784         |
| Depreciation                                  | -                 | 2,024,735         | 1,237,871         | 2,514,943         | 64,359,153         | 2,458,353         | 274,578          | 469,679          | 740,927              | -             | 47,740            | 74,127,979         |
| Accumulated depreciation on Disposals         | -                 | -                 | -                 | -                 | -                  | -                 | -                | -                | 1,227,942            | -             | -                 | 1,227,942          |
| Accumulated depreciation as of March 31, 2017 | -                 | 9,717,895         | 45,961,984        | 323,649,628       | 382,495,042        | 30,872,353        | 17,434,424       | 4,403,844        | 8,610,419            | 2,398,829     | 108,952           | 825,653,370        |
| <b>Carrying Value as of March 31, 2017</b>    | <b>46,350,740</b> | <b>44,219,007</b> | <b>30,663,192</b> | <b>31,004,877</b> | <b>454,197,794</b> | <b>32,677,739</b> | <b>1,311,783</b> | <b>3,109,226</b> | <b>2,789,841</b>     | <b>29,992</b> | <b>34,268</b>     | <b>646,388,459</b> |
| Carrying Value as of April 01, 2016           | 35,998,049        | 44,751,740        | 31,601,165        | 33,519,820        | 253,237,811        | 35,136,092        | 1,467,161        | 1,424,837        | 3,553,564            | 29,992        | 82,008            | 440,802,239        |

## Notes forming part of the Standalone Financial Statements

## 6. Investments (Non Current)

(Amount in ₹)

| Particulars                                                      | Note | As at<br>March 31, 2018 | As at<br>March 31, 2017 | As at<br>1st April, 2016 |
|------------------------------------------------------------------|------|-------------------------|-------------------------|--------------------------|
| Equity Instruments (Unquoted - At Cost)                          |      |                         |                         |                          |
| <b>A) Investment in Subsidiary Companies</b>                     |      |                         |                         |                          |
| <b>Aryavaan Renewable Energy Pvt Ltd.</b>                        |      | 43,350,000              | 5,100,000               | 99,900                   |
| (Equity shares of ₹ 10/- each fully paid up)                     |      |                         |                         |                          |
| 43,50,000 (March 31, 2017 : 5,10,000)                            |      |                         |                         |                          |
| (March 31, 2016 : 9,990)                                         |      |                         |                         |                          |
| <b>Surana Solar Systems Private Limited.</b>                     |      | 33,150,000              | 33,150,000              | 33,150,000               |
| (Equity shares of ₹ 10/- each fully paid up)                     |      |                         |                         |                          |
| 33,15,000 (March 31, 2017 : 33,15,000)                           |      |                         |                         |                          |
| (March 31, 2016 : 33,15,000)                                     |      |                         |                         |                          |
| <b>Tejas India Solar Energy Private Limited.</b>                 |      | 25,500,000              | 51,000                  | 51,000                   |
| (Equity shares of ₹ 10/- each fully paid up)                     |      |                         |                         |                          |
| 25,50,000 (March 31, 2017 : 5100)                                |      |                         |                         |                          |
| (March 31, 2016 : 5100)                                          |      |                         |                         |                          |
| <b>Globecom Infotech Private Ltd</b>                             |      | 100,000                 | 100,000                 | 100,000                  |
| (Equity Shares of ₹ 10/-each- Partly paid up of ₹ 2/- each)      |      |                         |                         |                          |
| 50,000 (March 31, 2017 : 50,000)                                 |      |                         |                         |                          |
| (March 31, 2016 : 50,000)                                        |      |                         |                         |                          |
| <b>Celestial Solar Solutions Private Limited.</b>                |      | -                       | 51,000                  | 51,000                   |
| (Equity shares of ₹ 10/- each fully paid up)                     |      |                         |                         |                          |
| Nil (March 31,2017: 5100)                                        |      |                         |                         |                          |
| (March 31,2016: 5100)                                            |      |                         |                         |                          |
| <b>Sub-Total (A)</b>                                             |      | <b>102,100,000</b>      | <b>38,452,000</b>       | <b>33,451,900</b>        |
| <b>B) Investment in Associate Companies- Un quoted (At Cost)</b> |      |                         |                         |                          |
| <b>Bhagyanagar Securities Pvt Ltd</b>                            |      | 18,000,000              | 18,000,000              | 18,000,000               |
| (Equity shares of ₹ 10/- each fully paid up)                     |      |                         |                         |                          |
| 1,50,000 (March 31, 2017: 1,50,000)                              |      |                         |                         |                          |
| (March 31, 2016: 1,50,000)                                       |      |                         |                         |                          |
| <b>Bhagyanagar Green Energy Ltd.</b>                             |      | 22,288,800              | -                       | -                        |
| (Equity shares of ₹ 10/- each fully paid up)                     |      |                         |                         |                          |
| 22,28,880 (March 31, 2017: Nil)                                  |      |                         |                         |                          |
| (March 31, 2016: Nil)                                            |      |                         |                         |                          |
| <b>Tejas Techopark Private Limited.</b>                          |      | -                       | 933,300                 | -                        |
| (Equity shares of ₹ 10/- each fully paid up)                     |      |                         |                         |                          |
| Nil (March 31, 2017 : 93,330)                                    |      |                         |                         |                          |
| (March 31, 2016 : Nil )                                          |      |                         |                         |                          |
| <b>Sub-Total (B)</b>                                             |      | <b>40,288,800</b>       | <b>18,933,300</b>       | <b>18,000,000</b>        |

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

| Particulars                                                                                                                                                                        | Note | As at<br>March 31, 2018 | As at<br>March 31, 2017 | As at<br>1st April, 2016 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|-------------------------|-------------------------|--------------------------|
| <b>C) Investment in Associate Companies- Quoted (At Cost)</b>                                                                                                                      |      |                         |                         |                          |
| <b>Surana Solar Ltd (Formerly Surana Ventures Ltd)</b><br>(Equity shares of ₹ 5/- each fully paid up)<br>2,00,30,974 (March 31, 2017: 2,03,08,792)<br>(March 31, 2016 : 88,20,000) |      | 86,695,714              | 87,898,135              | 44,100,000               |
| <b>Sub-Total (C)</b>                                                                                                                                                               |      | <b>86,695,714</b>       | <b>87,898,135</b>       | <b>44,100,000</b>        |
| <b>D) Investment in Companies-Quoted (At Fair Value through OCI)</b>                                                                                                               |      |                         |                         |                          |
| <b>Bhagyanagar India Ltd</b><br>(Equity shares of ₹ 2/- each fully paid up)<br>11,45,166 (March 31, 2017 : 11,45,166)<br>(March 31, 2016 : 22,90,331)                              |      | 48,211,511              | 27,884,814              | 39,508,227               |
| <b>Bhagyanagar Properties Ltd.</b><br>(Equity shares of ₹ 2/- each fully paid up)<br>11,45,166 (March 31, 2017 : 11,45,166)<br>(March 31, 2016 : Nil)                              |      | 20,040,405              | 8,319,833               | -                        |
| <b>Sub-Total (D)</b>                                                                                                                                                               |      | <b>68,251,916</b>       | <b>36,204,647</b>       | <b>39,508,227</b>        |
| <b>E) Investments in Other Companies - Quoted (At Fair Value through OCI)</b>                                                                                                      |      |                         |                         |                          |
| <b>KSK Energy Vetnures Limited.</b><br>(Equity shares of ₹ 10/- each fully paid up)<br>1000 (March 31, 2017 : 1000)<br>(March 31, 2016 : Nil)                                      |      | 8,640                   | 8,380                   | -                        |
| <b>Prithvi Information Solutions Limited</b><br>(Equity shares of ₹ 10/- each fully paid up)<br>6 (March 31, 2017 : 6)<br>(March 31, 2016 : 6)                                     |      | 1                       | 1                       | 1                        |
| <b>Indosolar Limited</b><br>(Equity shares of ₹ 10/- each fully paid up)<br>1000 (March 31, 2017 : Nil)<br>(March 31, 2016 : Nil)                                                  |      | 7,540                   | -                       | -                        |
| <b>Sub-Total (E)</b>                                                                                                                                                               |      | <b>16,181</b>           | <b>8,381</b>            | <b>1</b>                 |
| <b>GRAND TOTAL (A+B+C+D+E)</b>                                                                                                                                                     |      | <b>297,352,611</b>      | <b>181,496,463</b>      | <b>135,060,128</b>       |
| Aggregate Market Value of Quoted Investments                                                                                                                                       |      | 322,862,054             | 468,046,449             | 233,501,967              |

## Notes forming part of the Standalone Financial Statements

## 7. Loans (Non current)

(Amount in ₹)

| Particulars                                       | Note  | As at<br>March 31, 2018 | As at<br>March 31, 2017 | As at<br>1st April , 2016 |
|---------------------------------------------------|-------|-------------------------|-------------------------|---------------------------|
| <b>Secured</b>                                    |       |                         |                         |                           |
| a) Loan against Pledge of Securities              |       | 18,210,417              | 18,394,171              | 18,394,171                |
| <b>Unsecured, considered good</b>                 |       |                         |                         |                           |
| a) Loans and advances to related parties          |       |                         |                         |                           |
| Loan to Subsidiary Companies                      | 7 (a) | 195,154,444             | 152,644,360             | 5,558,454                 |
| Loan to Associate company                         | 7 (b) | 63,155,434              | 41,239,189              | -                         |
| b) Advance for Capital Items to Associate company | 7 (c) | -                       | 23,050,000              |                           |
| c) Security Deposits                              |       | 4,166,376               | 4,166,376               | 3,941,102                 |
| <b>Total</b>                                      |       | <b>280,686,671</b>      | <b>239,494,096</b>      | <b>27,893,727</b>         |

|       |                                              |                      |                      |                      |
|-------|----------------------------------------------|----------------------|----------------------|----------------------|
| 7 (a) | <b><u>Loan to related parties</u></b>        | <b>Balance as on</b> | <b>Balance as on</b> | <b>Balance as on</b> |
|       | <b><u>Name of the subsidiary Company</u></b> | <b>31.03.2018</b>    | <b>31.03.2017</b>    | <b>01.04.2016</b>    |
|       | Surana Solar Systems Pvt Ltd                 | 122,272,550          | 73,069,661           | -                    |
|       | Tejas India Solar Energy Private Limited     | 61,400,964           | 6,758,454            | 5,558,454            |
|       | Aryavaan Renewable Energy Pvt Ltd            | 11,480,930           | 72,816,245           |                      |
|       | <b>Total</b>                                 | <b>195,154,444</b>   | <b>152,644,360</b>   | <b>5,558,454</b>     |
| 7 (b) | <b><u>Name of the Associate Company</u></b>  |                      |                      |                      |
|       | Bhagnagar Green Energy Ltd                   | -                    | 41,239,189           |                      |
|       | Surana Solar Ltd                             | 63,155,434           | -                    | -                    |
|       | <b>Total</b>                                 | <b>-</b>             | <b>-</b>             | <b>-</b>             |
|       |                                              | <b>63,155,434</b>    | <b>41,239,189</b>    | <b>-</b>             |
| 7 (c) | <b><u>Name of the Associate Company</u></b>  |                      |                      |                      |
|       | Tejas Technopark Pvt Ltd                     |                      | 23,050,000           | -                    |
|       | <b>Total</b>                                 | <b>-</b>             | <b>23,050,000</b>    | <b>-</b>             |

## 8. Other Non Current Assets

(Amount in ₹)

| Particulars              | Note | As at<br>March 31, 2018 | As at<br>March 31, 2017 | As at<br>1st April , 2016 |
|--------------------------|------|-------------------------|-------------------------|---------------------------|
| Taxes paid under protest |      | 1,819,133               | 3,184,731               | 32,940,558                |
| <b>Total</b>             |      | <b>1,819,133</b>        | <b>3,184,731</b>        | <b>32,940,558</b>         |

## 9. Inventories

(As Valued and certified by the Management)

(Amount in ₹)

| Particulars  | Note | As at<br>March 31, 2018 | As at<br>March 31, 2017 | As at<br>1st April , 2016 |
|--------------|------|-------------------------|-------------------------|---------------------------|
| Traded Goods |      | 28,025,284              | 100,173,909             | 189,039,106               |
| <b>Total</b> |      | <b>28,025,284</b>       | <b>100,173,909</b>      | <b>189,039,106</b>        |

## 10. Trade Receivables

(Amount in ₹)

| Particulars                                       | Note    | As at<br>March 31, 2018 | As at<br>March 31, 2017 | As at<br>1st April , 2016 |
|---------------------------------------------------|---------|-------------------------|-------------------------|---------------------------|
| Un secured, Considered Good                       | 10(a&b) | 21,198,956              | 52,787,047              | 41,801,946                |
| Considered, Doubtful                              |         | -                       | -                       | -                         |
| <b>Total (A)</b>                                  |         | <b>21,198,956</b>       | <b>52,787,047</b>       | <b>41,801,946</b>         |
| Less: Provision for doubtful debts & Advances (B) |         | -                       | -                       | -                         |
| <b>Total (A-B)</b>                                |         | <b>21,198,956</b>       | <b>52,787,047</b>       | <b>41,801,946</b>         |

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

| 10 (a) | <b>Due from Related Party</b>    | <b>Balance as on</b> | <b>Balance as on</b> | <b>Balance as on</b> |
|--------|----------------------------------|----------------------|----------------------|----------------------|
|        | <b>Name of the Company</b>       | <b>31.03.2018</b>    | <b>31.03.2017</b>    | <b>01.04.2016</b>    |
|        | Surana Solar Ltd                 | -                    | 11,685,693           | 8,045,522            |
|        | Tejas India Solar Energy Pvt Ltd |                      |                      | 18,802,500           |
|        | <b>Total</b>                     | <b>-</b>             | <b>11,685,693</b>    | <b>26,848,022</b>    |

- 10 (b) No trade receivables are due from directors or other officers of the company either severally or jointly with any other person.

**11. Cash and Cash Equivalents**

(Amount in ₹)

| <b>Particulars</b>                  | <b>Note</b> | <b>As at<br/>March 31, 2018</b> | <b>As at<br/>March 31, 2017</b> | <b>As at<br/>1st April , 2016</b> |
|-------------------------------------|-------------|---------------------------------|---------------------------------|-----------------------------------|
| (a) Cash & Cash Equivalents         |             |                                 |                                 |                                   |
| (i) Balances in current account     |             | 1,035,007                       | 4,602,152                       | 2,774,555                         |
| (ii) Cash on Hand                   |             | 98,150                          | 82,704                          | 237,110                           |
| (b) Other Blanaces                  |             |                                 |                                 |                                   |
| (i) In Deposit Accounts             |             | 399,860                         | 3,265,646                       | 6,713,684                         |
| (ii) In Unclaimed Dividend Accounts |             | 2,027,254                       | 2,373,163                       | 2,877,023                         |
| (iii) Accrued Interest with banks   |             | -                               | 93,559                          | 54,231                            |
| <b>Total</b>                        |             | <b>3,560,271</b>                | <b>10,417,224</b>               | <b>12,656,603</b>                 |

**12. Current Tax Assets(net)**

(Amount in ₹)

| <b>Particulars</b>                    | <b>Note</b> | <b>As at<br/>March 31, 2018</b> | <b>As at<br/>March 31, 2017</b> | <b>As at<br/>1st April , 2016</b> |
|---------------------------------------|-------------|---------------------------------|---------------------------------|-----------------------------------|
| Advance tax & TDS (net of Provisions) |             | 99,147                          | 680,302                         | 3,242,614                         |
| <b>Total</b>                          |             | <b>99,147</b>                   | <b>680,302</b>                  | <b>3,242,614</b>                  |

**13. Other Current Assets**

(Amount in ₹)

| <b>Particulars</b>                                          | <b>Note</b> | <b>As at<br/>March 31, 2018</b> | <b>As at<br/>March 31, 2017</b> | <b>As at<br/>1st April , 2016</b> |
|-------------------------------------------------------------|-------------|---------------------------------|---------------------------------|-----------------------------------|
| <b>(Unsecured, considered good unless otherwise stated)</b> |             |                                 |                                 |                                   |
| Balance with Statutory Authorities                          |             | 5,570,100                       | 17,977,561                      | 17,997,125                        |
| Receivable on Merger                                        | 13 (a)      | -                               | 9,152,573                       | -                                 |
| Other Advances                                              |             | 1,082,459                       | 328,126                         | 278,371                           |
| <b>Total</b>                                                |             | <b>6,652,559</b>                | <b>27,458,260</b>               | <b>18,275,496</b>                 |

| 13 (a) | <b>Due from Related Party</b> | <b>Balance as on</b> | <b>Balance as on</b> | <b>Balance as on</b> |
|--------|-------------------------------|----------------------|----------------------|----------------------|
|        | <b>Name of the Company</b>    | <b>31.03.2018</b>    | <b>31.03.2017</b>    | <b>01.04.2016</b>    |
|        | Bhagyanagar India Ltd         | -                    | 9,152,573            | -                    |
|        | <b>Total</b>                  | <b>-</b>             | <b>9,152,573</b>     | <b>-</b>             |

## Notes forming part of the Standalone Financial Statements

## 14. Share Capital

| Particulars                           | As at 31st March 2018 |                    | As at 31st March 2017 |                    | As at 1st April 2016 |                    |
|---------------------------------------|-----------------------|--------------------|-----------------------|--------------------|----------------------|--------------------|
|                                       | Number                | Rupees             | Number                | Rupees             | Number               | Rupees             |
| <b>Authorised</b>                     |                       |                    |                       |                    |                      |                    |
| Equity Shares of ₹1/- each            | 150,000,000           | 150,000,000        | 150,000,000           | 150,000,000        | 150,000,000          | 150,000,000        |
| <b>Issued</b>                         |                       |                    |                       |                    |                      |                    |
| Equity Shares of ₹1/- each            | 135,759,963           | 135,759,963        | 135,759,963           | 135,759,963        | 104,022,000          | 104,022,000        |
| <b>Subscribed &amp; Paid up</b>       |                       |                    |                       |                    |                      |                    |
| Equity Shares of ₹1/- each fully paid | 135,759,963           | 135,759,963        | 135,759,963           | 135,759,963        | 104,022,000          | 104,022,000        |
| <b>Total</b>                          | <b>135,759,963</b>    | <b>135,759,963</b> | <b>135,759,963</b>    | <b>135,759,963</b> | <b>104,022,000</b>   | <b>104,022,000</b> |

## a) Term/rights attached to Equity Shares

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

## b) Reconciliation of Equity Shares Outstanding at the beginning and at the end of the reporting year.

| Particulars                                      | As at 31st March 2018 |                    | As at 31st March 2017 |                    | As at 1st April 2016 |                    |
|--------------------------------------------------|-----------------------|--------------------|-----------------------|--------------------|----------------------|--------------------|
|                                                  | Number                | Rupees             | Number                | Rupees             | Number               | Rupees             |
| Shares outstanding at the beginning of the year  | 135,759,963           | 135,759,963        | 104,022,000           | 104,022,000        | 104,022,000          | 104,022,000        |
| Shares Issued during the year                    | -                     | -                  | 31,737,963            | 31,737,963         | -                    | -                  |
| Shares bought back during the year               | -                     | -                  | -                     | -                  | -                    | -                  |
| <b>Shares outstanding at the end of the year</b> | <b>135,759,963</b>    | <b>135,759,963</b> | <b>135,759,963</b>    | <b>135,759,963</b> | <b>104,022,000</b>   | <b>104,022,000</b> |

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

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

| Name of Shareholder            | As at 31st March 2018 |               | As at 31st March 2017 |               | As at 1st April 2016 |               |
|--------------------------------|-----------------------|---------------|-----------------------|---------------|----------------------|---------------|
|                                | No. of Shares held    | % of Holding  | No. of Shares held    | % of Holding  | No. of Shares held   | % of Holding  |
| Bhagyanagar Inida Limited      | -                     | -             | -                     | -             | 9,412,201            | 9.05%         |
| Narender Surana                | 26,930,998            | 19.84%        | 22,818,348            | 16.81%        | 19,219,260           | 18.48%        |
| Devendra Surana                | 20,639,453            | 15.20%        | 18,371,524            | 13.53%        | 15,328,015           | 14.74%        |
| Surana Infocom Private Limited | 9,705,455             | 7.15%         | 9,689,061             | 7.14%         | -                    | -             |
| Namrata Surana                 | 7,176,884             | 5.29%         | -                     | -             | -                    | -             |
| Manish Surana                  | 7,726,323             | 5.69%         | -                     | -             | -                    | -             |
| <b>Total</b>                   | <b>72,179,113</b>     | <b>53.17%</b> | <b>50,878,933</b>     | <b>37.48%</b> | <b>43,959,476</b>    | <b>42.26%</b> |

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



Notes forming part of the Standalone Financial Statements

15. Other equity

(Amount in ₹)

| Particulars                                                          |             | Reserves and Surplus |                 |                            |                     |                 | Other Comprehensive Income |             | Total |
|----------------------------------------------------------------------|-------------|----------------------|-----------------|----------------------------|---------------------|-----------------|----------------------------|-------------|-------|
|                                                                      |             | Retained Earnings    | General Reserve | Capital Redemption reserve | Revaluation Reserve | Central Subsidy | FVTOCI Equity Instruments  |             |       |
| Balance at 1 April 2016                                              | (A)         | 204,562,572          | 260,352,578     | 24,000,000                 | 19,052,740          | 3,500,000       |                            | 511,467,890 |       |
| Profit for the year                                                  |             | 17,614,048           | -               |                            |                     |                 |                            | 17,614,048  |       |
| Other Comprehensive Income (net of tax)                              |             | -                    | -               |                            |                     |                 | (3,308,032)                | (3,308,032) |       |
| Total Comprehensive Income for the year 2016-17                      | (B)         | 17,614,048           | -               | -                          | -                   | -               | (3,308,032)                | 14,306,016  |       |
| Add: Net assets transferred from M/s Bhagyanagar India Ltd on Merger | (C)         |                      | 184,385,900     |                            |                     |                 |                            | 184,385,900 |       |
| Balance at 31 March 2017                                             | D = (A+B+C) | 222,176,620          | 444,738,478     | 24,000,000                 | 19,052,740          | 3,500,000       | (3,308,032)                | 710,159,806 |       |
| Balance at 1 April 2017                                              | (E)         | 222,176,620          | 444,738,478     | 24,000,000                 | 19,052,740          | 3,500,000       | (3,308,032)                | 710,159,806 |       |
| Profit for the year                                                  |             | 23,059,602           | -               |                            |                     |                 |                            | 23,059,602  |       |
| Other Comprehensive Income (net of tax)                              |             | -                    | -               |                            |                     |                 | 32,048,459                 | 32,048,459  |       |
| Total Comprehensive Income for the year 2016-17                      | (F)         | 23,059,602           | -               | -                          | -                   | -               | 32,048,459                 | 55,108,061  |       |
| Balance at 31 March 2018                                             | G = (E+F)   | 245,236,222          | 444,738,478     | 24,000,000                 | 19,052,740          | 3,500,000       | 28,740,427                 | 765,267,867 |       |

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

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

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

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

## Notes forming part of the Standalone Financial Statements

## 16. Borrowings (Non Current)

(Amount in ₹)

| Particulars                                                  | Note   | As at<br>March 31, 2018 | As at<br>March 31, 2017 | As at<br>1st April, 2016 |
|--------------------------------------------------------------|--------|-------------------------|-------------------------|--------------------------|
| <b>Secured</b>                                               |        |                         |                         |                          |
| - Term Loan from Bank                                        | 16 (a) | -                       | 35,998,109              | 116,380,553              |
| - Term Loan from Other Institutions                          | 16 (b) | 274,994,655             | 308,140,315             | -                        |
| - Vehicle Loan from Bank                                     | 16 (c) | 5,496,182               | 1,228,780               | -                        |
| <b>Total (A)</b>                                             |        | <b>280,490,837</b>      | <b>345,367,204</b>      | <b>116,380,553</b>       |
| <b>Unsecured</b>                                             |        |                         |                         |                          |
| Loans from Body Corporate                                    | 16 (d) | 35,000,000              | 35,000,000              | 100,517,821              |
| <b>Total (B)</b>                                             |        | <b>35,000,000</b>       | <b>35,000,000</b>       | <b>100,517,821</b>       |
| <b>Total (A+B)</b>                                           |        | <b>315,490,837</b>      | <b>380,367,204</b>      | <b>216,898,374</b>       |
| Less: Current maturities of long term borrowings (Note 16) C |        | 39,586,523              | 63,867,832              | 40,000,000               |
| <b>Total D= (A+B-C)</b>                                      |        | <b>275,904,314</b>      | <b>316,499,372</b>      | <b>176,898,374</b>       |

16 (a) (i) Term Loan shown as at 1st April, 2016 was availed from M/s Indian Overseas Bank. The loan was taken during the financial year 2011-12 and was prepaid during the year 2016-17.

16 (a) (ii) Term Loan disclosed as at 31st March, 2017 includes the Loan taken from M/s State Bank of India, which was transferred from M/s Bhagyanagar India Limited as part of Scheme of demerger. The loan was taken during the financial year 2013-14 and was prepaid during the Current year .

16 (b) (i) Term Loan from Hero FinCorp Ltd is secured by way of exclusive charge on the receivables from Solar Power Project at Gujarat, additionally secured by way of first and exclusive charge on the assets of Solar Power unit at Gujarat and P&M of Wind Power unit at Karnataka and equitable mortgage on one plot situated at Cherlapally, Hyderabad. Further, it has been guaranteed by the some of the directors of the company. The loan is repayable in 84 monthly installments beginning from November 2016. Accordingly, amount due with in a Year is ₹ 3,56,34,389/- (Principal only) which is classified under "Other Current Financial Liabilities".

16 (b) (ii) Lease Rental Discounted facility from Aditya Birla Finance Limited is secured by First and exclusive charge on Plot at Maheshwaram Mandal, Ranga Reddy District w.r.t Current and Future lease Rentals from the property. The loan is repayable in 108 monthly installments beginning from June 2016. Accordingly, amount due within a year is ₹ 17,15,964/- (Principal only) which is classified Under "Other Current Liabilities".

16 (c) (i) Vehicle loan from HDFC Bank Limited is secured against hyphotication of vehicle. The loan was taken during the financial year 2016-17 and is repayable in monthly installment of ₹ 43,885/- each. Accordingly due with in a year is ₹ 4,80,755/- (Principal only) which is clasified under "Other Current Financial Liabilities".

16 (c) (ii) Vehicle loan from AXIS Bank Limited is secured against hyphotication of vehicle. The loan was taken during the year and is repayable in monthly installment of ₹ 1,72,067/- each. Accordingly due with in a year is ₹ 17,55,412/- (Principal only) which is clasified under "Other Current Financial Liabilities".

|        |                                   |                      |                      |                      |
|--------|-----------------------------------|----------------------|----------------------|----------------------|
| 16 (d) | <b>Due to the related Party</b>   | <b>Balance as on</b> | <b>Balance as on</b> | <b>Balance as on</b> |
|        | <b>Name of the Company</b>        | <b>31.03.2018</b>    | <b>31.03.2017</b>    | <b>01.04.2016</b>    |
|        | Bhagynagar Securities Pvt Limited | -                    | -                    | 57,867,821           |
|        | Surana Infocom Pvt Ltd            | -                    | -                    | 7,650,000            |
|        | <b>Total</b>                      | <b>-</b>             | <b>-</b>             | <b>65,517,821</b>    |

**Notes forming part of the Standalone Financial Statements**
**17. Other Financial Liabilities (Non Current)**

(Amount in ₹)

| Particulars       | Note | As at<br>March 31, 2018 | As at<br>March 31, 2017 | As at<br>1st April , 2016 |
|-------------------|------|-------------------------|-------------------------|---------------------------|
| Security Deposits |      | 4,839,907               | 4,682,562               | 7,124,774                 |
| <b>Total</b>      |      | <b>4,839,907</b>        | <b>4,682,562</b>        | <b>7,124,774</b>          |

**18. Borrowings (Current)**

(Amount in ₹)

| Particulars                      | Note        | As at<br>March 31, 2018 | As at<br>March 31, 2017 | As at<br>1st April , 2016 |
|----------------------------------|-------------|-------------------------|-------------------------|---------------------------|
| Secured<br>Cash Credit from Bank | 18<br>(a&b) | 2,619,918               | 1,594,996               | 14,815,554                |
| <b>Total</b>                     |             | <b>2,619,918</b>        | <b>1,594,996</b>        | <b>14,815,554</b>         |

18 (a) Cash Credit from M/s HDFC Bank Limited is secured against certain Fixed Assets and Current Assets of the Company. Further, it has been guaranteed by some of the Directors of the Company.

18 (b) Cash credit shown in the previous years was availed from M/s State Bank of India, and Corporation Bank.

**19. Trade payables**

(Amount in ₹)

| Particulars                                                                | Note | As at<br>March 31, 2018 | As at<br>March 31, 2017 | As at<br>1st April , 2016 |
|----------------------------------------------------------------------------|------|-------------------------|-------------------------|---------------------------|
| For Goods & Service                                                        |      |                         |                         |                           |
| Total Outstanding dues of micro and small enterprises                      |      | -                       | -                       | -                         |
| Total Outstanding dues of creditors other than micro and small enterprises |      | 570,657                 | 12,936,016              | 17,441,052                |
| <b>Total</b>                                                               |      | <b>570,657</b>          | <b>12,936,016</b>       | <b>17,441,052</b>         |

**20. Other Financial Liabilities (Current)**

(Amount in ₹)

| Particulars                          | Note   | As at<br>March 31, 2018 | As at<br>March 31, 2017 | As at<br>1st April , 2016 |
|--------------------------------------|--------|-------------------------|-------------------------|---------------------------|
| Current Maturities of Long Term Debt |        |                         |                         |                           |
| - Term Loan from Bank                | 20 (a) | -                       | 30,400,000              | 40,000,000                |
| - Term Loan from Other Institutions  | 20 (b) | 37,350,356              | 33,034,845              | -                         |
| - Vehicle Loan from Bank             | 20 (c) | 2,236,167               | 432,987                 | -                         |
| <b>Total (A)</b>                     |        | <b>39,586,523</b>       | <b>63,867,832</b>       | <b>40,000,000</b>         |
| Unclaimed Dividend                   |        | 2,027,254               | 2,373,163               | 2,877,023                 |
| <b>Total (B)</b>                     |        | <b>2,027,254</b>        | <b>2,373,163</b>        | <b>2,877,023</b>          |
| <b>Total (A+B)</b>                   |        | <b>41,613,777</b>       | <b>66,240,995</b>       | <b>42,877,023</b>         |

20 (a) (i) Term Loan shown as at 1st April, 2016 was availed from M/s Indian Overseas Bank. The loan was taken during the financial year 2011-12 and was prepaid during the year 2016-17.

20 (a) (ii) Term Loan disclosed as at 31st March, 2017 includes the Loan taken from M/s State Bank of India, which was transferred from M/s Bhagyanagar India Limited as part of Scheme of demerger. The loan was taken during the financial year 2013-14 and was prepaid during the Current year .

## Notes forming part of the Standalone Financial Statements

- 20 (b) (i) Term Loan from Hero FinCorp Ltd is secured by way of exclusive charge on the receivables from Solar Power Project at Gujarat, additionally secured by way of first and exclusive charge on the assets of Solar Power unit at Gujarat and P&M of Wind Power unit at Karnataka and equitable mortgage on one plot situated at Cherlapally, Hyderabad. Further, it has been guaranteed by the some of the directors of the company. The loan is repayable in 84 monthly installments beginning from November 2016. Accordingly, amount due with in a Year is ₹ 3,56,34,389/- (Principal only) which is classified under "Other Current Financial Liabilities".
- 20 (b) (ii) Lease Rental Discounted facility from Aditya Birla Finance Limited is secured by First and exclusive charge on Plot at Maheshwaram Mandal, Ranga Reddy District w.r.t Current and Future lease Rentals from the property. The loan is repayable in 108 monthly installments beginning from June 2016. Accordingly, amount due within a year is ₹ 17,15,964/- (Principal only) which is classified Under "Other Current Liabilities".
- 20 (c) (i) vehicle loan from HDFC Bank Limited is secured against hyphotication of vehicle. The loan was taken during the financial year 2016-17 and is repayable in monthly installment of ₹ 43,885/- each. Accordingly due with in a year is ₹ 4,80,755/- (Principal only) which is classified under "Other Current Financial Liabilities".
- 20 (c) (ii) vehicle loan from AXIS Bank Limited is secured against hyphotication of vehicle. The loan was taken during the financial year 2017-18 and is repayable in monthly installment of ₹ 1,72,067/- each. Accordingly due with in a year is ₹ 17,55,412/- (Principle only) which is classified under "Other Current Financial Liabilities".

## 21. Provisions

(Amount in ₹)

| Particulars                     | Note | As at<br>March 31, 2018 | As at<br>March 31, 2017 | As at<br>1st April , 2016 |
|---------------------------------|------|-------------------------|-------------------------|---------------------------|
| Provision for Employee Benefits |      | 80,000                  | 60,000                  | 60,000                    |
| <b>Total</b>                    |      | <b>80,000</b>           | <b>60,000</b>           | <b>60,000</b>             |

## 22. Other Current Liabilities

(Amount in ₹)

| Particulars                 | Note   | As at<br>March 31, 2018 | As at<br>March 31, 2017 | As at<br>1st April , 2016 |
|-----------------------------|--------|-------------------------|-------------------------|---------------------------|
| Revenue received in advance | 22 (a) | -                       | -                       | 11,294,856                |
| Other Liabilities           |        | 4,320,180               | 9,024,153               | 10,734,189                |
| Accrued Rental Income       |        | 338,072                 | 570,546                 | 877,621                   |
| <b>Total</b>                |        | <b>4,658,252</b>        | <b>9,594,699</b>        | <b>22,906,666</b>         |

## 22 (a) Due to the related Party

## Name of the Company

Aryavaan Renewable Energy Private Limited

Balance as on  
31.03.2018Balance as on  
31.03.2017Balance as on  
01.04.2016

- - 9,000,000

## Total

- - 9,000,000

**Notes forming part of the Standalone Financial Statements**
**23. Revenue from operations**

(Amount in ₹)

| Particulars                       | For the Year ended<br>31st March, 2018 | For the Year ended<br>31st March, 2017 |
|-----------------------------------|----------------------------------------|----------------------------------------|
| <b>(a) Sale of products</b>       |                                        |                                        |
| Solar Power                       | 154,670,818                            | 140,930,823                            |
| Wind Power                        | 4,847,479                              | 5,075,505                              |
| Electric Power Cable / Components | 6,554,252                              | 549,269                                |
| Traded Goods/ Solar Modules       | 68,939,555                             | 111,418,407                            |
| Sale of REC                       | 5,138,391                              | 11,498,471                             |
| <b>Gross Sales</b>                | <b>240,150,495</b>                     | <b>269,472,475</b>                     |
| Less: Sales tax/GST               | 4,860,050                              | 3,952,949                              |
| Less: Inter Unit Transfer         | 14,444,800                             | 13,735,200                             |
| <b>Net Sales</b>                  | <b>220,845,645</b>                     | <b>251,784,326</b>                     |
| <b>(b) Infrastructure Leasing</b> | 14,499,979                             | 14,748,630                             |
| <b>Total</b>                      | <b>235,345,624</b>                     | <b>266,532,956</b>                     |

**24. Other Income**

(Amount in ₹)

| Particulars                                    | For the Year ended<br>31st March, 2018 | For the Year ended<br>31st March, 2017 |
|------------------------------------------------|----------------------------------------|----------------------------------------|
| <b>(a) Interest Income</b>                     |                                        |                                        |
| Interest on Loans, Deposits and Others (Gross) | 12,810,761                             | 3,919,315                              |
| <b>(b) Other Non-Operating Income</b>          |                                        |                                        |
| Miscellaneous Income                           | 119,640                                | 46,000                                 |
| Balances no Longer Payable Written Back        | 956                                    | 2,401,529                              |
| Profit on sale of Assets                       | -                                      | 797,198                                |
| Profit on sale of Investments                  | 7,086,543                              | 1,425,176                              |
| Gain on foreign exchange fluctuation           | 563,997                                | -                                      |
| <b>Total</b>                                   | <b>20,581,897</b>                      | <b>8,589,218</b>                       |

**25. Purchase of Traded Goods**

(Amount in ₹)

| Particulars              | For the Year ended<br>31st March, 2018 | For the Year ended<br>31st March, 2017 |
|--------------------------|----------------------------------------|----------------------------------------|
| Purchase of Traded Goods | -                                      | 13,857,832                             |
| <b>Total</b>             | <b>-</b>                               | <b>13,857,832</b>                      |

**26. Changes in Finished Goods, Stock in Process and Stock in Trade**

(Amount in ₹)

| Particulars                                | For the Year ended<br>31st March, 2018 | For the Year ended<br>31st March, 2017 |
|--------------------------------------------|----------------------------------------|----------------------------------------|
| Increase/Decrease in stock of Traded Goods |                                        |                                        |
| Inventories (at close)                     |                                        |                                        |
| Traded Goods                               | 28,025,284                             | 100,173,909                            |
| <b>(A)</b>                                 | <b>28,025,284</b>                      | <b>100,173,909</b>                     |
| <b>Inventories (at opening)</b>            |                                        |                                        |
| Traded Goods                               | 100,173,909                            | 189,039,106                            |
| <b>Total C=(B-A)</b>                       | <b>72,148,625</b>                      | <b>88,865,197</b>                      |
| Inter Unit Transfer                        | 14,444,800                             | 13,735,200                             |
| <b>Total E=(C-D)</b>                       | <b>57,703,825</b>                      | <b>75,129,997</b>                      |

## Notes forming part of the Standalone Financial Statements

**27. Employee benefit expenses**

(Amount in ₹)

| Particulars                               | For the Year ended<br>31st March, 2018 | For the Year ended<br>31st March, 2017 |
|-------------------------------------------|----------------------------------------|----------------------------------------|
| Salaries, Wages and Other Benefits        | 5,487,072                              | 4,391,684                              |
| Contribution to Provident and Other Funds | 1,261,014                              | 639,337                                |
| <b>Total</b>                              | <b>6,748,086</b>                       | <b>5,031,021</b>                       |

**28. Finance cost**

(Amount in ₹)

| Particulars                 | For the Year ended<br>31st March, 2018 | For the Year ended<br>31st March, 2017 |
|-----------------------------|----------------------------------------|----------------------------------------|
| Interest Expense            |                                        |                                        |
| On Cash Credit & Others     | 5,936,889                              | 8,234,659                              |
| On Term Loan & Vehicle Loan | 32,635,110                             | 29,398,154                             |
| Financial Charges           | 715,416                                | 1,747,000                              |
| <b>Total</b>                | <b>39,287,415</b>                      | <b>39,379,813</b>                      |

**29. Depreciation and Amortization expenses**

(Amount in ₹)

| Particulars  | For the Year ended<br>31st March, 2018 | For the Year ended<br>31st March, 2017 |
|--------------|----------------------------------------|----------------------------------------|
| Depreciation | 69,797,483                             | 72,103,242                             |
| Amortization | 2,069,663                              | 2,024,735                              |
| <b>Total</b> | <b>71,867,146</b>                      | <b>74,127,977</b>                      |

**30. Other expenses**

(Amount in ₹)

| Particulars                           | For the Year ended<br>31st March, 2018 | For the Year ended<br>31st March, 2017 |
|---------------------------------------|----------------------------------------|----------------------------------------|
| Consumption of Stores and Spare Parts | -                                      | 124,323                                |
| Travelling & Conveyance               | 1,123,857                              | 2,087,922                              |
| Advertisement & Business Promotion    | 263,600                                | 1,383,210                              |
| Director's Remuneration               | 11,340,000                             | 9,986,667                              |
| Director's Sitting fees               | 90,000                                 | 157,481                                |
| Postage, Courier & Telephone          | 444,157                                | 997,621                                |
| Watch & ward                          | 1,875,631                              | 1,797,286                              |
| Power and Fuel                        | 2,218,525                              | 3,341,198                              |
| Lease and other Rental charges        | 458,000                                | 585,500                                |
| Professional & Consultancy Charges    | 1,118,238                              | 1,451,172                              |
| Repairs & Maintenance                 | -                                      |                                        |
| Buildings                             | 1,394,122                              | 433,132                                |
| Machinery                             | 7,024,919                              | 7,112,030                              |
| Others                                | 100,320                                | 1,104,731                              |
| Insurance                             | 1,043,224                              | 1,119,391                              |

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

| Particulars                                | For the Year ended<br>31st March, 2018 | For the Year ended<br>31st March, 2017 |
|--------------------------------------------|----------------------------------------|----------------------------------------|
| Rates and Taxes (See note below)           | 1,694,373                              | 791,647                                |
| Packing & Forwarding                       | 4,298,764                              | 807,064                                |
| Loss on sale asset                         | 176,974                                | 141,700                                |
| Taxes paid under protest written off       | -                                      | 7,329,326                              |
| Customs & Excise duty balances written off | 10,794,251                             | -                                      |
| Sundry Balance written off                 | 106,284                                | 388,166                                |
| Miscellaneous Expenses                     | 5,173,208                              | 3,903,919                              |
| Payments to the Auditor                    |                                        |                                        |
| for Statutory Audit                        | 70,000                                 | 80,500                                 |
| for Tax Audit                              | 30,000                                 | 34,500                                 |
| <b>Total</b>                               | <b>50,838,447</b>                      | <b>45,158,486</b>                      |

**Note:** Rates & taxes includes arrears of IALA Tax of ₹ 11,65,216/-paid for Hardware park, Tukkuguda,Hyderabad.

**31. Financial Instruments by Category**

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

| Particulars |                                      | Carrying Value     |                    |                    | Fair Value         |                    |                    |
|-------------|--------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
|             |                                      | 31-Mar-18          | 31-Mar-17          | 1-Apr-16           | 31-Mar-18          | 31-Mar-17          | 1-Apr-16           |
| i)          | Invesment in shares                  | 264,296,920        | 180,497,870        | 130,753,503        | 297,352,611        | 181,496,463        | 135,060,128        |
|             | <b>Total Non Current Assets</b>      | <b>264,296,920</b> | <b>180,497,870</b> | <b>130,753,503</b> | <b>297,343,971</b> | <b>181,496,463</b> | <b>135,060,128</b> |
| ii)         | Other Financial Liabilities          | 5,200,282          | 5,274,317          | 8,002,395          | 4,839,907          | 4,682,562          | 7,124,774          |
| iii)        | Borrowings                           | 277,124,229        | 317,522,209        | 176,898,374        | 275,904,314        | 316,499,372        | 176,898,374        |
|             | <b>Total Non Current Liabilities</b> | <b>282,324,511</b> | <b>322,796,526</b> | <b>184,900,769</b> | <b>280,744,221</b> | <b>321,181,934</b> | <b>184,023,148</b> |

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

**32. Related Party Disclosure**
**a. Name of the Related Parties and related party relationship**

**Enterprises owned or significantly influenced by key management personnel or their relatives:**

- |                                          |                                            |
|------------------------------------------|--------------------------------------------|
| (i) Bhagyanagar India Limited            | (viii) Tejas Technopark Private Limited    |
| (ii) Bhagyanagar Green Energy Limited    | (ix) Shahsons Private Limited              |
| (iii) Bhagyanagar Energy & Telecom P Ltd | (x) Bhagyanagar Properties Private Limited |
| (iv) Bhagyanagar Securities Private Ltd  | (xi) Innova Technologies Pvt Ltd           |
| (v) Bhagyanagar Infrastructure Limited   | (xii) N.S Enterprises                      |
| (vi) Surana Solar Limited                | (xiii) Andhra Electro Galvanising works    |
| (vii) Surana Infocom Pvt Limited         |                                            |

**b. Subsidiary companies**

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

**c. Associate company**

- (i) Surana Solar Limited

## Notes forming part of the Standalone Financial Statements

## d. Key management personnel

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

## e. The following transactions were carried out during the year with the Enterprises controlled by the Key Management Personnel and their related parties.

(Amount in ₹)

| S.No. | Nature of Transaction   | Name of the Related Party              | 2017-18            | 2016-17            |
|-------|-------------------------|----------------------------------------|--------------------|--------------------|
| 1     | Sale of Goods           | Surana Solar Limited                   | 5,41,32,471        | 4,63,26,911        |
|       |                         | Bhagyanagar Infrastructure Limited     | -                  | 2,42,03,025        |
|       |                         | Shasons Private Limited                | -                  | 8,14,538           |
|       |                         | N.S Enterprises                        | -                  | 71,98,170          |
|       |                         | <b>Total</b>                           | <b>5,41,32,471</b> | <b>7,85,42,644</b> |
| 2     | Purchase of Goods       | Surana Solar Limited                   | -                  | 2,94,525           |
|       |                         | <b>Total</b>                           | <b>-</b>           | <b>2,94,525</b>    |
| 3     | Interest Paid           | Bhagyanagar Securities Private Limited | -                  | 10,42,343          |
|       |                         | Surana Infocom Pvt Limited             | -                  | 4,73,238           |
|       |                         | <b>Total</b>                           | <b>-</b>           | <b>15,15,581</b>   |
| 4     | Interest Received       | Surana Solar Systems Private Limited   | 1,12,13,098        | 33,99,401          |
|       |                         | Surana Solar Limited                   | 14,02,075          | -                  |
|       |                         | <b>Total</b>                           | <b>1,26,15,173</b> | <b>33,99,401</b>   |
| 5     | Acquisition of shares   | Aryavaan Renewable Energy Pvt Ltd      | 3,82,50,000        | 50,00,000          |
|       |                         | Tejas India Solar Energy Pvt Limited   | 2,54,49,000        | -                  |
|       |                         | Bhagyanagar Green Energy Limited       | 2,22,88,800        | -                  |
|       |                         | Tejas Technopark Private Limited       | -                  | 9,33,300           |
|       |                         | <b>Total</b>                           | <b>8,66,99,000</b> | <b>59,33,300</b>   |
| 6     | Transfer/Sale of shares | Surana Infocom Private Limited         | 16,44,500          | -                  |
|       |                         | NVR Infrastructure & Services Pvt Ltd  | 25,50,000          | -                  |
|       |                         | <b>Total</b>                           | <b>41,94,500</b>   | <b>-</b>           |
| 7     | Remuneration            | Narender Surana - Managing Director    | 84,00,000          | 70,46,667          |
|       |                         | Vinita Surana - Director               | 29,40,000          | 29,40,000          |
|       |                         | D. Srinivas - Company Secretary        | 9,80,000           | 8,95,000           |
|       |                         | <b>Total</b>                           | <b>1,23,20,000</b> | <b>1,08,81,667</b> |
| 8     | Lease Rent              | Aryavaan Renewable Energy Pvt Ltd      | 1,11,240           | 30,000             |
|       |                         | <b>Total</b>                           | <b>1,11,240</b>    | <b>30,000</b>      |

## f. Detail of Loans/Advances taken and repaid by the Company during the year

## Loans/ advances taken by the company

(Amount in ₹)

| S.No | Name of the related Party          | Particulars            | 2017-18  | 2016-17    | 01.04.2016        |
|------|------------------------------------|------------------------|----------|------------|-------------------|
| i    | Bhagyanagar Securities Private Ltd | Opening balance        | -        | 57,867,821 | -                 |
|      |                                    | Add: Taken             | -        | 23,818,055 | 108,847,774       |
|      |                                    | Less: Repaid           | -        | 81,685,876 | 50,979,953        |
|      |                                    | <b>Closing balance</b> | <b>-</b> | <b>-</b>   | <b>57,867,821</b> |



## Notes forming part of the Standalone Financial Statements

| S.No | Name of the related Party      | Particulars            | 2017-18 | 2016-17    | 01.04.2016       |
|------|--------------------------------|------------------------|---------|------------|------------------|
| ii   | Surana Infocom Private Limited | Opening balance        |         | 7,650,000  | -                |
|      |                                | Add: Taken             |         | 52,100,000 | 14,413,286       |
|      |                                | Less: Repaid           |         | 59,750,000 | 6,763,286        |
|      |                                | <b>Closing balance</b> | -       | -          | <b>7,650,000</b> |

## g. Detail of Loans/Advances given by company and recovered during the year:

## Loans/ advances given by the company

(Amount in ₹)

| S.No | Name of the related Party        | Particulars            | 2017-18    | 2016-17           | 01.04.2016 |
|------|----------------------------------|------------------------|------------|-------------------|------------|
| i    | Tejas Technopark Private Limited | <b>Opening balance</b> | 23,050,000 | -                 | -          |
|      |                                  | Add: Given             | 28,182,609 | 92,000,000        | -          |
|      |                                  | Less: Repaid           | 51,232,609 | 68,950,000        | -          |
|      |                                  | <b>Closing balance</b> | -          | <b>23,050,000</b> | -          |

| S.No | Name of the related Party            | Particulars            | 2017-18            | 2016-17           | 01.04.2016 |
|------|--------------------------------------|------------------------|--------------------|-------------------|------------|
| ii   | Surana Solar Systems Private Limited | Opening balance        | 73,069,661         | -                 | 14,574,242 |
|      |                                      | Add: Given             | 94,647,443         | 76,569,661        | 5,975,604  |
|      |                                      | Less: Repaid           | 45,444,554         | 3,500,000         | 20,549,846 |
|      |                                      | <b>Closing balance</b> | <b>122,272,550</b> | <b>73,069,661</b> | -          |

| S.No | Name of the related Party        | Particulars            | 2017-18    | 2016-17           | 01.04.2016 |
|------|----------------------------------|------------------------|------------|-------------------|------------|
| iii  | Bhagyanagar Green Energy Limited | Opening balance        | 41,239,189 | -                 | -          |
|      |                                  | Add: Given             | 15,519,099 | 49,089,189        | -          |
|      |                                  | Less: Repaid           | 56,758,288 | 7,850,000         | -          |
|      |                                  | <b>Closing balance</b> | -          | <b>41,239,189</b> | -          |

| S.No | Name of the related Party            | Particulars            | 2017-18           | 2016-17          | 01.04.2016        |
|------|--------------------------------------|------------------------|-------------------|------------------|-------------------|
| iv   | Tejas India Solar Energy Pvt Limited | Opening balance        | 67,58,454         | 55,58,454        | -                 |
|      |                                      | Add: Given             | 89,303,510        | 1,200,000        | 55,58,454         |
|      |                                      | Less: Repaid           | 3,46,61,000       | -                | -                 |
|      |                                      | <b>Closing balance</b> | <b>61,400,964</b> | <b>67,58,454</b> | <b>24,360,954</b> |

| S.No | Name of the related Party         | Particulars            | 2017-18           | 2016-17           | 01.04.2016 |
|------|-----------------------------------|------------------------|-------------------|-------------------|------------|
| v    | Aryavaan Renewable Energy Pvt Ltd | Opening balance        | 72,816,245        | -                 | -          |
|      |                                   | Add: Given             | 654,735           | 107,304,745       | -          |
|      |                                   | Less: Repaid           | 61,990,050        | 34,488,500        | -          |
|      |                                   | <b>Closing balance</b> | <b>11,480,930</b> | <b>72,816,245</b> | -          |

| S.No | Name of the related Party | Particulars            | 2017-18           | 2016-17 | 01.04.2016 |
|------|---------------------------|------------------------|-------------------|---------|------------|
| vi   | Surana Solar Limited      | Opening balance        | -                 | -       | -          |
|      |                           | Add: Given             | 88,187,258        | -       | -          |
|      |                           | Less: Repaid           | 25,031,824        | -       | -          |
|      |                           | <b>Closing balance</b> | <b>63,155,434</b> | -       | -          |

| S.No. | Nature of Transaction  | Name of the Related Party         | 2017-18 | 2016-17 | 01.04.2016       |
|-------|------------------------|-----------------------------------|---------|---------|------------------|
| vii   | Advance from Customers | Aryavaan Renewable Energy Pvt Ltd | -       | -       | 90,00,000        |
|       |                        | <b>Total</b>                      | -       | -       | <b>90,00,000</b> |

## Notes forming part of the Standalone Financial Statements

## h. Summary of transactions in respect of merger of Solar Power Unit dealt during the year.

| S.No | Name of the related Party | Particulars                                                   | 2017-18    | 2016-17   | 01.04.2016 |
|------|---------------------------|---------------------------------------------------------------|------------|-----------|------------|
| 1    | Bhagynagar India Ltd      | Amount Paid/adjusted on account of demerger Transactions.     | 30,256,508 | 9,152,573 | -          |
|      |                           | Amount received/adjusted on account of demerger Transactions. | 39,409,081 | -         | -          |

Amount shown in previous year represents the due as at end of the year.

## 33. Disclosure required under Section 186(4) of the Companies Act 2013

For details of Loans, advances and guarantee given and securities provided to any of the related party. Please refer note no: 32

34. In the opinion of Board of Directors and to the best of their knowledge and belief, the value on realization of current assets, loans and advances in the ordinary course of business, would not be less than the amount at which the same are stated in the Balance Sheet.

## 35. Earnings Per Share (EPS)

| Particulars                                                                         |         | 2017-18      | 2016-17      |
|-------------------------------------------------------------------------------------|---------|--------------|--------------|
| Net Profit after Tax                                                                | Rupees. | 2,30,59,602  | 1,76,14,048  |
| Net Profit after Tax available for equity share holders - For Basic and Diluted EPS | Rupees. | 2,30,59,602  | 1,76,14,048  |
| Weighted Average No. Of Equity Shares For Basic EPS                                 | Nos.    | 13,57,59,963 | 13,57,59,963 |
| Weighted Average No. Of Equity Shares For Diluted EPS                               | Nos.    | 13,57,59,963 | 13,57,59,963 |
| Nominal Value of Equity Shares                                                      | Rupees. | 1            | 1            |
| Basic Earnings Per Equity Share                                                     | Rupees. | 0.17         | 0.13         |
| Diluted Earnings Per Equity Share                                                   | Rupees. | 0.17         | 0.13         |

## 36. Contingent Liabilities and Commitments (to the extent not provided for)

(Amount in ₹)

| Particulars                   | As at 31-03-2018 | As at 31-03-2017 |
|-------------------------------|------------------|------------------|
|                               | Rupees           | Rupees           |
| Contingent Liabilities        | 2,20,25,487      | 2,31,36,819      |
| <b>Commitments:</b>           |                  |                  |
| 1. Guarantees issued by banks | -                | 1,50,00,000      |

## Raw material consumed during the year

| Sl.No. | Particulars                         | 2017-18            | 2016-17            |
|--------|-------------------------------------|--------------------|--------------------|
| i      | Solar related modules               | 5,77,03,825        | 8,71,14,779        |
| ii     | Others including incidental charges | -                  | 18,73,050          |
|        | <b>Total</b>                        | <b>5,77,03,825</b> | <b>8,89,87,829</b> |

**Note:** Material which are included in others do not individually exceed 10 % of consumption.

## 37. Detailed of imported and indigenous raw materials, spares and packing materials consumed

| Particulars  | 2017-18            |                        | 2016-17            |                        |
|--------------|--------------------|------------------------|--------------------|------------------------|
|              | Value (₹)          | % of Total Consumption | Value (₹)          | % of Total Consumption |
| Imported     | 5,77,03,825        | 100.00                 | 8,71,14,779        | 97.90                  |
| Indigenous   | -                  | -                      | 18,73,050          | 2.10                   |
| <b>Total</b> | <b>5,77,03,825</b> | <b>100.00</b>          | <b>8,89,87,829</b> | <b>100.00</b>          |

**Notes forming part of the Standalone Financial Statements**
**38. CIF Value of Imports**

(Amount in ₹)

| Particulars  | 2017-18  | 2016-17            |
|--------------|----------|--------------------|
| Traded Goods | -        | 1,26,99,332        |
| <b>Total</b> | <b>-</b> | <b>1,26,99,332</b> |

**39. Retirement and Other Employees Benefits**

The Company's employee benefits primarily cover provident fund, gratuity and leave encashment.

Provident fund is a defined contribution scheme and the company has no further obligation beyond the contribution made to the fund. Contributions are charged to the Profit & Loss account in the year in which they accrue.

Gratuity liability is a defined benefit obligation and is based on the actuarial valuation done. The gratuity liability and the net periodic gratuity cost is actually determined after considering discounting rates, expected long term return on plan assets and increase in compensation level. All actuarial gain/ losses are immediately charged to the Profit & Loss account and are not deferred.

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

| <b>a Expenses recognized in the Profit &amp; Loss Account</b> (Amount in ₹) |               |                   |  |
|-----------------------------------------------------------------------------|---------------|-------------------|--|
| Particulars                                                                 | Gratuity      |                   |  |
|                                                                             | 2017-18       | 2016-17           |  |
| Current service cost                                                        | 78,820        | 41,757            |  |
| Interest cost                                                               | 8,684         | 23,719            |  |
| Expected Return on Planned Assets                                           | (19,134)      | (1,46,431)        |  |
| Net Actuarial Loss/ (Gain) recognized in the year                           | 18,328        | (2,53,411)        |  |
| Expenses recognised in Statement of Profit & Loss                           | <b>86,698</b> | <b>(3,34,366)</b> |  |

| <b>b Change in Present value of obligation during the year ended 31st March, 2018</b> |                 |                 |  |
|---------------------------------------------------------------------------------------|-----------------|-----------------|--|
| Particulars                                                                           | Gratuity        |                 |  |
|                                                                                       | 2017-18         | 2016-17         |  |
| Present Value of obligation as at beginning of the year                               | 1,08,548        | 2,96,483        |  |
| Interest Cost                                                                         | 8,684           | 23,719          |  |
| Current Service Cost                                                                  | 78,820          | 41,757          |  |
| Benefits Paid-Actuals                                                                 | -               | -               |  |
| Actuarial (Gain)/ Loss on Obligations                                                 | 18,328          | (2,53,411)      |  |
| <b>Present Value of obligation as at end of the year</b>                              | <b>2,14,380</b> | <b>1,08,548</b> |  |

| <b>c Change in fair value of Plan Assets during the year ended 31st March, 2018</b> |                 |                 |  |
|-------------------------------------------------------------------------------------|-----------------|-----------------|--|
| Particulars                                                                         | Gratuity        |                 |  |
|                                                                                     | 2017-18         | 2016-17         |  |
| Fair value of Plan Assets as at the beginning of the year                           | 2,41,374        | 94,803          |  |
| Expected Return on Plan Assets                                                      | 19,134          | 1,46,431        |  |
| Contributions                                                                       | 68,196          | 140             |  |
| Benefits Paid                                                                       | -               | -               |  |
| <b>Fair value of Plan Assets as at the end of the year</b>                          | <b>3,28,704</b> | <b>2,41,374</b> |  |

## Notes forming part of the Standalone Financial Statements

| <b>d Actuarial Gain/ loss recognized</b>         |  |                 |                |
|--------------------------------------------------|--|-----------------|----------------|
| <b>Particulars</b>                               |  | <b>Gratuity</b> |                |
|                                                  |  | <b>2017-18</b>  | <b>2016-17</b> |
| Actuarial (Gain) / Loss for the year -Obligation |  | (18,328)        | 2,53,411       |
| Total Loss for the Year                          |  | 18,328          | (2,53,411)     |
| Actuarial (Gain) / Loss recognized in the year   |  | 18,328          | (2,53,411)     |

| <b>e Actuarial assumption</b> |  |                 |                |
|-------------------------------|--|-----------------|----------------|
| <b>Particulars</b>            |  | <b>Gratuity</b> |                |
|                               |  | <b>2017-18</b>  | <b>2016-17</b> |
| Discount rate used            |  | 8%              | 8%             |
| Salary escalation             |  | 6%              | 4%             |

**40. financial risk management objectives and policies**

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

**A. Market risk**

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

**Interest rate risk**

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

**B. Credit risk**

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

**Trade receivables**

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

**Financial Instrument and cash deposits**

Credit risk from balances with banks and financial institutions is managed by the Company's Finance department in accordance with the Company's policy. Investments of surplus funds are reviewed and approved by the Company's Board of Directors on an annual basis. The Company's maximum exposure to credit risk for the components of the statement of financial position at 31 March 2018 and 2017 is the carrying amounts.

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

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

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

(Amount in ₹)

| Year Ended | On Demand | 3 to 12 Months     | 1 to 5 Years        | >5 Years | Total               |
|------------|-----------|--------------------|---------------------|----------|---------------------|
| 31-Mar-18  |           |                    |                     |          |                     |
| Borrowings | -         | 4,22,06,441        | 27,59,04,314        | -        | 31,81,10,755        |
|            | -         | <b>4,22,06,441</b> | <b>27,59,04,314</b> | -        | <b>31,81,10,755</b> |
| 31-Mar-17  |           |                    |                     |          |                     |
| Borrowings | -         | 654,62,828         | 31,64,99,372        | -        | 38,19,62,200        |
|            | -         | <b>654,62,828</b>  | <b>31,64,99,372</b> | -        | <b>38,19,62,200</b> |
| 01-Apr-16  |           |                    |                     |          |                     |
| Borrowings | -         | 5,48,15,554        | 17,68,98,374        | -        | 23,17,13,928        |
|            | -         | <b>5,48,15,554</b> | <b>17,68,98,374</b> | -        | <b>23,17,13,928</b> |

**41. Capital Management**

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

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

(Amount in ₹)

| Particulars                                                                                                         |                     | 31 Mar 2018           | 31 Mar 2017          | 31 Mar 2016         |
|---------------------------------------------------------------------------------------------------------------------|---------------------|-----------------------|----------------------|---------------------|
| Borrowings (Long term and Short term including Current maturity of Long term Borrowings)<br>(Note : 16, 18, 20)     |                     | 31,81,10,755          | 38,19,62,200         | 23,17,13,928        |
| Other Payable (current and non-current, excluding current maturity of long term borrowings)<br>Note : (17,19,21,22) |                     | 1,21,76,070           | 2,96,46,440          | 5,04,09,515         |
| Less Cash and Cash Equivalents (Note : 11)                                                                          |                     | 35,60,271             | 1,04,17,224          | 1,26,56,603         |
| <b>Net Debt</b>                                                                                                     | <b>(A)</b>          | <b>32,67,26,554</b>   | <b>40,11,91,416</b>  | <b>26,94,66,840</b> |
| Equity Share capital                                                                                                |                     | 13,57,59,963          | 13,57,59,963         | 10,40,22,000        |
| Other Equity                                                                                                        |                     | 76,52,67,865          | 71,01,59,805         | 51,14,67,889        |
| <b>Total Capital</b>                                                                                                | <b>(B)</b>          | <b>90,10,27,828</b>   | <b>84,59,19,768</b>  | <b>61,54,89,889</b> |
| <b>Capital and Net debt</b>                                                                                         | <b>C= (A+B)</b>     | <b>1,22,77,54,382</b> | <b>124,71,11,184</b> | <b>88,49,56,729</b> |
| <b>Gearing ratio (in %)</b>                                                                                         | <b>D= (A/C*100)</b> | <b>26.61</b>          | <b>32.17</b>         | <b>30.45</b>        |

**42. First-time adoption of Ind AS**

These financial statements, for the year ended March 31, 2018, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on March 31, 2018, together with the comparative period data as at and for the year ended March 31, 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 1, 2016, the Company's date of transition to Ind AS.

## Notes forming part of the Standalone Financial Statements

## Exemptions applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

- (a) Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for investment property covered by Ind AS 40 Investment Properties. Accordingly, the Company has elected to measure all of its property, plant and equipment and investment property at their previous GAAP carrying value.
- (b) Ind AS 27 requires investments in subsidiaries to be recorded at cost or in accordance with Ind AS 109 in its separate financial statements. However Ind AS 101 provides an option in case the Company decides to measure such investment at cost (determined in accordance with Ind AS 27) or deemed cost (fair value or previous GAAP carrying amount) at that date. The Company can avail the above exemption and recognize the investment in firms at the previous GAAP carrying amount at the date of transition to Ind AS.

The Company has also prepared a reconciliation of equity as at March 31, 2017 and April 1, 2016 under the Previous GAAP with the equity as reported in these financial statements under Ind AS, that reflect the impact of Ind AS on the components of statement of balance sheet which is presented below:

| (Amount in ₹)                     |                     |                     |
|-----------------------------------|---------------------|---------------------|
| Particulars                       | 31-Mar-17           | 01-Apr-16           |
| <b>Equity under previous GAAP</b> | <b>84,38,77,129</b> | <b>61,11,83,265</b> |
| Adjustments (net of tax):         | 9,98,592            | 43,06,624           |
| Others                            | 10,44,047           | -                   |
| <b>Equity under Ind AS</b>        | <b>84,59,19,768</b> | <b>61,54,89,889</b> |

The Company has prepared a reconciliation of the net profit for the previous year ended March 31, 2017 under the Previous GAAP with the total comprehensive income as reported in these financial statements under Ind AS, that reflect the impact of Ind AS on the components of statement of profit and loss which is presented below:

| (Amount in ₹)                            |             |
|------------------------------------------|-------------|
| Particulars                              | 31-Mar-17   |
| Net profit as per previous GAAP          | 1,65,70,001 |
| Adjustments (net of tax):                | -           |
| Others                                   | 10,44,047   |
| Net profit as per IND AS                 | 1,76,14,048 |
| Other Comprehensive Income ( net of tax) | (33,08,032) |
| Total Comprehensive Income as per IND AS | 1,43,06,016 |

## Notes to reconciliations between previous GAAP and Ind AS

Other comprehensive income:

Under Indian GAAP, the Company has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP profit/loss to profit/loss as per Ind AS. Further, Indian GAAP profit/loss is reconciled to total comprehensive income as per Ind AS.

43. Previous year's figures have been regrouped and rearranged, wherever found necessary.

As per our report of even date attached

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

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

**Rameshchand Jain**  
(Partner)  
Membership No: 023019

**Narender Surana**  
Managing Director  
DIN: 00075086

**Devendra Surana**  
Director  
DIN: 00077296

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

Place: Secunderabad  
Date: 26<sup>th</sup> May, 2018

## Independent Auditors' Report on Consolidated Financial Statements

To the Members of  
**M/s. Surana Telecom And Power Limited**

### Report on the Consolidated Ind AS Financial Statements

1. We have audited the accompanying consolidated Ind AS financial statements of **M/s. Surana Telecom And Power Limited** ("the Holding Company") and its subsidiaries, (" M/S.Globecom Infotech Private Limited , M/S. Tejas India Solar Energy Private Limited , M/S.Aryavaan Renewable Energy Private Limited , M/S.Surana Solar Systems Private Limited together referred as the Group.") which comprises the consolidated balance sheet as at 31 March 2018, the consolidated statement of profit and loss including other comprehensive income, the consolidated cash flow statement , the consolidated statement of change in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

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

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

### Auditors' Responsibility

3. Our responsibility is to express an opinion on the consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
4. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS 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 Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.
6. We believed that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### Opinion

7. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of other financial information of the subsidiaries, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at 31 March 2018, and their consolidated profit including other comprehensive Income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

8. As required by sub-section 3 of Section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in other matter paragraph we report, to the extent applicable, that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.
  - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books
  - c. The consolidated balance sheet, the consolidated statement of profit and loss including the statement of Other Comprehensive Income, the consolidated cash flow statement and consolidated Statement of changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d. In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Indian Accounting Standards) Rules, 2015, as amended:
  - e. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2018 taken on record by the Board of Directors of the Holding Company and its subsidiary companies incorporated in India, none of the Directors of the Group companies incorporated in India is disqualified as on 31 March 2018 from being appointed as a Director of that company in terms of sub-section 2 of Section 164 of the Act , *except one of the director in a subsidiary company* .
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; 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) The Holding Company has disclosed the impact of pending litigations on its consolidated financial position in its consolidated financial statements – Refer Note 37 to the consolidated financial statements and also included in the Emphasis of matter paragraph above ;
    - ii) The Company has made a provision , as required under the applicable law or accounting standards for material foreseeable losses, if any, on long term contracts including derivative contracts.
    - iii) During the year the Holding Company has transferred the required amount to the Investor education and Protection Fund and there is no delay in transferring of such sum.

### Other Matters

9. The comparative financial information of the Company for the year ended 31st March 2017 and the transition date opening balance sheet as at 1st April 2016 included in these audited consolidated financial results Ind AS statements, are based on previously issued statutory financial statements prepared in accordance with the companies (Accounting Standards ) Rules, 2006 audited by the predecessor auditor whose report for the year ended 31st March 2017 and 31st March 2016 dated 16th May 2017 and 28th May 2016 respectively expressed an unmodified opinion on those CFS statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion on the consolidated Ind AS financial statements is not modified in respect of the above matter.

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

**Rameshchand Jain**  
**(Partner)**  
**Membership No.023019**

**Place: Secunderabad**  
**Date: 26<sup>th</sup> May 2018**

## **Annexure - A to the Auditors' Report**

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31 March 2018, we have audited the internal financial controls over financial reporting of **M/S Surana Telecom And Power Limited** ("the Holding Company") and its subsidiaries (" M/S. Globecom Infotech Private Limited , M/S. Tejas India Solar Energy Private Limited , M/S. Aryavaan Renewable Energy Private Limited , M/S. Surana Solar Systems Private Limited together referred to as "the Group"), which are companies incorporated in India, as of that date.

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

The Respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding company and its subsidiary companies incorporated in India 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 the respective 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 and its subsidiary companies incorporated in India , Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

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

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

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

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

**Opinion**

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

**Other Matters**

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to four (4) subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

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

**Rameshchand Jain**  
**(Partner)**  
**Membership No.023019**

**Place: Secunderabad**

**Date: 26<sup>th</sup> May 2018**

## Consolidated Balance Sheet as at 31<sup>st</sup> March 2018

(Amount in ₹)

| Particulars                         | Note No. | As at<br>31 <sup>st</sup> March 2018 | As at<br>31 <sup>st</sup> March 2017 | As at<br>1 <sup>st</sup> April 2016 |
|-------------------------------------|----------|--------------------------------------|--------------------------------------|-------------------------------------|
| <b>i ASSETS</b>                     |          |                                      |                                      |                                     |
| <b>1) Non Current Assets</b>        |          |                                      |                                      |                                     |
| a) Property, Plant and Equipment    | 6        | 1,046,339,744                        | 1,982,097,503                        | 690,517,273                         |
| Capital work-in-Progress            |          | 143,944,750                          | 97,083,212                           | 861,409,726                         |
| b) Financial Assets                 |          |                                      |                                      |                                     |
| Investments                         | 7        | 247,287,714                          | 168,077,181                          | 101,608,228                         |
| Loans                               | 8        | 85,602,227                           | 86,849,736                           | 26,035,273                          |
| c) Other non-current assets         | 9        | 1,979,061                            | 3,184,731                            | 32,940,558                          |
|                                     |          | <b>1,525,153,496</b>                 | <b>2,337,292,363</b>                 | <b>1,712,511,058</b>                |
| <b>2) Current Assets</b>            |          |                                      |                                      |                                     |
| a) Inventories                      | 10       | 28,025,284                           | 100,173,909                          | 189,039,106                         |
| b) Financial assets                 |          |                                      |                                      |                                     |
| Trade receivables                   | 11       | 26,947,725                           | 56,662,725                           | 41,801,946                          |
| Cash and cash equivalents           | 12       | 21,044,067                           | 36,391,752                           | 27,555,963                          |
| c) Current Tax Assets (net)         | 13       | 221,752                              | 1,714,060                            | 3,246,343                           |
| d) Other current assets             | 14       | 11,697,380                           | 33,817,363                           | 39,965,402                          |
|                                     |          | <b>87,936,208</b>                    | <b>228,759,809</b>                   | <b>301,608,760</b>                  |
| <b>TOTAL ASSETS</b>                 |          | <b>1,613,089,704</b>                 | <b>2,566,052,172</b>                 | <b>2,014,119,818</b>                |
| <b>ii EQUITY AND LIABILITIES</b>    |          |                                      |                                      |                                     |
| <b>1) Equity</b>                    |          |                                      |                                      |                                     |
| a) Equity share capital             | 15       | 135,759,963                          | 260,759,963                          | 104,022,000                         |
| b) Other Equity                     | 16       | 813,448,935                          | 734,059,492                          | 509,389,794                         |
| Total Equity                        |          | <b>949,208,898</b>                   | <b>994,819,455</b>                   | <b>613,411,794</b>                  |
| <b>2) Non Controlling Interest</b>  | 17       | 93,045,291                           | 35,759,086                           | 29,308,138                          |
| <b>3) Non Current Liabilities</b>   |          |                                      |                                      |                                     |
| a) Financial Liabilities            |          |                                      |                                      |                                     |
| -Borrowings                         | 18       | 494,610,214                          | 1,165,397,901                        | 1,118,808,097                       |
| -Other financial liabilities        | 19       | 4,839,907                            | 4,682,562                            | 7,124,775                           |
| b) Deferred tax liabilities (Net)   |          | 2,243,257                            | 2,828,540                            | 2,581,781                           |
|                                     |          | <b>501,693,378</b>                   | <b>1,172,909,003</b>                 | <b>1,128,514,653</b>                |
| <b>4) Current Liabilities</b>       |          |                                      |                                      |                                     |
| a) Financial liabilities            |          |                                      |                                      |                                     |
| -Borrowings                         | 20       | 2,619,918                            | 1,594,996                            | 14,815,554                          |
| -Trade Payables                     | 21       | 1,583,771                            | 250,799,029                          | 140,437,888                         |
| -Other financial liabilities        | 22       | 50,988,777                           | 90,940,995                           | 63,877,023                          |
| b) Provisions                       | 23       | 80,000                               | 60,000                               | 60,000                              |
| c) Other current liabilities        | 24       | 13,869,671                           | 19,169,608                           | 23,694,768                          |
|                                     |          | <b>69,142,137</b>                    | <b>362,564,628</b>                   | <b>242,885,233</b>                  |
| Total Liabilities                   |          | <b>570,835,515</b>                   | <b>1,535,473,631</b>                 | <b>1,371,399,886</b>                |
| <b>TOTAL EQUITY AND LIABILITIES</b> |          | <b>1,613,089,704</b>                 | <b>2,566,052,172</b>                 | <b>2,014,119,818</b>                |

Significant accounting policies and key accounting estimates and judgements 1 to 5

See accompanying notes form an integral part of Consolidated Financial Statements. 33 to 45

As per our report of even date attached

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

**For Luharuka & Associates**

**Chartered Accountants**

**Firm Reg No - 01882S**

**Rameshchand Jain**

**(Partner)**

**Membership No: 023019**

**Narender Surana**

**Managing Director**

**DIN: 00075086**

**Devendra Surana**

**Director**

**DIN: 00077296**

**D. Srinivas**

**Company Secretary**

**ACS:23425**

Place: Secunderabad

Date: 26<sup>th</sup> May, 2018

Consolidated Statement of Profit and Loss for the Year Ended 31<sup>st</sup> March, 2018

(Amount in ₹)

| Particulars                                                              | Note | For the year ended<br>31 <sup>st</sup> March, 2018 | For the year ended<br>31 <sup>st</sup> March, 2017 |
|--------------------------------------------------------------------------|------|----------------------------------------------------|----------------------------------------------------|
| <b>I Income</b>                                                          |      |                                                    |                                                    |
| Revenue from operations                                                  | 25   | 333,606,661                                        | 332,022,070                                        |
| <b>II Other Income</b>                                                   | 26   | 23,794,751                                         | 12,500,265                                         |
| <b>III Total Income (I+II)</b>                                           |      | <b>357,401,412</b>                                 | <b>344,522,335</b>                                 |
| <b>IV Expenses</b>                                                       |      |                                                    |                                                    |
| Purchase of Traded Goods                                                 | 27   | -                                                  | 13,857,832                                         |
| Increase/Decrease in Inventories & Work in Progress                      | 28   | 57,703,825                                         | 75,129,997                                         |
| Employee benefits expense                                                | 29   | 8,440,653                                          | 5,965,003                                          |
| Finance costs                                                            | 30   | 69,485,997                                         | 63,128,885                                         |
| Depreciation & amortisation                                              | 31   | 138,390,864                                        | 105,124,324                                        |
| Other expenses                                                           | 32   | 58,567,504                                         | 55,728,639                                         |
| <b>Total expenses</b>                                                    |      | <b>332,588,843</b>                                 | <b>318,934,680</b>                                 |
| <b>V Profit before tax (III-IV)</b>                                      |      | <b>24,812,569</b>                                  | <b>25,587,655</b>                                  |
| <b>VI Tax expense:</b>                                                   |      |                                                    |                                                    |
| Current Tax                                                              |      | 6,630,000                                          | 5,195,115                                          |
| Mat Credit Entitlement                                                   |      | -                                                  | (746,047)                                          |
| Deferred Tax                                                             |      | (585,480)                                          | 246,862                                            |
| <b>VII Profit after tax (V-VI)</b>                                       |      | <b>18,768,049</b>                                  | <b>20,891,725</b>                                  |
| <b>VIII Other Comprehensive Income (OCI)</b>                             |      |                                                    |                                                    |
| <b>a</b> Items that will not be reclassified to profit or loss           |      | <b>32,048,459</b>                                  | <b>(3,308,032)</b>                                 |
| <b>b</b> Items that will be reclassified to profit or loss               |      | -                                                  | -                                                  |
| <b>IX Total Comprehensive Income for the Year, Net of Tax (VII+VIII)</b> |      | <b>50,816,508</b>                                  | <b>17,583,693</b>                                  |
| Total Comprehensive Income for the Year, attributable to                 |      |                                                    |                                                    |
| - Owners of the Company                                                  |      | <b>54,682,303</b>                                  | <b>16,032,745</b>                                  |
| - Non Controlling interest                                               |      | (3,865,795)                                        | 1,550,948                                          |
|                                                                          |      | <b>50,816,508</b>                                  | <b>17,583,693</b>                                  |
| <b>IV Earning Per Equity Share</b>                                       |      |                                                    |                                                    |
| (a) Basic                                                                |      | 0.14                                               | 0.15                                               |
| (b) Diluted                                                              |      | 0.14                                               | 0.15                                               |

Significant accounting policies and key accounting estimates and judgements

1 to 5

See accompanying notes form an integral part of Consolidated Financial Statements.

33 to 45

As per our report of even date attached

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

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

**Rameshchand Jain**  
**(Partner)**  
**Membership No: 023019**

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

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

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

Place: Secunderabad  
Date: 26<sup>th</sup> May, 2018



## Statement of Changes in Equity for the Year ended 31st March 2018

## A. Equity Share capital

| Particulars                                    | No of shares       | In Rupees          |
|------------------------------------------------|--------------------|--------------------|
| <b>Balance as at 1 April 2016</b>              | <b>104,022,000</b> | <b>104,022,000</b> |
| Changes in equity share capital during 2016-17 | 31,737,963         | 31,737,963         |
| <b>Balance as at 31 March 2017</b>             | <b>135,759,963</b> | <b>135,759,963</b> |
| <b>Balance as at 1 April 2017</b>              |                    |                    |
| Changes in equity share capital during 2017-18 | 135,759,963        | 135,759,963        |
| <b>Balance as at 31 March 2018</b>             | <b>135,759,963</b> | <b>135,759,963</b> |

## B. Preferential Share capital

| Particulars                                                                                 | No of shares             | In Rupees                    |
|---------------------------------------------------------------------------------------------|--------------------------|------------------------------|
| <b>Balance as at 1 April 2016</b>                                                           | -                        | -                            |
| Changes in equity share capital during 2016-17                                              | 1,250,000                | 125,000,000                  |
| <b>Balance as at 31 March 2017</b>                                                          | <b>1,250,000</b>         | <b>125,000,000</b>           |
| <b>Balance as at 1 April 2017</b>                                                           |                          |                              |
| Changes in equity share capital during 2017-18<br>(Due to Divestment in Subsidiary company) | 1,250,000<br>(1,250,000) | 125,000,000<br>(125,000,000) |
| <b>Balance as at 31 March 2018</b>                                                          | -                        | -                            |

## B. Other Equity

(Amount in `)

| Particulars                                                          | Reserves and Surplus |                    |                            |                 |                     | Other Comprehensive Income | Total              |
|----------------------------------------------------------------------|----------------------|--------------------|----------------------------|-----------------|---------------------|----------------------------|--------------------|
|                                                                      | Retained Earnings    | General Reserve    | Capital Redemption reserve | Capital Reserve | Revaluation Reserve | Central Subsidy            |                    |
| <b>Balance at 1 April 2016</b>                                       | <b>201,873,727</b>   | <b>260,352,578</b> | <b>24,000,000</b>          | <b>610,749</b>  | <b>19,052,740</b>   | <b>3,500,000</b>           | <b>509,389,794</b> |
| Profit for the year                                                  | 20,891,725           | -                  | -                          | -               | -                   | -                          | 20,891,725         |
| Add: Other Comprehensive Income (net of tax)                         | -                    | -                  | -                          | -               | -                   | (3,308,032)                | (3,308,032)        |
| Total Comprehensive Income for the year 2016-17 (B)                  | 20,891,725           | -                  | -                          | -               | -                   | (3,308,032)                | 17,583,693         |
| Less: Non -Controlling Interest (Current Year's Profit (C)           | 1,550,948            | -                  | -                          | -               | -                   | -                          | 1,550,948          |
| Add: Share in Net Profit of Associate company (D)                    | 24,251,053           | 184,385,900        | -                          | -               | -                   | -                          | 24,251,053         |
| Add: Net Assets transferred from M/s Bhagyanagar India Ltd on Merger | -                    | -                  | -                          | -               | -                   | -                          | 184,385,900        |
| <b>Balance at 31 March 2017 E= (A+B C+D)</b>                         | <b>245,465,557</b>   | <b>444,738,478</b> | <b>24,000,000</b>          | <b>610,749</b>  | <b>19,052,740</b>   | <b>3,500,000</b>           | <b>734,059,492</b> |

|                                                           |            |                    |                    |                   |                |                   |                  |                    |                    |
|-----------------------------------------------------------|------------|--------------------|--------------------|-------------------|----------------|-------------------|------------------|--------------------|--------------------|
| <b>Balance at 1 April 2017</b>                            | <b>(D)</b> | <b>245,465,557</b> | <b>444,738,478</b> | <b>24,000,000</b> | <b>610,749</b> | <b>19,052,740</b> | <b>3,500,000</b> | <b>(3,308,032)</b> | <b>734,059,492</b> |
| Profit for the year                                       |            | 18,768,049         | -                  | -                 | -              | -                 | -                | -                  | 18,768,049         |
| Add: Other Comprehensive Income (net of tax)              |            | -                  | -                  | -                 | -              | -                 | -                | 32,048,459         | 32,048,459         |
| Total Comprehensive Income for the year 2017-18 (E)       |            | 18,768,049         | -                  | -                 | -              | -                 | -                | 32,048,459         | 50,816,508         |
| Less : Non-Controlling Interest(Current Year's Profit (F) |            | (3,865,795)        |                    |                   |                |                   |                  |                    | (3,865,795)        |
| Add: Share in Net Profit of associate company (G)         |            | 24,707,141         |                    |                   |                |                   |                  |                    | 24,707,141         |
| <b>Balance at 31 March 2018 H = (D+E-F+G)</b>             |            | <b>292,806,542</b> | <b>444,738,478</b> | <b>24,000,000</b> | <b>610,749</b> | <b>19,052,740</b> | <b>3,500,000</b> | <b>28,740,427</b>  | <b>813,448,935</b> |

Significant accounting policies and key accounting estimates and Judgements

1 to 5

See accompanying notes form an integral part of the Consolidated financial Statements.

33 to 45

As per our report of even date attached

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

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

**Rameshchand Jain**  
**(Partner)**

**Membership No: 023019**

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

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

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

Place: Secunderabad  
Date: 26<sup>th</sup> May, 2018

## Consolidated Cash Flow Statement for the Year Ended 31<sup>st</sup> March, 2018

(Amount in ₹)

| Particulars                                                  | 2017-18              | 2016-17              |
|--------------------------------------------------------------|----------------------|----------------------|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>                |                      |                      |
| Net Profit (Loss) before Tax and Exceptional Items           | 24,812,569           | 25,587,655           |
| Adjustments for Non-Operating Activities:                    |                      |                      |
| Other Comprehensive Income                                   | 32,048,459           | (3,308,032)          |
| Sundry Balances written off                                  | 106,284              | 388,166              |
| Other Balances written off                                   | 10,794,251           | 7,329,326            |
| Sundry Balances written back                                 | (376,396)            | (2,594,654)          |
| (Profit)/loss on Sale of Investments                         | (7,086,543)          | (1,425,176)          |
| (Profit)/loss on Sale of Assets                              | -                    | 267,171              |
| Interest Paid                                                | 69,485,997           | 63,128,885           |
| Depreciation & amortisation                                  | 138,390,864          | 105,124,324          |
| Interest income                                              | (12,923,094)         | (4,090,692)          |
|                                                              | <b>230,439,822</b>   | <b>164,819,318</b>   |
| Operating Profit before Working Capital Changes              | <b>255,252,391</b>   | <b>190,406,973</b>   |
| Adjustments for Working Capital Changes:                     |                      |                      |
| (Increase)/ Decrease in Inventories                          | 72,148,625           | 88,865,197           |
| (Increase)/ Decrease in Other assets                         | 20,199,647           | (1,344,463)          |
| (Increase)/ Decrease in Trade Receivables                    | 31,426,605           | (22,578,271)         |
| (Increase)/ Decrease in Trade payables and other liabilities | (169,512,817)        | 106,718,162          |
| Cash Generation From Operations                              | <b>(45,737,940)</b>  | <b>171,660,625</b>   |
| Direct Taxes (Net)                                           | (6,085,009)          | (2,298,805)          |
| Net Cash from Operating Activities (A)                       | <b>203,429,442</b>   | <b>359,768,793</b>   |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>                |                      |                      |
| Purchase of Fixed Assets                                     | (68,578,225)         | (389,305,639)        |
| Sale of Fixed Assets                                         | 6,851,703            | 820,000              |
| Loans & advances to others                                   | 1,133,755            | (24,930,161)         |
| Investment in shares (Net)                                   | 1,957,309            | (67,894,129)         |
| Interest received                                            | 12,923,094           | 4,090,692            |
| Net Cash from Investing Activities (B)                       | <b>(45,712,364)</b>  | <b>(477,219,237)</b> |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>                |                      |                      |
| Proceeds from issue of Shares to minority                    | -                    | 4,900,000            |
| Proceeds from issue of Share Capital                         | -                    | 125,000,000          |
| Proceeds/(Repayment) from borrowings                         | (151,025,049)        | 611,969,117          |
| Proceeds/(Repayment) from others                             | 66,530,974           | (550,009,261)        |
| Interest Paid                                                | (69,485,997)         | (65,069,763)         |
| Dividend Paid                                                | (345,909)            | (503,860)            |
| (Increase)/Decrease in restricted deposits                   | 2,851,426            | 4,031,851            |
| Net Cash from Financing Activities (C)                       | <b>(151,474,555)</b> | <b>130,318,084</b>   |
| Net Increase (Decrease) in Cash and Cash Equivalent (A+B+C)  | <b>6,242,523</b>     | <b>12,867,640</b>    |
| Cash and Cash Equivalent at the beginning (Refer note: 3)    | 11,950,118           | 6,360,037            |
| Cash and Cash Equivalent at the end                          | 18,192,641           | 19,227,677           |
| Net Increase (Decrease) in Cash and Cash Equivalent (A+B+C)  | 6,242,523            | 12,867,640           |

**Notes:**

- Components of cash and cash equivalents

|                    |                   |                   |
|--------------------|-------------------|-------------------|
|                    | 2017-18           | 2016-17           |
| Cash on hand       | 358,220           | 468,093           |
| Balances with bank | 17,834,421        | 18,759,584        |
| <b>Total</b>       | <b>18,192,641</b> | <b>19,227,677</b> |
- Accompanied notes to accounts forms an integral part of the Financial Statements.
- There is a change in the opening balance of cash and cash equivalents at Rs 72,77,559/- as at beginning of the year which is on account of divestment in subsidiary company.

As per our report of even date attached

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

**For Luharuka & Associates**

**Chartered Accountants**

**Firm Reg No - 018825**

**Rameshchand Jain**

**(Partner)**

**Membership No: 023019**

**Narender Surana**

**Managing Director**

**DIN: 00075086**

**Devendra Surana**

**Director**

**DIN: 00077296**

**D. Srinivas**

**Company Secretary**

**ACS:23425**

Place: Secunderabad

Date: 26<sup>th</sup> May, 2018

## SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

### 1. Corporate Information

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

### 2. Basis of preparation

The financial statements are separate financial statements prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). For all periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These standalone financial statements for the year ended March 31, 2018 are the first the Company has prepared in accordance with Ind AS. Refer to Note 32 for information on how the Company adopted Ind AS.

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

### 3. Basis of Consolidation

The consolidated Ind AS financial statements comprise of the M/S Surana Telecom and Power Limited and its four subsidiary companies namely, M/S Surana Solar Systems Private Limited, M/S Aryavaan Renewable Energy Private Limited, M/S Tejas India Solar Energy Private Limited, and M/S Globecom Infotech Private Limited and its Associate Company namely M/s. Surana Solar Limited (collectively referred to as "the company" or "the Group") as at March 31, 2018. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee); Exposure, or rights, to variable returns from its involvement with the investee, and the ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including: The contractual arrangement with the other vote holders of the investee; Rights arising from other contractual arrangements; The Group's voting rights and potential voting rights, and the size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies. The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March.

Consolidation procedure:

- (a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- (b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

- (c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognized in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it: Derecognises the assets (including goodwill) and liabilities of the subsidiary; Derecognises the carrying amount of any non-controlling interests; Derecognises the cumulative translation differences recorded in equity; Recognises the fair value of the consideration received; Recognises the fair value of any investment retained; Recognises any surplus or deficit in profit or loss, and Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

#### **4. Significant Accounting Policies:**

##### **(a) Business combinations and goodwill**

In accordance with Ind AS 101 provisions related to first time adoption, the Group has elected to apply Ind AS accounting for business combinations prospectively from April 1, 2016. As such, Indian GAAP balances relating to business combinations entered into before that date, including goodwill, have been carried forward with minimal adjustment. The same first time adoption exemption is also used for associates and joint ventures. Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquire at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred. At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

##### **(b) Revenue Recognition**

Revenue is recognized and measured at the fair value of the consideration received or receivable, to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The company collects service tax, GST on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue. The following specific recognition criteria must also be met before revenue is recognized:

###### **(i) Infrastructure Leasing Income:**

Rental income from operating leases (net of any incentives given to the lessees) is recognized on a straight-line basis over the lease term.

###### **(ii) Interest income:**

Interest income, including income arising from other financial instruments, is recognized using the effective interest rate method.

##### **(c) Property, Plant and Equipment**

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

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

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

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

**(d) Depreciation and amortization**

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

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

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

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

A liability is current when:

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

**(f) Financial assets**

Financial assets comprise of cash and cash equivalents.

*Initial recognition:*

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

*Subsequent Measurement:*

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

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

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

*Impairment of Financial Assets:*

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

*De-recognition of financial assets:*

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

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

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

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

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

**(h) Cash and Cash equivalents**

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

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

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

*Subsequent measurement:*

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

*De-recognition of financial liabilities:*

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

**(j) Borrowing Costs**

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

**(k) Employee Benefits**

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

**Provident Fund**

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

**Gratuity**

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

**Compensated absences**

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognized on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees.

**Short-term employee benefits**

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

**(l) Income Taxes**

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

**Deferred income tax**

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

**Minimum Alternative Tax (MAT)**

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

**(m) Leases****As a lessee**

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

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless

the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor

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

Leasehold land:

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

**(n) Provisions, contingent assets and contingent liabilities**

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

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

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

**(o) Fair value measurement**

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

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

- Ø Level 1 —Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Ø Level 2—Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Ø Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

**(p) Earnings per share**

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

share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**5. Significant accounting judgements, estimates and assumptions**

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions that affect the reported balances of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

## a) Judgements

In the process of applying the accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements:

- i) Classification of property The Company determines whether a property is classified as investment property or inventory property:

Investment property comprises land and buildings (principally offices, commercial warehouse and retail property) that are not occupied substantially for use by, or in the operations of, the Company, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation. These buildings are substantially rented to tenants and not intended to be sold in the ordinary course of business.

## b) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

- i) Classification of leases –

The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.

- ii) Useful lives of depreciable/amortizable assets

Management reviews its estimate of the useful lives of depreciable/amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, customer relationships, IT equipment and other plant and equipment.

- iii) Fair value measurements

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

## c) Recent Amendments

## Standards issued but not yet effective

- i) Ind AS 115-Revenue from Contracts with Customers-The Ministry of Corporate Affairs (MCA) on March 28, 2018 has notified new Indian Accounting Standard as mentioned above .The new standard will come to into force from accounting period commencing on or after April 01, 2018.It replaces existing recognition guidance, including Ind AS 18 Revenue and Ind AS 11 Construction contract. The standard is likely to affect the measurement, recognition and disclosure of revenue. The Company has evaluated and there is no material impact of this amendment on the Financial Statement of the Company except disclosure. The Company will adopt the Ind AS 115 on the required effective date.
- ii) Ind AS 21, The Effect of Changes in Foreign Exchange Rates - The amendments to Ind AS 21 addresses issue to determine the date of transactions for the purpose of determining the exchange rate to be used on initial recognition of related assets, expenses or income when entity has received or paid advances in foreign currencies by incorporating the same in Appendix B to Ind AS 21. The amendment will come into force from accounting period commencing on or after April 01, 2018. The Company has evaluated this amendment and impact of this amendment will not be material.

The Company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.



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

**6 Property, Plant and Equipment**

Following are the changes in the carrying value of Property, Plant and Equipment for the Year Ended 31st March 2018

(Amount in ₹)

| Particulars                                                      | Freehold Land     | Leasehold Land    | Factory Buildings | P & M- Others      | P & M- Solar Power   | P & M- wind Power | Office Equipment  | Vehicles          | Furniture & Fixtures | Computer         | Computer software | Grand Total          |
|------------------------------------------------------------------|-------------------|-------------------|-------------------|--------------------|----------------------|-------------------|-------------------|-------------------|----------------------|------------------|-------------------|----------------------|
| Gross carrying Value as of April 01, 2017                        | 77,060,452        | 53,936,902        | 78,210,176        | 354,654,505        | 2,190,718,767        | 63,550,092        | 18,746,207        | 7,513,070         | 11,400,254           | 2,428,821        | 143,220           | 2,858,362,466        |
| Additions                                                        | 2,720,653         | -                 | -                 | -                  | 17,410,540           | -                 | -                 | 6,429,054         | -                    | -                | -                 | 26,560,247           |
| Disposals                                                        | -                 | -                 | -                 | 14,371,500         | 6,000,256            | -                 | -                 | -                 | -                    | -                | -                 | 20,371,756           |
| Disposals on divestment in subsidiary company (refer note below) | 6,063,890         | -                 | -                 | -                  | 816,330,410          | -                 | -                 | -                 | -                    | -                | -                 | 822,394,300          |
| <b>Gross carrying Value as of March 31, 2018</b>                 | <b>73,717,215</b> | <b>53,936,902</b> | <b>78,210,176</b> | <b>340,283,005</b> | <b>1,385,798,641</b> | <b>63,550,092</b> | <b>18,746,207</b> | <b>13,942,124</b> | <b>11,400,254</b>    | <b>2,428,821</b> | <b>143,220</b>    | <b>2,042,156,657</b> |
| Accumulated depreciation as of April 01, 2017                    | -                 | 9,717,895         | 46,005,285        | 323,649,628        | 433,063,339          | 30,872,353        | 17,434,424        | 4,403,844         | 8,610,414            | 2,398,829        | 108,952           | 876,264,963          |
| Depreciation                                                     | -                 | 2,035,395         | 1,309,984         | 2,503,705          | 128,061,746          | 2,458,353         | 257,349           | 982,018           | 718,053              | 29,992           | 34,268            | 138,390,864          |
| Accumulated depreciation on Disposals                            | -                 | -                 | -                 | 11,185,751         | 1,264,093            | -                 | -                 | -                 | -                    | -                | -                 | 12,449,844           |
| Disposals on divestment in subsidiary company (refer note below) | -                 | -                 | -                 | -                  | 6,389,070            | -                 | -                 | -                 | -                    | -                | -                 | 6,389,070            |
| Accumulated depreciation as of March 31, 2018                    | -                 | 11,753,290        | 47,315,269        | 314,967,583        | 553,471,922          | 33,330,706        | 17,691,773        | 5,385,862         | 9,328,467            | 2,428,821        | 143,220           | 995,816,913          |
| <b>Carrying Value as of March 31, 2018</b>                       | <b>73,717,215</b> | <b>42,183,612</b> | <b>30,894,907</b> | <b>25,315,422</b>  | <b>832,326,719</b>   | <b>30,219,386</b> | <b>1,054,434</b>  | <b>8,556,262</b>  | <b>2,071,787</b>     | <b>-</b>         | <b>-</b>          | <b>1,046,339,744</b> |

| Particulars                                      | Freehold Land     | Leasehold Land    | Factory Buildings | P & M- Others      | P & M- Solar Power   | P & M- wind Power | Office Equipment  | Vehicles         | Furniture & Fixtures | Computer         | Computer software | Grand Total          |
|--------------------------------------------------|-------------------|-------------------|-------------------|--------------------|----------------------|-------------------|-------------------|------------------|----------------------|------------------|-------------------|----------------------|
| Gross carrying Value as of April 01, 2016        | 50,790,546        | 52,444,900        | 76,376,482        | 354,654,505        | 782,104,084          | 63,550,092        | 18,627,007        | 5,359,002        | 12,650,998           | 2,428,821        | 143,220           | 1,419,129,657        |
| Additions on merger                              | 8,064,191         | -                 | 308,694           | -                  | 296,069,496          | -                 | -                 | -                | -                    | -                | -                 | 304,442,381          |
| Additions                                        | 18,205,715        | 1,492,002         | 1,525,000         | -                  | 1,120,969,959        | -                 | 119,200           | 2,154,068        | -                    | -                | -                 | 1,144,465,944        |
| Disposals                                        | -                 | -                 | -                 | -                  | 8,424,772            | -                 | -                 | -                | 1,250,744            | -                | -                 | 9,675,516            |
| <b>Gross carrying Value as of March 31, 2017</b> | <b>77,060,452</b> | <b>53,936,902</b> | <b>78,210,176</b> | <b>354,654,505</b> | <b>2,190,718,767</b> | <b>63,550,092</b> | <b>18,746,207</b> | <b>7,513,070</b> | <b>11,400,254</b>    | <b>2,428,821</b> | <b>143,220</b>    | <b>2,858,362,466</b> |
| Accumulated depreciation as of April 01, 2016    | -                 | 7,693,160         | 44,734,317        | 321,134,685        | 293,984,737          | 28,414,000        | 17,159,846        | 3,934,165        | 9,097,434            | 2,398,829        | 61,212            | 728,612,385          |
| Depreciation on merger                           | -                 | -                 | 8,796             | -                  | 44,243,988           | -                 | -                 | -                | -                    | -                | -                 | 44,252,784           |
| Depreciation                                     | -                 | 2,024,735         | 1,262,172         | 2,514,943          | 95,331,200           | 2,458,353         | 274,578           | 469,679          | 740,927              | -                | 47,740            | 105,124,327          |
| Accumulated depreciation on Disposals            | -                 | -                 | -                 | -                  | 496,586              | -                 | -                 | -                | 1,227,947            | -                | -                 | 1,724,533            |
| Accumulated depreciation as of March 31, 2017    | -                 | 9,717,895         | 46,005,285        | 323,649,628        | 433,063,339          | 30,872,353        | 17,434,424        | 4,403,844        | 8,610,414            | 2,398,829        | 108,952           | 876,264,963          |
| <b>Carrying Value as of March 31, 2017</b>       | <b>77,060,452</b> | <b>44,219,007</b> | <b>32,204,891</b> | <b>31,004,877</b>  | <b>1,757,655,428</b> | <b>32,677,739</b> | <b>1,311,783</b>  | <b>3,109,226</b> | <b>2,789,840</b>     | <b>29,992</b>    | <b>34,268</b>     | <b>1,982,097,503</b> |
| Carrying Value as of April 01, 2016              | 50,790,546        | 44,751,740        | 31,642,165        | 33,519,820         | 488,119,347          | 35,136,092        | 1,467,161         | 1,424,837        | 3,553,564            | 29,992           | 82,008            | 690,517,272          |

Note: Disposals on divestment in subsidiary company represents the Properties in respect of M/s Celestial Solar Solutions Pvt Limited, in which the company has divested its stake during the year. Therefore, the relevant properties and its accumulated depreciation has been disclosed as "Deletion". Since it is no longer subsidiary company.

**Notes forming part of the Consolidated Financial Statements**
**7. Financial Investments (Non Current)**

(Amount in ₹)

| Particulars                                                                   | Note | As at<br>March 31, 2018 | As at<br>March 31, 2017 | As at<br>1st April, 2016 |
|-------------------------------------------------------------------------------|------|-------------------------|-------------------------|--------------------------|
| <b>Equity Instruments (Unquoted - At Cost)</b>                                |      |                         |                         |                          |
| <b>A) Investment in Quoted (At Fair Value through OCI)</b>                    |      |                         |                         |                          |
| <b>Bhagyanagar India Ltd</b>                                                  |      | 48,211,511              | 27,884,814              | 39,508,227               |
| (Equity shares of Rs 2/- each fully paid up)                                  |      |                         |                         |                          |
| 11,45,166 (March 31, 2017 : 11,45,166)                                        |      |                         |                         |                          |
| (March 31, 2016 : 22,90,331)                                                  |      |                         |                         |                          |
| <b>Bhagyanagar Properties Ltd.</b>                                            |      | 20,040,405              | 8,319,833               | -                        |
| (Equity shares of Rs 2/- each fully paid up)                                  |      |                         |                         |                          |
| 11,45,166 (March 31, 2017 : 11,45,166)                                        |      |                         |                         |                          |
| (March 31, 2016 : Nil)                                                        |      |                         |                         |                          |
| <b>Sub-Total (A)</b>                                                          |      | <b>68,251,916</b>       | <b>36,204,647</b>       | <b>39,508,227</b>        |
| <b>B) Investment in Associate Companies- Quoted (At Cost)</b>                 |      |                         |                         |                          |
| <b>Surana Solar Ltd (Formerly Surana Ventures Ltd)</b>                        |      | 138,730,817             | 112,149,188             | 44,100,000               |
| (Equity shares of Rs 5/- each fully paid up)                                  |      |                         |                         |                          |
| 2,00,30,974 (March 31, 2017: 2,03,08,792)                                     |      |                         |                         |                          |
| (March 31, 2016 : 88,20,000)                                                  |      |                         |                         |                          |
| <b>Sub-Total (B)</b>                                                          |      | <b>138,730,817</b>      | <b>112,149,188</b>      | <b>44,100,000</b>        |
| <b>C) Investment in Associate Companies- Un quoted (At Cost)</b>              |      |                         |                         |                          |
| <b>Bhagyanagar Securities Pvt Ltd</b>                                         |      | 18,000,000              | 18,000,000              | 18,000,000               |
| (Equity shares of Rs 10/- each fully paid up)                                 |      |                         |                         |                          |
| 1,50,000 (March 31, 2017: 1,50,000)                                           |      |                         |                         |                          |
| (March 31, 2016: 1,50,000)                                                    |      |                         |                         |                          |
| <b>Tejas Techopark Private Limited.</b>                                       |      | -                       | 933,300                 | -                        |
| (Equity shares of Rs 10/- each fully paid up)                                 |      |                         |                         |                          |
| Nil (March 31, 2017 : 93,330)                                                 |      |                         |                         |                          |
| (March 31, 2016 : Nil )                                                       |      |                         |                         |                          |
| <b>Bhagyanagar Green Energy Ltd.</b>                                          |      | 22,288,800              | -                       | -                        |
| (Equity shares of Rs 10/- each fully paid up)                                 |      |                         |                         |                          |
| 22,28,880 (March 31, 2017: Nil)                                               |      |                         |                         |                          |
| (March 31, 2016: Nil)                                                         |      |                         |                         |                          |
| <b>Sub-Total (C)</b>                                                          |      | <b>40,288,800</b>       | <b>18,933,300</b>       | <b>18,000,000</b>        |
| <b>D) Investments in Other Companies - Quoted (At Fair Value through OCI)</b> |      |                         |                         |                          |
| <b>a) In Other Companies (At Cost)</b>                                        |      |                         |                         |                          |
| <b>KSK Energy Vetnures Limited.</b>                                           |      | 8,640                   | 8,380                   | -                        |
| (Equity shares of Rs 10/- each fully paid up)                                 |      |                         |                         |                          |
| 1000 (March 31, 2017 : 1000)                                                  |      |                         |                         |                          |
| (March 31, 2016 : Nil)                                                        |      |                         |                         |                          |
| <b>Prithvi Information Solutions Limited</b>                                  |      | 1                       | 1                       | 1                        |
| (Equity shares of Rs 10/- each fully paid up)                                 |      |                         |                         |                          |
| 6 (March 31, 2017 : 6)                                                        |      |                         |                         |                          |
| (March 31, 2016 : 6)                                                          |      |                         |                         |                          |
| <b>Indosolar Limited</b>                                                      |      | 7,540                   | -                       | -                        |
| (Equity shares of Rs 10/- each fully paid up)                                 |      |                         |                         |                          |
| 1000 (March 31, 2017 : Nil)                                                   |      |                         |                         |                          |
| (March 31, 2016 : Nil)                                                        |      |                         |                         |                          |
| <b>Sub-Total (D)</b>                                                          |      | <b>16,181</b>           | <b>8,381</b>            | <b>1</b>                 |
| <b>E) Land (At Cost)</b>                                                      |      | -                       | 781,665                 | -                        |
| <b>GRAND TOTAL (A+B+C+D+E)</b>                                                |      | <b>247,287,714</b>      | <b>168,077,181</b>      | <b>101,608,228</b>       |
| <b>Aggregate Market Value of Quoted Investments</b>                           |      | <b>322,862,054</b>      | <b>468,046,449</b>      | <b>233,501,967</b>       |

## Notes forming part of the Consolidated Financial Statements

## 8. Loans (Non Current)

(Amount in ₹)

| Particulars                                      | Note | As at<br>March 31, 2018 | As at<br>March 31, 2017 | As at<br>1st April, 2016 |
|--------------------------------------------------|------|-------------------------|-------------------------|--------------------------|
| <b>Secured</b>                                   |      |                         |                         |                          |
| a) Loan against Pledge of Securities             |      | 18,210,417              | 18,394,171              | 18,394,171               |
| <b>Unsecured, considered good</b>                |      |                         |                         |                          |
| a) Loans and advances to related parties         |      |                         |                         |                          |
| Loan to Associate company                        | 8(a) | 63,155,434              | 41,239,189              | -                        |
| b) Advance for Machinery and other Capital goods | 8(b) | -                       | 23,050,000              | 3,700,000                |
| c) Security Deposits                             |      | 4,236,376               | 4,166,376               | 3,941,102                |
| <b>Total</b>                                     |      | <b>85,602,227</b>       | <b>86,849,736</b>       | <b>26,035,273</b>        |

## Notes:

|                                                   |  |                   |                   |               |
|---------------------------------------------------|--|-------------------|-------------------|---------------|
| <u>Loan to related parties</u>                    |  | Balance as on     | Balance as on     | Balance as on |
| <b>8 (a)</b> <u>Name of the Associate Company</u> |  | 31.03.2018        | 31.03.2017        | 01.04.2016    |
| Bhagyanagar Green Energy Ltd                      |  | -                 | 41,239,189        | -             |
| Surana Solar Limited                              |  | 63,155,434        | -                 | -             |
| <b>Total</b>                                      |  | <b>63,155,434</b> | <b>41,239,189</b> | <b>-</b>      |
| <b>8 (b)</b> <u>Name of the Associate Company</u> |  |                   |                   |               |
| Tejas Technopark Pvt Ltd                          |  | -                 | 23,050,000        | -             |
| <b>Total</b>                                      |  | <b>-</b>          | <b>23,050,000</b> | <b>-</b>      |

## 9. Other Non Current Assets

(Amount in ₹)

| Particulars              | Note | As at<br>March 31, 2018 | As at<br>March 31, 2017 | As at<br>1st April, 2016 |
|--------------------------|------|-------------------------|-------------------------|--------------------------|
| Taxes paid under protest |      | 1,979,061               | 3,184,731               | 32,940,558               |
| <b>Total</b>             |      | <b>1,979,061</b>        | <b>3,184,731</b>        | <b>32,940,558</b>        |

## 10. Inventories

(As Valued and certified by the Management)

(Amount in ₹)

| Particulars  | Note | As at<br>March 31, 2018 | As at<br>March 31, 2017 | As at<br>1st April, 2016 |
|--------------|------|-------------------------|-------------------------|--------------------------|
| Traded Goods |      | 28,025,284              | 100,173,909             | 189,039,106              |
| <b>Total</b> |      | <b>28,025,284</b>       | <b>100,173,909</b>      | <b>189,039,106</b>       |

## 11. Trade Receivables

(Amount in ₹)

| Particulars                                       | Note   | As at<br>March 31, 2018 | As at<br>March 31, 2017 | As at<br>1st April, 2016 |
|---------------------------------------------------|--------|-------------------------|-------------------------|--------------------------|
| Un secured, Considered Good                       | 11 (a) | 26,947,725              | 56,662,725              | 41,801,946               |
| Considered, Doubtful                              |        | -                       | -                       | -                        |
| <b>Total (A)</b>                                  |        | <b>26,947,725</b>       | <b>56,662,725</b>       | <b>41,801,946</b>        |
| Less: Provision for doubtful debts & Advances (B) |        | -                       | -                       | -                        |
| <b>Total (A-B)</b>                                |        | <b>26,947,725</b>       | <b>56,662,725</b>       | <b>41,801,946</b>        |

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

| 11 (a) <u>Due from Related Party</u> | Balance as on | Balance as on     | Balance as on     |
|--------------------------------------|---------------|-------------------|-------------------|
| <u>Name of the Company</u>           | 31.03.2018    | 31.03.2017        | 01.04.2016        |
| Surana Solar Ltd                     | -             | 11,685,693        | 8,045,522         |
| Tejas India Solar Energy Pvt Ltd     | -             | -                 | 18,802,500        |
| <b>Total</b>                         | <b>-</b>      | <b>11,685,693</b> | <b>26,848,022</b> |

11 (b) No trade receivables are due from directors or other officers of the company either severally or jointly with any other person.

**12. Cash and Cash Equivalents**

(Amount in ₹)

| Particulars                         | Note | As at<br>March 31, 2018 | As at<br>March 31, 2017 | As at<br>1st April, 2016 |
|-------------------------------------|------|-------------------------|-------------------------|--------------------------|
| (a) Cash & Cash Equivalents         |      |                         |                         |                          |
| (i) Balances in current account     |      | 17,834,421              | 18,759,584              | 5,412,693                |
| (ii) Cash on Hand                   |      | 358,220                 | 468,093                 | 947,344                  |
| (b) Other Blanaces                  |      | -                       |                         |                          |
| (i) In Deposit Accounts             |      | 799,860                 | 13,965,646              | 18,013,684               |
| (ii) In Unclaimed Dividend Accounts |      | 2,027,254               | 2,373,163               | 2,877,023                |
| (iii) Accrued Interest with banks   |      | 24,312                  | 825,266                 | 305,219                  |
| <b>Total</b>                        |      | <b>21,044,067</b>       | <b>36,391,752</b>       | <b>27,555,963</b>        |

**13. Current Tax Assets(net)**

(Amount in ₹)

| Particulars                           | Note | As at<br>March 31, 2018 | As at<br>March 31, 2017 | As at<br>1st April, 2016 |
|---------------------------------------|------|-------------------------|-------------------------|--------------------------|
| Advance tax & TDS (net of Provisions) |      | 221,752                 | 350,033                 | 3,246,343                |
| Mat Credit Entitlement                |      | -                       | 746,047                 | -                        |
| Prepaid expenses                      |      | -                       | 617,980                 | -                        |
| <b>Total</b>                          |      | <b>221,752</b>          | <b>1,714,060</b>        | <b>3,246,343</b>         |

**14. Other Current Assets**

(Amount in ₹)

| Particulars                                                 | Note   | As at<br>March 31, 2018 | As at<br>March 31, 2017 | As at<br>1st April, 2016 |
|-------------------------------------------------------------|--------|-------------------------|-------------------------|--------------------------|
| <b>(Unsecured, considered good unless otherwise stated)</b> |        |                         |                         |                          |
| Balance with Statutory Authorities                          |        | 5,570,100               | 17,977,561              | 17,997,125               |
| Receivable on Merger                                        | 14 (a) | -                       | 9,152,573               | -                        |
| Other Advances/receivables                                  | 14 (b) | 6,127,280               | 5,102,848               | 4,058,277                |
| Advance to suppliers                                        | 14 (c) | -                       | 1,504,381               | 17,900,000               |
| Sundry deposits                                             |        | -                       | 80,000                  | 10,000                   |
| <b>Total</b>                                                |        | <b>11,697,380</b>       | <b>33,817,363</b>       | <b>39,965,402</b>        |

**Notes :**

| 14 (a) <u>Name of the related party</u> | Balance as on | Balance as on    | Balance as on |
|-----------------------------------------|---------------|------------------|---------------|
|                                         | 31.03.2018    | 31.03.2017       | 01.04.2016    |
| Bhagyanagar India Ltd                   | -             | 9,152,573        | -             |
| <b>Total</b>                            | <b>-</b>      | <b>9,152,573</b> | <b>-</b>      |

| 14 (b) <u>Name of the related party</u> | Balance as on    | Balance as on | Balance as on |
|-----------------------------------------|------------------|---------------|---------------|
|                                         | 31.03.2018       | 31.03.2017    | 01.04.2016    |
| Surana Infocom Pvt Ltd                  | 1,169,821        | -             | -             |
| Innova Technologies Pvt Ltd             | 3,500,000        | -             | -             |
| <b>Total</b>                            | <b>4,669,821</b> | <b>-</b>      | <b>-</b>      |

## Notes forming part of the Consolidated Financial Statements

14 (c) Name of the related party

Surana Solar Limited

|              |          |          |                  |
|--------------|----------|----------|------------------|
|              | -        | -        | 8,900,000        |
| <b>Total</b> | <b>-</b> | <b>-</b> | <b>8,900,000</b> |

| 15 <b>Share Capital</b>                                             | <b>As at 31st March 2018</b> |                    | <b>As at 31st March 2017</b> |                    | <b>As at 1st April 2016</b> |                    |
|---------------------------------------------------------------------|------------------------------|--------------------|------------------------------|--------------------|-----------------------------|--------------------|
|                                                                     | <b>Number</b>                | <b>Rupees</b>      | <b>Number</b>                | <b>Rupees</b>      | <b>Number</b>               | <b>Rupees</b>      |
| <b>Authorised</b>                                                   |                              |                    |                              |                    |                             |                    |
| Equity Shares of Rs 1/- each                                        | 151,250,000                  | 275,000,000        | 150,000,000                  | 150,000,000        | 150,000,000                 | 150,000,000        |
| Preferential Shares of Rs 100/-each                                 | -                            | -                  | 1,250,000                    | 125,000,000        | -                           | -                  |
| Less: Preferential shares (due to Divestment of subsidiary company) | 1,250,000                    | 125,000,000        |                              |                    |                             |                    |
|                                                                     | <b>150,000,000</b>           | <b>150,000,000</b> | <b>151,250,000</b>           | <b>275,000,000</b> | <b>150,000,000</b>          | <b>150,000,000</b> |
| <b>Issued</b>                                                       |                              |                    |                              |                    |                             |                    |
| Equity Shares of Rs 1/- each                                        | 137,009,963                  | 260,759,963        | 135,759,963                  | 135,759,963        | 104,022,000                 | 104,022,000        |
| Preferential Shares of Rs 100/-each                                 | -                            | -                  | 1,250,000                    | 125,000,000        | -                           | -                  |
| Less: Preferential shares (due to Divestment of subsidiary company) | 1,250,000                    | 125,000,000        | -                            | -                  | -                           | -                  |
| <b>Total</b>                                                        | <b>135,759,963</b>           | <b>135,759,963</b> | <b>137,009,963</b>           | <b>260,759,963</b> | <b>104,022,000</b>          | <b>104,022,000</b> |
| <b>Subscribed &amp; Paid up</b>                                     |                              |                    |                              |                    |                             |                    |
| Equity Shares of Rs 1/- each                                        | 137,009,963                  | 260,759,963        | 135,759,963                  | 135,759,963        | 104,022,000                 | 104,022,000        |
| Preferential Shares of Rs 100/-each                                 | -                            | -                  | 1,250,000                    | 125,000,000        | -                           | -                  |
| Less: Preferential shares (due to Divestment of subsidiary company) | 1,250,000                    | 125,000,000        | -                            | -                  | -                           | -                  |
| <b>Total</b>                                                        | <b>135,759,963</b>           | <b>135,759,963</b> | <b>137,009,963</b>           | <b>260,759,963</b> | <b>104,022,000</b>          | <b>104,022,000</b> |

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

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

b) **Reconciliation of Equity Shares Outstanding:**

| <b>Particulars</b>                               | <b>As at 31st March 2018</b> |                    | <b>As at 31st March 2017</b> |                    | <b>As at 1st April 2016</b> |                    |
|--------------------------------------------------|------------------------------|--------------------|------------------------------|--------------------|-----------------------------|--------------------|
|                                                  | <b>Number</b>                | <b>Rupees</b>      | <b>Number</b>                | <b>Rupees</b>      | <b>Number</b>               | <b>Rupees</b>      |
| Shares outstanding at the beginning of the year  | 135,759,963                  | 135,759,963        | 104,022,000                  | 104,022,000        | 104,022,000                 | 104,022,000        |
| Shares Issued during the year (due to merger)    | -                            | -                  | 31,737,963                   | 31,737,963         | -                           | -                  |
| Shares bought back during the year               | -                            | -                  | -                            | -                  | -                           | -                  |
| <b>Shares outstanding at the end of the year</b> | <b>135,759,963</b>           | <b>135,759,963</b> | <b>135,759,963</b>           | <b>135,759,963</b> | <b>104,022,000</b>          | <b>104,022,000</b> |

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

| <b>Name of Shareholder</b>     | <b>As at 31st March 2018</b> |                     | <b>As at 31st March 2017</b> |                     | <b>As at 1st April 2016</b> |                     |
|--------------------------------|------------------------------|---------------------|------------------------------|---------------------|-----------------------------|---------------------|
|                                | <b>No. of Shares held</b>    | <b>% of Holding</b> | <b>No. of Shares held</b>    | <b>% of Holding</b> | <b>No. of Shares held</b>   | <b>% of Holding</b> |
| Bhagyanagar India Limited      | -                            | -                   | -                            | -                   | 9,412,201                   | 9.05%               |
| Narender Surana                | 26,930,998                   | 19.84%              | 22,818,348                   | 16.81%              | 19,219,260                  | 18.48%              |
| Devendra Surana                | 20,639,453                   | 15.20%              | 18,371,524                   | 13.53%              | 15,328,015                  | 14.74%              |
| Surana Infocom Private Limited | 9,705,455                    | 7.15%               | 9,689,061                    | 7.14%               | -                           | -                   |
| Namrata Surana                 | 7,176,884                    | 5.29%               | -                            | -                   | -                           | -                   |
| Manish Surana                  | 7,726,323                    | 5.69%               | -                            | -                   | -                           | -                   |
| <b>Total</b>                   | <b>72,179,113</b>            | <b>53.17%</b>       | <b>50,878,933</b>            | <b>37.48%</b>       | <b>43,959,476</b>           | <b>42.26%</b>       |



Notes forming part of the Consolidated Financial Statements

16 Other Equity

| Particulars                                                                 | Reserves and Surplus |                    |                            |                 |                     |                  | Other Comprehensive       | Total              |
|-----------------------------------------------------------------------------|----------------------|--------------------|----------------------------|-----------------|---------------------|------------------|---------------------------|--------------------|
|                                                                             | Retained Earnings    | General Reserve    | Capital Redemption reserve | Capital Reserve | Revaluation Reserve | Central Subsidy  | FVTOCI Equity Instruments |                    |
| <b>Balance at 1 April 2016 (A)</b>                                          | <b>201,873,727</b>   | <b>260,352,578</b> | <b>24,000,000</b>          | <b>610,749</b>  | <b>19,052,740</b>   | <b>3,500,000</b> | <b>-</b>                  | <b>509,389,794</b> |
| Profit for the year                                                         | 20,891,725           |                    |                            |                 |                     |                  |                           | 20,891,725         |
| Add: Other Comprehensive Income (net of tax)                                | -                    | -                  | -                          | -               | -                   | -                | (3,308,032)               | (3,308,032)        |
| <b>Total Comprehensive Income for the year 2016-17 (B)</b>                  | <b>20,891,725</b>    | <b>-</b>           | <b>-</b>                   | <b>-</b>        | <b>-</b>            | <b>-</b>         | <b>(3,308,032)</b>        | <b>17,583,693</b>  |
| <b>Less : Non -Controlling Interest (Current Year's Profit (C))</b>         | <b>1,550,948</b>     |                    |                            |                 |                     |                  |                           | <b>1,550,948</b>   |
| <b>Add: Share in Net Profit of Associate company (D)</b>                    | <b>24,251,053</b>    | <b>-</b>           |                            |                 |                     |                  |                           | <b>24,251,053</b>  |
| <b>Add: Net Assets transferred from M/s Bhagyanagar India Ltd on Merger</b> |                      | <b>184,385,900</b> |                            |                 |                     |                  |                           | <b>184,385,900</b> |
| <b>Balance at 31 March 2017 E= (A+B-C+D)</b>                                | <b>245,465,557</b>   | <b>444,738,478</b> | <b>24,000,000</b>          | <b>610,749</b>  | <b>19,052,740</b>   | <b>3,500,000</b> | <b>(3,308,032)</b>        | <b>734,059,492</b> |
| <b>Balance at 1 April 2017 (D)</b>                                          | <b>245,465,557</b>   | <b>444,738,478</b> | <b>24,000,000</b>          | <b>610,749</b>  | <b>19,052,740</b>   | <b>3,500,000</b> | <b>(3,308,032)</b>        | <b>734,059,492</b> |
| Profit for the year                                                         | 18,768,049           | -                  |                            |                 |                     |                  |                           | 18,768,049         |
| Add: Other Comprehensive Income (net of tax)                                | -                    | -                  |                            |                 |                     |                  | 32,048,459                | 32,048,459         |
| <b>Total Comprehensive Income for the year 2017-18 (E)</b>                  | <b>18,768,049</b>    | <b>-</b>           | <b>-</b>                   | <b>-</b>        | <b>-</b>            | <b>-</b>         | <b>32,048,459</b>         | <b>50,816,508</b>  |
| <b>Less : Non-Controlling Interest (Current Year's Profit (F))</b>          | <b>(3,865,795)</b>   | <b>-</b>           |                            |                 |                     |                  |                           | <b>(3,865,795)</b> |
| <b>Add: Share in Net Profit of associate company (G)</b>                    | <b>24,707,141</b>    | <b>-</b>           | <b>-</b>                   | <b>-</b>        | <b>-</b>            | <b>-</b>         |                           | <b>24,707,141</b>  |
| <b>Balance at 31 March 2018 H = (D+E-F+G)</b>                               | <b>292,806,542</b>   | <b>444,738,478</b> | <b>24,000,000</b>          | <b>610,749</b>  | <b>19,052,740</b>   | <b>3,500,000</b> | <b>28,740,427</b>         | <b>813,448,935</b> |

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

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

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

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

## Notes forming part of the Consolidated Financial Statements

## 17. Non Controlling Interest

(Amount in ₹)

| Particulars                             | Note | As at<br>March 31, 2018 | As at<br>March 31, 2017 | As at<br>1st April, 2016 |
|-----------------------------------------|------|-------------------------|-------------------------|--------------------------|
| Opening Balance                         |      | 35,759,086              | 29,308,138              | 21,973,471               |
| Add: Minority Interest in share capital |      | 61,152,000              | 4,900,000               | 7,399,000                |
| Add: Current year's Interest            |      | (3,865,795)             | 1,550,948               | (64,333)                 |
| <b>Total</b>                            |      | <b>93,045,291</b>       | <b>35,759,086</b>       | <b>29,308,138</b>        |

## 18. Borrowings (Non Current)

(Amount in ₹)

| Particulars                                                        | Note   | As at<br>March 31, 2018 | As at<br>March 31, 2017 | As at<br>1st April, 2016 |
|--------------------------------------------------------------------|--------|-------------------------|-------------------------|--------------------------|
| <b>Secured</b>                                                     |        |                         |                         |                          |
| Term Loans                                                         |        |                         |                         |                          |
| From Banks                                                         | 18 (a) | 158,035,660             | 118,583,015             | 221,385,212              |
| From Non- Banking Financial Company                                | 18 (b) | 274,994,655             | 308,140,314             | -                        |
| From Financial Institution                                         | 18 (c) | -                       | 417,600,000             | -                        |
| Vehicle Loans from Bank                                            | 18 (d) | 5,496,182               | 1,228,780               | -                        |
| <b>Total (A)</b>                                                   |        | <b>438,526,497</b>      | <b>845,552,109</b>      | <b>221,385,212</b>       |
| <b>Unsecured</b>                                                   |        |                         |                         |                          |
| 8% Compulsorily convertible debentures of the face value of Rs 100 | 18 (e) | -                       | 125,000,000             | -                        |
| Loans from Body Corporate                                          | 18 (f) | 64,995,240              | 109,133,624             | 187,062,885              |
| Loans from holding company                                         |        | -                       | -                       | -                        |
| Loans from Directors                                               | 18 (g) | 20,475,000              | 85,230,000              | 771,360,000              |
| Loans from Shareholders                                            |        | 19,575,000              | 40,550,000              | -                        |
| Loans from Others                                                  |        | -                       | 48,500,000              | -                        |
| <b>Total (B)</b>                                                   |        | <b>105,045,240</b>      | <b>408,413,624</b>      | <b>958,422,885</b>       |
| <b>Total (A+B)</b>                                                 |        | <b>543,571,737</b>      | <b>1,253,965,733</b>    | <b>1,179,808,097</b>     |
| Less: Current maturities of long term borrowings (Note 1) (C)      |        | 48,961,523              | 88,567,832              | 61,000,000               |
| <b>Total D= (A+B-C)</b>                                            |        | <b>494,610,214</b>      | <b>1,165,397,901</b>    | <b>1,118,808,097</b>     |

## Notes:

- 18 (a) (i) Term Loan from Indian Overseas Bank taken during the current year and is secured by way of first charge on the Solar Power Project assets of the Company. Further, it has been guaranteed by all the directors of the company. The loan is repayable in 32 quarterly installments of Rs 46,87,500/-each beginning from September 2017. Accordingly, amount due with in a Year is Rs. 1,87,50,000/-. However, company paid 2 installments in advance. Therefore, the Balance installment amount of Rs 93,75,000/- has been classified under "Other Current Liabilities" .
- 18 (a) (ii) Term Loan shown as at 31st March, 2017 includes the Loan taken from M/s State Bank of India, which has been transferred from M/s Bhagyanagar India Limited as part of Scheme of demerger. The loan was taken during the financial year 2013-14 and was prepaid during the Current year .
- 18 (a) (iii) Term Loan shown as at 1st April, 2016 was availed from M/s Indian Overseas Bank. The loan was taken during the financial year 2011-12 and was prepaid during the year 2016-17.
- 18 (b) (i) Term Loan from Hero FinCorp Ltd is secured by way of exclusive charge on the receivables from Solar Power Project at Gujarat, additionally secured by way of first and exclusive charge on the assets of Solar Power unit at Gujarat and P&M of Wind Power unit at Karnataka and equitable mortgage on one plot situated at Cherlapally, Hyderabad. Further, it has been guaranteed by the some of the directors of the company. The loan is repayable in 84 monthly installments beginning from November 2016. Accordingly, amount due with in a Year is Rs.3,56,34,389/- (Principal only) which is classified under "Other Current Financial Liabilities" .

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

- 18 (b) (ii) Lease Rental Discounted facility from Aditya Birla Finance Limited is secured by First and exclusive charge on Plot at Maheshwaram Mandal, Ranga Reddy District w.r.t Current and Future lease Rentals from the property. The loan is repayable in 108 monthly installments beginning from June 2016. Accordingly, amount due within a year is Rs.17,15,964/- (Principal only) which is classified Under "Other Current Liabilities".
- 18 (c) Term Loan taken by its subsidiary company namely M/s Celestial Solar Solutions Pvt Ltd in which company has disinvested its shares during the year. Therefore, there is no liability on the company since it is no longer a subsidiary company.
- 18 (d) (i) vehicle loan from HDFC Bank Limited is secured against hyphotication of vehicle. The loan was taken during the financial year 2016-17 and is repayable in monthly installment of Rs 43,885/- each. Accordingly due with in a year is Rs 4,80,755/- (Principal only) which is classified under "Other Current Financial Liabilities".
- 18 (d) (ii) vehicle loan from AXIS Bank Limited is secured against hyphotication of vehicle. The loan was taken during the financial year 2017-18 and is repayable in monthly installment of Rs 1,72,067/- each. Accordingly due with in a year is Rs 17,55,412/- (Principal only) which is classified under "Other Current Financial Liabilities".
- 18 (e) (e) 8% Compulsorily Convertible Debentures issued by its subsidiary company namely M/s Celestial Solar Solutions Pvt Ltd in which company has disinvested its shares during the year. Therefore, there is no liability on the company since it is no longer a subsidiary company.

| 18 (f) | <b><u>Loan from Body corporate</u></b>    | <b>Balance as on</b> | <b>Balance as on</b> | <b>Balance as on</b> |
|--------|-------------------------------------------|----------------------|----------------------|----------------------|
|        | <b><u>Name of the related Party</u></b>   | <b>31.03.2018</b>    | <b>31.03.2017</b>    | <b>01.04.2016</b>    |
|        | Bhagyanagar Securities Pvt Ltd            | -                    | 26,634,560           | 97,547,381           |
|        | Surana Infocom Pvt Ltd                    | -                    | 17,119,064           | 20,815,504           |
|        | Innova Technologies Pvt Ltd               | -                    | -                    | 18,700,000           |
|        | Value Infrastructure & Properties Pvt Ltd | 24,995,240           | 25,380,000           | -                    |
|        | <b>Total</b>                              | <b>24,995,240</b>    | <b>69,133,624</b>    | <b>137,062,885</b>   |

| 18 (g) | <b><u>Loan from the Director</u></b>    | <b>Balance as on</b> | <b>Balance as on</b> | <b>Balance as on</b> |
|--------|-----------------------------------------|----------------------|----------------------|----------------------|
|        | <b><u>Name of the related Party</u></b> | <b>31.03.2018</b>    | <b>31.03.2017</b>    | <b>01.04.2016</b>    |
|        | Narender Surana                         | -                    | 12,820,000           | 11,700,000           |
|        | Vishal Atha                             | -                    | 43,150,000           | 638,150,000          |
|        | Bharat Atha                             | -                    | -                    | 111,500,000          |
|        | Arun Kumar Kedia                        | 3,475,000            | 29,250,000           | 10,000,000           |
|        | Devendra Surana                         | 17,000,000           | -                    | -                    |
|        | <b>Total</b>                            | <b>20,475,000</b>    | <b>85,220,000</b>    | <b>771,350,000</b>   |

**19. Other Financial Liabilities (Non current)**

(Amount in ₹)

| Particulars       | Note | As at<br>March 31, 2018 | As at<br>March 31, 2017 | As at<br>1st April, 2016 |
|-------------------|------|-------------------------|-------------------------|--------------------------|
| Security Deposits |      | 4,839,907               | 4,682,562               | 7,124,775                |
| <b>Total</b>      |      | <b>4,839,907</b>        | <b>4,682,562</b>        | <b>7,124,775</b>         |

**20. Borrowings (Current)**

(Amount in ₹)

| Particulars                                 | Note    | As at<br>March 31, 2018 | As at<br>March 31, 2017 | As at<br>1st April, 2016 |
|---------------------------------------------|---------|-------------------------|-------------------------|--------------------------|
| Secured<br>Cash Credit from Bank (Note (a)) | 20(a&b) | 2,619,918               | 1,594,996               | 14,815,554               |
| <b>Total</b>                                |         | <b>2,619,918</b>        | <b>1,594,996</b>        | <b>14,815,554</b>        |

## Notes forming part of the Consolidated Financial Statements

## Notes:

- 20 (a) Cash Credit from M/s HDFC Bank Limited is secured against certain Fixed Assets and Current Assets of the Company. Further, it has been guaranteed by some of the Directors of the Company.
- 20 (b) Cash credit shown as at 31st March 2017 & March 2016 was availed from M/s State Bank of India, and Corporation Bank.

## 21. Trade payables

(Amount in ₹)

| Particulars                                                                | Note  | As at<br>March 31, 2018 | As at<br>March 31, 2017 | As at<br>1st April, 2016 |
|----------------------------------------------------------------------------|-------|-------------------------|-------------------------|--------------------------|
| For Goods & Service                                                        |       |                         |                         |                          |
| Total Outstanding dues of micro and small enterprises                      |       | -                       | -                       | -                        |
| Total Outstanding dues of creditors other than micro and small enterprises | 21(a) | 1,583,771               | 250,799,029             | 140,437,888              |
| <b>Total</b>                                                               |       | <b>1,583,771</b>        | <b>250,799,029</b>      | <b>140,437,888</b>       |

## Notes:

| 21 (a) <u>Due to related Party</u><br><u>Name of the related Party</u> | Balance as on<br>31.03.2018 | Balance as on<br>31.03.2017 | Balance as on<br>30.04.2016 |
|------------------------------------------------------------------------|-----------------------------|-----------------------------|-----------------------------|
| Surana Solar Ltd                                                       | -                           | 137,708,967                 | 96,679,144                  |
| <b>Total</b>                                                           | <b>-</b>                    | <b>137,708,967</b>          | <b>96,679,144</b>           |

## 22. Other Financial Liabilities (Current)

(Amount in ₹)

| Particulars                          | Note   | As at<br>March 31, 2018 | As at<br>March 31, 2017 | As at<br>1st April, 2016 |
|--------------------------------------|--------|-------------------------|-------------------------|--------------------------|
| Current Maturities of Long Term Debt |        |                         |                         |                          |
| From Banks                           | 22 (a) | 9,375,000               | 51,400,000              | 61,000,000               |
| From Non- Banking Financial Company  | 22 (b) | 37,350,356              | 33,034,845              | -                        |
| From Financial Institution           | 22 (c) | -                       | 3,700,000               | -                        |
| Vehicle Loans from Bank              | 22 (d) | 2,236,167               | 432,987                 | -                        |
| <b>Total (A)</b>                     |        | <b>48,961,523</b>       | <b>88,567,832</b>       | <b>61,000,000</b>        |
| Unclaimed Dividend                   |        | 2,027,254               | 2,373,163               | 2,877,023                |
| <b>Total (B)</b>                     |        | <b>2,027,254</b>        | <b>2,373,163</b>        | <b>2,877,023</b>         |
| <b>Total (A+B)</b>                   |        | <b>50,988,777</b>       | <b>90,940,995</b>       | <b>63,877,023</b>        |

## Notes:

- 22 (a) (i) Term Loan from Indian Overseas Bank taken during the current year and is secured by way of first charge on the Solar Power Project assets of the Company. Further, it has been guaranteed by all the directors of the company. The loan is repayable in 32 quarterly installments of Rs 46,87,500/-each beginning from September 2017. Accordingly, amount due with in a Year is Rs. 1,87,50,000/-. However, company paid 2 installments in advance. Therefore, the Balance installment amount of Rs 93,75,000/- has been classified under "Other Current Liabilities".
- 22 (a) (ii) Term Loan shown as at 31st March, 2017 includes the Loan taken from M/s State Bank of India, which has been transferred from M/s Bhagyanagar India Limited as part of Scheme of demerger. The loan was taken during the financial year 2013-14 and was repaid during the Current year.
- 22 (a) (iii) Term Loan shown as at 1st April, 2016 was availed from M/s Indian Overseas Bank. The loan was taken during the financial year 2011-12 and was repaid during the year 2016-17.
- 22 (b) (i) Term Loan from Hero FinCorp Ltd is secured by way of exclusive charge on the receivables from Solar Power Project at Gujarat, additionally secured by way of first and exclusive charge on the assets of Solar Power unit at Gujarat and P&M of Wind Power unit at Karnataka and equitable mortgage on one plot situated at Cherlapally, Hyderabad. Further, it has been guaranteed by the some of the directors of the company. The loan is repayable in 84 monthly installments beginning from November 2016. Accordingly, amount due with in a Year is Rs.3,56,34,389/- (Principal only) which is classified under "Other Current Financial Liabilities".

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

- 22 (b) (ii) Lease Rental Discounted facility from Aditya Birla Finance Limited is secured by First and exclusive charge on Plot at Maheshwaram Mandal, Ranga Reddy District w.r.t Current and Future lease Rentals from the property. The loan is repayable in 108 monthly installments beginning from June 2016. Accordingly, amount due within a year is Rs.17,15,964/- (Principal only) which is classified Under "Other Current Liabilities".
- 22 (c) Term Loan taken by its subsidiary company namely M/s Celestial Solar Solutions Pvt Ltd in which company has divested its shares during the year. Therefore, there is no liability on the company since it is no longer a subsidiary company.
- 22 (d) (i) vehicle loan from HDFC Bank Limited is secured against hyphotation of vehicle. The loan was taken during the financial year 2016-17 and is repayable in monthly installment of Rs 43,885/- each. Accordingly due with in a year is Rs 4,80,755/- (Principal only) which is classified under "Other Current Financial Liabilities".
- 22 (d) (ii) vehicle loan from AXIS Bank Limited is secured against hyphotation of vehicle. The loan was taken during the financial year 2017-18 and is repayable in monthly installment of Rs 1,72,067/- each. Accordingly due with in a year is Rs 17,55,412/- (Principal only) which is classified under "Other Current Financial Liabilities".

**23. Provisions**

(Amount in ₹)

| Particulars                     | Note | As at<br>March 31, 2018 | As at March<br>31, 2017 | As at<br>1st April, 2016 |
|---------------------------------|------|-------------------------|-------------------------|--------------------------|
| Provision for Employee Benefits |      | 80,000                  | 60,000                  | 60,000                   |
| <b>Total</b>                    |      | <b>80,000</b>           | <b>60,000</b>           | <b>60,000</b>            |

**24. Other Current Liabilities**

(Amount in ₹)

| Particulars                 | Note   | As at<br>March 31, 2018 | As at<br>March 31, 2017 | As at<br>1st April, 2016 |
|-----------------------------|--------|-------------------------|-------------------------|--------------------------|
| Book Overdraft              |        | 280,460                 | 610,525                 | -                        |
| Revenue received in advance | 24 (a) | 8,126,282               | 4,190,300               | 11,749,500               |
| Other Liabilities           |        | 5,124,857               | 13,798,237              | 11,067,647               |
| Accrued Rental Income       |        | 338,072                 | 570,546                 | 877,621                  |
| <b>Total</b>                |        | <b>13,869,671</b>       | <b>19,169,608</b>       | <b>23,694,768</b>        |

**Notes:**

24 (a)

 Name of the related party  
 Bhagyanagar India Limited

| Balance as on<br>31.03.2018 | Balance as on<br>31.03.2017 | Balance as on<br>30.04.2016 |
|-----------------------------|-----------------------------|-----------------------------|
| 8,126,282                   | 2,038,292                   | 454,644                     |
| <b>Total</b>                | <b>8,126,282</b>            | <b>2,038,292</b>            |

## Notes forming part of the Consolidated Financial Statements

## 25. Revenue from operations

(Amount in ₹)

| Particulars                       | For the Year ended<br>March 31, 2018 | For the Year ended<br>March 31, 2017 |
|-----------------------------------|--------------------------------------|--------------------------------------|
| <b>(a) Sale of products</b>       |                                      |                                      |
| Solar Power                       | 251,959,188                          | 204,788,624                          |
| Wind Power                        | 4,847,479                            | 5,075,505                            |
| Electric Power Cable / Components | 6,554,252                            | 1,033,172                            |
| Traded Goods/ Solar Modules       | 68,939,555                           | 111,418,407                          |
| Sale of REC                       | 6,111,058                            | 12,645,881                           |
| <b>Gross Sales</b>                | <b>338,411,532</b>                   | <b>334,961,589</b>                   |
| Less: Sales tax/GST               | 4,860,050                            | 3,952,949                            |
| Less: Inter Unit Transfer         | 14,444,800                           | 13,735,200                           |
| <b>Net Sales</b>                  | <b>319,106,682</b>                   | <b>317,273,440</b>                   |
| <b>(b) Infrastructure Leasing</b> | 14,499,979                           | 14,748,630                           |
| <b>Total</b>                      | <b>333,606,661</b>                   | <b>332,022,070</b>                   |

## 26. Other Income

(Amount in ₹)

| Particulars                                    | For the Year ended<br>March 31, 2018 | For the Year ended<br>March 31, 2017 |
|------------------------------------------------|--------------------------------------|--------------------------------------|
| <b>(a) Interest Income</b>                     |                                      |                                      |
| Interest on Loans, Deposits and Others (Gross) | 12,923,094                           | 4,090,692                            |
| <b>(b) Other Non-Operating Income</b>          | -                                    | -                                    |
| Miscellaneous Income                           | 122,040                              | 46,000                               |
| Balances no Longer Payable Written Back        | 376,396                              | 2,594,654                            |
| Profit on sale of Assets                       | -                                    | 4,343,743                            |
| Profit on sale of Investments                  | 7,086,543                            | 1,425,176                            |
| Gain on foreign exchange fluctuation           | 563,997                              | -                                    |
| Refund of Insurance claim                      | 2,722,681                            | -                                    |
| <b>Total</b>                                   | <b>23,794,751</b>                    | <b>12,500,265</b>                    |

## 27. Purchase of Traded Goods

(Amount in ₹)

| Particulars              | For the Year ended<br>March 31, 2018 | For the Year ended<br>March 31, 2017 |
|--------------------------|--------------------------------------|--------------------------------------|
| Purchase of Traded Goods | -                                    | 13,857,832                           |
| <b>Total</b>             | <b>-</b>                             | <b>13,857,832</b>                    |

Notes forming part of the Consolidated Financial Statements

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

| Particulars                                | For the Year ended<br>March 31, 2018 | For the Year ended<br>March 31, 2017 |
|--------------------------------------------|--------------------------------------|--------------------------------------|
| Increase/Decrease in stock of Traded Goods |                                      |                                      |
| <b>Inventories (at close)</b>              |                                      |                                      |
| Traded Goods                               | 28,025,284                           | 100,173,909                          |
| <b>(A)</b>                                 | <b>28,025,284</b>                    | <b>100,173,909</b>                   |
| <b>Inventories (at opening)</b>            |                                      |                                      |
| Traded Goods                               | 100,173,909                          | 189,039,106                          |
| <b>(B)</b>                                 |                                      |                                      |
| <b>Total C=(B-A)</b>                       | <b>72,148,625</b>                    | <b>88,865,197</b>                    |
| Inter Unit Transfer                        | 14,444,800                           | 13,735,200                           |
| <b>(D )</b>                                |                                      |                                      |
| <b>Total E=(C-D)</b>                       | <b>57,703,825</b>                    | <b>75,129,997</b>                    |

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

| Particulars                               | For the Year ended<br>March 31, 2018 | For the Year ended<br>March 31, 2017 |
|-------------------------------------------|--------------------------------------|--------------------------------------|
| Salaries, Wages and Other Benefits        | 7,179,639                            | 5,325,666                            |
| Contribution to Provident and Other Funds | 1,261,014                            | 639,337                              |
| <b>Total</b>                              | <b>8,440,653</b>                     | <b>5,965,003</b>                     |

**30. Finance cost** (Amount in ₹)

| Particulars             | For the Year ended<br>March 31, 2018 | For the Year ended<br>March 31, 2017 |
|-------------------------|--------------------------------------|--------------------------------------|
| Interest Expense        |                                      |                                      |
| On Cash Credit & Others | 17,149,987                           | 11,634,060                           |
| On Term Loan & Car Loan | 51,442,257                           | 49,716,257                           |
| Financial Charges       | 893,753                              | 1,778,568                            |
| <b>Total</b>            | <b>69,485,997</b>                    | <b>63,128,885</b>                    |

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

| Particulars  | For the Year ended<br>March 31, 2018 | For the Year ended<br>March 31, 2017 |
|--------------|--------------------------------------|--------------------------------------|
| Depreciation | 136,321,201                          | 103,099,589                          |
| Amortization | 2,069,663                            | 2,024,735                            |
| <b>Total</b> | <b>138,390,864</b>                   | <b>105,124,324</b>                   |

## Notes forming part of the Consolidated Financial Statements

## 32. Other expenses

(Amount in ₹)

| Particulars                                | For the Year ended<br>March 31, 2018 | For the Year ended<br>March 31, 2017 |
|--------------------------------------------|--------------------------------------|--------------------------------------|
| Consumption of Stores and Spare Parts      | 47,276                               | 242,204                              |
| Travelling & Conveyance                    | 1,521,430                            | 2,338,353                            |
| Advertisement & Business Promotion         | 263,600                              | 1,383,210                            |
| Director's Remuneration                    | 11,340,000                           | 9,986,667                            |
| Director's Sitting fees                    | 90,000                               | 157,480                              |
| Postage, Courier & Telephone               | 444,510                              | 997,621                              |
| Watch & ward                               | 2,881,795                            | 1,797,286                            |
| Power and Fuel                             | 3,304,301                            | 4,997,590                            |
| Lease and other Rental charges             | 569,240                              | 616,393                              |
| Professional & Consultancy Charges         | 1,215,017                            | 2,000,691                            |
| Repairs & Maintenance                      |                                      |                                      |
| Buildings                                  | 1,394,122                            | 433,132                              |
| Machinery                                  | 7,411,345                            | 8,823,016                            |
| Others                                     | 100,320                              | 1,104,731                            |
| Insurance                                  | 2,152,589                            | 2,334,521                            |
| Rates and Taxes (See note below)           | 2,732,633                            | 868,660                              |
| Packing & Forwarding                       | 4,369,764                            | 909,049                              |
| Loss on sale asset                         | 176,974                              | -                                    |
| Loss on Foreign Exchange Fluctuation       |                                      | 141,700                              |
| Taxes paid under protest written off       | -                                    | 7,329,326                            |
| Customs & Excise duty balances written off | 10,794,251                           | -                                    |
| Sundry Balance written off                 | 106,284                              | 388,166                              |
| Miscellaneous Expenses                     | 7,498,553                            | 8,687,943                            |
| Payments to the Auditor                    | -                                    |                                      |
| for Statutory Audit                        | 106,500                              | 149,500                              |
| for Tax Audit                              | 47,000                               | 41,400                               |
| <b>Total</b>                               | <b>58,567,504</b>                    | <b>55,728,639</b>                    |

**Note:**

1. Rates & taxes includes arrears of IALA Tax of Rs 11,65,216/- paid for Hardware park, Tukuguda, Hyderabad.

**33. Related Party Disclosure - Consolidated**
**a. Name of the Related Parties and related party relationship**

Enterprises owned or significantly influenced by key management personnel or their relatives:

|                                                 |                                            |
|-------------------------------------------------|--------------------------------------------|
| (i) Bhagyanagar India Limited                   | (vii) Surana Infocom Pvt Limited           |
| (ii) Bhagyanagar Green Energy Limited           | (viii) Tejas Technopark Private Limited    |
| (iii) Bhagyanagar Energy & Telecom P Ltd        | (ix) Shahsons Private Limited              |
| (iv) Bhagyanagar Securities Private Ltd         | (x) Bhagyanagar Properties Private Limited |
| (v) Bhagyanagar Infrastructure Limited          | (xi) Innova Technologies Pvt Ltd           |
| (vi) Surana Solar Limited                       | (xii) N.S Enterprises                      |
| (Vii) Value Infrastructure & Properties Pvt Ltd | (xiii) Andhra Electro Galvanising works    |

**b. Key management personnel**

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

**c. The following transactions were carried out during the year with the Enterprises controlled by the Key Management Personnel and their related parties.**

(Amount in ₹)

| Sl.No. | Nature of Transaction      | Name of the Related Party          | 2017-18           | 2016-17            |
|--------|----------------------------|------------------------------------|-------------------|--------------------|
| 1      | Sale of Goods/ Solar Power | Surana Solar Limited               | 54,132,471        | 46,326,911         |
|        |                            | Bhagyanagar Infrastructure Limited | -                 | 24,203,025         |
|        |                            | Shasons Private Limited            | -                 | 814,538            |
|        |                            | N.S Enterprises                    | -                 | 7,198,170          |
|        |                            | Bhagyanagar India Ltd              | 43,527,010        | 41,179,383         |
|        |                            | <b>Total</b>                       | <b>97,659,481</b> | <b>119,722,027</b> |

| Sl.No. | Nature of Transaction  | Name of the Related Party | 2017-18          | 2016-17          |
|--------|------------------------|---------------------------|------------------|------------------|
| 2      | Advance from Customers | Bhagyanagar India Ltd     | 8,126,282        | 2,038,292        |
|        |                        | <b>Total</b>              | <b>8,126,282</b> | <b>2,038,292</b> |

| Sl.No. | Nature of Transaction | Name of the Related Party | 2017-18           | 2016-17            |
|--------|-----------------------|---------------------------|-------------------|--------------------|
| 3      | Purchase of Goods     | Surana Solar Limited      | 19,801,052        | 168,715,877        |
|        |                       | Shasons Private Limited   | -                 | 294,525            |
|        |                       | <b>Total</b>              | <b>19,801,052</b> | <b>169,010,402</b> |

| Sl.No. | Nature of Transaction | Name of the Related Party          | 2017-18  | 2016-17          |
|--------|-----------------------|------------------------------------|----------|------------------|
| 4      | Interest Paid         | Bhagyanagar Securities Private Ltd | -        | 1,042,343        |
|        |                       | Surana Infocom Pvt Ltd             | -        | 473,238          |
|        |                       | <b>Total</b>                       | <b>-</b> | <b>1,515,581</b> |

## Notes forming part of the Consolidated Financial Statements

| Sl.No. | Nature of Transaction | Name of the Related Party        | 2017-18            | 2016-17          |
|--------|-----------------------|----------------------------------|--------------------|------------------|
| 5      | Interest Received     | Surana Solar Systems Private Ltd | 1,12,13,098        | 33,99,401        |
|        |                       | Surana Solar Ltd                 | 14,02,075          | -                |
|        |                       | <b>Total</b>                     | <b>1,26,15,173</b> | <b>33,99,401</b> |

| Sl.No. | Nature of Transaction                 | Name of the Related Party    | 2017-18           | 2016-17          |
|--------|---------------------------------------|------------------------------|-------------------|------------------|
| 6      | Amount paid for Acquisition of shares | Arun Kumar Kedia             | 18,375,000        | 2,450,000        |
|        |                                       | Navkar Solar Systems         | 18,375,000        | 2,450,000        |
|        |                                       | Surana Infocom Pvt Ltd       | 24,500,000        | -                |
|        |                                       | Bhagyanagar Green Energy Ltd | 22,288,800        | -                |
|        |                                       | Tejas Technopark Pvt Ltd     | -                 | 933,300          |
|        |                                       | <b>Total</b>                 | <b>83,538,800</b> | <b>5,833,300</b> |

| Sl.No. | Nature of Transaction                      | Name of the Related Party             | 2017-18          | 2016-17 |
|--------|--------------------------------------------|---------------------------------------|------------------|---------|
| 7      | Amount received against Transfer of shares | Surana Infocom Private Limited        | 1,644,500        | -       |
|        |                                            | NVR Infrastructure & Services Pvt Ltd | 2,550,000        | -       |
|        |                                            | <b>Total</b>                          | <b>4,194,500</b> | -       |

| Sl.No. | Nature of Transaction | Name of the Related Party          | 2017-18           | 2016-17           |
|--------|-----------------------|------------------------------------|-------------------|-------------------|
| 8      | Remuneration          | Narender Surana –Managing Director | 8,400,000         | 7,046,667         |
|        |                       | Vinita Surana- Director            | 2,940,000         | 2,940,000         |
|        |                       | D. Srinivas- Company Secretary     | 980,000           | 895,000           |
|        |                       | Mithali Surana                     | 540,000           | 480,000           |
|        |                       | <b>Total</b>                       | <b>12,860,000</b> | <b>11,361,667</b> |

## d. Details of Loans/ advances taken and repaid by the Company during the year. (Amount in ₹)

| S.No | Name of the related Party                 | Particulars            | 2017-18           | 2016-17           | 01.04.2016 |
|------|-------------------------------------------|------------------------|-------------------|-------------------|------------|
| 1    | Value Infrastructure & Properties Pvt Ltd | Opening balance        | 25,380,000        | -                 | -          |
|      |                                           | Add: Taken             | -                 | 25,380,000        | -          |
|      |                                           | Less: Repaid           | 384,760           | -                 | -          |
|      |                                           | <b>Closing balance</b> | <b>24,995,240</b> | <b>25,380,000</b> | -          |

| S.No | Name of the related Party      | Particulars            | 2017-18    | 2016-17           | 01.04.2016        |
|------|--------------------------------|------------------------|------------|-------------------|-------------------|
| 2    | Bhagyanagar Securities Pvt Ltd | Opening balance        | 26,634,560 | 97,547,381        | 64,310,060        |
|      |                                | Add: Taken             | 1,200,000  | 67,363,055        | 134,907,774       |
|      |                                | Less: Repaid           | 27,834,560 | 138,275,876       | 101,670,453       |
|      |                                | <b>Closing balance</b> | <b>-</b>   | <b>26,634,560</b> | <b>97,547,381</b> |

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

| S.No | Name of the related Party | Particulars                | 2017-18            | 2016-17           | 1.04.2016         |
|------|---------------------------|----------------------------|--------------------|-------------------|-------------------|
| 3    | Surana Infocom Pvt Ltd    | Opening balance            | 17,119,064         | 20,815,504        | -                 |
|      |                           | Add: Taken                 | 42,955,843         | 78,813,560        | 27,578,790        |
|      |                           | Less: Repaid               | 61,244,728         | 82,510,000        | 6,763,286         |
|      |                           | <b>Payable(receivable)</b> | <b>(1,169,821)</b> | <b>17,119,064</b> | <b>20,815,504</b> |

| S.No | Name of the related Party   | Particulars                | 2017-18            | 2016-17    | 01.04.2016        |
|------|-----------------------------|----------------------------|--------------------|------------|-------------------|
| 4    | Innova technologies Pvt Ltd | Opening balance            | -                  | 18,700,000 | -                 |
|      |                             | Add: Taken                 | 10,900,000         | -          | 22,100,000        |
|      |                             | Less: Repaid               | 14,400,000         | 18,700,000 | 3,400,000         |
|      |                             | <b>Payable(receivable)</b> | <b>(3,500,000)</b> | <b>-</b>   | <b>18,700,000</b> |

| S.No | Name of the related Party | Particulars                 | 2017-18          | 2016-17           | 01.04.2016        |
|------|---------------------------|-----------------------------|------------------|-------------------|-------------------|
| 5    | Arunkumar Kedia           | Opening balance             | 29,250,000       | 10,000,000        | -                 |
|      |                           | Add: Taken                  |                  | 19,250,000        | 10,000,000        |
|      |                           | Less: Repaid/<br>adjustment | 25,775,000       | -                 | -                 |
|      |                           | <b>Closing balance</b>      | <b>3,475,000</b> | <b>29,250,000</b> | <b>10,000,000</b> |

| S.No | Name of the related Party | Particulars            | 2017-18    | 2016-17           | 01.04.2016        |
|------|---------------------------|------------------------|------------|-------------------|-------------------|
| 6    | Narender Surana           | Opening balance        | 12,820,000 | 11,700,000        | -                 |
|      |                           | Add: Taken             | 31,351,000 | 14,780,000        | 15,100,000        |
|      |                           | Less: Repaid           | 44,171,000 | 13,660,000        | 3,400,000         |
|      |                           | <b>Closing balance</b> | <b>-</b>   | <b>12,820,000</b> | <b>11,700,000</b> |

| S.No | Name of the related Party | Particulars            | 2017-18           | 2016-17  | 01.04.2016 |
|------|---------------------------|------------------------|-------------------|----------|------------|
| 7    | Devendra Surana           | Opening balance        | -                 | -        | -          |
|      |                           | Add: Taken             | 17,000,000        | -        | -          |
|      |                           | Less: Repaid           | -                 | -        | -          |
|      |                           | <b>Closing balance</b> | <b>17,000,000</b> | <b>-</b> | <b>-</b>   |

| S.No | Name of the related Party | Particulars                                            | 2017-18     | 2016-17            | 01.04.2016         |
|------|---------------------------|--------------------------------------------------------|-------------|--------------------|--------------------|
| 8    | Bharat Atta               | Opening balance                                        | 143,500,000 | 111,500,000        | 105,000,000        |
|      |                           | Add: Taken                                             | -           | 32,000,000         | 6,500,000          |
|      |                           | Less: due to<br>divestment<br>of subsidiary<br>company | 143,500,000 | -                  | -                  |
|      |                           | <b>Closing balance</b>                                 | <b>-</b>    | <b>143,500,000</b> | <b>111,500,000</b> |

## Notes forming part of the Consolidated Financial Statements

| S.No | Name of the related Party | Particulars            | 2017-18 | 2016-17     | 01.04.2016  |
|------|---------------------------|------------------------|---------|-------------|-------------|
| 9    | Vishal Atta               | Opening balance        | -       | 638,150,000 | 620,000,000 |
|      |                           | Add: Taken             | -       | -           | 18,150,000  |
|      |                           | Less: Repaid           | -       | 638,150,000 | -           |
|      |                           | <b>Closing balance</b> | -       | -           | 638,150,000 |

**e. Details of Loans and advances given and recovered by the company during the year.** (Amount in ₹)

| S.No | Name of the related Party | Particulars            | 2017-18           | 2016-17 | 01.04.2016 |
|------|---------------------------|------------------------|-------------------|---------|------------|
| 1    | Surana Solar Ltd          | Opening balance        | -                 | -       | -          |
|      |                           | Add: Given             | 88,187,258        | -       | -          |
|      |                           | Less: Recovered        | 25,031,824        | -       | -          |
|      |                           | <b>Closing balance</b> | <b>63,155,434</b> | -       | -          |

| S.No | Name of the related Party       | Particulars            | 2017-18    | 2016-17           | 01.04.2016 |
|------|---------------------------------|------------------------|------------|-------------------|------------|
| 2    | Bhagynagar Green Energy Limited | Opening balance        | 41,239,189 | -                 | -          |
|      |                                 | Add: Given             | 15,519,099 | 49,089,189        | -          |
|      |                                 | Less: Recovered        | 56,758,288 | 7,850,000         | -          |
|      |                                 | <b>Closing balance</b> | -          | <b>41,239,189</b> | -          |

| S.No | Name of the related Party        | Particulars            | 2017-18    | 2016-17           | 01.04.2016 |
|------|----------------------------------|------------------------|------------|-------------------|------------|
| 3    | Tejas Technopark Private Limited | <b>Opening balance</b> | 23,050,000 | -                 | -          |
|      |                                  | Add: Given             | 28,182,609 | 92,000,000        | -          |
|      |                                  | Less: Recovered        | 51,232,609 | 68,950,000        | -          |
|      |                                  | <b>Closing balance</b> | -          | <b>23,050,000</b> | -          |

**f. Summary of transactions in respect of merger of Solar Power Unit dealt during the year.** (Amount in ₹)

| S.No | Name of the related Party | Particulars                                                                   | 2017-18    | 2016-17   | 01.04.2016 |
|------|---------------------------|-------------------------------------------------------------------------------|------------|-----------|------------|
| 1    | Bhagyanagar India Ltd     | Amount Paid/ adjusted on account of demerger Transactions.                    | 30,256,508 | 9,152,573 | -          |
|      |                           | Amount received/ adjusted Paid/ adjusted on account of demerger Transactions. | 39,409,081 | -         | -          |

Amount shown in previous year represents the due as at end of the year.

**34. Disclosure required under Section 186(4) of the Companies Act 2013**

For details of Loans, advances and guarantee given and securities provided to any of the related party. Please refer note no: 33

**35** In the opinion of Board of Directors and to the best of their knowledge and belief, the value on realization of current assets, loans and advances in the ordinary course of business, would not be less than the amount at which the same are stated in the Balance Sheet.

**36 Earnings Per Share (EPS)**

| Particulars                                                                         |         | 2017-18      | 2016-17      |
|-------------------------------------------------------------------------------------|---------|--------------|--------------|
| Net Profit after Tax                                                                | Rupees. | 1,87,68,049  | 2,08,91,725  |
| Net Profit after Tax available for equity share holders - For Basic and Diluted EPS | Rupees. | 1,87,68,049  | 2,08,91,725  |
| Weighted Average No. Of Equity Shares For Basic EPS                                 | Nos.    | 13,57,59,963 | 13,57,59,963 |
| Weighted Average No. Of Equity Shares For Diluted EPS                               | Nos.    | 13,57,59,963 | 13,57,59,963 |
| Nominal Value of Equity Shares                                                      | Rupees. | 1            | 1            |
| Basic Earnings Per Equity Share                                                     | Rupees. | 0.14         | 0.15         |
| Diluted Earnings Per Equity Share                                                   | Rupees. | 0.14         | 0.15         |

**37 Contingent Liabilities and Commitments (to the extent not provided for)**

| Particulars                   | As at 31-03-2018 | As at 31-03-2017 |
|-------------------------------|------------------|------------------|
|                               | Rupees           | Rupees           |
| Contingent Liabilities        | 2,31,49,985      | 2,31,36,819      |
| <b>Commitments:</b>           |                  |                  |
| 1. Guarantees issued by banks | -                | 1,50,00,000      |

**Raw material consumed during the year**

| Sl.No. | Particulars                         | 2017-18            | 2016-17            |
|--------|-------------------------------------|--------------------|--------------------|
| i      | Solar related modules               | 5,77,03,825        | 8,71,14,779        |
| ii     | Others including incidental charges | -                  | 18,73,050          |
|        | <b>Total</b>                        | <b>5,77,03,825</b> | <b>8,89,87,829</b> |

**Note:** Material which are included in others do not individually exceed 10 % of consumption.

**38 Detailed of imported and indigenous raw materials, spares and packing materials consumed.**

| Particulars  | 2017-18            |                        | 2016-17            |                        |
|--------------|--------------------|------------------------|--------------------|------------------------|
|              | Value (₹)          | % of Total Consumption | Value (₹)          | % of Total Consumption |
| Imported     | 5,77,03,825        | 100.00                 | 8,71,14,779        | 97.90                  |
| Indigenous   | -                  | -                      | 18,73,050          | 2.10                   |
| <b>Total</b> | <b>5,77,03,825</b> | <b>100.00</b>          | <b>8,89,87,829</b> | <b>100.00</b>          |

**39 CIF Value of Imports**

(Amount in ₹)

| Particulars  | 2017-18  | 2016-17            |
|--------------|----------|--------------------|
| Traded Goods | -        | 1,26,99,332        |
| <b>Total</b> | <b>-</b> | <b>1,26,99,332</b> |

## Notes forming part of the Consolidated Financial Statements

## 40 Retirement and Other Employees Benefits

The Company's employee benefits primarily cover provident fund, gratuity and leave encashment. Provident fund is a defined contribution scheme and the company has no further obligation beyond the contribution made to the fund. Contributions are charged to the Profit & Loss account in the year in which they accrue.

Gratuity liability is a defined benefit obligation and is based on the actuarial valuation done. The gratuity liability and the net periodic gratuity cost is actually determined after considering discounting rates, expected long term return on plan assets and increase in compensation level. All actuarial gain/ losses are immediately charged to the Profit & Loss account and are not deferred.

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

(Amount in ₹)

| a        | Particulars                                                                         | Gratuity        |                   |
|----------|-------------------------------------------------------------------------------------|-----------------|-------------------|
|          |                                                                                     | 2017-18         | 2016-17           |
|          | Current service cost                                                                | 78,820          | 41,757            |
|          | Interest cost                                                                       | 8,684           | 23,719            |
|          | Expected Return on Planned Assets                                                   | (19134)         | (1,46,431)        |
|          | Net Actuarial Loss/ (Gain) recognized in the year                                   | 18,328          | (2,53,411)        |
|          | Expenses recognised in Statement of Profit & Loss                                   | <b>86,698</b>   | <b>(3,34,366)</b> |
| <b>b</b> | <b>Change in Present value of obligation during the year ended 31st March, 2018</b> |                 |                   |
|          | Particulars                                                                         | Gratuity        |                   |
|          |                                                                                     | 2017-18         | 2016-17           |
|          | Present Value of obligation as at beginning of the year                             | 1,08,548        | 2,96,483          |
|          | Interest Cost                                                                       | 8,684           | 23,719            |
|          | Current Service Cost                                                                | 78,820          | 41,757            |
|          | Benefits Paid-Actuals                                                               | -               | -                 |
|          | Actuarial (Gain)/ Loss on Obligations                                               | 18,328          | (2,53,411)        |
|          | <b>Present Value of obligation as at end of the year</b>                            | <b>2,14,380</b> | <b>1,08,548</b>   |
| <b>c</b> | <b>Change in fair value of Plan Assets during the year ended 31st March, 2018</b>   |                 |                   |
|          | Particulars                                                                         | Gratuity        |                   |
|          |                                                                                     | 2017-18         | 2016-17           |
|          | Fair value of Plan Assets as at the beginning of the year                           | 2,41,374        | 94,803            |
|          | Expected Return on Plan Assets                                                      | 19,134          | 1,46,431          |
|          | Contributions                                                                       | 68,196          | 140               |
|          | Benefits Paid                                                                       | -               | -                 |
|          | <b>Fair value of Plan Assets as at the end of the year</b>                          | <b>3,28,704</b> | <b>2,41,374</b>   |
| <b>d</b> | <b>Actuarial Gain/ loss recognized</b>                                              |                 |                   |
|          | Particulars                                                                         | Gratuity        |                   |
|          |                                                                                     | 2017-18         | 2016-17           |
|          | Actuarial (Gain) / Loss for the year -Obligation                                    | (18,328)        | 2,53,411          |
|          | Total Loss for the Year                                                             | 18,328          | (2,53,411)        |
|          | Actuarial (Gain) / Loss recognized in the year                                      | 18,328          | (2,53,411)        |
| <b>e</b> | <b>Actuarial assumption</b>                                                         |                 |                   |
|          | Particulars                                                                         | Gratuity        |                   |
|          |                                                                                     | 2017-18         | 2016-17           |
|          | Discount rate used                                                                  | 8%              | 8%                |
|          | Salary escalation                                                                   | 6%              | 4%                |

**41 Segment Reporting**
**Factors used to identify the reportable segments.**

The Company has following business segments, which are its reportable segments. These segments offer different products and services and are managed separately because they require different technology and production process. Operating segment disclosures are consistent with the Information.

**Reportable Segments**
**Product/ Service**

- |                                    |                                                                            |
|------------------------------------|----------------------------------------------------------------------------|
| i) Renewable Energy (Solar & wind) | Generation of Solar and wind Power                                         |
| ii) Trading & others               | Manufacturing/trading of Solar related Products and Infrastructure leasing |

**Information about Business Segments**

(Amount in ₹)

| S No | Particulars                      | Solar and Wind Power |                      | Trading and Others |                    | Total                | Total                |
|------|----------------------------------|----------------------|----------------------|--------------------|--------------------|----------------------|----------------------|
|      |                                  | 31.03.2018           | 31.03.2017           | 31.03.2018         | 31.03.2017         | 31.03.2018           | 31.03.2017           |
| 1    | <b>REVENUE</b>                   |                      |                      |                    |                    |                      |                      |
|      | External sales                   | 262,917,725          | 222,510,010          | 6,188,957          | 4,763,430          | 319,106,682          | 317,273,440          |
|      | Other operating income           | -                    | -                    | 14,499,979         | 14,748,630         | 14,499,979           | 14,748,630           |
|      | <b>Total revenue</b>             | <b>262,917,725</b>   | <b>222,510,010</b>   | <b>70,688,936</b>  | <b>109,512,060</b> | <b>333,606,661</b>   | <b>332,022,070</b>   |
| 2    | <b>RESULTS</b>                   |                      |                      |                    |                    |                      |                      |
|      | Segment results                  | -                    | 103,302,278          | -                  | 10,702,230         | -                    | 114,004,508          |
|      | Unallocable income/ (Expenses)   |                      |                      |                    |                    | -                    | (25,287,968)         |
|      | Operating profit                 |                      |                      |                    |                    | -                    | 88,716,540           |
|      | Interest expenses                |                      |                      |                    |                    | 69,485,997           | 63,128,885           |
|      | Income taxes                     |                      |                      |                    |                    | 6,044,520            | 4,695,930            |
|      | Profit from ordinary activities  |                      |                      |                    |                    | 18,768,049           | 20,891,725           |
|      | <b>Net profit</b>                |                      |                      |                    |                    | <b>18,768,049</b>    | <b>20,891,725</b>    |
| 3    | <b>Other information</b>         |                      |                      |                    |                    |                      |                      |
|      | Segment assets                   | 1,134,159,883        | 2,053,560,303        | 127,825,800        | 240,817,544        | 1,261,985,683        | 2,294,377,847        |
|      | Unallocable assets               |                      |                      |                    |                    | 351,104,021          | 271,674,677          |
|      | <b>Total assets</b>              | <b>1,134,159,883</b> | <b>2,053,560,303</b> | <b>127,825,800</b> | <b>240,817,544</b> | <b>1,613,089,704</b> | <b>2,566,052,524</b> |
|      | Segment liabilities              | 21,405,758           | 322,934,930          | 2,290,867          | 21,854,969         | 23,696,625           | 344,789,899          |
|      | Unallocable liabilities          |                      |                      |                    |                    | 45,445,512           | 17,774,729           |
|      | <b>Total liabilities</b>         | <b>21,405,758</b>    | <b>322,934,930</b>   | <b>2,290,867</b>   | <b>21,854,969</b>  | <b>69,142,137</b>    | <b>362,564,628</b>   |
|      | Capital expenditure              | 64,272,077           | 382,688,631          | -                  | 119,200            | 64,272,077           | 382,807,831          |
|      | Unallocable capital expenditure  |                      |                      |                    |                    | 9,149,707            | 4,442,568            |
|      | <b>Total capital expenditure</b> | <b>64,272,077</b>    | <b>382,688,631</b>   | <b>-</b>           | <b>119,200</b>     | <b>73,421,784</b>    | <b>387,250,399</b>   |
|      | Depreciation & Amortisation      | 132,753,724          | 99,965,907           | 4,630,967          | 4,676,356          | 137,384,691          | 104,642,263          |
|      | Unallocable depreciation         | -                    | -                    | -                  | -                  | 1,006,173            | 482,061              |

## Notes forming part of the Consolidated Financial Statements

**42 financial risk management objectives and policies**

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

**A. Market risk**

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

**Interest rate risk**

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

**B. Credit risk**

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

**Trade receivables**

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

**Financial Instrument and cash deposits**

Credit risk from balances with banks and financial institutions is managed by the Company's Finance department in accordance with the Company's policy. Investments of surplus funds are reviewed and approved by the Company's Board of Directors on an annual basis. The Company's maximum exposure to credit risk for the components of the statement of financial position at 31 March 2018 and 2017 is the carrying amounts.

**C. Liquidity risk**

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

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

*(Amount in ₹)*

| Year Ended | On Demand | 3 to 12 Months     | 1 to 5 Years         | >5 Years | Total                |
|------------|-----------|--------------------|----------------------|----------|----------------------|
| 31-Mar-18  |           |                    |                      |          |                      |
| Borrowings | -         | 5,15,81,441        | 49,46,10,214         | -        | 54,61,91,655         |
|            | -         | <b>5,15,81,441</b> | <b>49,46,10,214</b>  | -        | <b>54,61,91,655</b>  |
| 31-Mar-17  |           |                    |                      |          |                      |
| Borrowings | -         | 9,01,62,828        | 116,53,97,901        | -        | 125,55,60,729        |
|            | -         | <b>9,01,62,828</b> | <b>116,53,97,901</b> | -        | <b>125,55,60,729</b> |
| 01-Apr-16  |           |                    |                      |          |                      |
| Borrowings | -         | 7,58,15,554        | 111,88,08,097        | -        | 119,46,23,651        |
|            | -         | <b>7,58,15,554</b> | <b>111,88,08,097</b> | -        | <b>119,46,23,651</b> |

**Notes forming part of the Consolidated Financial Statements**
**43 Capital Management**

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

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

(Amount in ₹)

| Particulars                                                                                                        | 31 Mar 2018           | 31 Mar 2017          | 1 <sup>st</sup> April 2016 |
|--------------------------------------------------------------------------------------------------------------------|-----------------------|----------------------|----------------------------|
| Borrowings (Long term and Short term including Current maturity of Long term Borrowings)<br>(Note : 16,18)         | 54,61,91,655          | 125,55,60,729        | 119,46,23,651              |
| Other Payables (current and non-current, excluding current maturity of long term borrowings)<br>Note : (19, 20,22) | 2,24,00,603           | 27,70,84,362         | 17,41,94,454               |
| Less Cash and Cash Equivalents (Note : 11)                                                                         | 2,10,44,067           | 3,63,91,752          | 2,75,55,963                |
| <b>Net Debt (A)</b>                                                                                                | <b>54,75,48,191</b>   | <b>149,62,53,339</b> | <b>134,12,62,142</b>       |
| Equity Share capital                                                                                               | 13,57,59,963          | 26,07,59,963         | 10,40,22,000               |
| Other Equity                                                                                                       | 81,34,48,935          | 73,40,59,491         | 50,93,89,793               |
| <b>Total Capital (B)</b>                                                                                           | <b>9,49,92,08,898</b> | <b>99,48,19,454</b>  | <b>61,34,11,793</b>        |
| <b>Capital and Net debt C= (A+B)</b>                                                                               | <b>149,67,57,089</b>  | <b>249,10,72,793</b> | <b>195,46,73,935</b>       |
| <b>Gearing ratio (in %) D= (A/C*100)</b>                                                                           | <b>36.58</b>          | <b>60.06</b>         | <b>68.62</b>               |

**44 First-time adoption of Ind AS**

These financial statements, for the year ended March 31, 2018, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on March 31, 2018, together with the comparative period data as at and for the year ended March 31, 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 1, 2016, the Company's date of transition to Ind AS.

**Exemptions applied**

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

- Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for investment property covered by Ind AS 40 Investment Properties. Accordingly, the Company has elected to measure all of its property, plant and equipment and investment property at their previous GAAP carrying value.
- Ind AS 27 requires investments in subsidiaries to be recorded at cost or in accordance with Ind AS 109 in its separate financial statements. However Ind AS 101 provides an option in case the Company decides to measure such investment at cost (determined in accordance with Ind AS 27) or deemed cost (fair value or previous GAAP carrying amount) at that date. The Company can avail the above exemption and recognize the investment in firms at the previous GAAP carrying amount at the date of transition to Ind AS.

The Company has also prepared a reconciliation of equity as at March 31, 2017 and April 1, 2016 under the Previous GAAP with the equity as reported in these financial statements under Ind AS, that reflect the impact of Ind AS on the components of statement of balance sheet which is presented below:

## Notes forming part of the Consolidated Financial Statements

(Amount in ₹)

| Particulars                       | 31-Mar-17           | 01-Apr-16           |
|-----------------------------------|---------------------|---------------------|
| <b>Equity under previous GAAP</b> | <b>99,27,76,815</b> | <b>60,91,05,169</b> |
| Adjustments (net of tax):         | 9,98,592            | 43,06,624           |
| Others                            | 10,44,047           | -                   |
| <b>Equity under Ind AS</b>        | <b>99,48,19,454</b> | <b>61,34,11,793</b> |

The Company has prepared a reconciliation of the net profit for the previous year ended March 31, 2017 under the Previous GAAP with the total comprehensive income as reported in these financial statements under Ind AS, that reflect the impact of Ind AS on the components of statement of profit and loss which is presented below:

(Amount in ₹)

| Particulars                              | 31-Mar-17          |
|------------------------------------------|--------------------|
| Net profit as per previous GAAP          | <b>1,98,47,678</b> |
| Adjustments (net of tax):                | -                  |
| Others                                   | 10,44,047          |
| Net profit as per IND AS                 | <b>2,08,91,725</b> |
| Other Comprehensive Income ( net of tax) | <b>(33,08,032)</b> |
| Total Comprehensive Income as per IND AS | <b>1,75,83,693</b> |

**conciliations between previous GAAP and Ind AS**Other comprehensive income:

Under Indian GAAP, the Company has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP profit/loss to profit/loss as per Ind AS. Further, Indian GAAP profit/loss is reconciled to total comprehensive income as per Ind AS.

**45** Previous year's figures have been regrouped and rearranged, wherever found necessary.

As per our report of even date attached

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

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

**Rameshchand Jain**  
**(Partner)**  
**Membership No: 023019**

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

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

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

Place: Secunderabad  
Date: 26<sup>th</sup> May, 2018

## Form AOC - 1

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

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

### Part "A": Subsidiaries

| 1  | Sl. No.                                                                                                                     | 1                                                                                                                    | 2                                         | 3                                       | 4                                    |
|----|-----------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|-------------------------------------------|-----------------------------------------|--------------------------------------|
| 2  | Name of the Subsidiary                                                                                                      | Globecom Infotech Private Limited                                                                                    | Aryavaan Renewable Energy Private Limited | TejasIndia Solar Energy Private Limited | Surana Solar Systems Private Limited |
| 3  | Reporting period for the subsidiary concerned, if different from the holding company's reporting period                     | Same as holding Company                                                                                              | Same as holding Company                   | Same as holding Company                 | Same as holding Company              |
| 4  | Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries | N/A                                                                                                                  | N/A                                       | N/A                                     | N/A                                  |
| 5  | Share Capital                                                                                                               | 100,000                                                                                                              | 85,000,000                                | 50,000,000                              | 65,000,000                           |
| 6  | Reserves & Surplus                                                                                                          | (21,097)                                                                                                             | (7,463,242)                               | (35,351)                                | (1,289,052)                          |
| 7  | Total Assets                                                                                                                | 88,903                                                                                                               | 231,228,805                               | 153,938,960                             | 239,494,467                          |
| 8  | Total Liabilities                                                                                                           | 88,903                                                                                                               | 231,228,805                               | 153,938,960                             | 239,494,467                          |
| 9  | Investments                                                                                                                 | -                                                                                                                    | -                                         | -                                       | -                                    |
| 10 | Turnover                                                                                                                    | -                                                                                                                    | 53,761,360                                | -                                       | 44,499,677                           |
| 11 | Profit before taxation                                                                                                      | (13,080)                                                                                                             | (8,743,954)                               | (8,032)                                 | 4,095,033                            |
| 12 | Provision for taxation (Incl deferred tax)                                                                                  | -                                                                                                                    | 2,017,239                                 | -                                       | 1,638,758                            |
| 13 | Profit after taxation                                                                                                       | (13,080)                                                                                                             | (6,726,715)                               | (8,032)                                 | 2,456,275                            |
| 14 | Proposed Dividend                                                                                                           | -                                                                                                                    | -                                         | -                                       | -                                    |
| 15 | % of shareholding                                                                                                           | 100                                                                                                                  | 51                                        | 51                                      | 51                                   |
|    | i.                                                                                                                          | Names of subsidiaries which are yet to commence operations: Tejas India Solar Energy Private Limited                 |                                           |                                         |                                      |
|    | ii.                                                                                                                         | Names of subsidiaries which have been liquidated or sold during the year : Celestial Solar Solutions Private Limited |                                           |                                         |                                      |

As per our report of even date attached

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

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

**Rameshchand Jain**  
**(Partner)**  
**Membership No: 023019**

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

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

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

Place: Secunderabad  
Date: 26<sup>th</sup> May, 2018

## 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 "B": Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

| Name of Associates/Joint Ventures |                                                                            | Surana Solar Limited |
|-----------------------------------|----------------------------------------------------------------------------|----------------------|
| 1                                 | Latest Audited Balance Sheet Date                                          | 26th May 2018        |
| 2                                 | Shares of Associates/Joint Ventures held by the company on the year end    | 20,030,974           |
|                                   | Amount of Investment in Associates/Joint Venture                           | 138,730,817          |
|                                   | Extend of Holding %                                                        | 40.71%               |
| 3                                 | Description of how there is significant influence                          |                      |
| 4                                 | Reason why the associate/joint venture is not consolidated                 | -                    |
| 5                                 | Net worth attributable to shareholding as per latest audited Balance Sheet | 213,689,084          |
| 6                                 | Profit / Loss for the year                                                 | 8,427,141            |
|                                   | i. Considered in Consolidation                                             | 3,430,689            |
|                                   | ii. Not Considered in Consolidation                                        | -                    |

As per our report of even date attached

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

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

**Rameshchand Jain**  
**(Partner)**  
**Membership No: 023019**

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

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

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

Place: Secunderabad  
Date: 26<sup>th</sup> May, 2018

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 **Surana Telecom and Power Limited**

(CIN: L23209TG1989PLC010336)

Regd. Office: 5<sup>th</sup> Floor, Surya Towers, Sardar Patel Road, Secunderabad - 500 003.

Ph: 040-44665700, Fax : 040-27818868,

E-mail: investorservices\_stl@surana.com; URL: www.suranatele.com

**29<sup>TH</sup> ANNUAL GENERAL MEETING****Attendance Slip**

Folio No./DP ID and Client ID:

No. of Shares:

Name and address of  
First/Sole Member :

I certify that I am a member/proxy for a member of the Company. I hereby record my presence at the 29<sup>th</sup> Annual General Meeting of the Company, at Grand Solitaire Hotel, 1-240, 41 & 43, S.D.Road, Parklane, Secunderabad, Telangana - 500003 at 03.30 PM on Monday, the 24<sup>th</sup> September, 2018.

\_\_\_\_\_  
Name of the Member/Proxy  
(Block Letters)

\_\_\_\_\_  
Signature of the Member/Proxy

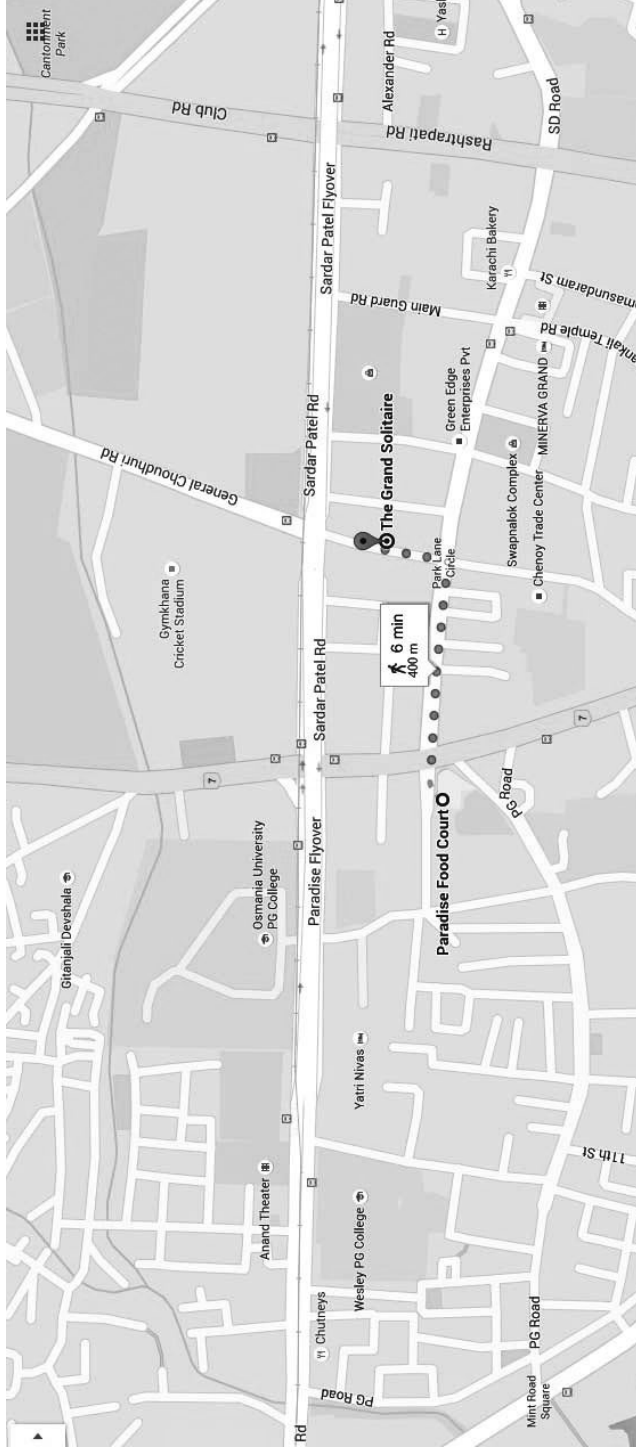
**Note:**

1. Member/Proxy must bring the Attendance Slip to the Meeting and hand it over, duly signed at the registration counter.
2. Member/proxy holder should bring his/her copy of the Annual report for reference at the Meeting.
3. Strike out whichever is not applicable.
4. No gifts will be given.



## AGM VENUE

**The Grand Solitaire Hotel,  
1-240, 41 & 43, S.D. Road, Parklane, Secunderabad, Telangana - 500003**



# Surana Telecom and Power Limited

(CIN: L23209TG1989PLC010336)

Regd. Office: 5<sup>th</sup> Floor, Surya Towers, Sardar Patel Road, Secunderabad - 500 003.

Ph: 040-44665700, Fax : 040-27818868,

E-mail: investorservices\_stl@surana.com; URL: www.suranatele.com

## 29<sup>TH</sup> ANNUAL GENERAL MEETING

### Proxy Form

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

Name of the Member(s): \_\_\_\_\_

Registered Address: \_\_\_\_\_

E-mail ID: \_\_\_\_\_ Folio No./Client Id: \_\_\_\_\_ DP ID: \_\_\_\_\_

I/We, being member(s) of Surana Telecom and Power Limited, holding \_\_\_\_\_ shares of the Company, hereby appoint:

A Name : \_\_\_\_\_

Address : \_\_\_\_\_

E-mail Id : \_\_\_\_\_ Signature: \_\_\_\_\_

Or failing him/her

B Name : \_\_\_\_\_

Address : \_\_\_\_\_

E-mail Id : \_\_\_\_\_ Signature: \_\_\_\_\_

Or failing him/her

I/We hereby exercise my/our vote in respect of the Resolution(s) to be passed for the business stated in the notice dated 6<sup>th</sup> August, 2018, convening the 29<sup>th</sup> Annual General Meeting of the Company to be held on 24<sup>th</sup> September, 2018, by conveying my/our assent or dissent to the said Resolution(s) by placing the tick (✓) mark at the appropriate box below:

| Item Nos. | Resolutions                                                                                                                                                                                                 |                     | Vote (see note d.)<br>(Please mention no. of shares) |         |         |
|-----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|------------------------------------------------------|---------|---------|
|           |                                                                                                                                                                                                             |                     | For                                                  | Against | Abstain |
| 1.        | Adoption of Audited Financial Statements of the Company (including Consolidation of Accounts) for the Financial year ended 31st March, 2018 together with the reports of the directors and auditors thereon | Ordinary Resolution |                                                      |         |         |
| 2.        | Re-appointment of Ms Vinita Surana who retires by rotation.                                                                                                                                                 | Ordinary Resolution |                                                      |         |         |
| 3.        | Appointment of Shri D.Venkata Subbaiah as Non-Executive Independent Director of the Company.                                                                                                                | Special Resolution  |                                                      |         |         |
| 4.        | Appointment of Dr.R.N.Sreenath as Non-Executive Independent Director of the Company.                                                                                                                        | Special Resolution  |                                                      |         |         |
| 5.        | To ratify the remuneration of Ms.Vinita Surana, Whole-time Director of the Company.                                                                                                                         | Special Resolution  |                                                      |         |         |
| 6.        | To approve the overall limits u/s 186 for Loans/ Guarantees/ Securities/ Investment by the Company.                                                                                                         | Special Resolution  |                                                      |         |         |
| 7         | To raise funds through issue of shares/convertible securities/ADR/GDR/ FCCB's/ECB's etc.                                                                                                                    | Special Resolution  |                                                      |         |         |
| 8         | To approve and ratify the remuneration of Cost Auditors for the financial year 2018-19.                                                                                                                     | Ordinary Resolution |                                                      |         |         |
| 9         | Approval of charges for service of documents on the shareholders.                                                                                                                                           | Ordinary Resolution |                                                      |         |         |

Place :

Date :

Revenue  
Stamp

Signature of the Shareholder

**Notes:**

- a) Proxy need not be a member of the Company.
- b) The Proxy Form in order to be effective shall be duly filled in and signed by the member(s) across Revenue Stamp and should reach the Company's Registered Office: 5<sup>th</sup> Floor, Surya Towers, Sardar Patel Road, Secunderabad - 500 003 at least 48 hours before the commencement of the meeting.
- c) Corporate members intending to send their authorised representative(s) to attend the meeting are requested to send a certified copy of the Board resolution authorizing their representative(s) to attend and vote on their behalf at the meeting.
- d) It is optional to indicate your preference. If you leave the for, against or abstain column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may think appropriate.





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

## **SURANA TELECOM AND POWER LIMITED**

**REGISTERED OFFICE:**

5th Floor, Surya Towers  
Sardar Patel Road, Secunderabad - 500 003, India  
Tel: +91-040-27845119, 44665700, 27841198  
Fax: +91-040-27818868

CIN: L23209TG1989PLC010336

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

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

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