



Date: 8th September, 2015

To

The Department of Corporate Services – CRD, Bombay Stock Exchange Limited, P.J.Towers, Dalal Street, MUMBAI – 400 001. Scrip Code: 513414	National Stock Exchange of India Ltd, 5 th Floor, Exchange Plaza, Bandra (E), MUMBAI – 400 051 Scrip Symbol: SMPL
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Dear Sir/Madam,

Sub: Submission of Annual Reports for the financial Year 2014-15-reg.

This is to inform you that the 25th Annual General Meeting of the members of the Company is scheduled to be held on Wednesday, 30th Day of September, 2015 at 12.00 Noon at Katriya Hotel & Towers, # 8, Raj Bhavan Road, Somajiguda, Hyderabad - 500 082, Telangana, to transact the business as set out in the notice.

Further to inform you that e-voting period shall commence on 26th September, 2015 (9.00 a.m) and end on 29th September, 2015 (5.00 p.m.). The e-voting module shall be disabled by CDSL for voting thereafter. During the e-voting period, members of the Company, holding shares either in physical form or dematerialized form, as on the cut-off date i.e., 23rd September, 2015, will be eligible to cast their vote electronically

Please find enclosed herewith six copies of Annual Reports for the Financial Year 2014-15 along with Form-A as per Clause 31 Listing Agreement.

Kindly acknowledge the same.

Thanking you,

Yours faithfully,

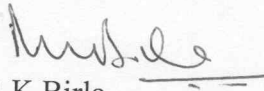
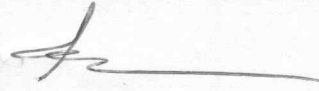
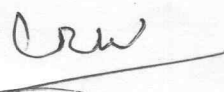
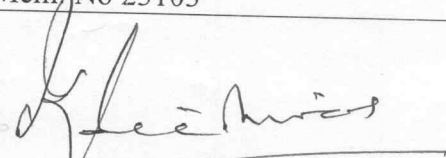
For SUJANA METAL PRODUCTS LIMITED


SHAIK IBRAHEEM
COMPANY SECRETARY

Encl: as above.

Form A
(Unqualified/ Matter of Emphasis Report)

Format of covering letter of the annual audit report to be filed with the Stock Exchange

S. No	Particulars	Details
01	Name of the Company	M/s. Sujana Metal Products Limited
02	Annual Financial Statement for the Year Ended	31st March, 2015
03	Type of Observation	Un- qualified
04	Frequency of observation	Not Applicable
05	Signature:	
	Managing Director	 R.K.Birla DIN: 00118776
	Director (Finance)	 S.Hanumantha Rao DIN: 00118801
	Auditor of the Company	For CRK & ASSOCIATES Chartered Accountants Firm Reg.No:010004S  C. Rajendra Kumar, FCA Partner Mem. No 23103
	Audit Committee Chairman	 Dr.K.Srinivasa Rao DIN: 02257745



25th ANNUAL REPORT

2014-2015

SUJANA METAL PRODUCTS LIMITED

SUJANA TMT®
SUJANA TMT 500S
SUPER STRENGTH • SUPERIOR QUALITIES

SUJANA®
PLUS
TMT REBAR

SUJANA®
CORROSION
RESISTANT
STEEL **CRS**

SUJANA®
SMART
STEEL
Customized • Convenient • Cost-saving

SUJANA
STRUCTURAL
STEEL

CORPORATE INFORMATION

BOARD OF DIRECTORS

<i>Non-Executive Chairman</i>	:	Dr.V.Malakonda Reddy*
<i>Managing Director</i>	:	Shri R.K.Birla
<i>Executive Director</i>	:	Shri S.Hanumantha Rao
<i>Directors</i>	:	Shri G.Srinivasa Raju Shri J. Ramakrishnan* Dr. K.Srinivasa Rao* Shri Ch. Srinivasu, IDBI Nominee Shri Vimlesh Kumar, PNB Nominee Smt. B.Sandhyasri*
		<i>* Independent & Non-Executive Directors</i>

MANAGEMENT COMMITTEE	:	Shri G.Srinivasa Raju Shri R.K.Birla Shri S.Hanumantha Rao
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AUDIT COMMITTEE	:	Dr.K.Srinivasa Rao Shri S.Hanumantha Rao Dr.V.Malakonda Reddy
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SHARE TRANSFER COMMITTEE	:	Shri R.K.Birla Shri G.Srinivasa Raju
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SHAREHOLDERS' GRIEVANCES COMMITTEE	:	Shri S.Hanumantha Rao Shri G.Srinivasa Raju
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NOMINATION AND REMUNERATION COMMITTEE	:	Dr.K.Srinivasa Rao Shri J.Ramakrishnan Dr. V. Malakonda Reddy
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CORPORATE SOCIAL RESPONSIBILITY COMMITTEE	:	Shri G.Srinivasa Raju Shri S.Hanumantha Rao Dr.K.Srinivasa Rao
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RISK MANAGEMENT COMMITTEE	:	Shri.G.Srinivasa Raju Shri S.Hanumantha Rao Dr.K.Srinivasa Rao
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COMPANY SECRETARY	:	Shri Shaik Ibraheem
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CHIEF FINANCIAL OFFICER	:	Shri Ch. Narayana Rao
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STATUTORY AUDITORS	:	M/s.CRK & Associates Chartered Accountants, Hyderabad
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INTERNAL AUDITORS	:	Shri M.Balarama Krishnaiah, Chartered Accountant, Hyderabad
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COST AUDITORS	:	M/s Nageswara Rao & Co Cost Accountants, Secunderabad,
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BANKERS	:	Andhra Bank Bank of Baroda Bank of India IDBI Bank Limited Indian Overseas Bank
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SUJANA METAL PRODUCTS LIMITED

Indian Bank
Karnataka Bank Limited
State Bank of Patiala
Punjab National Bank(PNB)
Lakshmi Vilas Bank
Oriental Bank of Commerce

REGISTERED OFFICE & CORPORATE OFFICE

: Plot No. 18, Nagarjuna Hills, Panjagutta
Hyderabad-500082, Telangana

WORKS

Hyderabad:

- (i) Survey No.296/7/9,
- (ii) Plot No. 4, Survey No.296/7/7, 8 & 11,
- (iii) Survey No. 296/7/7, 296/7/8, 296/7/11,
- (iv) Survey No. 296/7/7, 8 & 11,
IDA Bollaram, Jinnaram Mandal,
Medak District - 502325, Telangana.
- (v) Survey No. 196 & 197, Parigi Road, Elikatta Village,
Shadnagar, Mahaboobnagar District, Telangana.
- (vi) Cut and Bend Division: Survey No. 204, 205 & 206
Elakatta Gram Panchayat, Farooq Nagar Mandal,
Mahaboob Nagar District-509216, Telangana.
- (vii) Trading Division : Plot No. 4, Survey No. 296/7/7A,
IDA Bollaram, Jinnaram Mandal,
Medak District - 502325, Telangana.
- (viii) Survey No.473, 576 & 442,
Chikatigudem, Kethepally Mandal,
Nalgonda District, Telangana-508211

Chennai:

- (i) Survey No. 204/8B, Manjankaranai Village,
Chennai, M.G.R. District - 620 502, Tamilnadu.
- (ii) Plot No. B-20E, SIPCOT Industrial Complex,
Gummidipundi, Chennai, Tamilnadu.

Visakhapatnam:

Sanivada Village, Rajeevnagar,
Visakhapatnam - 530 046, Andhra Pradesh.

LISTING

: **Equity**
Bombay Stock Exchange Limited (BSE)
Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai - 400 001
National Stock Exchange of India Ltd (NSE)
Exchange Plaza, Bandra-Kurla Complex,
Bandra (E), Mumbai - 400 051.

REGISTRAR & SHARE TRANSFER AGENTS

: M/s Bigshare Services Pvt. Ltd.
306, Right Wing, 3rd Floor, Amrutha Ville,
Opp: Yashoda Hospital, Raj Bhavan Road,
Somajiguda, Hyderabad - 500 082.
Phone No: 040 - 2337 4967.
Email: bsshyd@bigshareonline.com
Website: www.bigshareonline.com

NOTICE

NOTICE is hereby given that the Twenty Fifth (25th) Annual General Meeting of the members of the Company will be held on Wednesday, the 30th day of September, 2015 at Katriya Hotel & Towers, # 8, Raj Bhavan Road, Somajiguda, Hyderabad-500082, Telangana at 12.00 noon to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial statements of the Company (including Audited Consolidated Financial Statements) for the financial year ended March 31st , 2015 and the reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Shri R.K.Birla (DIN: 00118776), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s. T. Raghavendra & Associates, Chartered Accountants (Registration No. 003329S) as Statutory Auditors of the Company to hold office from the conclusion of this (25th) Annual General Meeting until the conclusion of next Annual General Meeting of the Company on such remuneration as may be fixed by the Board of Directors, in place of M/s CRK & Associates, Chartered Accountants, who expressed their inability to continue as Statutory Auditors of the Company due to their pre-occupation.

SPECIAL BUSINESS

4. **To consider and appoint Smt. B. Sandhyasri (DIN: 07135292) as an Independent Director and in this regard, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 & 161 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013, (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 [Including any statutory modification(s) or re-enactment(s) thereof, for the time being in force] read with Clause 49

of Listing Agreement, Smt. B. Sandhyasri (DIN: 07135292), who was appointed as an Additional Director (Independent) of the Company by the Board of Directors w.e.f. March 30th, 2015 and who holds office up to the date of this Annual General meeting and in respect of whom the Company has received a notice in writing form a member proposing the candidature of Smt. B Sandhyasri for the Director of the Company, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for 5 (five) consecutive years commencing from March 30th, 2015 to March 29th, 2020.”

5. **To consider and re-appoint Shri S. Hanumantha Rao (DIN: 00118801), as Director-Finance of the Company and to fix the remuneration for a period not exceeding 3 (Three) years and in this regard if thought fit, to pass, with or without modification(s), the following resolution as Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 (“the Act”) and the rules, circulars, orders and notifications issued there under (including any statutory modification(s) or reenactment thereof for the time being in force), read with Schedule V to the Companies Act (including any statutory modification(s) or re-enactment thereof, for time being in force), subject to all guidelines for managerial remuneration issued by the Central Government from time to time, and approval of Central Government, required if any, and such other consents and approvals as may be required, and as recommended by the Nomination and Remuneration Committee, the Consent of the Company be and is hereby accorded for re-appointment of Shri S.Hanumantha Rao (DIN: 00118801), as the Director-Finance of the Company for a period of 05 (Five) Years, effective from, May 27th , 2015 till May 26th , 2020.

“RESOLVED FURTHER THAT pursuant to the provisions of Sections 196, 197 and any other applicable provisions of the Companies Act, 2013 (“the Act”) and the rules, circulars,

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orders and notifications issued there under (including any statutory modification(s) or reenactment thereof for the time being in force), read with Schedule V to the Companies Act (including any statutory modification(s) or re-enactment thereof, for time being in force), subject to all guidelines for managerial remuneration issued by the Central Government from time to time, and approval of Central Government, required if any, and such other consents and approvals as may be required, and as recommended by the Nomination and Remuneration Committee, the consent of the Company be and is hereby accorded to pay existing remuneration of Rs.14.40 lakhs to Shri S.Hanumantha Rao, Director-Finance of the Company for a period not exceeding 3 (Three) years effective from May 27th, 2015.

“RESOLVED FURTHER THAT the terms of the re-appointment of Shri S.Hanumantha Rao shall be subject to revision by the Board of Directors (hereinafter referred to as “Board” which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this resolution), from time to time during the tenure of the appointment, taking into account the performance of the Company, within the overall limit as provided in the provisions of the Companies Act, 2013.”

“RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the currency of his tenure, the Company will, subject to applicable laws and such sanctions and approvals as may be required, pay remuneration to Shri S.Hanumantha Rao, as Director-Finance as provided in this resolution.”

“RESOLVED FURTHER THAT the remuneration specified above for Shri S.Hanumantha Rao, Director-Finance may, subject to overall ceiling specified above and subject to Schedule V of the Companies Act be modified, during the tenure of office as Director-Finance, as may be agreed by the Board of Directors and Shri S.Hanumantha Rao.”

“RESOLVED FURTHER THAT the Board of

Directors of the Company or any committee thereof be and is hereby authorized to do all such acts, deeds and things as in its absolute discretion it may think necessary, expedient or desirable; to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution and to seek such approval/ consent from the government departments, as may be required in this regard.”

“RESOLVED FURTHER THAT the Board of Directors of the Company or the Company Secretary of the Company be and are hereby directed and severally authorised to complete necessary statutory formalities to give effect to the resolution and to do all such acts, deeds, matter and things as it may, in its absolute discretion deem desirable, necessary, expedient, usual or proper to implement this resolution from time to time and execute all necessary documents, applications and returns along with filing of necessary E-form with the Registrar of Companies, Andhra Pradesh & Telangana”.

6. To approve the remuneration of the Cost Auditors for the financial year ending March 31st, 2016 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications(s) or re-enactment thereof, for the time being in force), the remuneration of Rs. 2,00,000/- (Rupees Two Lakh Only) plus reimbursement of actual expenses, to be paid to M/s. Nageswara Rao & Co, (Member Ship No: 000332) Cost Auditors of the Company, for the financial year 2015-16, as approved by the Board of Directors of the Company, be and is hereby ratified”.

BY ORDER OF THE BOARD

Place: Hyderabad
Date: August 28th, 2015

R.K.BIRLA
Managing Director
(DIN: 00118776)

NOTES:

1. The Explanatory Statements pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special businesses set out in the Notice are annexed.
2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty (50) members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report.
3. Corporate Members intending to send their authorised representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorising their representative(s) to attend and vote on their behalf at the Meeting.
4. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
5. Members / proxies should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
7. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours up to the date of the Meeting.
8. The Share Transfer Books and Register of Members of the Company will remain closed on September 29th, 2015 (One day only).
9. Copy of the draft letters for respective appointment of Smt. B. Sandhyasri as an Independent Director and Shri S Hanumantha Rao as an Executive Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company and also available @ www.sujana.com.
10. The details under Clause 49 of the Listing Agreement with the Stock Exchanges in respect of Director seeking appointment/re-appointment at the Annual General Meeting, is annexed hereto. The directors have furnished the requisite declarations for their appointment/ re-appointment.
11. Shareholders desiring any information as regards the accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready at the meeting.
12. The registration of share transfers and other related correspondence will be dealt at M/s. Bigshare Services Private Limited of Mumbai, having its branch office at 306, Right Wing, 3rd Floor, Amruta Ville, Opp: Yashoda Hospital, Raj Bhavan Road, Somajiguda, Hyderabad - 500 082.
13. The shareholders / members of the Company, who are having equity shares of the Company in physical form, are advised to get dematerialized of their respective equity shares by way of surrendering their physical share certificates to the Registrar and Share Transfer Agents (RTA) of the Company (i.e., M/s Bigshare Services Pvt. Ltd., Hyderabad) through their respective Depository Participants. The shareholders /members, who are not having demat

SUJANA METAL PRODUCTS LIMITED

accounts are requested to open the demat accounts and thereafter approach the RTA for dematerialization of their equity shares.

14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's RTA.
15. In accordance with the provisions of Section 72 of the Companies Act, 2013, members are entitled to make nominations in respect of the equity shares held by them, in physical form. Members desirous of making nominations may procure the prescribed form from the Registrar & Share Transfer Agent of the Company (i.e., M/s Bigshare Services Pvt. Ltd., Hyderabad).
16. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to RTA, for consolidation into a single folio.
17. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules issued there under, Companies can serve Annual Reports and other communications through electronic mode to those shareholders who have registered their email address either with the Company or with the Depository. It is a welcome move for the society at large, as this will reduce paper consumption to a great extent and allow shareholders to contribute towards a greener environment. This is a golden opportunity for every shareholder of Sujana to contribute to the cause of Green Initiative. Members who have not registered their e-mail address with the Company are requested to register the same by submitting the letter to Companies RTA. The Members holding shares in electronic form are requested to register their e-mail address with their Depository Participants only. The Members of the Company, who have registered their e-mail address, are entitled to receive communications in physical form, upon request.
18. Electronic copy of the Annual Report for 2014-15 (including Notice of the 25th Annual General Meeting of the Company along with Attendance Slip and Proxy Form) is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2014-15 is being sent in the permitted mode.
19. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates with their respective Depository Participants to receive all the communications in electronic mode. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company RTA.
20. Members may also note that the Notice of the 25th Annual General Meeting and the Annual Report for 2014-15 will also be available on the Company's website www.sujana.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Hyderabad for inspection during normal business hours on working days.
21. Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc., from the Company electronically
22. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.

23. Instructions for members for voting electronically are as under:

- In compliance with the provisions of section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 ('Amended Rules 2015') and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 25th Annual General Meeting by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the Annual General Meeting ("remote evoting") will be provided by Central Depository Services Limited (CDSL).
- The facility for voting through ballot paper shall be made available at the Annual General Meeting and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- The members who have cast their vote by remote e-voting prior to the Annual General Meeting may also attend the Annual General Meeting but shall not be entitled to cast their vote again.
- The remote e-voting period commences on September 26th, 2015 (9:00 A.M.) and ends on September 29th, 2015 (5:00 P.M.). During this period members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date of Wednesday, September 23rd, 2015, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by

the member, the member shall not be allowed to change it subsequently.

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

- (i) The voting period begins on September 26th, 2015 at 09:00 A.M and ends on September 29th, 2015 at 05:00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of September

SUJANA METAL PRODUCTS LIMITED

23rd, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID;
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID;
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none">• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.• The sequence number is available on the address label/email of their respective.
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
D i v i d e n d Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none">• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

- (xi) Click on the **EVSN < 150829007 >** for the relevant Company Name **<Sujana Metal Products Limited>** on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non – Individual Shareholders and Custodians:
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password.

The Compliance user would be able to link the account(s) for which they wish to vote on.

- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

BY ORDER OF THE BOARD

Place: Hyderabad
Date: August 28th, 2015

R.K.BIRLA
Managing Director
(DIN: 00118776)

SUJANA METAL PRODUCTS LIMITED

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013 (“the Act”)

The following statement sets out all material facts relating to the business mentioned in Item No. 4 to 6 of the accompanying Notice:

Item No. 4

The Board of Directors of the Company, in pursuant to the provisions of Section 149, 152 & 161 of the Act and the Articles of Association of the Company and Clause 49 of the Listing Agreement, has appointed Smt. B. Sandhyasri (DIN: 07135292) as an Additional Director (Independent Director) of the Company w.e.f. March 30th, 2015 who shall hold office upto the conclusion of this Annual General Meeting, now it is proposed by the Board to recommend her appointment as Independent Director for a term up to 5 (five) consecutive years w.e.f. March 30th, 2015 to March 29th, 2020 subject to her election as a Director by the members at this Annual General Meeting.

The Company has received notice in writing from a member, under Section 160 of the Act proposing the candidature of Smt. B. Sandhyasri (DIN: 07135292) and as Independent Director of the Company.

The Company has also received declarations from Smt. B. Sandhyasri (DIN: 07135292) that she meets with criteria of Independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

Smt. B. Sandhyasri (DIN: 07135292) is not disqualified from being appointed as Director in terms of Section 164 of the Act. The Board of Directors of your Company, after reviewing the provisions of the Act, are of the opinion that she is eligible to be appointed as an Independent Director pursuant to the provisions of Section 149 of the Act and Clause 49 of the Listing Agreement.

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

The Board considers that keeping in view of her vast expertise and knowledge; it will be in the interest of the Company to appoint her as an Independent Director. Accordingly, the Board recommends the resolution in relation to her appointment as an Independent Director pursuant to provisions of Section 149 read with Schedule IV of the Act for the approval by the shareholders of the Company.

The details as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges are provided in Annexure to the Notice.

Smt. B Sandhyasri is retired employee of State Government of Andhra Pradesh with 35 years of experience in State Government of Andhra Pradesh (1979-2014) working in various capacities ranging from Assistant Director to Director in planning department. Extensive experience in formulation of five year plans and annual plans of the State Government. Experience in preparing and implementing specialized World Bank funded projects such as A.P. Hazard Mitigation & Emergency Cyclone Recovery Project and Andhra Pradesh District Poverty Initiatives Project (APDPIP)

Post retirement, she has worked as a Special Officer in Planning Department, Government of Andhra Pradesh.

Smt. B. Sandhyasri (DIN: 07135292) being an appointee is interested in the resolutions set out at Item No. 4 of the Notice with regard to her appointment.

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

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

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

Item No. 5

Shri S.Hanumantha Rao aged about 64 years and holds a Bachelors Degree in Technology and He is a qualified Cost Accountant having AICWA qualification from the Institute of Cost & Works Accountants of India. He has worked for more than 20 years in State Bank of India and 3 years as Financial and Management Consultant.

Brief resume of Shri S.Hanumantha Rao, nature of his expertise in specific functional areas, names of companies in which he holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships amongst directors inter-se as stipulated under Clause 49 of Listing Agreement with the Stock Exchanges, has been provided and forming part of the Annual Report of the Company.

On the recommendation of the Nomination and Remuneration Committee of the Board and in view his outstanding contribution in the growth of the Company and his leadership qualities supported by his qualifications & experience, the Board of Directors of the Company ("Board") at its meeting dated May 27th 2015 re-appointed Shri S.Hanumantha Rao as the Director-Finance of the Company for a period of 5 (Five) Years with effect from May 27th, 2015.

During the current financial year, your Company has earned a net profit of Rs.93.76 Lakhs. In case of loss or inadequacy of profits in any financial year during his tenure as Director-Finance of the Company, the remuneration payable to him shall be in accordance with the limits prescribed in Section II of Part II of Schedule V of the Companies Act, 2013 as amended from time to time subject to the Compliance thereof but in any event shall not exceed the remuneration payable when the profits of the Company are adequate.

On the recommendation of the Nomination and Remuneration Committee of the Board, the Board of the Company (Board") at its meeting held on August 28th, 2015, decided to pay the existing remuneration (i.e. Rs. 14.40 lakhs) for a period not exceeding three years to Shri S.Hanumantha Rao, Director-Finance of the Company.

In accordance with the provisions of Section 196, 197, 203 and Schedule V of the Companies Act, 2013, approval of shareholders is required for the resolution set out at Item no.5 of the Notice.

Statement as per Section II, Part II of Schedule V of the Companies Act, 2013 is as follows.

I. GENERAL INFORMATION

(1) Nature of Industry: Iron & Steel Industry

(2) Date or Expected Date of commencement of commercial production:

The Company was incorporate on May 2nd, 1988 under the name of M/s. Sujana Steel Re-Rolling Industries Private Limited. The Company was incorporated with an object to manufacture Steel Re-rolled products. The Company was converted into public limited company on 20th April 1992.

Sujana Metal Products Limited (SMPL) is a Company engaged in the business of manufacturing and marketing value added steel products. SMPL is India's premier integrated steel manufacturing company. The company's integrated steel making facilities produce the entire range of steel products – sponge iron to finished steel.

SUJANA METAL PRODUCTS LIMITED

(3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: N.A.

(4) Financial performance based on given indicators:

Particulars	FY 2014-15 (12 months) (Rs in lakhs)	FY 2013-14 (12 months) (Rs in lakhs)	FY 2012-13 (12 months) (Rs in lakhs)
Total Revenue	346189.69	286558.76	366527.07
Total Expenses	345623.34	289690.22	368573.19
Profit After Tax	93.76	(3815.56)	(2026.11)
Dividend Rate	Nil	Nil	Nil

(5) Export performance and net foreign exchange collaborations:

Particulars	FY 2014-15 (12 months) (Rs in lakhs)	FY 2013-14 (12 months) (Rs in lakhs)	FY 2012-13 (12 months) (Rs in lakhs)
Export FOB Value	1820.29	26660.53	68554.65
Earnings in Foreign Exchange	1820.29	26660.53	68554.65

(6) Foreign investments or collaborators, if any:

- Investments in subsidiaries during 2014-15 : Rs.552.01 Lakhs
- Loans and advances to subsidiaries during 2014-15: Rs.2051.70 Lakhs
- Investment in Share capital by Foreign Companies : Nil
- Foreign Collaborations : None

II. INFORMATION ABOUT THE APPOINTEE

(1) Background details:

Shri S.Hanumantha Rao, Director-Finance of the Company, aged about 64 years and holds a Bachelors Degree in Technology and he is a qualified Cost Accountant having AICWA qualification from the Institute of Cost & Works Accountants of India. He has worked for more than 20 years in State Bank of India and 3 years as Financial and Management Consultant.

(2) Past Remuneration: Last Remuneration drawn by Shri S.Hanumnatha Rao was Rs.14.40 lakhs.

(3) Recognition or awards: Nil

(4) Job profile and his suitability: Whole Time Director of the Company. He is designated as Director-Finance.

Considering the background, competence and experience of Shri S.Hanumantha Rao, Director (Finance) of the Company and also by considering the guidance and advices provided by him during his tenure as Director - Finance of the Company, the Board feels he is the best suitable for the post of Director - Finance.

(5) Remuneration proposed

The remuneration being proposed as approved by the Remuneration Committee of the Company and Board of the Company is Rs.14,40,000/- (Fourteen Lakhs Forty Thousand Only) per annum, inclusive of all perquisites and allowances but excluding Car Service provided by the Company and Telephone facility.

(6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin):

Shri S. Hanumantha Rao has held key positions in the Company ever since his appointment as Director in the year 1999. His vast experience in the banking and finance sector has helped the Company strategically, resulting in the Company to expand rapidly.

The remuneration proposed is reasonable as profile with respect to compared to size of the company, profile industry, size of the company, and position of the person as well as with respect profile and position of person to the industry.

(7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any:

Except for receiving remuneration from the Company as Director-Finance, Shri S. Hanumantha Rao and his relatives had no other pecuniary relationship with the Company.

III. OTHER INFORMATION

(1) Reason of inadequate profits:

Your company has earned a net profit of Rs. 93.76 lakhs for the financial year ended 31st March 2015. The major reasons among others are;

- Increase in cost of production.
- Delay in Sanction of adequate working capital by Banks. Non Release of working capital sanctioned by the banks. which is severely affecting the operations of the Company.
- Slowdown in the business due to unfavorable markets and delayed realization, increase in raw material consumption, overall reduction in quantitative discounts.
- High Finance Cost.
- Exports are declined due to a sharp decline in steel prices internationally coupled with weak demand.

(2) Steps taken or proposed to be taken for improvements:

- Technical Modifications and Technological Changes leading to increase in productivity & operational efficiency.
- Repayments of high interest debts in a phased manner.
- Efforts to improve the working capital of the Company.

(3) Expected increase in productivity and profits in measureable terms:

With an unprecedented raise cost, unfavorable markets and decline in exports, the margins are severely hit. As a result the profits of the company declined. To overcome these obstacles the company is commissioning new innovative techniques and tools to increase the productivity and profits.

Shri S.Hanumantha Rao, is interested in the resolutions set out respectively at Item Nos. 5 of the Notice with regard to his respective appointment.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company/his relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

SUJANA METAL PRODUCTS LIMITED

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

The Board recommends the Special Resolution set out in Item Nos.5 of the Notice for approval of members of the Company.

Item No. 6

The Board of Directors, on recommendation of the Audit Committee, at their meeting held on May 27th, 2015, has approved the appointment and remuneration of the M/s. Nageswara Rao & Co, (Member Ship No: 000332) Cost Accountants in practice, as Cost Auditors of the Company to conduct the audit of the cost records of the Company across various segments, for the financial year ending 31st March, 2016 on a remuneration of Rs. 2,00,000/- (Rupees Two Lakh Only) plus reimbursement of actual expenses.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No.6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2016.

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

The Board recommends the Ordinary Resolution set out at Item No.6 of the Notice for approval by the shareholders.

BY ORDER OF THE BOARD

Place: Hyderabad
Date: August 28th, 2015

R.K.BIRLA
Managing Director
(DIN: 00118776)

Details of the Directors seeking appointment/re-appointment in the forthcoming Annual General Meeting

(in pursuance of Clause 49 of the Listing Agreements)

Name of Director	Shri R.K.Birla	Smt B. Sandhyasri	Shri S.Hanumantha Rao
Director Identification Number	00118776	07135292	00118801
Date of Birth	20.01.1952	03.05.1954	18.07.1951
Date of Appointment	05.05.1992	30.03.2015	19.07.1999
Expertise	He has worked with Poddar Products Limited as Chief Executive for 8 years and later in the year 1992 he joined the Company as Director (Operations). His vast experience in the Steel industry has helped the Company strategically, resulting in the Company to expand rapidly and benefit from key opportunities in the Indian and overseas steel industry	Smt B. Sandhyasri has been on the Board of Directors of the Company since 30.03.2015. She has 35 years of experience in State Government of Andhra Pradesh (1979-2014) as Director. Also has extensive experience in formulation of five year plans and annual plans of the state government. Moreover in implementing specialized World Bank funded projects.	He has worked for more than 20 years in State Bank of India and 3 years as Financial and Management Consultant.
Qualifications	MBA from Birla Institute of Technology	Master's in Commerce, Andhra University, 1976	AICWA and B.Tech
Directorship held in other public companies (excluding foreign companies)	Nil	1. Sujana Towers Limited 2. Sujana Universal Industries Limited	1. Sujana Universal Industries Limited 2. Sujana Holding Limited 3. Sujana Towers Limited 4. Sujana Projects Limited 5. Sujana Energy Limited 6. Sujana Power (India) Limited
Membership / Chairmanship of Committees of other public companies (includes only Audit Committees and Shareholders' Grievances Committee) C=Chairman, M=Member	Nil	Nil	Audit Committee: 1. Sujana Universal Industries Limited(M). 2. Sujana Towers Limited(M). Shareholders' Grievances Committee: 1. Sujana Towers Limited (M & C)
Shareholdings in the Company	506605	Nil	7
Relationship between directors inter-se	Nil	Nil	Nil

SUJANA METAL PRODUCTS LIMITED

DIRECTORS' REPORT

To

The Members of Sujana Metal Products Limited,

Your Directors have pleasure in presenting the Twenty Fifth Annual Report of your Company together with the Audited Financial Statements of Accounts for the Financial Year ended 31st March, 2015.

Company's Performance

Your Directors hereby report that the Company has achieved a turnover of Rs. 345159.78 lakhs upto 31.03.2015 as against the turnover of Rs. 284441.87 lakhs during the previous financial year ended 31.03.2014.

The highlights of the Financial Results are as follows :

(Rs. In Lakhs)

Particulars	2014-2015	2013-2014
Profit Before Depreciation & Interest	26052.58	17952.84
Financial Costs	21589.50	17255.64
Depreciation	3896.73	3828.66
Profit Before Tax	566.35	(3131.46)
Provision for Tax		
- Current Tax	199.67	2.23
- Deferred Tax	244.46	681.88
Profit After Tax	93.76	(3815.56)
Balance of profit brought forward from earlier years	11040.67	14873.62
Add: Excess Provision for IT written off		-
Profit available for appropriation	11134.41	11058.06
Appropriations:		
Proposed Dividend:		
- Equity	-	-
- Preference	14.93	14.93
- Dividend Tax	2.64	2.54
Balance of Profit	11116.84	11040.59

Operations & Overall Performance:

During the year under review, your Company reported total income of Rs.346189.69 Lakhs as against Rs.286561.90 lakhs of previous year. Your company posted profit before tax of Rs.566.35 lakhs as against loss of Rs.3131.46 lakhs in the previous year. After making a provision of Rs.21589.50 Lakhs towards interest and Rs.3896.73 Lakhs towards

depreciation, the current financial year closed with a net profit of Rs.93.76 Lakhs as against net loss of Rs.3815.56 Lakhs last year.

The net worth of the Company as on 31st March, 2015 is Rs 69691.17 lakhs against Rs.69360.00 lakhs in 2013-14. Net worth is increased by Rs. 331.17 lakhs.

Consolidated turnover of Rs.394248.21 lakhs as against Rs.337328.53 lakhs in the previous year and Consolidated Profit before Tax of Rs.1473.98 lakhs as against loss of Rs.2057.74 lakhs in the previous year.

Despite adverse Global as well as Indian economy, your Company performed moderately and Sujana Metal looks ahead to a hopeful further systematic robustness in the business and operation. Your Directors continue to identify opportunities to leverage and introduce technology to improve our performance, be it in operations, people management, and knowledge management and to strengthen proactive stakeholder relations.

Dividend:

As per the terms of issue of Cumulative Redeemable Preference Shares (CRPS) vide letter No:2592/SASF/CBO and 5938/SASF/CBO dated 28.06.2005 and 29.10.2005 respectively, your Company is required to pay the dividend of Rs. 14.93 Lakhs (Previous year Rs.14.93 Lakhs) which represents 1% on 14,93,365 Cumulative Redeemable Preference Shares(CRPS) of Rs.100/- each to the holders of Cumulative Redeemable Preference Shares for the year under review, Further your Company also provided a provision of dividend tax to the extent of Rs. 2.64 Lakhs (Previous year Rs.2.53 Lakhs)

In view of the current steel scenario, the Board of Directors are of the opinion that Cash flow should be conserved and hence decided to plough back the entire profit earned by the Company and have not recommended any dividend.

Your Company has always emphasized on achieving operational excellence and continues to focus on customer satisfaction and delight. Backed by strong fundamentals and robust plans your Company is fully prepared to face current challenges and benefit from expected medium and long term growth in Indian economy.

Prospects:

The Government is undertaking proactive policy initiatives for Infrastructure development and Industrial growth, which will accelerate steel demand in line with economic growth. However, concerns like poor availability of iron ore and inconsistent quality as well as high import dependency of coking coal need to be addressed.

Material Changes and Commitments:

There is no material change and commitment has occurred, affecting the financial position of the Company, between the end of the financial year of the Company i.e. 31st March, 2015 and the date of this report.

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

Company petition (C.P.175/2013) filed by Standard Bank (Mauritius) Limited (SBML) against the Company u/s 433 of the Companies Act, 1956, in connection with the corporate guarantee furnished by the Company on behalf of its step down subsidiary Optimix Enterprises Limited, Mauritius was admitted by the Hon'ble High Court of Judicature at Hyderabad for the State of Telangana and The State of Andhra Pradesh. However, the Company has filed appeals before the appropriate judicial authority and also exploring the process of settlement with Standard Bank (Mauritius) Limited.

Except the above, there are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status of the Company and the Company's operations in future.

Deposits

Your Company has not accepted Deposits from Public or Members under Chapter V of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 for the year under review.

Related Party Transactions

The Board of Directors, on recommendation of the Audit Committee framed a policy for Related Party Transaction which includes matters covered u/s

178(3) of the Companies Act 2013. The details of the same are provided in the Corporate Governance Report. The Policy is also posted in the Investors section of the Company's website.

All Related Party Transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. The requisite details of the related party transactions entered into during the financial year are provided in **Annexure-I** included in this report.

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

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

Corporate Social Responsibility:

The Board of Directors, on recommendation of the Corporate Social Responsibility Committee framed a Corporate Social Responsibility Policy in consonance with Section 135 of the Companies Act, 2013 read with the rules framed there under duly indicating the activities to be undertaken by the Company as specified in the Schedule VII of the Companies Act, 2013. The Corporate Social Responsibility Policy is posted in the Investors section of the Company's website.

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

SUJANA METAL PRODUCTS LIMITED

Directors' Responsibility Statement:

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

Auditors:

(a) Statutory Auditors:

The term of office of the Company's existing Statutory Auditors M/s. CRK & Associates, Chartered Accountants, Hyderabad, will come to an end at the conclusion of the ensuing Annual General Meeting of the Company. It is proposed to appoint M/s T. Raghavendra & Associates, Chartered Accountant (Registration No. 003329S), Hyderabad, as Statutory Auditors of the Company for the financial year 2015-16 at such remuneration as may be fixed by the Board of Directors.

Your Board of Directors recommended the appointment of M/s T. Raghavendra & Associates, Chartered Accountants (Registration No.003329S), Hyderabad, as Statutory Auditors of your Company. Your approval for such appointment is solicited.

M/s T. Raghavendra & Associates, has furnished written consent and a certificate of their eligibility obtained as required under second proviso of Section 139(1) of the Companies Act, 2013 read with the rules made thereunder. In terms of the Listing Agreement, they have confirmed that they hold a valid certificate issued by the Peer Review Board of the ICAI.

Notes to the accounts as referred in the Auditor's Report are self-explanatory and does not contain any qualification and therefore, do not call for any further comments or explanations.

(b) Cost Auditors:

The Board of your Company has re-appointed M/s. Nageswara Rao & Co, Cost Accountants [Firm No.000332] as the Cost Auditor of the Company for financial year 2015-16 pursuant to provisions of Section 148 and other applicable provisions of the Companies Act 2013. The said Auditors have confirmed that their appointment, if made, shall be within the limits as prescribed under

Section 141(3) of the Companies Act, 2013. The Cost Audit Report shall be submitted along with full information and explanation on every reservation or qualification contained therein, if any, and Annexure to the Central Government within stipulated time period.

As required by Section 148 of the Companies Act, 2013, necessary resolution has been included in the notice convening the Annual General Meeting seeking ratification by the members to the remuneration proposed to be paid to the cost auditors for the financial year ending 31st March, 2016.

The Cost Audit Reports the financial year ended March 31, 2014 were filed within the prescribed period.

(c) Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules framed there under, the Board of Directors, on recommendation of the Audit Committee, appointed Shri Y Ravi Prasada Reddy, Practicing Company Secretary to undertake the secretarial audit of the Company. The secretarial audit report issued by Shri Y Ravi Prasada Reddy Practicing Company Secretary for the financial year ending 31st March, 2015 is given in the **Annexure - IV** attached hereto and forms part of this Report. There are no qualifications, reservations or adverse remarks made by the secretarial auditor and the observation made is self explanatory and requires no further explanation from the Board.

Share Capital:

The paid up equity share capital as on 31st March, 2015 was Rs.10072.54 Lakhs.

In pursuance of Special Resolution passed by the shareholders of the company through postal ballot on 10th October 2014, to issue 10,46,60,000 equity shares of Rs.5/- each at par [as the price calculated in accordance with the Regulations for Preferential Issue under SEBI (ICDR) Regulations is less than the face value] to the promoters/promoters' group against the Promoters' contribution brought in the form of unsecured loans of Rs.52.33 Crores (Rupees Fifty Two Crores and Thirty Three

Lakhs only) as per the CDR package, by way of preferential allotment, the Company allotted 51,00,000 equity shares of Rs.5/- each to the promoters on 14.02.2015.

The Company has not issued any share with differential voting rights nor has granted any stock options or sweat equity as on 31st March, 2015. None of the Directors of the Company hold instruments convertible into equity shares of the Company.

Extract of Annual Return:

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

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

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

Meetings:

During the year under review 5 (Five) board meetings were held on May 30th, 2014, August 12th, 2014, August 28th, 2014, November 13th, 2014 and February 14th, 2015. The maximum time gap between any two consecutive meetings was within the period prescribed under the Companies Act, 2013.

Directors:

During the year under review, the members of the Company at the AGM held on September 30th, 2014 appointed Shri Dr V Malakonda Reddy, Shri J. Ramakrishnan and Dr K. Srinivasa Rao as Independent Directors under Section 149 of the Act and Clause 49 (revised) of the Listing Agreement to hold office for 5 (five) consecutive years.

The Board has appointed Smt Sandhyasri, as Additional Director (Independent Director) w.e.f March 30th, 2015 and now it is recommended her appointment to be regularized and be appointed

for a period of 5 (Five) years i.e from March 30th , 2015 to March 29th, 2020. Her appointment on the Board shall also fulfill the requirement of a Woman Director on the Board of the Company as required under the Companies Act, 2013 and clause 49 of the Listing Agreement.

The Board of Directors of the Company, on the recommendation of the Nomination and Remuneration Committee, re-appointed Shri S.Hanumantha Rao as a Director-Finance of the Company with effect from May 27th, 2015, subject to the approval of the members, at the forthcoming Annual General Meeting.

In accordance with the provisions of Companies Act, 2013 and the Articles of Association of the Company, Shri. R.K.Birla, Managing Director of the Company will retire by rotation at the ensuing Annual General Meeting and, being eligible, offers himself for re-appointment.

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

The Company has received declarations from all the Independent Directors of the Company confirming that they continue to meet with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the Listing Agreement with the Stock Exchanges.

Shri Y.S.Chowdary, a Chairman and Promoter-Non Executive Director of the Company resigned from the Board of Directors with effect from October 15th, 2014. The Board placed on record its appreciation for the outstanding contributions made by Shri Y.S.Chowdary during his tenure.

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

The following persons are Key Managerial Personnel of the Company:

Shri R.K.Birla : Managing Director

Shri Ch.Narayana Rao: Chief Financial Officer

Shri Shaik Ibraheem : Company Secretary

SUJANA METAL PRODUCTS LIMITED

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

For Directors seeking appointment/re-appointment in the forthcoming Annual General Meeting of the Company; the particulars as required to be disclosed in accordance with Clause 49 (Corporate Governance) of Listing Agreement, forms part of this report.

Board Evaluation :

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

- Structured evaluation forms, after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance, for evaluation of the performance of the Board, its Committee's and each director were circulated to all the members of the Board along with the Agenda Papers.
- The members of the Board were requested to evaluate by filling the evaluation forms and the duly filled in evaluation forms were required to be sent to the Company Secretary in a sealed envelope or personally submitted to the Chairman at the concerned meeting.
- The Board also provided an individual feedback to the concerned director on areas of improvement, if any.

A separate meeting of Independent Directors was held on 30th March, 2015 to evaluate the performance evaluation of the Chairman, the Non Independent Directors, the Board and flow of information from management.

Particulars of Employees:

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

Management Discussion and Analysis Report:

Management Discussion and Analysis, forming part of this report as required under Clause 49 (VIII)(D) of the Listing Agreement with the Stock Exchanges is attached hereto as **Annexure- VIII** and forms part of this Report.

Corporate Governance:

Your Company is committed to principles of good Corporate Governance. The Board of Directors ensures that your Company is in compliance with all the applicable provisions of the Clause 49 (as amended) of the Listing Agreement pertaining to Corporate Governance. A detailed report on Corporate Governance is attached as **Annexure-IX** and forms part of this report. Certificate from the Practicing Company Secretary confirming the compliance with the conditions of Corporate Governance as stipulated under Clause 49 of the listing agreement is attached to this report.

Subsidiaries of the Company:

Details of the subsidiaries are given below:

S. No.	Name of the Company	Status	Nature of Business	Country of Incorporation	Percentage of ownership interest
1	Glade Steel Private Limited	Subsidiary	It is engaged in the business of manufacturing, distributing, supplying, selling and other wise dispose of Rounds, Flats, Squares, Angles, Channels, Girders and Allied Products with installed capacity of 75,000 MT/per annum of re-rolling and 50,000 MT/per annum of MS ingots	India	51.15%
2	Asian Tide Enterprises Limited	Wholly Owned Subsidiary (WOS)	It was incorporated in Hong Kong for carrying on the business of trading of goods and services with accent on procuring raw materials (in bulk) for manufacturing activities of the Company (melting scarp for its rolling division) and sale surplus in the market.	Hong Kong	100%
3	Alpha Ventures Limited	Wholly Owned Subsidiary (WOS)	Alpha Ventures Limited has been promoted to carry out any object not prohibited by the Companies Law (2004) Revision, or as the same may be revised from time to time, or any other law of the Cayman Islands. As per the law prevailing in Cayman Islands	C a y m a n Islands	100%
4	Optimix Enterprises Limited	Stepdown Subsidiary (WOS of Asian Tide Enterprises Limited)	It was incorporated in Mauritius for carrying on the business or businesses which are not prohibited under the laws for the time being in force in the Republic of Mauritius. This includes (inter alia) to engage in the business of all forms of investments including but not limited to venture capital and private equity investments whether directly, indirectly through any special purpose vehicles or otherwise.	Mauritius	100%

A separate statement containing the salient features of the Financial Statement for the financial year ended 31st March, 2015 of the aforesaid Subsidiary Companies are included in the Annual Report as Form AOC-1 as an '**Annexure -X**'. The Financial statements of the said Subsidiary Companies are available for inspection by the Shareholders at the Registered office of your Company. Your Company undertakes that the Financial statements of the Subsidiaries Companies shall be made available to the Shareholders of the Company on demand.

SUJANA METAL PRODUCTS LIMITED

Consolidated Financial Statements:

The consolidated financial statements of your Company for the financial year 2014-15, are prepared in compliance with applicable provisions of the Companies Act, 2013, Accounting Standards and Listing Agreement as prescribed by the Securities and Exchange Board of India (SEBI).

The consolidated financial statements have been prepared on the basis of audited financial statements of the Company and its subsidiaries.

Audit Committee:

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

Internal Control Systems and their adequacy:

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

Vigil Mechanism:

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

Remuneration Policy:

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

The Policy is also posted in the Investors section of the Company's website www.sujana.com.

Particulars of Loans, Guarantees or Investments:

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

Risk Management :

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

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

Industrial Relations:

Your directors are happy to report that the Industrial Relations have been extremely cordial at all levels throughout the year.

Sexual Harassment Policy:

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

Redressal of Sexual Harassment of Women at Workplace and matters connected therewith or incidental thereto.

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

Environment and Social Obligation:

The Company's plants comply with all norms set up for clean and better environment by the competent authorities. The Company undertakes regular checks/inspections including certification for the maintenance of the environment. The Company values environmental protection and safety as the major considerations in its functioning. The Company has adequate effluent Treatment Plants to prevent pollution. The Company is continuously endeavoring to improve the health and quality of life in the communities surrounding its industrial complexes.

Human Resource Management:

The Company believes that Human Resource is its most valuable resource, which has to be nurtured well and equipped to meet the challenges posed by the dynamics of Business Developments. The Company has a policy of continuous training of its employees both in-house. The staff is highly motivated due to good work culture, training, remuneration packages and the values, which the company maintains. Your Directors would like to place on record their deep appreciation of all employees for rendering quality services and to every constituent of the Company be its customers, shareholders, regulatory agencies or creditors. Industrial relations have remained harmonious throughout the year.

Insurance:

All the properties and insurable assets of the Company, including Building, Plant and Machinery, stocks etc., wherever necessary and to the extent required, have been adequately covered.

Quality:

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

Appreciations:

The Board of Directors take this opportunity to express their deep sense of gratitude to the Central, State Government and Local Authorities, Financial Institutions, Banks, Customers, Dealers, Vendors and all the stakeholders for their continued cooperation and support to your Company.

The Board of Directors wishes to express its appreciation to all the employees of the Company for their outstanding contribution to the successful operations of the Company.

The Board specially thank to the shareholders for their continued confidence and faith in the Company.

BY ORDER OF THE BOARD

Place: Hyderabad
Date: August 28th 2015

R.K.BIRLA
Managing Director
DIN:00118776

S.HANUMANTHA RAO
Director-Finance
DIN:00118801

SUJANA METAL PRODUCTS LIMITED

Annexure - I

Form No. AOC-2

Details of Related Party Transactions

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

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

All contracts or arrangement or transaction with related parties at arm's length basis

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

S. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
1	Sujana Universal Inds. Ltd (Group Company)	Sales & Purchases of Materials	On Going	Based on transfer pricing guidelines	Not applicable	Not applicable
2	Sujana Towers Ltd (Group Company)	Sales & Purchases of Materials	On Going	Based on transfer pricing guidelines	Not applicable	Not applicable
3	Glade Steels Pvt Ltd	Sales & Purchases of Materials	On Going	Based on transfer pricing guidelines	Not applicable	Not applicable

BY ORDER OF THE BOARD

Place: Hyderabad
Date: August 28th 2015

R.K.BIRLA
Managing Director
DIN:00118776

S.HANUMANTHA RAO
Director-Finance
DIN:00118801

Annexure - II

Annual Report on Corporate Social Responsibility (CSR) activities

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

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

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

- a. Shri S Hanumantha Rao - Chairman
- b. Shri G Srinivasa Raju - Member
- c. Dr. K Srinivasa Rao - Member

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

Average Net Profit of the Company for the last three years is (-) Rs.1915.97 lakhs, Hence not applicable.

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

5. **The Company is required to spend: Nil**

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

Total amount spent for the financial year: Nil

Amount unspent, if any: N.A.

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

S. No.	Projects/ Activities	Sector	Locations (State)	Amount Outlay (Budget) Project or Programs wise	Amount Spent on Project or Programs wise	Cumulative expenditure upto reporting period	Amount Spent directly or through implementing agency
Not Applicable							

7. **Reasons for not spending two percent of the average net profit of the last three financial years on CSR: Not Applicable**
8. **The CSR Committee Confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and policy of the company : Not Applicable**

BY ORDER OF THE BOARD

Place: Hyderabad
Date: August 28th 2015

R.K.BIRLA
Managing Director
DIN:00118776

S.HANUMANTHA RAO
Director-Finance
DIN:00118801

SUJANA METAL PRODUCTS LIMITED

Annexure - III

Directors' Responsibility Statement

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

- I. That in preparation of the Annual Accounts for the year ended 31st March, 2015; all the applicable Accounting Standards prescribed by the Institute of Chartered Accountants of India have been followed along with proper explanation relating to material departures, if any.
- II. That the Directors have adopted such accounting policies, as selected in consultation with Statutory Auditors, and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the financial year ended 31st March, 2015.
- III. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- IV. That the Annual Accounts for the year ended 31st March, 2015, has been prepared on a going concern basis.
- V. That proper internal financial control were in place and that the financial controls were adequate and were operating effectively.
- VI. That systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

BY ORDER OF THE BOARD

Place: Hyderabad
Date: August 28th 2015

R.K.BIRLA
Managing Director
DIN:00118776

S.HANUMANTHA RAO
Director-Finance
DIN:00118801

Annexure – IV

Form No. MR-3

SECRETARIAL AUDIT REPORT

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

FOR THE FINANCIAL YEAR ENDED 31st March, 2015

To,
The Members,
Sujana Metal Products Limited
Hyderabad

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

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

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

SUJANA METAL PRODUCTS LIMITED

- a. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - b. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - c. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - d. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
3. The Company operations are under general sector, there is no specific industrial law.
 4. I have also examined compliance with the applicable clauses of the Listing Agreements entered into by the Company with National Stock Exchange and Bombay Stock Exchange Limited
 5. During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.
 6. During the period under review, Company petition (C.P.175/2013) filed by Standard Bank (Mauritius) Limited (SBML) against the Company u/s 433 of the Companies Act, 1956, in connection with the corporate guarantee furnished by the Company on behalf of its step down subsidiary Optimix Enterprises Limited, Mauritius was admitted by the Hon'ble High Court of Judicature at Hyderabad for the State of Telangana and The State of Andhra Pradesh. However, the Company has filed appeals before the appropriate judicial authority and also exploring the process of settlement with Standard Bank (Mauritius) Limited.

I further report that

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

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

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

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

I further report that, during the audit period, the Company has passed Special resolution through postal ballot on October 10th, 2014 and March 20th, 2015, authorizing Board of Directors to issue and allotment of 10,46,60,000 equity shares of Rs.5/- each at par to the promoters/promoters' group on preferential basis against the Promoters' contribution brought in the form of unsecured loans of Rs.52.33 Crores (Rupees Fifty Two Crores and Thirty Three Lakhs only) as per the CDR package.

Place: Hyderabad
Date: August 28th, 2015

Y Ravi Prasada Reddy
Practising Company Secretary
CP No. 5360
Membership No. 5783

Annexure – V

FORM No. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2015

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

I. REGISTRATION & OTHER DETAILS:

1	CIN	L28120TG1988PLC008610
2	Registration Date	02.05.1988
3	Name of the Company	Sujana Metal Products Limited
4	Category/Sub-category of the Company	Company Limited By Shares Indian Non-Government Company
5	Address of the Registered office & contact details	8-2-248/1/7/18, Plot No.18, Nagarjuna Hills, Panjagutta, Hyderabad - 500 082, Telanagana.
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s Bigshare Services Pvt.Ltd. 306, Right Wing, 3rd Floor, Amrutha Ville, Opp: Yashoda Hospital, Raj Bhavan Road, Somajiguda, Hyderabad - 500 082. Phone No: 040 – 2337 4967. Email: bsshyd@bigshareonline.com Website: www.bigshareonline.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	IRON AND STEEL PRODUCTS	241	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1	Glade Steel Private Limited Plot No.18, Nagarjuna Hills, Panjagutta, Hyderabad-500082 Telanagana.	U27109TG2005PTC046213	SUBSIDIARY	51.15	Section 2(87)(ii)
2	Asiantide Enterprises Limited Suite 605, 6/F., China Insurance Group Building, 141 Des Voeux Road Central, Central, Hong Kong.	NA	*WOFS	100	Section 2(87)(ii)
3	Alpha Ventures Limited Po Box 309Gt, Ugland House South Church Street, George Town, Grand Cayman, Cayman Islands.	NA	*WOFS	100	Section 2(87)(ii)

*WOFS- Wholly Owned Foreign Subsidiary

SUJANA METAL PRODUCTS LIMITED

IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	3,200,028		3,200,028	1.63%	8,300,028	-	8,300,028	4.12%	159.37%
b) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Bodies Corp.	67,044,720	-	67,044,720	34.15%	67,044,720	-	67,044,720	33.28%	0.00%
e) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any other	7	-	7	0.00%	7	-	7	0.00%	0.00%
Sub Total (A) (1)	70,244,755	-	70,244,755	35.78%	75,344,755	-	75,344,755	37.40%	7.26%
(2) Foreign									
a) NRI Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Other Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (2)	-	-	-	0.00%	-	-	-	0.00%	0.00%
TOTAL (A)	70,244,755	-	70,244,755	35.78%	75,344,755	-	75,344,755	37.40%	7.26%
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Banks / FI	19,096,377	200	19,096,577	9.73%	18,153,445	200	18,153,645	9.01%	-4.94%
c) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Insurance Companies	-	-	-	0.00%	-	-	-	0.00%	0.00%
g) FIs	-	-	-	0.00%	-	-	-	0.00%	0.00%
h) Foreign Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
i) Others (specify)			-	0.00%	-	-	-	0.00%	0.00%
Sub-total (B)(1):-	19,096,377	200	19,096,577	9.73%	18,153,445	200	18,153,645	9.01%	-4.94%
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	20,682,910	32,210	20,715,120	10.55%	17,471,774	49,165	17,520,939	8.70%	-15.42%
ii) Overseas	-	-	-	0.00%	0	0	-	0.00%	0.00%
b) Individuals									

i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	34,847,417	643,993	35,491,410	18.08%	32807343	621838	33,429,181	16.59%	-5.81%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	49,158,281	-	49,158,281	25.04%	55564563	0	55,564,563	27.58%	13.03%
c) Others (specify)	-	-	-	0.00%	0	0	-	0.00%	0.00%
Non Resident Indians	1,390,397	200	1,390,597	0.71%	1203784	200	1,203,984	0.60%	-13.42%
Overseas Corporate Bodies	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Nationals	-	-	-	0.00%	0	0	-	0.00%	0.00%
Clearing Members	254,141	-	254,141	0.13%	233814	0	233,814	0.12%	-8.00%
Trusts	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Bodies - D R	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub-total (B)(2):-	106,333,146	676,403	107,009,549	54.50%	107,281,278	671,203	107,952,481	53.59%	0.88%
Total Public (B)	125,429,523	676,603	126,106,126	64.22%	125,434,723	671,403	126,106,126	62.60%	0.00%
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	195,674,278	676,603	196,350,881	100.00%	200,779,478	671,403	201,450,881	100.00%	2.60%

(ii) Shareholding of Promoter

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Y.S.Chowdary	32,00,024	1.63%	100%	83,00,024	4.12%	38.55%	159.37%
2	Yalamanchili Finance & Trading Pvt Ltd	267,66,585	13.63%	100%	267,66,585	13.29%	100%	0.00%
3	Sujana Pumps and Motors Private Limited	10,00,000	0.51%	100%	10,00,000	0.50%	100%	0.00%
4	Shri S.Hanumantha Rao-Trusee for odd lot shares	7	0.00%	0	7	0.00%	0%	0.00%
5	Sujana Holdings Limited	100,00,000	5.09%	100%	100,00,000	4.96%	100%	0.00%
6	Foster Infin and Trading Private Limited	250,00,000	12.73%	100%	250,00,000	12.41%	100%	0.00%
7	Golkonda Finance and Trading Private Limited	20,41,505	1.04%	100%	20,41,505	1.01%	100%	0.00%
8	Prime Infoinvest Limited	22,36,630	1.14%	100%	22,36,630	1.11%	100%	0.00%
9	Y.Padmaja	4	0.00%	100%	4	0.00%	100%	0.00%

SUJANA METAL PRODUCTS LIMITED

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

Sl. No.	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	At the beginning of the year	1/4/2014		70,244,755	35.78%	70,244,755	34.87%
2	Changes during the year	14/02/2015	Allot	5,100,000	2.60%	75,344,755	37.40%
3	At the end of the year	31/03/2015				75,344,755	37.40%

(iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Raghnatha Reddy Meda						
	At the beginning of the year	1/4/2014		6,613,244	3.37%	6,613,244	3.37%
	Changes during the year	06/06/2014	Transfer	(5,000)	-0.00%	6,608,244	3.37%
		13/06/2014	Transfer	(25,000)	0.00%	6,583,244	3.35%
		13/03/2015	Transfer	(5,000)	0.00%	6,578,244	3.27%
	At the end of the year	31/03/2015				6,578,244	3.27%
2	Prakash Arts Private Limited						
	At the beginning of the year	1/4/2014		5,500,000	2.80%	5,500,000	2.80%
	Changes during the year	Nil		-			
	At the end of the year	31/03/2015				5,500,000	2.73%
3	Stressed Assets Stabilization Fund						
	At the beginning of the year	1/4/2014		12,759,682	6.50%	12,759,682	6.50%
	Changes during the year	Nil					
	At the end of the year	31/03/2015				12,759,682	6.33%
4	SICOM Limited						
	At the beginning of the year	1/4/2014		5,336,695	2.72%	5,336,695	2.72%
	Changes during the year	30/01/2015	Transfer	(111,000)	-0.06%	5,225,695	2.66%
		6/2/2015	Transfer	(61,296)	0.03%	5,164,399	2.63%
		13/02/2015	Transfer	(72,330)	0.04%	5,092,069	2.59%
		20/02/2015	Transfer	(40,305)	0.02%	5,051,764	2.51%
		27/02/2015	Transfer	(76,001)	0.04%	4,975,763	2.47%
		6/3/2015	Transfer	(80,000)	0.04%	4,895,763	2.43%
		13/03/2015	Transfer	(125,000)	0.06%	4,770,763	2.37%
		20/03/2015	Transfer	(100,000)	0.05%	4,670,763	2.36%
		27/03/2015	Transfer	(200,000)	0.10%	4,470,763	2.22%
	At the end of the year	31/03/2015	Transfer	(77,000)	-0.04%	4,393,763	2.18%
5	Srihari Babu Kancherla						
	At the beginning of the year	1/4/2014		3,061,220	1.56%	3,061,220	1.56%
	Changes during the year	13/06/2014	Transfer	(15,739)	-0.01%	3,045,481	1.55%
	At the end of the year	31/03/2015				3,045,481	1.51%

6	Mechno Sales Agencies Pvt Ltd						
	At the beginning of the year	1/4/2014		1,115,900	0.57%	1,115,900	0.57%
	Changes during the year	13/06/2014	Transfer	(300,000)	-0.15%	815,900	0.41%
		12/12/2014	Transfer	(200,000)	0.10%	615,900	0.31%
		19/12/2014	Transfer	(200,000)	0.10%	415,900	0.21%
		30/01/2015	Transfer	(75,000)	0.04%	340,900	0.17%
		27/02/2015	Purchase	24,828	0.01%	365,728	0.18%
		6/3/2015	Transfer	(24,828)	0.01%	340,900	0.17%
	At the end of the year	31/03/2015				340,900	0.17%
7	Indian Overseas Bank						
	At the beginning of the year	1/4/2014		1,000,000	0.51%	1,000,000	0.51%
	Changes during the year	Nil					
	At the end of the year	31/03/2015			0.00%	1,000,000	0.50%
8	MRKR Constructions Pvt Ltd						
	At the beginning of the year	1/4/2014		1,500,000	0.76%	1,500,000	0.76%
	Changes during the year	6/6/2014	Transfer	(5,000)	-0.00%	1,495,000	0.76%
		13/06/2014	Transfer	(25,000)	0.01%	1,470,000	0.75%
		14/11/2014	Transfer	(40,000)	0.02%	1,430,000	0.73%
		13/03/2015	Transfer	(5,000)	0.00%	1,425,000	0.71%
	At the end of the year	31/03/2015				1,425,000	0.71%
9	Nageswara Rao Vurakaranam						
	At the beginning of the year	1/4/2014		1,100,000	0.56%	1,100,000	0.56%
	Changes during the year	18/04/2014	Transfer	(50,000)	-0.03%	1,050,000	0.53%
		25/04/2014	Transfer	(50,000)	0.03%	1,000,000	0.51%
		30/05/2014	Transfer	(50,000)	0.03%	950,000	0.48%
		6/6/2014	Transfer	(50,000)	0.03%	900,000	0.46%
		30/06/2014	Transfer	(50,000)	0.03%	850,000	0.43%
		18/07/2014	Transfer	250,000	0.13%	1,100,000	0.56%
		1/8/2014	Transfer	(97,006)	0.05%	1,002,994	0.51%
		8/8/2014	Purchase	47,706	0.02%	1,050,700	0.54%
		15/08/2014	Purchase	50,000	0.03%	1,100,700	0.56%
		22/08/2014	Transfer	(50,000)	0.03%	1,050,700	0.54%
		19/09/2014	Transfer	(61,030)	0.03%	989,670	0.50%
		24/09/2014	Transfer	(108,790)	0.06%	880,880	0.45%
		30/09/2014	Purchase	14,062	0.01%	894,942	0.46%
		3/10/2014	Transfer	(44,942)	0.02%	850,000	0.43%
		10/10/2014	Transfer	(50,000)	0.03%	800,000	0.41%
		17/10/2014	Transfer	(100,000)	0.05%	700,000	0.36%
		31/10/2014	Transfer	(100,000)	0.05%	600,000	0.31%
		7/11/2014	Transfer	(50,000)	0.03%	550,000	0.28%
		14/11/2014	Transfer	(75,000)	0.04%	475,000	0.24%
		21/11/2014	Transfer	(17,404)	0.01%	457,596	0.23%
		28/11/2014	Transfer	(57,596)	0.03%	400,000	0.20%
		12/12/2014	Transfer	(10,280)	0.01%	389,720	0.20%
		19/12/2014	Transfer	(64,720)	0.03%	325,000	0.17%

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		31/12/2014	Transfer	(25,000)	0.01%	300,000	0.15%
		9/1/2015	Transfer	(39,000)	0.02%	261,000	0.13%
		23/01/2015	Transfer	(121,000)	0.06%	140,000	0.07%
		30/01/2015	Transfer	(19,715)	0.01%	120,285	0.06%
		6/2/2015	Purchase	4,715	0.00%	125,000	0.06%
		6/3/2015	Transfer	(45,000)	0.02%	80,000	0.04%
	At the end of the year	31/03/2015				80,000	0.04%
10	Mubasher Hussain Ansari						
	At the beginning of the year	1/4/2014	Purchase	100,002	0.05%	100,002	0.05%
	Changes during the year	8/8/2014	Purchase	31,081	0.02%	131,083	0.07%
		15/08/2014	Purchase	43,919	0.02%	175,002	0.09%
		29/08/2014	Purchase	182,127	0.09%	357,129	0.18%
		12/9/2014	Purchase	26,800	0.01%	383,929	0.20%
		10/10/2014	Purchase	91,073	0.05%	475,002	0.24%
		14/11/2014	Purchase	53,201	0.03%	528,203	0.27%
		21/11/2014	Purchase	100,000	0.05%	628,203	0.32%
		5/12/2014	Purchase	200,000	0.10%	828,203	0.42%
		27/02/2015	Purchase	50,000	0.02%	878,203	0.44%
		13/03/2015	Purchase	71,000	0.04%	949,203	0.47%
	At the end of the year	31/03/2015			0.00%	949,203	0.47%

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Shaik Ibraheem : CS						
	At the beginning of the year	1/4/2014		36,800	0.02%	36,800	0.02%
	Changes during the year	19/06/2014	Transfer	(10,000)	0.01%	26,800	0.01%
		22/12/2014	Transfer	(2,800)	0.00%	24,000	0.01%
		30/12/2014	Purchase	2,230	0.00%	26,230	0.01%
		2/1/2015	Purchase	3,770	0.00%	30,000	0.01%
	At the end of the year	31/03/2015				30,000	0.01%
2	R.K.Birla : Managing Director						
	At the beginning of the year	1/4/2014		396,605	0.20%	396,605	0.20%
	Changes during the year	13/06/2014	Purchase	10,000	0.01%	406,605	0.21%
		11/7/2014	Purchase	100,000	0.05%	506,605	0.26%
	At the end of the year	31/03/2015				506,605	0.25%
3	S.Hanumantha Rao : Director - Finance						
	At the beginning of the year	1/4/2014		7	0.00%	7	0.00%
	Changes during the year	Nil					
	At the end of the year	31/03/2015				7	0.00%
4	G.Srinivasa Raju: Non-Executive Director						
	At the beginning of the year	1/4/2014		Nil	0.00%	Nil	0.00%
	Changes during the year	Nil					
	At the end of the year	31/03/2015			0.00%	Nil	0.00%

5	Dr.V.Malakonda Reddy: Independent-Director						
	At the beginning of the year	1/4/2014		Nil	0.00%	Nil	0.00%
	Changes during the year	Nil					0.00%
	At the end of the year	31/03/2015				Nil	0.00%
6	Dr.K.Srinivasa Rao: Independent-Director						
	At the beginning of the year	1/4/2014		Nil	0.00%	Nil	0.00%
	Changes during the year	Nil					
	At the end of the year	31/03/2015			0.00%	Nil	0.00%
7	J.Ramakrishnan: Independent-Director						
	At the beginning of the year	1/4/2014		Nil	0.00%	Nil	0.00%
	Changes during the year	Nil					
	At the end of the year	31/03/2015				Nil	0.00%
8	Vimelsh Kumar(PNB Nominee)						
	At the beginning of the year	1/4/2014		Nil	0.00%	Nil	0.00%
	Changes during the year	Nil					
	At the end of the year	31/03/2015			0.00%	Nil	0.00%
9	Ch.Srinivasu(IDBI Nominee)						
	At the beginning of the year	1/4/2014		Nil	0.00%	Nil	0.00%
	Changes during the year	Nil					
	At the end of the year	31/03/2015				Nil	0.00%
10	B.Sandhyasri: Independent-Director						
	At the beginning of the year	1/4/2014		Nil	0.00%	Nil	0.00%
	Changes during the year	Nil					
	At the end of the year	31/03/2015				Nil	0.00%
11	Ch.Narayana Rao: CFO						
	At the beginning of the year	1/4/2014		Nil	0.00%	Nil	0.00%
	Changes during the year	Nil					
	At the end of the year	31/03/2015				Nil	0.00%

V. INDEBTEDNESS

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

(Amt. Rs. Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	96,196.00			96,196.00
ii) Interest due but not paid	-			-
iii) Interest accrued but not due	-			-
Total (i+ii+iii)	96,196.00	-	-	96,196.00
Change in Indebtedness during the financial year				
* Addition	16,380.00			16,380.00
* Reduction	13,549.00			13,549.00
Net Change	2,831.00	-	-	2,831.00
Indebtedness at the end of the financial year				
i) Principal Amount	99,027.00			99,027.00
ii) Interest due but not paid	3,027.00			3,027.00
iii) Interest accrued but not due	898.00			898.00
Total (i+ii+iii)	102,952.00	-	-	102,952.00

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VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount (Rs. in Lakhs)
	Name	R.K.Birla	S.Hanumantha Rao	
	Designation	Managing Director	Director-Finance	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	120.36	13.80	134.16
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			-
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others, please specify	-	-	-
	Total (A)	120.36	13.80	134.16
	Ceiling as per the Act	The overall ceiling is as per limits stipulated in Schedule V of the Companies Act, 2013		

B. Remuneration to other Directors

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount (Rs. in Lakhs)
		Dr.V.Malakonda Reddy	Dr.K.Srinivasa Rao	J. Ramakrishnan	B. Sandhyasri	
1	Independent Directors					
	Fee for attending board committee meetings	1.00	1.00	0.50	-	2.50
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	1.00	1.00	0.50	-	2.50
2	Other Non-Executive Directors	G.Srinivasa Raju	Vimlesh Kumar (PNB Nominee)	Ch.Srinivasu (IDBI Nominee)		
	Fee for attending board committee meetings	-	0.20	0.50		0.70
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	-	0.20	0.50		0.70
	Total (B)=(1+2)					3.20
	Total Managerial Remuneration					137.36
	Overall Ceiling as per the Act	The overall ceiling is as per limits stipulated in Schedule V of the Companies Act, 2013				

Note: The Company is not paying any Remuneration to its Independent Directors except the sitting fees for attending the Board and Committee Meeting.

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

Sl. No.	Particulars of Remuneration	Name of Key Managerial Personnel		Total Amount (Rs. in Lakhs)
	Name	Ch.Narayana Rao	Shaik Ibraheem	
	Designation	CFO	CS	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	28.71	11.75	40.47
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others, please specify	-	-	-
	Total	28.71	11.75	40.47

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY				
Penalty		NONE		
Punishment				
Compounding				
B. DIRECTORS				
Penalty		NONE		
Punishment				
Compounding				
C. OTHER OFFICERS IN DEFAULT				
Penalty		NONE		
Punishment				
Compounding				

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Annexure - VI

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

A. Conservation of energy-

- a. Steps taken or impact on conservation of energy:
NIL
- b. Steps taken by the company for utilising alternate sources of energy:
NIL
- c. Capital investment on energy conservation equipment:
NIL

B. Technology absorption-

- a. Efforts made towards technology absorption;
NIL
- b. The benefits derived like product improvement, cost reduction, product development or import substitution;
NIL
- c. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) NIL
 - i. the details of technology imported;
 - ii. the year of import;
 - iii. whether the technology been fully absorbed;
 - iv. if not fully absorbed, areas where absorption has not taken place, and the reasons thereof;
- d. Details of the expenditure incurred on Research and Development.
NIL

C. Foreign exchange earnings and Outgo:

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows:

Rs. In Lakhs.	
Particulars	Amount
Receipts	
Share Capital/Share application money	0
Foreign Loans	0
Exports	1924.16
Others	0
Total :	1924.16
Payments	
Imports	0
Travelling Expenses, Others	0.99
Total :	0.99

Annexure - VII

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

1. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2014-15, percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year 2014-15, and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

S. No.	Name of the Director/ KMP (Designation)	Remuneration for FY 2014-15 (in lakhs)	Ratio of remuneration to the median remuneration of the employees	% increase in remuneration in the FY 2014-15
01	R.K.Birla (Managing Director)	120.36	69.17	Nil
02	S.Hanumantha Rao (Director-Finance)	14.40	8.28	Nil
03	Ch. Narayana Rao (Chief Financial Officer)	30.00	17.24	Nil
04	Shaik Ibraheem (Company Secretary)	12.38	7.11	Nil

Notes:

- (a) None of the other directors expect as disclosed above draws any remuneration in the Company.
 - (b) The median remuneration of employees of the Company during the financial year 2014-15 was Rs.1.74 lakhs against the median remuneration of Rs. 1.74 lakhs of the previous year.
 - (c) The number of permanent employees on the rolls of Company as on March 31st , 2015 is 631
2. **The Explanation on the relationship between average increase in remuneration and company performance:**

The average increase in remuneration during the financial year 2014-15 is Nil. The total employees cost for the financial year ended 31st March, 2015 is Rs. 2155.76 lakhs against Rs. 2312.66 lakhs for the financial year ended 31st March 2014. During the year the Company achieved a total income of Rs 346189.69 lakhs against Rs Rs. 286558.76 lakhs of last year. The Company made a profit of Rs 93.76 lakhs during the year 2014-15 as against a loss of Rs 3815.56 lakhs in the year 2013-14. There has been no increase in remuneration of managerial personnel.

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

Particulars	2014-15	2013-14
Total Revenue (Rs in lakhs)	346189.69	286561.90
Aggregate Remuneration of Key Managerial Personnel (KMP) in F.Y.2014-15 (Rs. In lakhs)	177.14	177.14
Remuneration of KMPs (as a % of revenue)	0.05	0.06

4. **Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the company came out with the last public offer:**

Particulars	March 31 st , 2015	March 31 st , 2014	% of change
Market capitalisation (Rs in lakhs)*	6386	2710	136
Price Earnings Ratio	79.25	(0.70)	114

* Based on closing Market price on BSE on the respective year and dates.

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Particulars	March 31st, 2015	October 30th, 1992 (IPO)	% of change
Market Price(BSE) (Rs)	3.17	10	(68.3)
Market Price (NSE) (Rs)	3.15	10	(68.5)

5. **Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year:**

Not applicable since there was no increase in salaries as compared to the previous year.

6. **Comparison of the each remuneration of the KMP against the performance of the Company:**

S. No.	Particulars of Remuneration	KMP			
		R.K.Birla	S.Hanumantha Rao	Ch.Narayana Rao	Shaik Ibraheem
		Managing Director	Whole Time Director	Chief Financial Officer	Company Secretary
1	Remuneration in FY 2015 (Rs in Lakhs)	120.36	14.40	30.00	12.38
2	Revenue in FY 2015 (Rs in Lakhs)	346189.69			
3	Remuneration as % of revenue	0.03	0.004	0.008	0.004

7. **The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy of the Company:**

There is no variable component availed by any Director

8. **The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:**

Not applicable, since no employees of the Company receives remuneration in excess of the highest paid director i.e., MD and there are no employees falling under rule 5(2).

9. **It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.**

Annexure – VIII

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to the amended Clause 49 (VIII) (D) of the Listing Agreement your Directors wish to report as follows:

a) Industry Structure and Developments:

Steel Industry plays a vital role in the development of any modern and emerging economy. The per capita consumption of steel is generally accepted as a yardstick to measure the level of socioeconomic development and living standards of its countrymen. Steel industry derives its demand from other important sectors like infrastructure, aviation, engineering, construction, automobile, pipes and tubes etc. Thus, its intense integration with other important industries makes it a strategic sector for the Governments as well.

The Indian steel sector enjoys advantages of domestic availability of raw materials and cheap labour. Iron ore is also available in abundant quantities, though the continued mining restrictions have put a strain on its availability as well as price.

This abundance has been providing a major cost advantage to the domestic steel industry India was the world's fourth largest Steel producer during the last year and by overtaking the US, it has become the world's third largest steel producer during January-March of the current year. Although slowdown is expected in demand for Capital Goods, Automotive, Construction and Consumer Durables are expected to show marginal growth. Positive signs are expected due to modest recovery in economic growth. Likely Increase in Government spends in the Power sector & infrastructure push will fuel segmental growth. Also with expected decline in inflation and interest rates, demand for consumer goods is expected to show positive growth.

b) Steel Industry Scenario

The developed world showed growth in steel demand of 6.2% in 2014 due to strong US fundamentals and a firming EU recovery. However, growth in the developed world is set to moderate in 2015 partly due to the high base effect, but also less favorable steel market environments in the US, Japan and South Korea. The recovery in the EU is still constrained by weak investment activity and high unemployment. Steel demand in the developed economies will grow by 0.2% in 2015 and by 1.8% in 2016.

The developing economies (excluding China) posted low growth of 2.3% in 2014, in particular because of the continued deterioration in the Brazilian and Russian steel markets. Growth momentum in the developing economies is expected to remain generally weak in 2015, however, positive growth is expected in some economies such as India, Indonesia, Vietnam and Egypt, where steel markets are still developing. Steel demand is expected to grow by 4.0% in 2016 after growing by 2.4% in 2015.

In 2016, it is forecast that world steel demand will grow by 1.4% and will reach 1,565 Mt, following growth of 0.5% to 1,544 Mt, in 2015.

Although pricing pressures from cheaper imports and supply shortages in iron ore are likely to stay in the near term, it is expected that the profitability of domestic steel players to remain stable due to softer raw material prices, and a gradual recovery of demand in some of the end-user industries. However, debt protection metrics are not expected to improve significantly due to the high debt levels of companies, and the fact that interest rates would still remain at elevated levels in absolute terms, notwithstanding an expected moderation in the current year.

“Given the steep decline in international prices and economies of scale associated with bulk imports, some of the large Indian players with plants near ports are expected to increase imports till domestic production finally recovers”.

c) Domestic Market

In India, domestic steel use is estimated to grow by 6.2% to 80 million tons(MT) in 2015 up from 76.3

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million tons(MT) in 2014, bucking the global trend which is expected to post a slower growth in steel demand.

Domestic steel manufacturers are troubled due to import surge. The imports are mainly from China, Japan, Korea and Russia, which are already struggling with excess capacities and weak demand.

Steel demand in India is expected to grow, derived by strong fundamentals and the sector is expected to see huge investment in coming years.

A gradual revival in steel demand is expected, as recovery of key end user industries remains fragile, despite a growth in the automobile sector in the current year. Domestic steel consumption growth remained nominal at 1.3 per cent during FY 14-15.

Although trend in steel production has tracked declining consumption pattern, it has remained higher than the demand growth, at 2.5 per cent during FY14-15. Moreover, the substantial dumping of imported steel is available in the country which has led to a surge in imports of steel during 2014-15 and steel export fell by around 5 percent. This has turned India into a net importer of the metal from a net exporter in FY13-14. Higher production growth relative to consumption levels and rising imports has resulted in an inventory build-up in the steel market.

d) Opportunities & Threats :

The Indian Steel Industry is poised for greater growth. With more liberalized outlook of the government, most of the existing units are being modernized to enhance their production capacities to meet the new challenges

❖ Opportunities

- Unexplored rural market and Rapid Urbanization.
- With Coal block auction, availability of uninterrupted supply of Coal.
- The strong growth expected in Power Sector, additional generation capacity is proposed to be added.
- Likely flow of Foreign Investment under “ Make in India” concept.
- Increased investment by Government on Infrastructure.
- Increasing popularity of Pre-Engineered Buildings (PEB) in industry
- Increasing production in auto segment leading to increase in steel consumption.

❖ Threats

- Global economic slowdown, but signs of revival are there.
- China becoming net Exporter.
- Heavy Imports due to dumping of material by competitors
- Technological change / obsolescence
- Higher duties and taxes

e) Risks and Concerns :

The domestic steel industries run the risk of normal industry cycle as under:

- High cost of capital
- High cost of basic input and services
- Delay in absorption in technology by existing units.
- High logistics cost
- Poor quality of basic infrastructure like road, port etc.
- Lack of expenditure in R&D
- Unremunerative prices
- Non availability of adequate coking coal
- Inadequate access to good quality of iron ore.
- High cost of energy

The Company is exposed to the normal industry risk factors and manages these risks by prudent business and risk management practices. The Company has made efforts to lower the cost of steel production by reducing energy consumption, improving productivity and maximizing production of Special steels.

The Company has made efforts to mitigate the risk by enhancing the Quality of steel produced and higher use of Hot Metal in Electric Arc Furnace

f) Outlook

India's steel consumption growth is likely to be the highest both in current year and the next year at 6.2% and 7.3%, respectively, while all other major consuming countries such as China, US, Japan and Korea are expected to witness a decline, says World Steel Association (WSA) in its first short range outlook for 2015. WSA (whose members contribute 85% of the global steel production), sees "increased optimism" about India and forecast India's steel consumption to go up from level of 76.3 MT in 2014-15 to more than 80 MT in 2015-16.

As always, your Company looks forward to do well in the year ahead and is optimistic of its abilities to address the set of opportunities and challenges that the coming year will present.

g) Internal Control Systems and their adequacy:

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

h) Discussion on Financial Performance with respect to operational performance:

The operating performance of the Company has been discussed in Directors Report under the head 'Financial Highlights' & 'Operations and Overall Performance' in the current period.

i) Segment Wise Performance:

The Company primarily engaged in the manufacturing and trading of steel & Steel products business, which in the context of Accounting Standard- 17, is considered only significant business segment.

Since your Company operates only in one Segment, segment-wise or product-wise analysis of performance is not applicable.

j) Statutory Compliance:

The Company has complied with the various provisions of the Companies Act, 2013, the SEBI regulations, Listing Agreements and provisions of various statutes. Compliance certificates are obtained from various units of the Company and the Board is informed of the same at every Board meeting.

k) Material developments in Human Resources:

The Company's human resource policies and strategies seek to ensure a high level of motivation among employees so that they play a significant role in achieving the Company's goal. The Company has initiated various in-house training programs for skill advancement. The Company accords highest priority to ensure safety and protection of health of its employees which are essential to, and form an integral part of, every HR development endeavor. .

There were no cases of sexual harassment of woman at work place. Also, there are no instances of child labour/forced labour/ involuntary labour and discriminatory employment during the year.

Cautionary Statement

Statements in this management discussion and analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include a downtrend in the industry – global or domestic or both, significant changes in political and economic environment in India, applicable statutes, litigations, labour relations and interest costs.

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Annexure – IX

REPORT ON CORPORATE GOVERNANCE

(As per Clause 49 of the Listing Agreements entered into with the Stock Exchanges)

1. THE COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE :

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

Your Company confirms the compliance of Corporate Governance as contained in Clause 49 of the Listing agreement as amended, the details of which are given below:

2. BOARD OF DIRECTORS:

2.1 *Appointment and Tenure:*

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

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

The Company has a balanced mix of Executive and Non-Executive Independent Directors to maintain the independence of the board and to separate the board functions of governance and management. As at March 31st, 2015, the Board of Directors comprises of 9(Nine) Directors, out of which one (1) is Managing Director, One (1) is Promoter and Non-Executive Directors, Four (4) of them are Independent and Non-Executive Directors including Women Director, one (1) is Executive Director and Two (2) are Nominee Directors. Shri Vimlesh Kumar-Punjab National Bank Nominee and Shri Ch.Srinivasu-IDBI Nominee. All Independent Directors are persons of eminence and bring a wide range of expertise and experience to the Board thereby ensuring the best interest of stakeholders and the Company.

The Chairman is an Independent & Non-Executive Director of the Company. The number of Independent Directors are 4 which is in compliance with the requirements of Clause 49 of the Listing agreement. The number of Non-Executive Directors is more than 50% of the total number of Directors.

All Independent Directors meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

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

None of the Directors on the Board is a member of more than 10 committees and Chairman of more than 5 committees (as specified in Clause 49 of the Listing Agreement) across all the Companies in which he/she is a Director.

The information stipulated under Annexure X to Clause 49 of the Listing Agreement is being made available to the Board.

The details of composition of the Board of Directors as at March 31st, 2015, the attendance record of the Directors at the Board Meetings held during the financial year 2014-15 and at the last Annual General Meeting (AGM) and as also the number of Directorships, Committee Chairmanships and Memberships held by them in other Companies are given below as given below:

Sl. No.	Name of the Director	Other Directorships*	Committee positions in other companies***		No.of Board Meetings attended out of 5 meetings held during the year	Attended last A.G.M.
			As Chairman	As member		
Executive Director- Non-Promoter Group						
1.	Shri R.K. Birla Managing Director	3	-	-	5	Yes
2.	Shri S. Hanumantha Rao Director-Finance	9	1	3	5	Yes
Promoter-Non-Executive Director						
3.	Shri G. Srinivasa Raju	12	-	2	5	Yes
Independent & Non-Executive Directors						
4.	Shri J. Ramakrishnan	1	1	2	5	Yes
5.	Dr. K. Srinivasa Rao	1	1	1	5	No
6.	Dr. V. Malakonda Reddy	3	-	-	5	Yes
7.	Smt. B.Sandhyasri** (Appointed w.e.f. March 30th, 2015)	2	-	-	-	N.A.
Nominee Directors						
8.	Shri Ch Srinivasu Nominee from IDBI	1	-	-	5	No
9.	Shri Vimlesh Kumar Nominee from PNB	1	--	-	2	No

Notes:

* Including private limited Companies.

** Appointment of Smt B. Sandhyasri as an Additional Director w.e.f. March 30th, 2015.

*** Only Audit and Shareholders Grievance Committee considered.

Change in Composition of Board of Directors since the date of last AGM held on 30th September, 2014:

1. Resignation of Shri Y.S.Chowdary as Chairman & Non-Executive Director w.e.f. October 15th, 2014.
2. Appointment of Smt B.Sandhyasri as an additional director w.e.f. March 30th, 2015.

2.3. Board Meetings, Board Committee Meetings and Procedures:

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

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

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A minimum of four Board Meetings are held every year. Dates for the Board Meetings in the ensuing quarter are decided well in advance and communicated to the Directors. The Agenda along with the explanatory notes are sent in advance to the Directors. Additional meetings of the Board are held when deemed necessary to address the specific needs of the Company. In case of business exigencies or urgency of matters, resolutions are passed by circulation.

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

Five (5) Board Meetings were held during the year 2014-15 and the gap between two meetings did not exceed four months. The dates on which the Board Meetings were held were as follows:

- (1) May 30th, 2014
- (2) August 12th, 2014
- (3) August 28th, 2014
- (4) November 13th, 2014
- (5) February 14th, 2015

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

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

Independent Directors Meeting:

The Independent Directors met on March 30th, 2015 without the presence of Non- Independent Directors and members of the Management. At this meeting, the Independent Directors evaluated the performance of the Non-Independent Directors and the Board of Directors as a whole, evaluated the performance of the Chairman of the Board and discussed aspects relating to the quality, quantity and timeliness of the flow of information between the Company, the Management and the Board.

3. BOARD COMMITTEES:

In addition to functional Committees, your Board has constituted the following Committees under the mandatory and non-mandatory requirements of the Clause 49 of the Listing Agreement.

3.1 Audit Committee:

The Audit Committee of the Company is constituted in line with the provisions of Clause 49 of the Listing Agreement with the Stock Exchanges read with Section 177 of the Companies Act, 2013. The terms of reference, role and powers of the Audit Committee are as mentioned in Clause 49 of the Listing Agreement entered into with the Stock Exchanges read with Section 177 of the Companies Act, 2013 and includes overseeing of the Company's financial reporting process, reviewing with the management of the financial statements and the adequacy of the internal audit function, internal control and to discuss significant internal audit findings, statutory compliance and issues related to risk management and compliances.

Composition and Procedure of the Audit Committee:

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

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

The Audit Committee of your Company comprises of Three (3) members, out of which Two (2) are independent and non-executive directors and one (1) Executive Director. The Members possess adequate knowledge of Accounts, Audit, Finance, etc. The composition of the Audit Committee meets with the requirements of Section 177 of the Companies Act, 2013 and of Clause 49 of the Listing Agreement.

During the financial year 2014-15, the audit committee met Five times on the following dates:

- (1) May 30th, 2014,
- (2) August 12th, 2014,
- (3) August 28th, 2014,
- (4) November 13th, 2014
- (5) February 14th, 2015

The necessary quorum was present at the meetings.

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

Sl. No.	Name of the Director & position in Committee	Category	No. of Meetings attended
1.	Dr. K.Srinivasa Rao -Chairman	Independent and Non-Executive Director	5
2.	Shri S. Hanumantha Rao –Member	Executive Director	5
3.	Dr.V.Malakonda Reddy-Member	Independent and Non-Executive Director	5

Change in Composition of Audit Committee since the date of last AGM held on September 30th, 2014: Nil

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

3.2 Nomination and Remuneration Committee (Formerly Remuneration Committee)

Nomination and Remuneration Committee has been reconstituted by the Board of Directors. In compliance with Section 178 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and revised Clause 49 of the Listing Agreement, Remuneration Committee were renamed “Nomination and Remuneration Committee” of the Board of Directors of the Company.

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

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

The existing Committee comprises of:

Sl. No.	Name of the Director & Position in the Committee	Category
1.	Dr. K. Srinivasa Rao - Chairman	Independent and Non-Executive Director
2.	Shri J.Ramakrishnan - Member	Independent and Non-Executive Director
3.	Dr. V. Malakonda Reddy - Member	Independent and Non-Executive Director

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

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There were no changes in composition of Nomination and Remuneration Committee since the date of last AGM held on September 30th, 2014.

Remuneration Policy:

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

Remuneration Packages paid to Executive Directors during the year:

Name	Salary P.A. (Rs in lakhs)	Commission/ Incentives P.A. (Rs in lakhs)	Deferred Benefits (Perquisites) (Rs in lakhs)	Others (Rs in lakhs)	Total (Rs in lakhs)
Shri R.K.Birla	102.00	--	--	18.36	120.36
Shri S. Hanumantha Rao	13.80	--	--	0.60	14.40

Sitting Fee details:

Sl.No.	Name of the Director	Sitting fee paid During the year (Rs.)
1	Dr. K. Srinivasa Rao	100000
2	Dr.V.Malakonda Reddy	100000
3	Shri J. Ramakrishnan	50000
4	Shri Ch.Srinivasu(Nominee from IDBI Limited)	50000
5	Shri Vimlesh Kumar (Nominee from PNB)	20000
	Total	300000

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

Statement showing number of Equity Shares held by the Non-Executive Directors as on March 31, 2015:

Name of the Director	Designation	No. of Shares held
Shri G.Srinivasa Raju	Promoter & Non-Executive Director	Nil
Shri J.Ramakrishnan	Independent and Non-Executive Director	Nil
Dr.V.Malakonda Reddy	Independent and Non-Executive Director	Nil
Dr.K.Srinivasa Rao	Independent and Non-Executive Director	Nil
Smt B.Sandhyasri	Independent and Non-Executive Director	Nil
Shri Ch.Srinivasu	IDBI Nominee	Nil
Shri Vimlesh Kumar	PNB Nominee	Nil

3.3. Shareholders' Grievances Committee:

Scope of the Shareholders' Grievance Committee:

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

Constitution and Composition of the Shareholders' Grievance Committee:

The Shareholders' Grievance Committee of your Company comprises of two (2) members.

No Shareholders' Grievance Committee Meeting was held during the financial year 2014-15.

The existing Committee consists of Two Directors. The details of the same are:

Sl.No.	Name of the Director & position in the Committee	Category
1.	Shri G.Srinivasa Raju -Chairman	Promoter and Non-Executive Director
2.	Shri S.Hanumantha Rao	Executive Director

Name and Designation of the Compliance Officer :

The name and designation of the Compliance Officer of your Company is Shri Shaik Ibraheem, Company Secretary of your Company.

Status of the Complaints:

Number of Shareholders Complaints received during the Financial Year 2014-15	14
Number of complaints not solved to the satisfaction of the shareholders	Nil
Number of pending Complaints	Nil

3.4. Share Transfer Committee:

The Share transfer committee comprises of Shri G.Srinivasa Raju and Shri R.K.Birla. The role, terms of reference, the authority and powers of the Share Transfer Committee are in conformity with the provisions of the Companies Act, 2013. During the year under review the Share Transfer Committee met 4 (Four) times.

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

3.5. Management Committee:

The Management Committee comprises of Shri Shri G.Srinivasa Raju, Shri R.K.Birla and Shri S.Hanumantha Rao. The role, terms of reference, the authority and powers of the management committee are in conformity with the provisions of the Companies Act, 2013. During the year under review the management committee met 20 (Twenty) times.

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

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

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

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

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

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

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One CSR committee meeting was held during the year on 19.01.2015.

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

3.7. Risk Management Committee pursuant to Clause 49 (VI) (as per revised Listing Agreement):

As per revised Clause 49(VI) of the Listing Agreement entered by the Company with the Stock Exchanges, the Company is required to constitute a Committee viz., 'Risk Management Committee of the Board of Directors of the Company consisting of three or more Director. In this connection the Committee was constituted with the following Directors in the Board Meeting held on May 30th , 2014:

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

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

One Risk Management Committee meeting was held during the year on 19.01.2015.

The Company Secretary to the Company shall act as Secretary to the Risk Management Committee.

4. GENERAL BODY MEETINGS :

4.1 Details of Last three AGMS held :

Sl. No.	No. of Annual General Meeting	Date of the Annual General Meeting	Location	Time	Details of Special Resolutions
1.	24th A.G.M	30th September, 2014	"Kohinoor", Taj Deccan, Road No.1, Banjara Hills, Hyderabad - 500034	11.00 a.m	<ol style="list-style-type: none"> Adoption of new set of Articles of Association of the Company pursuant to Section 14 of the Companies Act, 2013. Approve the borrowing limits upto Rs.2500 crores in terms of Section 180(1)(c) of the Companies Act,2013. Mortgage and/or charge any of movable and / or immovable properties of the Company in terms of Section 180(1)(a) of the Companies Act,2013.
2.	23rd A.G.M	30th September, 2013	Hotel Sitara Residency, Beside Chandana Brothers, Ameerpet, Hyderabad - 500 016	11.00 a.m	<ol style="list-style-type: none"> Re-appointment of Shri R.K.Birla, Managing Director of the Company. To fix the remuneration of Shri R.K.Birla, Managing Director of the Company w.e.f: 01.04.2013 for a period not exceeding three years. Enhancement of the remuneration of Shri S.Hanumantha Rao, Director (Finance) of the Company w.e.f: 01.04.2013. Lease or transfer the whole or substantially whole of the undertaking of the Company under the provisions of Section 293(1)(a) of the Companies Act,1956.

3.	22nd A.G.M	22nd September, 2012	"Kohinoor", Taj Deccan, Road No.1, Banjara Hills, Hyderabad-500034.	11.30 A.M	<ol style="list-style-type: none"> 1. To fix remuneration of Shri. R.K. Birla, Managing Director of the Company. 2. To make any loan and/or to make investment and/or to give any guarantee and/or to provide security U/S 372A of the Companies Act, 1956. 3. To lease, or transfer the whole, or substantially the whole of the undertaking of the Company under Section 293(1)(a) of the Companies Act, 1956. 4. To shift the Registered Office of the Company from the state of Andhra Pradesh to Tamilnadu 5. To reclassify the Authorised Share Capital of the Company and to alter Memorandum and Association accordingly. 6. To further issue of Share Capital.
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4.2 No Extra-ordinary General Meeting of the shareholders was held during the year.

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

During the year under review, Company has sought members approval for the resolutions mentioned in the notice of postal ballots dated: August 28th, 2014 and February 14th , 2015, in compliance with the Section 110 and section 108 of the Companies Act, 2013 read with the Rule 20, Rule 22 and any other applicable rules of the Companies (Management and Administration) Rules, 2014, and other applicable provisions of the Companies Act, 2013 and read with clause 35B and Clause 49 of the Listing Agreement.

- (i). The following resolutions were passed by the members of the Company through postal ballot on 10th October, 2014 the details are as follows:

Details of resolution passed through Postal Ballot	Details of voting pattern	Person who conducted the postal ballot exercise
Special Resolution under provisions of the Companies Act, 2013 to approve, ratify and confirm the Corporate Debt Restructuring (CDR) Scheme.	No of votes cast in favour of the resolution: 6,94,12,376 No of votes cast against the resolution: 3,585	Shri Y.Ravi Prasada Reddy Practising Company Secretary FCS No.5783 C.P.NO.5360
Special Resolution under the provisions of section 62 of the Companies Act, 2013, to issue 10,46,60,000 equity shares of Rs. 5/- each at par to promoter/promoters, Group on preferential basis in compliance with the terms and conditions Corporate Debt Restructuring Scheme.	No votes cast in favour of the resolution: 6,93,88,107 No of votes cast against the resolution: 27,745	Shri Y.Ravi Prasada Reddy Practising Company Secretary FCS No.5783 C.P.NO.5360

- (ii) The following resolutions were passed by the members of the Company through postal ballot on 20th March, 2015 the details are as follows:

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Details of resolution passed through Postal Ballot	Details of voting pattern	Person who conducted the postal ballot exercise
Special Resolution under the provisions of section 62 of the Companies Act, 2013, to issue 9,95,60,000 equity shares of Rs. 5/- each at par to promoter/promoters, Group o preferential basis in compliance with the terms and conditions Corporate Debt Restructuring Scheme.	No votes cast in favour of the resolution: 6,95,15,749 No of votes cast against the resolution:15,902	Shri Y.Ravi Prasada Reddy Practising Company Secretary FCS No.5783 C.P.NO.5360

As per Clause 35B of Listing Agreement the E-Voting facility was provided to Shareholders of the company along with physical submission of Ascent and Decent in respect of special Resolution which are transacted through postal ballot.

4.4 Details of special resolution which is proposed to be passed through postal ballot : Nil

5. Disclosures:

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

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

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

(ii) **Details of Statutory Non-compliances:**

There have not been any non-compliance by the Company and no penalties or strictures imposed on the Company by the Stock Exchanges or SEBI or any Statutory Authority, on any material related to capital markets, during the last three (3) years.

(iii) **Risk Management:**

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

(iv) **Disclosure on Requirements of the Listing Agreement:**

The Company has complied with all the requirements of the Listing Agreement with the Stock Exchanges as well as regulations and guidelines of SEBI. No penalties or strictures have been imposed by SEBI, Stock Exchanges or any other statutory authority on matters relating to capital markets during last three years.

(v) **Details of the Compliance with Mandatory and Non-mandatory requirements of Clause 49 of the Listing Agreement:**

During the Financial year under review, your Company has duly complied with all the mandatory requirements of Clause 49 of the Listing Agreement.

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

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

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

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

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

6. Other Disclosures as per Clause 49 of the Listing Agreement:

(i) Clause 49(II)(E): Code of Conduct

The Company has adopted a Code of Conduct as required under Clause 49(II)(E) of the Listing Agreement with the Stock Exchanges, which applies to all the Board Members and Senior Management of the Company. The Board Members and Senior Management personnel have affirmed their compliance with the Code on annual basis and their confirmations have been received in this regard. The Code of Conduct has been posted on the Company's website. A separate declaration to this effect signed by the Managing Director is attached.

(ii) Clause 49(VIII)(B): Disclosure of Accounting Treatment

The Company has complied with the appropriate accounting policies and has ensured that they have been applied consistently and comply with material aspects with the accounting standards notified under in Section 133 of the Companies Act, 2013. Significant Accounting policies is provided elsewhere in the Annual Report.

(iii) Disclosure under Clause 49(VIII)(C)

(a) None of the Independent/Non-Executive Directors has any pecuniary relationship or transactions with the Company which in the judgment of the Board may affect the independent of the director except receiving sitting fee for attending Board/Committee meetings.

(b) None of the non-executive director is holding any shares in the Company.

(iv) Management Discussion and Analysis Report

The Management Discussion and Analysis Report form part of this Annual Report and is in accordance with the requirements as laid down in Clause 49 of the Listing Agreement with Stock Exchanges.

(v) Clause 49(VIII)(E): Shareholders Information

(a) Appointment/Re-appointment of Directors: The brief resume of directors retiring by rotation , appointment of Directors and re-appointment of directors, including nature of their experience in specific functional areas, names of companies in which they hold directorship and membership of committees of the Board is appended to the Notice for calling Annual General Meeting.

(b) None of the Directors are related to each other.

(vi) Clause 49(IX):CEO&CFO Certification:

Shri R.K.Birla, Managing Director and Shri Ch.Narayana Rao, CFO of the Company have given annual certification on financial reporting and internal controls to the board in terms of Clause 49 of the Listing Agreement. The Managing Director and the Chief Financial Officer also give quarterly certification on financial results while placing the financial results before the Board in terms of Clause 41 of the Listing Agreement.

7. Means of Communication

(i) Publication of Quarterly Financial Results in daily newspapers - Andhra Prabha or Financial Express or Business Standard and the same will be updated in the Company's Website at www.sujana.com

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- (ii) Furnishing the Quarterly Financial Results to Stock Exchanges in which Company's shares is listed.
- (iii) Sending Balance Sheet, Profit & Loss Account, Directors' Report & Auditors' Report to Shareholders through Post/Courier/Email.
- (iv) **Company's Corporate Website :**
The Company's website www.sujana.com is a comprehensive reference on Sujana Metal Products Limited's management, vision, mission, policies, corporate governance, corporate sustainability, investor relations, sales network, updates and news. The Section on 'Investor Relations' serves to inform the shareholders, by giving complete financial details, shareholding patterns, corporate benefits, information relating to stock exchanges, registrars, share transfer agents and frequently asked questions. Investors can also submit their queries and get feedback through online interactive forms. The Section on 'Newsrooms' includes all major press reports and releases, awards, campaigns.
- (v) **NSE Electronic Application Processing System (NEAPS):**
NEAPS is a web based application designed by NSE for corporates. Financial Results, Shareholding pattern and Corporate Governance Report are also filed electronically on NEAPS.
- (vi) **BSE Online (Listing.bseindia.com) :** It is a web based application designed by BSE for corporates. The Shareholding pattern, Corporate Governance Report and Financial Results are also filed electronically as pdf attachments
- (vii) **Annual Report:** Annual Report containing, inter alia, Audited Annual Accounts, Consolidated Financial Statements, Directors' Report, Auditor's Report and other important information is circulated to members and others entitled thereto. The Management Discussion and Analysis (MD&A) Report forms part of the Annual Report.
- (viii) **SEBI Complaints Redress System (SCORES):**
SCORES is a system implemented by SEBI which enables investors to lodge their complaints electronically on the SEBI website. The investor complaints are processed in a centralized web based complaints redressal system. The salient features of this system are Centralised database of all complaints, online uploading of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status. All complaints received through SCORES are resolved in a timely manner by the Company, similar to other complaints.
- (ix) **Chairman's Communiqué:** Printed copy of the Chairman's Speech is distributed to all the shareholders at the Annual General Meetings.

8. General Shareholders Information

(i) Details pursuant to the 25th Annual General Meeting

1.	Date	September 30th , 2015
2.	Time	12.00 noon
3.	Venue	Katriya Hotel & Towers, # 8, Raj Bhavan Raod, Somajiguda, Hyderabad - 500 082, Telangana
4.	Financial year	2014-2015, (consisting of 12 months from 01.04.2014 to 31.03.2015)
5.	Book Closure Date	29.09.2015 (One day only)
6.	Dividend Payment Date	Not Applicable
7.	E-voting facility	www.evotingindia.com (opens at 9:00 A.M. on September 26th , 2015 and closes at 5:00 P.M. on September 29th, 2015 and the cut-off date is September 23rd, 2015)

(ii) Details pursuant to Listing of Securities:

The Company's Equity shares are listed on the following 2 Stock Exchanges in India :

1. Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai 400 001
2. National Stock Exchange of India Ltd
Exchange Plaza, Bandra-Kurla Complex,
Bandra (E), Mumbai - 400 051.

The Company has paid annual listing fees to each of the above Stock Exchanges for the financial years 2014-15.

Global Depository Receipts(GDRs) delisted from the Luxembourg Stock Exchange w.e.f. 19.02.2015.

(iii) Stock Code/Symbol

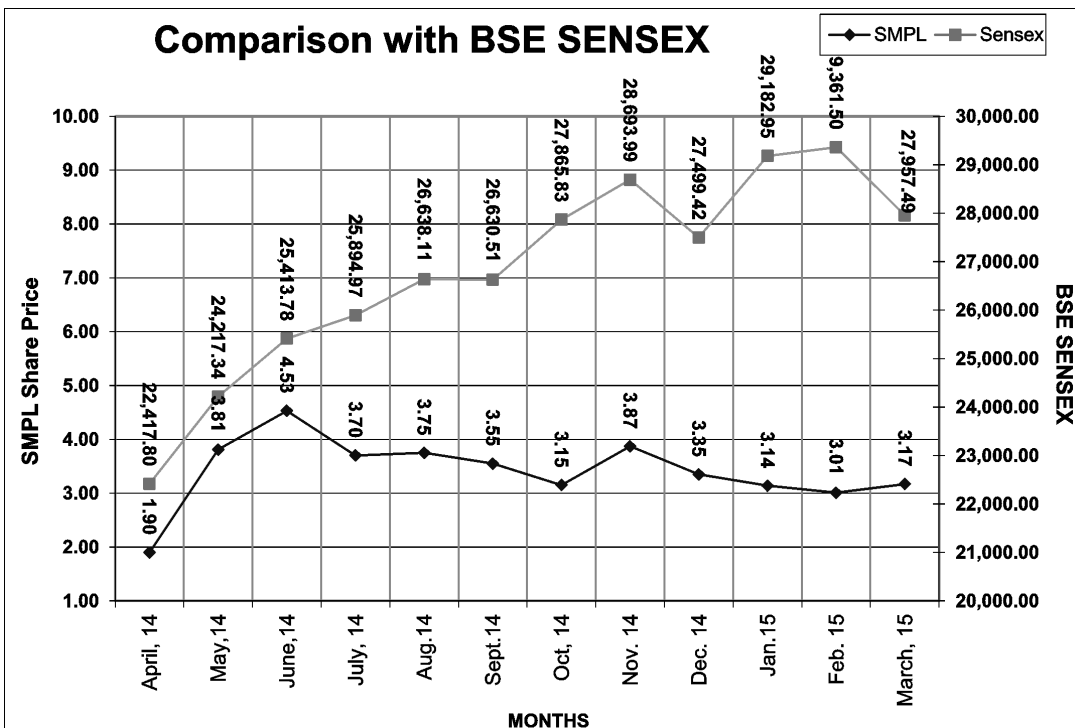
- (a). BSE Scrip Code/NSE Symbol : 513414/SMPL
- (b). Demat ISIN in NSDL and CDSL for equity shares : INE215G01021
- (c). Corporate Identity Number (CIN) : L28120TG1988PLC008610

(iv) Market Price Data

The monthly high and low stock prices during the financial year 2014-15 and performance in comparison to the Broad-based indices such as BSE- Sensex is provided hereunder.

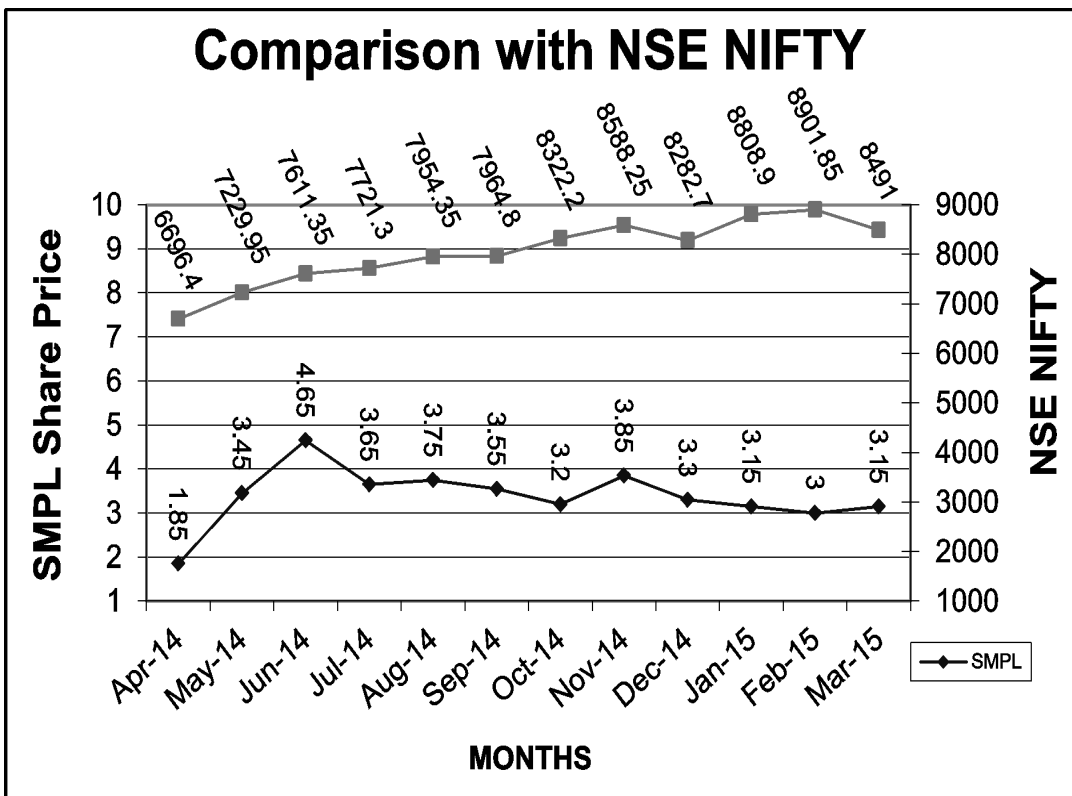
Month	High Price	Low Price	Close Price	BSE SENSEX
				(Closing)
April 2014	2.00	1.44	1.90	22,417.80
May 2014	3.81	1.81	3.81	24,217.34
June 2014	6.07	4.00	4.53	25,413.78
July 2014	4.74	3.41	3.70	25,894.97
August 2014	4.22	3.25	3.75	26,638.11
September 2014	5.07	3.33	3.55	26,630.51
October 2014	3.84	3.00	3.15	27,865.83
November 2014	5.20	3.05	3.87	28,693.99
December 2014	4.10	3.15	3.35	27,499.42
January 2015	3.85	2.85	3.14	29,182.95
February 2015	3.35	2.63	3.01	29,361.50
March 2015	4.60	2.80	3.17	27,957.49

SUJANA METAL PRODUCTS LIMITED



The monthly high and low stock prices during the financial year 2014-15 and performance in comparison to the Broad-based indices such as NSE-Nifty is provided hereunder.

Date	High Price	Low Price	Close Price	NSE-Nifty Closing
April 2014	1.95	1.85	1.85	6696.4
May 2014	3.45	3.45	3.45	7229.95
June 2014	4.65	4.3	4.65	7611.35
July 2014	3.75	3.6	3.65	7721.3
August 2014	3.95	3.7	3.75	7954.35
September 2014	3.75	3.5	3.55	7964.8
October 2014	3.25	3.05	3.2	8322.2
November 2014	4.05	3.8	3.85	8588.25
December 2014	3.5	3.3	3.3	8282.7
January 2015	3.2	2.8	3.15	8808.9
February 2015	3.35	3	3	8901.85
March 2015	3.25	3.1	3.15	8491



(v) Share Transfer System

Your Company has appointed M/s. Bigshare Services Private Limited for dealing in with the shares of the Company in physical and electronic mode. Presently they are completing the process of transfer within a period of 10 to 15 days from the date of receipt, subject to the documents being valid and complete in all respects.

(vi) Dematerialization of Shares

99.67% of the Company's Paid-up capital has been dematerialized upto 31.03.2015 as per the following details.

Particulars	Number of Shares	% of share capital
NSDL	141109564	70.05
CDSL	59669914	29.62
Physical	671403	0.33
Total	201450881	100.00

SUJANA METAL PRODUCTS LIMITED

(vii) *Distribution of Shareholding*

As on 31st March, 2015, the Distribution Shareholding was as follows:

Range (Rs)	No. of Shares	% of Shareholdings	No. of Shareholders	% of Shareholders
1. Upto - 5,000	19651906	9.76	23335	76.27
2. 5,001 - 10,000	8332728	4.14	2423	7.92
3. 10,001 - 20,000	9300772	4.62	1652	5.40
4. 20,001 - 30,000	6959440	3.45	972	3.18
5. 30,001 - 40,000	4073014	2.02	347	1.13
6. 40,001 - 50,000	4832000	2.40	441	1.44
7. 50,001-1,00,000	11707393	5.81	633	2.07
8. 1,00,001 and above	136593628	67.80	791	2.59
Total	201450881	100.00	30594	100.00

(viii) *Pattern of shareholding as on 31st March, 2015 (Face Value: Rs.5/- each)*

Category	Number of Shares	Percentage %
Promoter and Promoter Group	75344755	37.40
Financial Institutions/Banks	18153645	9.01
Body Corporate	17520939	8.70
Individuals	88993744	44.18
Others	1437798	0.71
Shares held by Custodians and against which Depository Receipts have been issued	Nil	N.A
Total	201450881	100.00

(ix) *Outstanding GDR/ADR/Warrants or any convertible instruments, conversion date and impact on equity:*

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

(x) *Reconciliation of Share Capital Audit Report:*

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

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

(xi) *Plant Location:*

Hyderabad:

- (i) Survey No.296/7/9
- (ii) Plot No. 4, Survey No.296/7/7, 8 & 11,
- (iii) Survey No. 296/7/7, 296/7/8, 296/7/11
- (iv) Survey No. 296/7/7, 8 & 11,
IDA Bollaram, Jinnaram Mandal Medak District - 502 325, Telangana.

- (v) Survey No. 196 & 197, Parigi Road, Elikatta Village, Shadnagar, Mahaboobnagar District, Telangana.
- (vi) Cut and Bend Division : Survey No. 204, 205 & 206, Elikatta Gram Panchayat, Farooq Nagar Mandal, Mahaboob Nagar District-509216, Telangana.
- (vii) Trading Division : Plot No. 4, Survey No. 296/7/7A, IDA Bollaram, Jinnaram Mandal, Medak District-502325, Telangana.
- (viii) Survey No.473, 576 & 442, Chikatigudem, Kethepally Mandal, Nalgonda District, Telangana-508211.

Chennai:

- (i) Survey No. 204/8B, Manjankaranai Village, Chengai, M.G.R. District - 620 502, Tamilnadu
- (ii) Plot No. B-20E, SIPCOT Industrial Complex, Gummidipondi, Chennai, Tamilnadu.

Visakhapatnam:

Sanivada Village, Rajeevnagar, Visakhapatnam-530046, Andhra Pradesh.

(xii) Address for Correspondence

Secretarial Department:

Plot No.18, Nagarjuna Hills, Panjagutta, Hyderabad-500 082.
Phone No.2335 1882, Email: cssmpl@sujana.com

Regd.Office and Corporate Office:

Plot No.18, Nagarjuna Hills, Panjagutta, Hyderabad - 500 082.
Ph: 23351882, 23351887. Email:info.smpl@sujana.com
Website: www.sujana.com

Registrars and Share Transfer Agents:

M/s. Bigshare Services Private Limited,
306, Right Wing, Third Floor, Amruta Ville,
Opp: Yashoda Hospital, Raj Bhavan Road, Somajiguda,
Hyderabad – 500 082. Phone No.040-23374967
Email: bsshyd@bigshareonline.com

DECLARATION IN TERMS OF AMENDED CLAUSE 49(II)(E) OF LISTING AGREEMENT.

I hereby declare that the Company has obtained affirmation from all the members of the Board and Senior Management Personnel that they have complied with the Code of Business Conduct & Ethics for Board Members/ Senior Management Personnel in respect of the financial year 2014-15.

I further declare that the said Code of Conduct have been posted on the website of the Company in accordance with the Clause 49 of the Listing Agreement.

Place: Hyderabad
Date: August 28th 2015

R.K.BIRLA
Managing Director
DIN:00118776

SUJANA METAL PRODUCTS LIMITED

Certificate on Corporate Governance

To

The Members of Sujana Metal Products Limited,

I have examined the compliance conditions of Corporate Governance by Sujana Metal Products Limited., Hyderabad for the year ended 31st March, 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

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

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

I state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Investor's Grievance Committee.

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

Place: Hyderabad

Dated: August 28th, 2015

Y. Ravi Prasada Reddy

FCS No:5783, CP No:5360

ANNEXURE - X

From AOC – I

(Pursuant to first Proviso to Sub Section 129 Read with rule 5 Of Companies (Accounts) Rules, 2014) Statement Containing Salient Features of the Financial Statement of Subsidiaries

PART "A" Subsidiary companies

Particulars	Details										
Name of the Subsidiary	Reporting Currency and Exchange Rate	Share capital	Reserves & surplus	Total Assets	Total Liabilities	Investment	Turnover	PBT	PAT	Proposed Dividend	% of Shareholding
Reporting period for the subsidiary concerned is the same i.e. 31st March 2015											Rs. In lacs
Glade Steel Private Limited	Indian Rupee	1318.84	208.45	1573.40	1573.40	-	-	-67.80	-50.14	-	51.15%
Asian Tide Enterprises Ltd	USD 62.60	11786.18	8255.86	88755.32	88755.32	-	15906.21	56.44	56.44	-	100%
Alpha Ventures Limited	USD 62.60	2320.71	11280.21	49547.45	49547.45	-	33182.23	918.51	918.51	-	100%

Part "B": Associates and Joint Ventures

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

NOT APPLICABLE

BY ORDER OF THE BOARD

R.K.BIRLA

Managing Director
DIN:00118776

S.HANUMANTHA RAO

Director-Finance
DIN:00118801

Place: Hyderabad

Date: August 28th 2015

INDEPENDENT AUDITORS' REPORT

To the
Members of
M/s. Sujana Metal Products Limited.

Report on the Standalone Financial Statements

We have audited the accompanying Standalone financial statements of M/s.SUJANA METAL PRODUCTS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

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

Auditors' Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

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

SUJANA METAL PRODUCTS LIMITED

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2015, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) 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 company has disclosed the impact of pending litigations on its financial position in its financial statements as referred to in Note 31 to the financial statements.
 - (ii) The company had made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, and as required on long term contracts including derivative contracts.
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection fund by the company

For CRK&ASSOCIATES

Chartered Accountants

Firm Reg. No: 010004S

C. Rajendra Kumar, FCA

Partner

M No: 23103

Place: Hyderabad

Date: 27th May, 2015

Annexure to the Independent Auditor's Report

The Annexure referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of Our Report of even date to the members of M/s.Sujana Metal Products Limited on the accounts of the company for the year ended 31st March, 2015.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

- (i) In respect of its fixed assets:
 - (a) The company is in the process of updating proper records showing full particulars including quantitative details and situation of its fixed assets.
 - (b) According to the information and explanations given to us, Fixed Assets had not physically verified by the management during the period under Audit.
- (ii) In respect of its inventories:
 - (a) According to the information and explanations given to us, inventories have been physically verified by the management at reasonable intervals.
 - (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 were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion and on the basis of our examination of the records, the company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services and during the course of our audit we have not observed any major weaknesses in such internal control system.
- (v) As per the information and explanation given by the company, the Company has not accepted any deposits covered under section 73 to 76 of the Companies Act, 2013.
- (vi) As per the information & explanations given by the management, maintenance of cost records has been prescribed and they were maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us, in respect of statutory dues.
 - (a) According to the records of the company, the Company has been generally regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities. According to the information and explanations given to us, there were no outstanding statutory dues as on 31st March, 2015 for a period of more than six months from the date they became payable.

SUJANA METAL PRODUCTS LIMITED

- (b) According to the information and explanations given to us, there are amounts payable in respect of income tax, sales tax, customs duty and excise duty which have not been deposited on account of disputes. The details are as follows :

Name of the Statute	F.Y. to which matters pertain	Amount (Rs. in Lakhs)	Forum where matter is pending
Income Tax Act,1961	2008-11	1479.26	Income Tax Appellate Tribunal, Commissioner of Income Tax (Appeal)
Central Excise Act,1944	1995-2013	1943.54	Central Excise & Service Tax Appellate Tribunal, Commissioner of Central Excise
Customs Act,1962	1998-2008 2009-10 2012-13 2013-14	548.33 215.08 21.97 54.11	Commissioner (Customs), Sea Port, Chennai, CESTAT Bangalore
Foreign Exchange Management Act, 1999 (Previously FERA, 1973)	1995-1996	300	Hon'ble High Court of Delhi
APGST Act,1957	2002-03 2003-04	438.13 786.88	Sales Tax Appellate Tribunal, Commercial Tax Officer
Central Sales Tax Act, 1956	2005-06 2006-07 2007-08 2009-10	5.93 241.34 42.68 9.90	Appellate Deputy Commissioner, Hon'ble High Court of Andhra Pradesh
Tamilnadu Value Added Tax Act, 2006	2006-07	394.92	Hon'ble High Court of Tamilnadu

- (c) The Company has been regular in transferring amounts to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 2013 and Rules made there under within time.

- viii. The Company does not have any accumulated loss at the end of the financial year not more than fifty percent of its net worth and has not incurred cash loss during the financial year covered by our Audit and in the immediately preceeding financial year.
- ix. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, there have been delays in repayment of dues to Banks and financial institutions. Such delays have been summarized below indicating the maximum amount of delay and the maximum period reflected against each.

Banks/Financial Institutions	Maximum Amount Default (Rs.)	Maximum period of Default
Andhra Bank (Term Loan)		
Principal	63,23,958	89
Andhra Bank (Add. Term Loan)		
Principal	2,82,292	43
Interest	3,08,352	43
Andhra Bank (FITL I)		
Principal	5,21,584	91
Interest	10,25,697	120

Bank Of India (Term Loan)		
Principal	62,61,458	101
Bank Of India (Add. Term Loan)		
Principal	2,80,208	111
Interest	3,15,154	80
Bank Of India (FITL I)		
Principal	17,74,637	131
Interest	30,82,033	114
Bank Of India (FITL II)		
Principal	7,61,111	237
Interest	2,60,570	273
Bank Of Baroda (FITL I)		
Principal	2,41,238	53
Interest	3,40,349	58
Bank Of Baroda (FITL II)		
Principal	3,62,000	58
Interest	1,23,950	89
IDBI Bank (Term Loan)		
Principal	22,55,208	120
IDBI Bank (Add. Term Loan)		
Principal	2,66,667	120
Interest	2,03,041	181
IOB (Add. Term Loan)		
Principal	1,60,417	183
Interest	1,76,728	183
IDBI (FITL I)		
Principal	3,74,358	120
Interest	4,54,355	150
Indian Bank (FITL I)		
Principal	3,33,757	150
Indian Bank (FITL II)		
Principal	2,55,556	335
IOB (FITL I)		
Principal	4,35,663	150
Interest	17,07,364	59
IOB (FITL II)		
Principal	5,20,000	92
Interest	2,04,174	61
Karnataka Bank Ltd (FITL II)		
Principal	2,00,000	28
Interest	84,752	28
Karnataka Bank Ltd (FITL I)		
Principal	42,200	76
Interest	2,22,361	76

SUJANA METAL PRODUCTS LIMITED

Punjab National Bank (Term Loan)		
Principal	94,63,542	149
PNB (Add. Term Loan)		
Principal	4,22,917	43
Interest	4,51,297	43
PNB (FITL I)		
Principal	9,17,472	149
Interest	16,74,533	180
PNB (FITL II)		
Principal	4,37,902	18
Interest	5,36,137	18
State Bank of Patiala (FITL I)		
Principal	5,48,148	91
Interest	14,18,745	122
State Bank of Patiala (FITL II)		
Principal	9,23,333	89
Interest	3,08,137	119

- x. According to the information and explanations given to us, the Company has given the guarantees for loans taken by others from a Bank or financial institution where of the terms and conditions are not prejudicial to the interest of the company.
- xi. In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company for the purposes for which they were obtained.
- xii. To the best of our knowledge and according to the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

For CRK&ASSOCIATES
Chartered Accountants
Firm Reg. No: 010004S

C. Rajendra Kumar, FCA
Partner
M No: 23103

Place: Hyderabad
Date: 27th May, 2015

BALANCE SHEET AS AT 31ST MARCH, 2015

Rupees in lakhs

	Note No	As at 31 March 2015	As at 31 March 2014
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
a) Share Capital	3	11,565.91	11,310.91
b) Reserves and Surplus	4	58,125.26	58,049.09
		69,691.17	69,360.00
2 Non- Current liabilities			
a) Long-term Borrowings	5	97,451.36	94,008.76
b) Deferred Tax liabilities (net)	6	7,075.47	6,831.01
c) Other Long-Term liabilities	7	197.95	119.28
d) Long- Term provisions	8	308.61	291.54
		1,05,033.39	1,01,250.59
3 Current liabilities			
a) Short-Term Borrowings	9	60,103.32	67,467.00
b) Trade Payables	10	65,504.92	45,014.03
c) Other Current liabilities	11	7,642.64	10,046.87
d) Short-Term provisions	12	2,207.05	2,031.21
		1,35,457.93	1,24,559.11
TOTAL		3,10,182.49	2,95,169.70
II. ASSETS			
1 Non- Current Assets			
a) Fixed Assets			
i) Tangible Assets	13A	49,435.05	51,490.22
ii) Capital Work in Progress		8,762.28	7,684.06
		58,197.33	59,174.28
b) Non-Current Investments	14	14,781.41	14,229.40
c) Long-Term Loans and Advances	15	1,506.83	1,847.75
		74,485.57	75,251.43
2 Current Assets			
a) Current Investments	16	4.69	3.88
b) Inventories	17	29,458.41	28,003.97
c) Trade Receivables	18	1,70,769.65	1,66,450.48
d) Cash and Bank Balances	19	2,906.33	1,961.83
e) Short-Term Loans and Advances	20	32,221.11	22,947.13
f) Other Current Assets	21	336.73	550.98
		2,35,696.92	2,19,918.27
TOTAL		3,10,182.49	2,95,169.70

See accompanying notes forming part of the financial statements 1-43

As per our report of even date attached

For and on behalf of the Board of Directors

For CRK & Associates

Chartered Accountants
(Firm Regn. No. 010004S)

C. Rajendra Kumar

Partner
(M.No. 023103)

Place : Hyderabad
Date : 27th May 2015

R K Birla

Managing Director
(DIN: 00118776)

Ch. Narayana Rao
Chief Financial Officer

Place : Hyderabad
Date : 27th May 2015

S. Hanumantha Rao

Director - Finance
(DIN: 00118801)

Shaik Ibraheem
Company Secretary

SUJANA METAL PRODUCTS LIMITED

Statement of Profit and Loss for the year ended 31st March 2015

Rupees in lakhs

	Note No	For the year ended 31 March 2015	For the year ended 31 March 2014
I. REVENUE			
Revenue from operations (gross)		3,51,248.30	2,91,519.95
Less: Excise duty		6,088.52	7,078.08
Revenue from operations (net)	22	3,45,159.78	2,84,441.87
Other income	23	1,029.91	2,120.03
Total revenue		3,46,189.69	2,86,561.90
II. EXPENSES			
Cost of materials	24.a &b	3,10,442.78	2,68,472.62
Change in inventories of finished goods ,work in progress and stock- in-trade	24.c	(1,288.95)	(11,035.61)
Employee benefit expenses	25	2,155.76	2,312.66
Finance costs	26	21,589.50	17,255.64
Depreciation and amortisation expense	13A&13B	3,896.73	3,828.66
Other expenses	27	8,827.52	8,859.39
Total expenses		3,45,623.34	2,89,693.36
III. PROFIT BEFORE TAX (I-II)		566.35	(3,131.46)
Prior Period Expenses		28.46	-
Profit before tax after Prior period expenses		537.89	(3,131.46)
IV. TAX EXPENSE:			
a) Current tax expense for current year		113.31	-
b) MAT credit relating to earlier years		-	-
c) Current tax relating to earlier years		86.36	2.23
		199.67	2.23
e) Deferred tax		244.46	681.87
		444.13	684.10
V. PROFIT FOR THE YEAR (III-IV)		93.76	(3,815.56)
Earnings per equity share of Rs. 5/- each (Refer Note No.30)			
Basic Rs.		0.04	(1.95)
Diluted Rs.		0.04	(1.95)

See accompanying notes forming part of the financial statements 1-43

As per our report of even date attached

For and on behalf of the Board of Directors

For CRK & Associates
Chartered Accountants
(Firm Regn. No. 010004S)

R K Birla
Managing Director
(DIN: 00118776)

S. Hanumantha Rao
Director - Finance
(DIN: 00118801)

C. Rajendra Kumar
Partner
(M.No. 023103)

Ch. Narayana Rao
Chief Financial Officer

Shaik Ibraheem
Company Secretary

Place : Hyderabad
Date : 27th May 2015

Place : Hyderabad
Date : 27th May 2015

Cash flow statement for the Year ended 31 March 2015

Rupees in lakhs

	For the Year ended 31 March 2015	For the Year ended 31 March 2014
Cash flow from operating activities		
Net profit before tax	537.89	(3,131.46)
Adjustments for:	-	-
Depreciation and amortisation	3,896.73	3,828.66
Extraordinary Item	-	-
Loss on sale of fixed assets (net)	3.41	0.98
Net unrealised exchange gain	(13.07)	(527.55)
Finance costs	21,589.50	17,255.63
Interest income	(231.09)	(454.70)
Loss on sale of current investment	-	-
Adjustments to the carrying amount of current investments	0.82	(0.05)
Provision for wealth tax	-	-
Dividend income on current investment	-	-
Operating profit before working capital changes	25,784.19	16,971.51
<i>Changes in working capital:</i>	-	-
<i>Adjustments for (increase) / decrease in operating assets:</i>	-	-
Inventories	(1,454.44)	(12,200.48)
Trade receivables	(4,319.17)	(5,787.46)
Long-term loans and advances	340.92	(28,195.87)
Short-term loans and advances	(13,503.91)	(3,066.23)
<i>Other current assets</i>	(1.64)	-
<i>Adjustments for increase / (decrease) in operating liabilities:</i>	-	-
Trade payables	20,477.82	18,304.37
Other current liabilities	(2,948.23)	2,041.37
Other long-term liabilities	78.67	27.58
Other Short-term liabilities	70.06	35.22
Provision for employee benefits	17.07	48.57
Cash generated from operations	24,541.34	(11,821.42)
Net income tax paid	(93.90)	(2.52)
Net cash flow from operating activities (A)	24,447.44	(11,823.94)
Cash flows from investing activities		
Capital expenditure on fixed assets and capital advances paid	(2,937.49)	(5,454.01)
Receipt of capital advances	-	-
Proceeds from sale of fixed assets	40.17	2.59
(Increase)/decrease in restricted cash	(941.44)	71.99
Advances given to subsidiaries	4,229.91	2,254.42
Advances realised from subsidiaries	-	-
Purchase of current investments	(552.01)	-
Foreign Currency Translation Adjustment		
Proceeds from sale of current investment- mutual fund units	-	-
Income from current investments received	-	-
Interest received	445.33	105.00
Net cash used in investing activities (B)	284.47	(3,020.01)

SUJANA METAL PRODUCTS LIMITED

Cash flow statement for the Year ended 31 March 2015

Rupees in lakhs

	For the Year ended 31 March 2015	For the Year ended 31 March 2014
Cash flow from financing activities	-	-
Proceeds from issue of share capital	255.00	-
Share premium received / Capital Reserve	-	-
Proceeds from long-term borrowings	3,442.60	15,491.19
Repayment of long-term borrowings	-	-
Increase in short-term borrowings	(7,363.69)	15,800.13
Dividend paid including tax there on	(17.57)	(17.47)
Interest and other borrowing costs paid	(21,045.19)	(16,614.24)
Net cash (used in)/from financing activities (C)	(24,728.85)	14,659.61
Net (decrease)/increase in cash and cash equivalents (A + B + C)	3.06	(184.34)
Cash and cash equivalents at the beginning of the year	164.76	349.10
Exchange difference on translation of foreign currency cash and cash equivalents	-	-
Cash and cash equivalents at the end of the year	167.82	164.76

Notes:

- Cash Flow Statement has been prepared under the Indirect method as set out in the Accounting Standard 3 on Cash Flow Statements.
- Reconciliation of Cash and cash equivalents with balance sheet:

Cash and bank balances as per balance sheet	2,906.33	1,961.83
Less: Balances in earmarked accounts		
- balance held as margin monies	2,738.51	1,797.07
Net cash and cash equivalents at the end of the year	167.82	164.76

See accompanying notes forming part of the financial statements 1-43

As per our report of even date attached

For and on behalf of the Board of Directors

For CRK & Associates

Chartered Accountants
(Firm Regn. No. 010004S)

R K Birla

Managing Director
(DIN: 00118776)

S. Hanumantha Rao

Director - Finance
(DIN: 00118801)

C. Rajendra Kumar

Partner
(M.No. 023103)

Ch. Narayana Rao
Chief Financial Officer

Shaik Ibraheem
Company Secretary

Place : Hyderabad
Date : 27th May 2015

Place : Hyderabad
Date : 27th May 2015

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1 Corporate Information

“Sujana Metal Products Limited (SMPL) was incorporated on 02nd May 1988 under the name of Sujana Steel Re-rolling Industries Private Limited. The name of the company was changed to Sujana Steels Private Limited on 30 March 1992. The company was converted into public limited company on 20 April 1992. The company further changed its name as Sujana Metal Products Limited w.e.f. 09 November 2001. The Company was promoted by Sri Y.S.Chowdary, his associates and relatives.

The company was incorporated with an object to manufacture of steel re-rolled products. SMPL is engaging in the business of manufacturing and marketing value added steel products. SMPL is categorized as a secondary steel producer in the Industry.

SMPL is currently engaging in the business of Manufacture and trading of steel products like Thermo Mechanically Treated (TMT) bars in different sizes, Structural steels like Ms Angles, Ms Squares, Ms Beams and Ms Channels etc and smart steel of varying shapes and dimensions for the construction and infrastructure sector.

2 Significant Accounting Policies

a Basis of Preparation of Financial Statements

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

b Use of Estimates

The preparation of Financial Statements are in conformity with Indian GAAP requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and any revision to accounting estimates is recognised prospectively in the period in which the results are known/materialised. Examples of such estimates include provisions for doubtful debts, employee retirement benefit plans, provision for income taxes and the useful lives of fixed assets.

c Fixed Assets and Depreciation and Amortisation

TANGIBLE ASSETS:

Tangible assets are stated at their cost of acquisition or construction except for assets acquired under the composite scheme of amalgamation and arrangement which are recorded at fair value, less accumulated depreciation and impairment losses, if any.

The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use. The Company has adopted the provisions of para 46 / 46A of AS 11 The Effects of Changes in Foreign Exchange Rates, accordingly, exchange differences arising on restatement / settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets. Machinery spares which can be used only in connection with an item of fixed asset and whose use is

SUJANA METAL PRODUCTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets.

Fixed assets retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately.

CAPITAL WORK-IN-PROGRESS: Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest. Fixed assets acquired and put to use for project purpose are capitalised and depreciation thereon is included in the project cost till the project is ready for its intended use.

INTANGIBLE ASSETS Intangible assets are recognised only when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the assets can be measured reliably. Intangible assets are stated at cost except for assets acquired under the composite scheme of amalgamation and arrangement which are recorded at fair value, less accumulated amortisation and impairment loss, if any.

DEPRECIATION AND AMORTISATION Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.:

Class of asset	Years
Plant and machinery	8 to 40 years
Work-roll	1 year

Leasehold land is amortized over the period of the lease, except where the lease is convertible to freehold land under lease agreements at future dates at no additional cost. Intangible assets are amortised over their estimated useful lives on straight line method as follows: Class of assets Years Computer software 3 to 5 years Licenses 3 to 5 years The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

d Investments

Investments are classified as current or long-term in accordance with Accounting Standard 13 on "Accounting for Investments".

Current Investments are stated at lower of cost or market value. Any reduction in the carrying amount and any reversals of such reductions are charged or credited to the Statement of Profit and Loss.

Long term Investments are stated at cost comprising of acquisition and incidental expenses. Provision is made to recognize a diminution, other than temporary, in the value of such investments.

e Revenue Recognition

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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

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

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

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

f Inventories

Raw materials are valued at cost or net realisable value, whichever is lower. Cost is ascertained based on weighted average cost method.

Finished goods produced and purchased are valued at cost or net realisable value, whichever is lower.

Excise duty in respect of finished goods produced and awaiting despatch is included in valuation of the Inventory.

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

g Employee Benefits

Liability for employee benefits, both short and long term, for present and past services which are due as per the terms of employment are recorded in accordance with Accounting Standard (AS) 15 'Employee Benefits' notified by the Companies (Accounting Standards) Rules, 2006.

Defined Benefit Plan

i) Gratuity

In accordance with the Payment of Gratuity Act, 1972 the Company provides for gratuity covering eligible employees. Liability on account of gratuity is:

- covered partially through a recognised Gratuity Fund managed by Life Insurance Corporation of India, Bajaj Allianz Life Insurance Company and contributions are charged to revenue; and
- balance is provided on the basis of valuation of the liability by an independent actuary as at the year end."

ii) Compensated Absences

Liability for compensated absence is treated as a long term liability and is provided on the basis of valuation by an independent actuary as at the year end.

Defined Contribution Plan

i) Provident Fund

Contribution to Provident fund (a defined contribution plan) made to Regional Provident Fund Commissioner are recognised as expense as they fall due based on the amount of contribution required to be made.

SUJANA METAL PRODUCTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

h Foreign Currency Transactions

Transactions in foreign currencies are recorded at the exchange rates prevailing on the dates of transactions and in case of purchase of materials and sale of goods, the exchange gains / losses on settlements during the year, are charged to Statement of Profit and Loss.

Monetary assets and liabilities denominated in foreign currencies are translated at the rates prevailing on the date of Balance Sheet. Exchange gains / losses including those relating to fixed assets are dealt with in the Statement of Profit and Loss.

i Borrowing Costs

Borrowing costs attributable to the acquisition or construction of qualifying assets, as defined in Accounting Standard 16 on "Borrowing Costs" are capitalized as part of the cost of such asset up to the date when the asset is ready for its intended use. Other borrowing costs are expensed as incurred.

j Taxes on Income

Income taxes are accounted for in accordance with Accounting Standard 22 on "Accounting for Taxes on Income". Taxes comprise both current and deferred tax. Current tax is measured at the amount expected to be paid to the revenue authorities, using the applicable tax rates and laws.

Minimum Alternate Tax (MAT) provision in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal tax in the near future period. Accordingly, it is recognized as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably.

The tax effect of the timing differences that result between taxable income and accounting income and are capable of reversal in one or more subsequent periods are recorded as a deferred tax asset or deferred tax liability.

Deferred tax assets and liabilities are recognized for future tax consequences attributable to timing differences. They are measured using the substantively enacted tax rates and tax regulations at the reporting date.

The carrying amount of deferred tax assets at each balance sheet date is reduced to the extent that it is no longer reasonably certain that sufficient future taxable income will be available against which the deferred tax asset can be realized.

Tax on distributed profits payable in accordance with the provisions of Section 115O of the Income Tax Act, 1961 is in accordance with the Guidance Note on "Accounting for Corporate Dividend Tax" regarded as a tax on distribution of profits and is not considered in determination of profits for the year.

k Earnings per Share

The Company reports Basic and Diluted Earnings Per Share (EPS/DEPS) in accordance with Accounting Standard 20 on "Earnings Per Share". Basic EPS is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted EPS is computed by dividing the net profit or loss for the year attributable to equity

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

shareholders by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

l Impairment of assets

The carrying amount of assets, other than inventories is reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the assets is estimated. The recoverable amount is the greater of the asset's net selling price and value in use which is determined based on the estimated future cash flow discounted to their present values. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

m Provisions, Contingent Liabilities and Contingent Assets

The Company recognises provisions when there is present obligation as a result of past event and it is probable that there will be an outflow of resources and reliable estimate can be made of the amount of the obligation. A disclosure for Contingent liabilities is made in the notes on accounts when there is a possible obligation or present obligations that may, but probably will not, require an outflow of resources. Contingent assets are neither recognised nor disclosed in the financial statement.

SUJANA METAL PRODUCTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Rupees in lakhs

	As at 31 March 2015	As at 31st March 2014
Note 3: Share capital		
Authorised		
i) 310,000,000 (31.03.2014:310,000,000) Equity Shares of Rs.5 each	15,500.00	15,500.00
ii) 4,500,000 (31.03.2014:4,500,000) Preference Shares of Rs. 100 each	4,500.00	4,500.00
Issued, subscribed and fully paid up		
i) 201,450,881 (31.03.2014:196,350,881) Equity Shares of Rs. 5 each	10,072.54	9,817.54
ii) 1,493,365 (31.03.2014:1,493,365) 1% Cumulative Redeemable Preference Shares of Rs.100 each	1,493.37	1,493.37
	11,565.91	11,310.91

Notes:

- i) **Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year**

Particulars	Year ended 31 March 2015		Year ended 31 March 2014	
	Number	Amount	Number	Amount
a) Equity(including shares represented by underlying GDRs)				
Shares outstanding at the beginning of the year/period	196,350,881	9,817.54	196,350,881	9,817.54
Shares issued during the year/period	5,100,000	255.00	-	-
Shares bought back during the year/ period	-	-	-	-
Shares outstanding at the end of the year/ period	201,450,881	10,072.54	196,350,881	9,817.54
b) Cumulative Redeemable Preference Shares				
Shares outstanding at the beginning of the year/period	1,493,365	1,493.37	1,493,365	1,493.37
Shares Issued during the year/period	-	-	-	-
Shares redeemed during the year/period	-	-	-	-
Shares outstanding at the end of the year/period	1,493,365	1,493.37	1,493,365	1,493.37

- ii) **Details of shares held by each shareholder holding more than 5% shares:**

Name of Shareholder	As at 31 March 2015		As at 31 March 2014	
	No. of Shares held	% held	No. of Shares held	% held
a) Equity shares of Rs. 5 each fully paid				
Yalamanchili Finance & Trading Pvt Ltd	267,66,585	13.29	267,66,461	13.63
Foster Infin and Trading Pvt Limited	250,00,000	12.41	250,00,000	12.73
Stressed Assets Stabilisation Fund	127,59,682	6.33	127,59,682	6.50
Sujana Holdings Limited	100,00,000	4.96	100,00,000	5.09
b) Cumulative Redeemable Preference Shares of Rs.100 each fully paid				
IDBI Bank Limited	14,93,365	100.00	14,93,365	100.00

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Rupees in lakhs

	As at 31 March 2015	As at 31 March 2014
iii) The company has only one class of shares referred to as equity shares having a par value of Rs. 5/- fully paid up. Each holder of equity shares is entitled to one vote per share held.		
iv) Redemption of Cumulative Redeemable Preference Shares (CRPS).		
1,493,365 1% of Cumulative Redeemable Preference Shares of Rs.100 each aggregating to Rs.1493.37 lakhs is redeemable in 12 quarterly installments co-terminus with principal payment commencing from October 01, 2013 and ending July 01, 2016. CRPS carry cumulative dividend @1% per annum. The company declares and pays dividend in Indian rupees. Each holder of CRPS is entitled to one vote per share only on resolutions placed before the company which directly effect the rights attached to CRPS		
Six quarterly installments of Rs. 745.10 lakhs have been paid to IDBI (preference share holder) for redemption of 7,46,680 number of 1% preference shares of Rs. 100/- each. however these share were not received by the Company from IDBI for redemption. Hence the amount of Rs. 745.10 lakhs has been classified as advance.		
Note 4: Reserves and surplus		
i) Capital reserve		
Opening balance	9,880.43	9,880.43
Add: Additions during the year/period	-	-
Closing balance	9,880.43	9,880.43
ii) CRPS redemption reserve		
Opening balance	1,493.37	1,493.37
Add: Additions during the year/period	-	-
Closing balance	1,493.37	1,493.37
iii) Securities premium account		
Opening balance	34,935.98	34,935.98
Add: Premium on shares issued during the year/period	-	-
Closing balance	34,935.98	34,935.98
iv) General reserve	698.64	698.64
v) Surplus in statement of profit and loss		
Opening balance	11,040.67	14,873.59
Add: Profit for the year/period	93.76	(3,815.56)
Less: Appropriations		
Proposed dividend on CRPS	14.93	14.93
Dividend distribution tax	2.66	2.43
CRPS redemption reserve	-	-
Closing balance	11,116.84	11,040.67
	58,125.26	58,049.09

SUJANA METAL PRODUCTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Rupees in lakhs

	As at 31 March 2015	As at 31 March 2014
Note 5: Long term borrowings		
Secured		
a) Term loans from		
i) Banks	27,357.00	26,267.15
ii) Financial institutions	6,550.72	6,550.72
b) Funding of Interest on Term Loan		
i) FITL - I	13,795.41	8,236.33
ii) FITL - II	2,036.73	1,820.32
iii) W C T L	47,236.89	48,633.44
iv) FITL ON WCTL	468.76	2,487.16
c) Vehicle loans from		
i) Banks	5.85	13.64
ii) Others	-	-
	97,451.36	94,008.76

Notes:

Term loan from banks viz. Punjab National Bank, Bank of India, Indian Overseas Bank, IDBI Bank and Andhra Bank are secured by first charge on all the immovable and movable fixed assets of the company both present and future and second charge on the current assets of the company. Further these loans are secured by personal guarantees and properties of certain directors.

As per CDR Terms of repayment are as follows:

- i) Loan taken from Andhra Bank, Rs.50.91Crores, carries an interest rate of 11% p.a from 1st October, 2012 till 30th September, 2014 and there after 13% p.a and is repayable in 96 monthly installments commencing from 1st October, 2014.
- ii) Loan taken from Indian Overseas Bank, Rs.32.60Crores, carries an interest rate of 11% p.a from 1st October, 2012 till 30th September, 2014 and there after 13% p.a and is repayable in 96 monthly installments commencing from 1 st October, 2014.
- iii) Loan taken from Bank Of India, Rs. 54.61Crores, carries an interest rate of 11% p.a from 1st October, 2012 till 30th September,2014 and there after 13% p.a and is repayable in 96 monthly installments commencing from 1 st October, 2014.
- iv) Loan taken from Punjab National Bank, Rs.90.86Crores, carries an interest rate of 11% p.a from 1st October, 2012 till 30th September,2014 and there after 13% p.a and is repayable in 96 monthly installments commencing from 1 st October, 2014.
- v) Loan taken from IDBI, Rs. 22.38Crores, carries an interest rate of 11% p.a from 1st October, 2012 till 30th September, 2014 and there after 13% p.a and is repayable in 96 monthly installments commencing from 1st October, 2014.
- vi) Term loan from financial institutions viz Stressed Assets Stabilization Fund (SASF) secured by first charge on all the immovable and movable fixed assets of the company and second charge on the current assets of the company. As per SASF letter dated 15 March 2013, crystallizes the SASF dues to Rs.6,600 lakhs and is to be paid in cash carrying ROI @ 9% p.a payable over 9 1/2 years and balance Rs. 1800 lakhs to be converted into equity as per SEBI Guidelines. After giving effect to the CDR it was decided that SASF dues as per June, 2008 package should be considered for restructuring at par with other lenders including clearance of interest overdue as on Cut of Date (October 1, 2012). As per Bank's advice Interest and other overdues of Rs18.20 crore as on COD, is to be cleared for restructuring of dues at CDR.
- vii) Overdue interest on Term Loans, SASF & Working Capital was converted to 'Funding of Interest on Term Loan' amounting to Rs. 67.46Crores, which shall be repayable in 4.5years after completion of moratorium period i.e. October, 2014.
- viii) Working Capital loans were converted to Working Capital Term Loans amounting Rs.41,735.66Lakhs, which shall be repayable in 8years, after completion of moratorium period i.e. Oct, 2014.
- ix) Vehicle loans from banks and others are secured by hypothecation of the vehicles financed through the loan arrangements and are repayable over a period of 36 months to 60 months.
- x) Additional Term Loan taken from Andhra Bank Rs.271.00 lakhs on 20th Jan 2014, Bank of Ondia Rs.269.00 laks, IOB Rs.154.00 lakhs and PNB Rs.406.00 lakhs carries an interest rate of 11% p.a for upgradation of technology at Shadnagar and Bollaram units.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Rupees in lakhs

	As at 31 March 2015	As at 31 March 2014
Note 6: Deferred tax liabilities (net)		
Deferred tax liability:		
On difference between book balance and tax balance of fixed assets	7,564.37	7,376.23
Deferred tax asset:		
Provision for employee benefits	151.38	136.94
Provision for doubtful trade receivables, loans and advances	337.52	408.28
	488.90	545.22
Deferred tax liabilities (net)	7,075.47	6,831.01
Note 7: Other long-term liabilities		
Security Deposits	170.46	90.20
Govt Grands - Differed Receivable	27.49	29.08
	197.95	119.28
Note 8: Long-term provisions		
Provision for Employee benefits	308.61	291.54
	308.61	291.54
Note 9: Short-term borrowings		
Loans repayable on demand		
Secured		
From Banks	54,996.50	63,281.98
Unsecured	-	-
From Others	5,106.82	4,185.02
	60,103.32	67,467.00
i) Loans repayable on demand includes an amount of Rs. 54,996.50 lakhs (31.03.2014:Rs.63,281.98 lakhs) represents working capital loans from banks are inter alia secured by way of parri passu first charge on current assets and parri passu second charge on fixed assets both present and future. Further these loans are secured by personal guarantee and properties of certain directors.		
ii) Rs.5006.82 lakhs has been brought by promoters as interest free unsecured loan and Rs.100 lakhs from others.		
Note 10: Trade payables		
Acceptances	37,275.63	16,824.69
Other than acceptances	28,229.29	28,189.34
	65,504.92	45,014.03
Note 11: Other current liabilities		
Current maturities of long-term debt	1,605.93	1,605.93
Interest accrued but not due on borrowings	-	-
Interest accrued and due on borrowings	2,924.77	2,380.78
Other payables		
Statutory remittances	241.45	296.05
Payables on purchase of fixed assets	13.45	3,019.71
Advances from customers	2,857.04	2,744.40
	7,642.64	10,046.87
Note 12: Short-term provisions		
Provision for employee benefits	157.95	130.54
Provision for current income tax	1,944.19	1,838.40
Provision for proposed dividend on CRPS	99.74	59.73
Provision for tax on proposed dividend	5.17	2.54
	2,207.05	2,031.21

SUJANA METAL PRODUCTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 13A: Tangible Assets

(Amt in Lakhs)

Description	GROSS BLOCK (At Cost)			DEPRECIATION/AMORTISATION			NET BLOCK	
	As at 01 April 2014	Additions	Deletions	As at 31 March 2015	As at 01 April 2014	For the year	Deletions	As at 31 March 2015
Land- Freehold	2,207.44	-	-	2,207.44	-	-	-	2,207.44
Buildings	4,912.68	230.70	-	5,143.38	995.71	164.20	-	3,983.47
Plant & Machinery	66,524.94	1,158.52	34.95	67,648.51	23,719.50	2,851.91	1.20	41,078.29
Owned	-	-	-	-	-	-	-	-
Given under operating lease	-	-	-	-	-	-	-	-
Electrical Installation	2,469.71	472.68	-	2,942.39	744.54	382.22	-	1,815.63
Furniture & Fixtures	87.42	2.03	-	89.45	60.54	5.12	-	23.78
Office Equipment	172.80	5.26	0.41	177.65	55.04	87.22	0.18	35.56
Vehicles	685.88	12.67	19.74	678.81	363.96	62.44	10.74	263.16
Computers	961.92	2.91	0.60	964.23	593.29	343.61	0.39	27.72
TOTAL (A)	78,022.80	1,884.76	55.70	79,851.86	26,532.58	3,896.73	12.51	49,435.05
<i>Previous Period</i>	<i>69,697.64</i>	<i>8,330.61</i>	<i>5.45</i>	<i>78,022.80</i>	<i>22,705.80</i>	<i>3,828.66</i>	<i>1.88</i>	<i>51,490.22</i>

Note 13B: Intangible Assets

Description	GROSS BLOCK (At Cost)			DEPRECIATION/AMORTISATION			NET BLOCK	
	As at 01 April 2014	Additions	Deletions	As at 31 March 2015	As at 01 April 2014	For the year	Deletions	As at 31 March 2015
Goodwill	28.68	-	-	28.68	28.68	-	-	28.68
Computer Software	-	-	-	-	-	-	-	-
Total (B)	28.68	-	-	28.68	28.68	-	-	28.68
<i>Previous Period</i>	<i>28.68</i>	<i>-</i>	<i>-</i>	<i>28.68</i>	<i>28.68</i>	<i>-</i>	<i>-</i>	<i>28.68</i>
Grand Total (A+B)	78,051.47	1,884.76	55.70	79,880.54	26,561.26	3,896.73	12.51	49,435.05
<i>Previous Period</i>	<i>69,726.32</i>	<i>8,330.61</i>	<i>5.45</i>	<i>78,051.47</i>	<i>22,734.48</i>	<i>3,828.66</i>	<i>1.88</i>	<i>51,490.22</i>

Pursuant to the enactment of Companies Act 2013, the Company has applied the estimated useful lives as specified in Schedule II. Accordingly unamortised carrying value is being depreciated / amortised over the revised / remaining useful lives. The written down value of Fixed Assets whose lives have expired as at 1st April, 2014 have been charged to the Profit and Loss Account amounting to Rs.22.43 Lakhs.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Rupees in lakhs

	As at 31 March 2015	As at 31 March 2014
Note 14: Non-current investments		
(At cost unless otherwise stated)		
Trade		
Investment in equity instruments in subsidiaries		
Alpha Ventures Limited	2,320.71	2,320.71
5,010,000 (31.03.2014 : 50,10,000) Shares of USD 1.00 each fully paid up		
Glade Steels Private Limited	674.51	674.51
674,514 (31.03.2014 : 674,514) Equity Shares of Rs.100 each fully paid up		
Asian tide Enterprises Limited	11,786.19	11,234.18
202,269,600 (31.03.2014 : 194,274,600) Shares of HK\$ 1.00 each fully paid up		
	14,781.41	14,229.40
Note 15: Long-term loans and advances		
i) (Unsecured and considered good)		
a) Security deposits	155.69	774.00
b) MAT credit entitlement	290.66	290.66
c) Deposits with government authorities	1,060.48	783.09
(A)	1,506.83	1,847.75
ii) Doubtful		
a) Security deposits	2.90	2.90
b) Advances for supply of goods and rendering of services	349.02	349.02
	351.92	351.92
Less: Provision for doubtful advances	351.92	351.92
(B)	-	-
(A+B)	1,506.83	1,847.75
Note 16: Current investments		
(At lower of cost and fair value)		
Investment in mutual funds (Quoted)		
SBI - PSU fund dividend	5.00	5.00
50,000 (31.03.2014: '50,000' units purchased during the earlier year)	-	-
Less: provision for diminution in the value of investment	(0.31)	(1.12)
	4.69	3.88
Aggregate amount of quoted investments	5.00	5.00
Aggregate provision for diminution in the value of current investments	0.31	1.12

SUJANA METAL PRODUCTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Rupees in lakhs

	As at 31 March 2015	As at 31 March 2014
Note 17: Inventories (At lower of cost and net realisable value)		
Raw materials	3,013.36	2,776.94
Goods- in-transit	-	-
Finished goods	25,257.31	23,968.36
Goods- in-transit	-	-
Stock in trade	-	-
Stores and spares	1,187.74	1,258.67
	<u>29,458.41</u>	<u>28,003.97</u>
Note 18: Trade receivables (Unsecured)		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Considered Good	63,570.92	55,935.93
Considered Doubtful	691.30	906.44
	<u>64,262.22</u>	<u>56,842.37</u>
Less: Provision for doubtful trade receivables	691.30	906.44
(A)	<u>63,570.92</u>	<u>55,935.93</u>
Other trade receivables		
Considered Good	1,07,198.73	1,10,514.55
Considered Doubtful	-	-
	<u>1,07,198.73</u>	<u>1,10,514.55</u>
Less: Provision for doubtful trade receivables	-	-
(B)	<u>1,07,198.73</u>	<u>1,10,514.55</u>
(A+B)	<u>1,70,769.65</u>	<u>1,66,450.48</u>
Trade receivables include receivables from foreign debtors of Rs.202.51 crores out of which Rs.183.66 crores is due for more than one year.		
Note 19: Cash and bank balances		
Cash and cash equivalents		
Cash on Hand	26.37	23.56
Balances with Banks:	-	-
In current accounts	141.46	141.20
Balance held as margin monies	2,738.50	1,797.07
	<u>2,906.33</u>	<u>1,961.83</u>
Note 20: Short-term loans and advances		
i) (Unsecured and considered good unless otherwise stated)		
Loans and advances to related parties	2,051.71	6,281.62
Security deposits	21.75	43.02
Loans and advances to employees	31.10	38.54
Prepaid expenses	10.62	14.15
Balances with government authorities	-	-
CENVAT credit receivable	1,466.64	969.94
VAT credit receivable	92.54	68.02
Advances for supply of goods and rendering of services	27,732.60	15,099.69
Others	814.15	432.14
	<u>32,221.11</u>	<u>22,947.13</u>
Note 21: Other current assets		
Interest accrued but not due on deposits	336.73	550.98
	<u>336.73</u>	<u>550.98</u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Rupees in lakhs

	Year Ended 31 March 2015	Year Ended 31 March 2014
Note 22: Revenue from operations		
a) Sale of products		
i) Manufactured	48,846.03	61,804.25
ii) Traded & Processed Goods	2,94,086.72	1,95,455.01
iii) Exports	1,820.29	26,660.53
b) Other operating revenues		
Conversion income	406.74	522.08
Total	3,45,159.78	2,84,441.87

Particulars of sale of products	Year ended 31 March 2015		Year ended 31 March 2014	
	Qty (MT)	Rupees in lakhs	Qty (MT)	Rupees in lakhs
A Manufactured goods				
TMT Bars	80,223	29,558.59	62,595	24,064.11
MS Channels	6,694	2,416.74	59,819	20,575.67
MS Beams	9,820	3,695.31	10,581	3,887.10
Others	62,174	13,175.38	70,053	13,886.21
Total	1,58,911	48,846.03	2,03,047	62,413.09
B Traded goods				
TMT Bars	6,39,308	2,63,084.91	2,28,098	89,485.43
M S Scrap	6,134	1,159.30	4,350	1,165.13
Others	37,042	31,662.79	2,78,634	1,30,856.14
Total	6,82,484	2,95,907.01	5,11,082	2,21,506.70

	Year Ended 31 March 2015	Year Ended 31 March 2014
Note 23: Other Income		
a) Interest on deposit with banks and others	231.09	454.70
b) Liabilities/Provisions no longer required written back	233.71	86.50
c) Net gain on foreign currency transactions and translations	436.77	1,490.22
d) Adjustments to carrying amount of current investments	0.82	0.05
e) Profit on sale of fixed assets (net)	0.01	-
f) Rental income from operating leases	9.00	9.00
g) Miscellaneous income	101.84	76.47
h) Increase/(decrease) of excise duty on inventory	16.67	3.09
	1,029.91	2,120.03

Note 24a. Cost of materials		
Opening Stock	2,776.94	1,368.79
Add : Purchases	3,10,679.20	2,69,936.78
	3,13,456.14	2,71,305.57
Less : Closing stock	3,013.36	2,776.94
	3,10,442.78	2,68,528.63
Less : Transfer to capital work in progress	-	56.01
	3,10,442.78	2,68,472.62

SUJANA METAL PRODUCTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Rupees in lakhs

Note 24.a. Details of raw materials consumed

Particulars	Year ended 31 March 2015		Year ended 31 March 2014	
	Qty (MT)	Rupees in lakhs	Qty (MT)	Rupees in lakhs
Pig/Sponge Iron/Scrap	1,29,969	12,228.36	1,47,486	11,563.94
Billets / Blooms	1,07,070	33,166.39	1,24,199	35,528.12
MS Products	3,974	1,403.43	19,312	6,074.78
MS Ingots	169	55.16	1,958	589.16
TMT Bars	8,932	3,154.93	8,956	3,218.44
Total*	2,50,114	50,008.27	3,01,911	56,974.44
Less: Transferred to capital work in progress	-	-	147	56.01
Total	2,50,114	50,008.27	3,01,764	56,918.43

Note 24.b: Details of Purchase of traded goods

TMT Bars	6,52,769	2,52,643.46	92,713	36,200.38
MS Rebars	60	23.66	4,47,462	1,73,741.13
H R Coils and C R Coils	-	-	-	-
Others	28,280	7,350.18	7,370	1,307.69
M S Scrap	1,907	417.21	1,376	304.99
Total	6,83,016	2,60,434.51	5,48,921	2,11,554.19

	Year Ended 31 March 2015	Year Ended 31 March 2014
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Note 24.c: Changes in inventories of finished goods, work in progress and stock-in-trade

Inventories at the beginning of the year:

Finished goods	23,968.36	1,854.19
Work in progress	-	-
Stock in trade	-	11,078.56
	23,968.36	12,932.75

Inventories at the end of the year:

Finished goods	25,257.31	23,968.36
Work in progress	-	-
Stock in trade	-	-
	25,257.31	23,968.36
Net (increase) / decrease	(1,288.95)	(11,035.61)

Note 25: Employee benefit expenses

Salaries, wages and bonus	1,966.53	2,110.04
Contribution to provident and other funds	144.99	160.94
Staff welfare expenses	44.24	41.68
	2,155.76	2,312.66

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Rupees in lakhs

	Year Ended 31 March 2015	Year Ended 31 March 2014
Note 26: Finance costs		
Interest expense on Borrowings	20,106.47	15,949.05
Other borrowing costs	1,483.03	1,306.59
	21,589.50	17,255.64
Note 27: Other expenses		
Consumption of stores, spares and consumables	1,335.46	1,478.41
Power and fuel	4,674.09	4,421.21
Other manufacturing expenses	219.02	272.41
Equipment hire charges	30.79	31.49
Job work charges	436.15	626.11
Rent includes lease rentals	176.43	148.51
Repairs and Maintenance-Buildings	4.41	7.24
Repairs and Maintenance-Machinery	67.82	48.69
Repairs and Maintenance-Others	25.31	25.89
Insurance	30.23	64.71
Rates and taxes	84.76	107.65
Factory maintenance	60.21	53.40
Printing and stationery	31.46	22.56
Communication	46.94	46.54
Travelling and conveyance	379.28	304.02
Legal and professional	201.07	297.45
Payments to auditors (Refer Note (i) below)	44.94	40.00
Security Charges	123.52	126.37
Donations	1.11	1.00
Sales commission	12.13	2.27
Sales discount	46.58	30.30
Business promotion	142.71	41.93
Freight outwards	551.36	645.61
Directors' fees	3.20	2.40
Provision for doubtful trade receivables, loans and advances	-	(77.34)
Miscellaneous expenses	95.12	89.58
Loss on sale of fixed assets	3.42	0.98
	8,827.52	8,859.39
Note (i): Payments to the auditors		
As auditors -statutory audit	44.94	40.00
Other Services	-	-
Total	44.94	40.00

SUJANA METAL PRODUCTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

28 Employee Benefits

Defined contribution plans:

The Company makes Provident Fund contribution to defined contribution plans for qualifying employees. Under the Scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs.69.26 lakhs (31.03.2014: Rs.60.66 lakhs) for Provident Fund contributions in the Statement of Profit and Loss. The contributions payable to these plan by the Company are at rates specified in the rules of the scheme.

Defined benefit plans:

The Company offers the following employee benefit schemes to its employees:

- i. Gratuity
- ii. Compensated absences

Liability for retiring gratuity as on March 31, 2015 is Rs.313.11 lakhs (31-3-2014: Rs.298.87 lakhs) of which Rs.2.65 lakhs (31.3.2014: 13.90 lakhs) is funded with the Life Insurance Corporation of India and Bajaj Allianz Life Insurance Company. The balance of Rs.310.46 lakhs (31-3-2014: Rs.284.97 lakhs) is included in Provision for Gratuity. The Liability for Gratuity and Cost of Compensated absences has been actuarially determined and provided for in the books.

Details of the company's post-retirement gratuity plans for its employees including whole time directors are given below, which is certified by the actuary and relied upon by the auditors.

Amount to be recognised in balance sheet

(Rupees in lakhs)

Particulars	Gratuity	Compensated Absences	Total
Present value of funded obligations	313.11	155.17	468.28
	298.87	137.10	435.97
Fair value of plan assets	(2.65)	-	(2.65)
	(13.90)	-	(13.90)
Net liability	310.46	155.17	465.63
	284.97	137.10	422.07

Note: In accordance with the payment of Gratuity Act, 1972 the company provides for gratuity covering eligible employees.

The liability on account of gratuity is covered partially through a recognized Gratuity Fund managed by Life Insurance Corporation of India, Bajaj Allianz life Insurance company and balance is provided on the basis of valuation of the liability by an independent actuary as at the year end. The management understands that their overall portfolio of assets is well diversified and as such, the long term return on the policy is expected to be higher than the rate of return on Central Government bonds.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Expenses to be recognised in statement of profit and loss account			
Particulars	Gratuity	Compensated Absences	Total
Current Service Cost	41.35	18.07	59.42
	<i>39.14</i>	<i>29.43</i>	<i>68.57</i>
Interest Cost	24.51	11.24	35.75
	<i>20.35</i>	<i>8.83</i>	<i>29.18</i>
Expected return on plan assets	(0.46)	-	(0.46)
	<i>(0.30)</i>	-	<i>(0.30)</i>
Actuarial (Gains)/Losses	(27.49)	(0.47)	(27.96)
	<i>(0.34)</i>	<i>7.95</i>	<i>7.61</i>
Total included in employee benefit expense	37.91	28.84	66.75
	<i>58.85</i>	<i>46.21</i>	<i>105.06</i>
Change in Defined Benefit Obligations (DBO)			
Present Value of DBO at Beginning of Period / Year	298.86	137.10	435.96
	<i>248.20</i>	<i>107.67</i>	<i>355.87</i>
Current Service Cost	41.35	18.07	59.42
	<i>39.14</i>	<i>29.43</i>	<i>68.57</i>
Interest Cost	24.51	11.24	35.75
	<i>20.35</i>	<i>8.83</i>	<i>29.18</i>
Actuarial (Gains)/Losses	(27.49)	(0.47)	(27.96)
	<i>(0.34)</i>	<i>7.95</i>	<i>7.61</i>
Benefits Paid	(24.12)	(10.77)	(34.89)
	<i>(8.48)</i>	<i>(16.78)</i>	<i>(25.26)</i>
Closing defined benefit obligation	313.11	155.17	468.28
	<i>298.87</i>	<i>137.10</i>	<i>435.97</i>
Opening fair value of plan assets	13.89	-	13.89
	<i>5.02</i>	-	<i>5.02</i>
Expected return on plan assets	0.46	-	0.46
	<i>0.30</i>	-	<i>0.30</i>
Contributions by employer	12.42	-	12.42
	<i>17.06</i>	-	<i>17.06</i>
Benefits Paid	(24.12)	-	(24.12)
	<i>(8.48)</i>	-	<i>(8.48)</i>
Closing Fair Value of Plan Assets	2.65	-	2.65
	<i>13.90</i>	-	<i>13.90</i>
Assumptions			
Interest / Discount Rate			7.80%
			<i>9.15%</i>
Expected return on plan assets			9.00%
			<i>9.00%</i>
Rate of escalation in salary			6.00%
			<i>6.00%</i>
Attrition Rate			2.00%
			<i>3.00%</i>
<i>Note: Figures in italics relate to previous period</i>			

i) Discount Rate

The discount rate is based on the prevailing market yield on Indian Government Securities as at the balance sheet date for the estimated term of the obligations.

ii) Expected Rate of Return on Plan Assets:

This is based on our expectation of the average long term rate of return expected on investments of the Fund during the estimated term of the obligations.

SUJANA METAL PRODUCTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

iii) Salary Escalation Rate

The estimates of future salary increase considered takes into account the inflation, seniority, promotion and other relevant factors.

Net Asset/(Liability) recognised in Balance Sheet

(Rupees in lakhs)

Particulars	2014-15	2013-14	2012-13	2011-12	2009-11
Gratuity					
Present value of defined benefit obligation	313.11	298.87	248.20	230.26	192.75
Fair value of plan assets	2.65	13.90	5.02	15.67	-
Status [Surplus / (Deficit)]	(310.46)	(284.97)	(243.18)	(214.59)	(192.75)
Compensated Absences					
Present value of defined benefit obligation	155.17	137.10	107.66	90.60	63.21
Fair value of plan assets	-	-	-	-	-
Status [Surplus / (Deficit)]	(155.17)	(137.10)	(107.66)	(90.60)	(63.21)

29 Related Party Disclosure

The following are related parties as defined in "Accounting Standard (AS) 18 - Related Party Disclosures" notified under The Companies (Accounting Standards) Rules, 2006.

List of Related Parties

1. Subsidiaries

<i>Subsidiaries held directly</i>	Country of Incorporation	Percentage of ownership interest
i. Glade Steel Pvt Ltd.	India	51.15%
ii. Alpha Ventures Ltd.	Cayman Islands	100%
iii. Asian Tide Enterprises Ltd.	Hong Kong	100%
<i>Subsidiaries held indirectly</i>		
i. Optimix Enterprises Limited	Mauritius	100%

2. Key Management Personnel

i. Mr. R. K. Birla	Managing Director
ii. Mr. S. Hanumantha Rao	Director (Finance)

3. List of Related Parties

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

Note: Related parties have been identified by the management.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rupees in lakhs)

Related Party Transactions with:				
Particulars	Subsidiaries		Companies where Key Management Personnel are directors	
	2014-15	2013-14	2014-15	2013-14
A). Sales				
Glade Steel Private Limited	-	-	-	-
Sujana Universal Industries Limited	-	-	5,263.50	3,964.94
Sujana Towers Limited	-	-	1,719.26	2,204.38
SUB-TOTAL	-	-	6,982.76	6,169.32
B). Purchases				
Glade Steel Private Limited	-	-	-	-
Sujana Universal Industries Limited	-	-	6,995.86	10,644.42
Sujana Towers Limited	-	-	1,223.27	2,022.45
SUB-TOTAL	-	-	8,219.13	12,666.87
C). Investments made during the year/period				
Alpha Ventures Limited	-	-	-	-
Asian Tide Enterprises Limited	552.01	-	-	-
SUB-TOTAL	552.01	-	-	-
D). Advances given/(refunded) during the year				
Alpha Ventures Limited	-	-	-	-
Asian Tide Enterprises Limited	(552.01)	-	-	-
SUB-TOTAL	(552.01)	-	-	-
E). Advances received during the year				
Yalamanchili Finance and Trading Private Limited	-	-	1,176.80	4,038.05
SUB-TOTAL	-	-	1,176.80	4,038.05
F). Other Income				
Sujana Universal Industries Limited	-	-	9.00	9.00
SUB-TOTAL	-	-	9.00	9.00
G). Other Expenses				
Glade Steel Private Limited	9.00	9.00	-	-
SUB-TOTAL	9.00	9.00	-	-
H). Remuneration				
Mr. R.K.Birla - Managing Director	-	-	120.36	120.36
Mr. Hanumantha Rao - Director (Finance)	-	-	13.80	13.80
SUB-TOTAL	-	-	134.16	134.16

SUJANA METAL PRODUCTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rupees in lakhs)

30 Earnings Per Share

Particulars	2014-15	2013-14
Profit After Tax	93.76	(3,815.56)
Less: Preference Dividend including tax thereon	17.59	17.36
Profit attributable to ordinary share holders	76.17	(3,832.92)
Profit attributable to ordinary share holders- for diluted EPS	76.17	(3,832.92)
Weighted average number of ordinary shares used in computing Basic Earnings per Share	2014,50,881	1963,50,881
Add: Effect of potential ordinary (equity shares) on conversion of share warrants and redeemable preference shares	-	-
Weighted average number of ordinary (equity shares) used in computing Diluted Earnings Per Share.	2014,50,881	1963,50,881
Earnings per share - Face Value: Rs. 5/- each		
Basic - Rs.	0.04	(1.95)
Diluted - Rs.	0.04	(1.95)

31 Contingent liabilities and commitments (to the extent not provided for)

(Rupees in lakhs)

	Particulars	As at 31 March 2015	As at 31 March 2014
a)	Contingent liabilities		
i)	Claims against the Company not acknowledged as debts in respect of:		
	Excise Duty	2,071.70	2,120.20
	Custom Duty	839.24	839.49
	TNVAT/APGST/CST	2,198.12	2,198.12
	Income Tax (Net of liability as per return)	-	1,479.25
	FEMA*	400.00	400.00
ii)	Guarantees		
	Corporate Guarantees furnished on behalf of Sujana Universal Industries Ltd	81,410.00	81,410.00
	Corporate guarantee furnished on behalf of Optimix Enterprises Limited (USD 75 lakhs)	4,087.50	4,087.50
b)	Commitments		
i)	Export commitments on account of import of machinery and equipments at concessional duty under EPCG scheme (31.03.2014 :Rs.112.16 Lakhs) .Such export commitments need to be fulfilled by the Company on or before 23 April 2016. As on 31 March 2015, the Company has fulfilled its export commitments and which are pending final approval of Director General of Foreign Trade. In the event of non-fulfillment of the export commitments by 23 April 2016 by the Company, the liability (excluding interest and penalties) towards customs duty	112.16	112.16
*Against which bank guarantee of Rs.215 lakhs has been issued.			

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

32 Derivative Instruments

The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

(In lakhs)

Particulars	2014-15		2013-14	
	Rs.	USD	Rs.	USD
For import of goods and services	-	-	4,224.62	70.63
From export of goods and services	207.74	13,005.23	19,465.43	325.45

33 CIF Value of Imports

(Rupees in lakhs)

Particulars	2014-15	2013-14
Raw Materials including stock in trade	1,816.12	7,456.42
Capital Goods	-	-
Others	-	-
Total	1,816.12	7,456.42

34. Details of consumption of imported and indigenous items

Particulars	2014-15		2013-14	
	%	VALUE (Rs.in lakhs)	%	VALUE (Rs.in lakhs)
Raw Material				
Imported	0.68%	2,097.26	2.78%	7,456.42
Indigenous	99.32%	3,08,345.52	97.22%	2,61,016.20
	100.00%	3,10,442.78	100.00%	2,68,472.62
Stores and Spares (Indigenous)	100.00%	1335.46	100.00%	1,478.41

35 Expenditure in Foreign Currency (on accrual basis)

(Rupees in lakhs)

Particulars	2014-15	2013-14
Travelling	0.99	2.57
Professional and Consultancy	-	-
Total	0.99	2.57

36 Earnings in Foreign Exchange

(Rupees in lakhs)

Particulars	2014-15	2013-14
FOB Value of Exports	1,847.86	26,051.70
Others	-	-
Total	1,847.86	26,051.70

37 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006.

Trade payables (Ref: Note No.10 -Trade payables include Rs.Nil (31.03.2014 : Rs. Nil) due to micro enterprises and small enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act 2006). The Company has not received any memorandum(as required to be filed by the supplier with the notified authority under the MSMED Act 2006) claiming their status as Micro or Small or Medium Enterprises.

SUJANA METAL PRODUCTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

38 Disclosure as per Clause 32 of the Listing Agreements with the Stock Exchanges

Loans and advances in the nature of loans given to subsidiaries, associates and others and investment in shares of the Company by such parties:

(Rupees in lakhs)

Name of the Company	Relationship	Amount Outstanding as at year end/ period end	Maximum Outstanding during the year /period
Alpha Ventures Limited	Subsidiary	2,051.70	2,051.70
		<i>1,428.53</i>	<i>1,428.53</i>
Asian Tide Enterprises Limited	Subsidiary	-	396.58
		<i>396.58</i>	<i>552.01</i>
Optimix	Indirectly Subsidiary	-	-
Glade Steels	Subsidiary	-	-
		-	-

Above loans and advances are interest free and there are no repayment schedules

Figures in italics relate to previous period and Loan given to Asian Tide Enterprises Ltd has been converted in to Equity Share Capital.

39 Stressed Assets Stabilization Fund (SASF) has communicated as follows

As per SASF letter dated 15 March 2013, crystallizes the SASF dues to Rs.6,600 lakhs and is to be paid in cash carrying ROI @ 9% p.a payable over 9 1/2 years and balance Rs. 1800 lakhs to be converted into equity as per SEBI Guidelines. After giving effect to the CDR it was decided that SASF dues as per June, 2008 package should be considered for restructuring at par with other lenders including clearance of interest overdue as on COD (October 1, 2012). As per Bank's advice Interest and other overdues of Rs18.20 crore as on COD, is to be cleared for restructuring of dues at CDR.

The negotiation are going on with respect to restruring of debts.

40 IMPLEMENTATION & TERMS OF CDR:

The loans of the company have been restructured under the Corporate Debt Restructuring (CDR) System, The CDR package was sanctioned by CDR Empowered Group, at the meeting held on 15.02.2013 and approval letters have been given by the CDR Cell on 25.03.2013. where all the banks, who have extended financial assistance & given the loans to the company, have agreed for restructure of the loans.

The letters from individual banks also have been issued by Banks & Salient Features of the CDR package are given below:-

- Cut-off date (COD) for loans has been cosidered as 1st October 2012. The loans outstanding as on this date has been cosidered for restructuring.
- Interest rate on the loans has been fixed at 11%p.a. during the moratorium period (24 months) from cut off date after that it is 13%.
- Term Loans have been restructured with a moratorium of 24 months from COD and repayable in 96 equal monthly installments starting from 1st October 2014.
- The irregularity in the Cash Credit has been carved out as Working Capital Term Loan with a moratorium of 24 months from COD and repayable in 96 equal monthly installments starting from 1st October 2014.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

- v) The unpaid interest as on 30.09.2012 and interest from 01.10.2012 to 28.02.2013 on term loans and interest from 01.10.2012 to 28.02.2013 on WCTL has been restructured as Funded Interest Term Loan-I, repayable in 54 equal monthly installments starting from FY Oct 31, 2014 and ending with March 31, 2019, after FITL - I is completely built up.
 - vi) The interest on Cash Credit from October 2012 to March, 2013 has been restructured as Funded Interest Term Loan-II, repayable in 54 equal monthly installments starting from April 30, 2013 and ending with September 2017, after FITL - II is completely built up.
 - vii) The Interest on loan of NBFC from cut off date Oct 1, 2012 till September 30, 2014 shall be converted into FITL I and interest would be charged at 11%p.a. at monthly rests with a right to reset after two years from cut-off date & thereafter annually. Interest on FITL - I shall be serviced as and when due. Interest overdue prior to COD would be converted to FITL I(A) to be repaid from FY 2014 to FY 2018 with 9% interest p.a. at monthly rests.
 - viii) The Principle of NBFC has been given moratorium of 24 months from COD and repayable in 96 equal monthly instalments over a period of 8 years starting from Oct 31, 2014 and ending with September 30, 2022.
 - ix) Cash Credit and the Non-fund based limits as per the appraisal of the banks.
 - x) Promoters shall bring funds as per the applicable terms of CDR package.
 - xi) The lenders shall have the right to recompense the reliefs/sacrifices/waivers extended by respective CDR lenders as per guidelines.
 - xii) The CDR package has been implemented in all respects with PNB as the monitoring agency for monitoring the implementation of the CDR package. The repayments of installments have commenced during the year.
- 41** The Company's significant leasing arrangements are in respect of operating leases for premises (office, stores, godowns, etc.). The leasing arrangements, which are not non-cancellable, range between ten months and three years generally, and are usually renewable by mutual consent on agreed terms. The aggregate lease rentals Rs.176.43 lakhs (31.03.2014:Rs.148.51 lakhs) payable are charged as rent in the statement of profit and loss.
- 42** Balances of Unsecured loans, receivables, payables and loans and advances are subjects to their confirmation and reconciliations.
- 43** Previous period's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our report of even date attached

For and on behalf of the Board of Directors

For CRK & Associates
Chartered Accountants
(Firm Regn. No. 010004S)

R K Birla
Managing Director
(DIN: 00118776)

S. Hanumantha Rao
Director - Finance
(DIN: 00118801)

C. Rajendra Kumar
Partner
(M.No. 023103)

Ch. Narayana Rao
Chief Financial Officer

Shaik Ibraheem
Company Secretary

Place : Hyderabad
Date : 27th May 2015

Place : Hyderabad
Date : 27th May 2015

**Consolidated
Financial Statements
for the Year Ended
31.03.2015**

INDEPENDENT AUDITORS' REPORT

To
The Members of
M/s.Sujana Metal Products Limited.

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of M/s. SUJANA METAL PRODUCTS LIMITED ("hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the group") comprising of the Consolidated Balance Sheet as at March 31st 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year ended, a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies including in the group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. 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 and the provisions of the Act and the rules made thereunder.

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

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 financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Holding Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 Directors, as well as evaluating the overall presentation of the consolidated financial statements.

SUJANA METAL PRODUCTS LIMITED

We believe that the audit evidence obtained by us 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 consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to the auditor opinion of the subsidiary company incorporated in India M/s.Glade Steel Private Limited, regarding capital advance of Rs.701.50 Lakhs which is outstanding for more than three years and therefore unable to form an opinion on the recoverability of the same. Consequently uncertainty arises as to the amount recoverable and no provision has been made in this regard by the subsidiary company incorporated in India. Our opinion is not modified in respect of this matter.

Other Matter

We did not audit the financial statements of three subsidiaries, whose financial statements reflect total assets of Rs.1,39,876.16 lakhs as at 31st March, 2015, total revenue of Rs.49,119.78 lakhs and net cash outflows amounting to Rs.1,841.36 lakhs for the year ended on that date, as considered in the Consolidated Financial Statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) and (11) of section 143 of the Act, insofar as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and regulatory requirements below, is not qualified in respect of other matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, based on the comments in the auditors' reports of the Holding Company and its subsidiaries incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated 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 and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidation financial statements.

- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding company as on 31st March, 2015 taken on record by the Board of Directors of the Holding company and the reports of the Statutory Auditors of its subsidiary companies incorporated in India, none of the Directors of the Group companies incorporated in India, is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) 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 consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, Refer Note 31 to the consolidated financial statements.
 - (ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection fund by the Holding company and its subsidiary companies incorporated in India.

For CRK & ASSOCIATES

Chartered Accountants

Firm Reg. No: 010004S

C. Rajendra Kumar, FCA

Partner

M.No. 23103

Place: Hyderabad

Date: 27th May, 2015

SUJANA METAL PRODUCTS LIMITED

Annexure to the Independent Auditor's Report

The Annexure referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of Our Report of even date.

Our reporting on the order includes Holding company and one subsidiary company incorporated in India, to which the order is applicable, which have been audited by other auditor and our report in respect of this entity is based solely on the report of the other auditor, to the extent considered applicable for reporting under the order in the case of the consolidated financial statements.

- (i) In respect of the fixed assets of the Holding company and subsidiary company incorporated in India:
 - (a) According to the information and explanations given to us and the other auditors, the Holding Company is in the process of updating proper records showing full particulars including quantitative details and situation of its fixed assets. The subsidiary incorporated in India has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) In the case of Holding company, the fixed assets had not physically verified by the management during the period under Audit. In the case of a subsidiary company incorporated in India, Fixed Assets have been physically verified at reasonable intervals and no material discrepancy was noticed on such verification.
- (ii) In respect of the inventories of the Holding company and the subsidiary company incorporated in India:
 - (a) According to the information and explanations given to us and the other auditor, inventories have been physically verified by the management at reasonable intervals.
 - (b) In our opinion and the opinion of the other auditors and according to the information and explanations given, the procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion and the opinion of other auditor and according to the information and explanations given, the company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
- (iii) According to the information and explanations given to us and the other auditor, the Holding Company and its subsidiary company incorporated in India had not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.
- (iv) In our opinion and the opinion of the other auditor and according to the information and explanations given, the Holding company and its subsidiary company incorporated in India had an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weaknesses in such internal control system.
- (v) As per the information and explanation given to us and the other auditor, the Holding company and its subsidiary company incorporated in India has not accepted any deposits covered under section 73 to 76 of the Companies Act, 2013.
- (vi) As per the information & explanations given to us and the other auditor by the management, maintenance of cost records has been prescribed and they were maintained by the Holding Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete. The maintenance of Cost records has not been specified by the central

government to the subsidiary company incorporated in India under sub-section (1) of section 148 of the companies Act, 2013.

(vii) In our opinion and the opinion of the other auditor and according to the information and explanations given, in respect of statutory dues of Holding Company and subsidiary company incorporated in India:

- (a) The respective entities has been generally regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities. According to the information and explanations given, there were no outstanding statutory dues as on 31st March, 2015 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and the other auditor, the subsidiary company incorporated in India has no disputed statutory dues and the Holding company has amounts payable in respect of income tax, sales tax, customs duty and excise duty which have not been deposited on account of disputes. The details are as follows:

Name of the Statute	F.Y. to which matters pertain	Amount (Rs. in Lakhs)	Forum where matter is pending
Income Tax Act,1961	2008-2011	1479.26	Income Tax Appellate Tribunal, Commissioner of Income Tax (Appeal)
Central Excise Act,1944	1995-2013	1943.54	Central Excise &Service Tax Appellate Tribunal, Commissioner of Central Excise
Customs Act,1962	1998-2008	548.33	Commissioner (Customs), Sea Port, Chennai, CESTAT Bangalore
	2009-2010	215.08	
	2012-2013	21.97	
	2013-2014	54.11	
Foreign Exchange Management Act,1999 (Previously FERA, 1973)	1995-1996	300	Hon'ble High Court of Delhi
APGST Act,1957	2002-2003	438.13	Sales Tax Appellate Tribunal, Commercial Tax Officer
	2003-2004	786.88	
Central Sales Tax Act, 1956	2005-2006	5.93	Appellate Deputy Commissioner, Hon'ble High Court of Andhra Pradesh
	2006-2007	241.34	
	2007-2008	42.68	
	2009-2010	9.90	
Tamilnadu Value Added Tax Act, 2006	2006-2007	394.92	Hon'ble High Court of Tamilnadu

- (c) The aforesaid entities have been regular in transferring amounts to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made there under within time, if any.

(viii) According to the information and explanations given to us and the other auditor, the Holding Company and the subsidiary company incorporated in India does not have any accumulated loss at the end of the financial year not more than fifty percent of its net worth and has not incurred cash loss during the financial year covered by our Audit and in the immediately preceeding financial year.

(ix) According to the information and explanations given to us and the other auditor, the subsidiary company incorporated in India does not have any loans from financial institutions or banks or debentures, in the case of Holding company there have been delays in repayment of dues to Banks and financial institutions. Such delays have been summarized below indicating the maximum amount of delay and the maximum period reflected against each.

SUJANA METAL PRODUCTS LIMITED

Banks/Financial Institutions	Maximum Amount Default (Rs.)	Maximum period of Default
Andhra Bank (Term Loan)		
Principal	63,23,958	89
Andhra Bank (Add. Term Loan)		
Principal	2,82,292	43
Interest	3,08,352	43
Andhra Bank (FITL I)		
Principal	5,21,584	91
Interest	10,25,697	120
Bank Of India (Term Loan)		
Principal	62,61,458	101
Bank Of India (Add. Term Loan)		
Principal	2,80,208	111
Interest	3,15,154	80
Bank Of India (FITL I)		
Principal	17,74,637	131
Interest	30,82,033	114
Bank Of India (FITL II)		
Principal	7,61,111	237
Interest	2,60,570	273
Bank Of Baroda (FITL I)		
Principal	2,41,238	53
Interest	3,40,349	58
Bank Of Baroda (FITL II)		
Principal	3,62,000	58
Interest	1,23,950	89
IDBI Bank (Term Loan)		
Principal	22,55,208	120
IDBI Bank (Add. Term Loan)		
Principal	2,66,667	120
Interest	2,03,041	181
IOB (Add. Term Loan)		
Principal	1,60,417	183
Interest	1,76,728	183
IDBI (FITL I)		
Principal	3,74,358	120
Interest	4,54,355	150
Indian Bank (FITL I)		
Principal	3,33,757	150
Indian Bank (FITL II)		
Principal	2,55,556	335
IOB (FITL I)		
Principal	4,35,663	150

Interest	17,07,364	59
IOB (FITL II)		
Principal	5,20,000	92
Interest	2,04,174	61
Karnataka Bank Ltd (FITL II)		
Principal	2,00,000	28
Interest	84,752	28
Karnataka Bank Ltd (FITL I)		
Principal	42,200	76
Interest	2,22,361	76
Punjab National Bank (Term Loan)		
Principal	94,63,542	149
PNB (Add. Term Loan)		
Principal	4,22,917	43
Interest	4,51,297	43
PNB (FITL I)		
Principal	9,17,472	149
Interest	16,74,533	180
PNB (FITL II)		
Principal	4,37,902	18
Interest	5,36,137	18
State Bank of Patiala (FITL I)		
Principal	5,48,148	91
Interest	14,18,745	122
State Bank of Patiala (FITL II)		
Principal	9,23,333	89
Interest	3,08,137	119

- (x) According to the information and explanations given to us and the other auditor, the Holding Company has given the guarantees for loans taken by others from a Bank or financial institution where of the terms and conditions are not prejudicial to the interest of the company and subsidiary company incorporated in India has not given any guarantees for loans taken by others.
- (xi) In our opinion and the opinion of the other auditor and according to the information and explanations given, the term loans have been applied by the Holding Company for the purposes for which they were obtained and subsidiary company incorporated in India has not obtained any term loans.
- (xii) To the best of our knowledge and according to the information and explanations given to us and the other auditor, we report that no fraud on or by the Holding company and subsidiary Company incorporated in India have been noticed or reported during the year, nor have we been informed of such case by the management.

For CRK & ASSOCIATES

Chartered Accountants

Firm Reg. No: 010004S

C. Rajendra Kumar, FCA

Partner

M.No. 23103

Place: Hyderabad
Date: 27th May, 2015

SUJANA METAL PRODUCTS LIMITED

Consolidated Balance sheet as at 31st March , 2015

Rupees in lakhs

	Note No	As at 31 March 2015	As at 31 March 2014
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
a) Share Capital	3	11,565.91	11,310.91
b) Reserves and Surplus	4	78,420.00	75,527.65
		89,985.91	86,838.56
2 Minority Interest		746.16	770.65
3 Non- Current liabilities			
a) Long-term Borrowings	5	97,451.36	94,008.76
b) Deferred Tax liabilities (net)	6	7,077.20	6,850.41
c) Other Long-Term liabilities	7	197.95	119.28
d) Long- Term provisions	8	308.61	291.54
		1,05,035.12	1,01,269.99
4 Current liabilities			
a) Short-Term Borrowings	9	60,115.80	68,736.77
b) Trade Payables	10	1,59,733.38	1,49,824.41
c) Other Current liabilities	11	7,645.98	10,084.37
d) Short-Term provisions	12	2,207.05	2,037.03
		2,29,702.21	2,30,682.58
TOTAL		4,25,469.40	4,19,561.78
II ASSETS			
1 Non- Current Assets			
a) Fixed Assets			
i) Tangible Assets	13A	50,047.29	52,200.29
iii) Capital Work in Progress		9,463.79	8,385.53
		59,511.08	60,585.82
b) Goodwill (On Consideration		326.96	326.96
c) Long-Term Loans and Advances	14	1,708.59	2,106.86
		61,546.63	63,019.64
2 Current Assets			
a) Current Investments	15	4.69	3.88
b) Inventories	16	29,458.41	28,003.97
c) Trade Receivables	17	3,06,629.19	3,04,318.85
d) Cash and Bank Balances	18	2,942.34	1,972.68
e) Short-Term Loans and Advances	19	24,551.41	21,671.52
f) Other Current Assets	20	336.73	571.24
		3,63,922.77	3,56,542.14
TOTAL		4,25,469.40	4,19,561.78

See accompanying notes forming part of the consolidated financial statements

As per our report of even date attached

For and on behalf of the Board of Directors

For CRK & Associates

Chartered Accountants
(Firm Regn. No. 010004S)

C. Rajendra Kumar

Partner
(M.No. 023103)

Place : Hyderabad
Date : 27th May 2015

R K Birla

Managing Director
(DIN: 00118776)

Ch. Narayana Rao
Chief Financial Officer

Place : Hyderabad
Date : 27th May 2015

S. Hanumantha Rao

Director - Finance
(DIN: 00118801)

Shaik Ibraheem
Company Secretary

Consolidated Statement of Profit and Loss for the year ended 31st March 2015

Rupees in lakhs

	Note No	For the year ended 31 March 2015	For the year ended 31 March 2014
I. Revenue			
Revenue from operations (gross)		4,00,336.73	3,44,406.61
Less: Excise duty		6,088.52	7,078.08
Revenue from operations (net)	21	3,94,248.21	3,37,328.53
Other income	22	1,052.26	2,164.42
Total revenue		3,95,300.46	3,39,492.95
II. Expenses			
Cost of materials	23.a &b	3,58,504.78	3,20,221.82
Change in inventories of finished goods ,work in progress and stock- in-trade	23.c	(1,288.95)	(11,035.61)
Employee benefit expenses	24	2,156.96	2,320.93
Finance costs	25	21,627.73	17,277.09
Depreciation and amortisation expense	13A&13B	3,993.07	3,862.38
Other expenses	26	8,832.89	8,904.08
Total expenses		3,93,826.48	3,41,550.69
III. Profit before tax (I-II)		1,473.99	(2,057.74)
Prior Period Expenses		28.94	-
Profit before tax after Prior period expenses		1,445.05	(2,057.74)
IV. Tax expense:			
a) Current tax expense for current year		113.31	31.83
b) MAT credit relating to earlier years		-	-
c) Current tax relating to earlier years		86.36	2.23
d) Fringe benefit tax written back of earlier years		-	-
		199.67	34.06
e) Deferred tax		226.80	685.66
		426.47	719.72
V. Profit for the year/period (III-IV)		1,018.58	(2,777.46)
Minority Interest		24.49	(1.33)
Profit for the year/period after minority Interest		1,043.07	(2,778.79)
Earnings per equity share of Rs. 5/- each (Refer Note No.31)			
Basic Rs.		0.50	(1.42)
Diluted Rs.		0.50	(1.42)

See accompanying notes forming part of the consolidated financial statements

As per our report of even date attached

For and on behalf of the Board of Directors

For CRK & Associates

Chartered Accountants
(Firm Regn. No. 010004S)

C. Rajendra Kumar

Partner
(M.No. 023103)

Place : Hyderabad
Date : 27th May 2015

R K Birla

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Date : 27th May 2015

S. Hanumantha Rao

Director - Finance
(DIN: 00118801)

Shaik Ibraheem
Company Secretary

SUJANA METAL PRODUCTS LIMITED

Cash flow statement for the Year ended 31 March 2015

Rupees in lakhs

Particulars	For the Year ended 31 March 2015	For the Year ended 31 March 2014
Cash flow from operating activities		
Net profit before tax	1,445.05	(2,057.74)
Adjustments for:		
Depreciation and amortisation	3,993.07	3,862.38
Extraordinary Item	-	-
Loss on sale of fixed assets (net)	3.41	0.98
Net unrealised exchange gain	(13.07)	2,084.54
Finance costs	21,627.73	17,277.09
Interest income	(253.60)	(498.34)
Loss on sale of current investment	-	-
Adjustments to the carrying amount of current investments	0.82	(0.05)
Provision for wealth tax		
Dividend income on current investment		-
Operating profit before working capital changes	26,803.41	20,668.86
<i>Changes in working capital:</i>		
<i>Adjustments for (increase) / decrease in operating assets:</i>		
Inventories	(1,454.44)	(12,200.49)
Trade receivables	(2,310.34)	(39,462.31)
Long-term loans and advances	398.27	(28,222.35)
Short-term loans and advances	(2,879.89)	(7,305.45)
Other current assets	(1.63)	0.01
<i>Adjustments for increase / (decrease) in operating liabilities:</i>		
Trade payables	9,895.87	56,581.00
Other current liabilities	(2,982.36)	1,995.96
Other long-term liabilities	78.67	26.37
Other Short-term liabilities	64.23	41.05
Provision for employee benefits	17.07	48.57
Cash generated from operations	27,628.86	(7,828.78)
Net income tax paid	(93.25)	(58.94)
Net cash flow from operating activities (A)	27,535.61	(7,887.72)
Cash flows from investing activities		
Capital expenditure on fixed assets and capital advances paid	(2,937.57)	(5,454.36)
Receipt of capital advances		-
Proceeds from sale of fixed assets	41.67	2.59
(Increase)/decrease in restricted cash	(941.44)	71.99
Advances given to subsidiaries	-	1,092.49
Advances realised from subsidiaries		
Purchase of current investments	-	-
Foreign Currency Translation Adjustment		
Proceeds from sale of current investment- mutual fund units		
Income from current investments received		-
Interest received	488.11	130.12
Net cash used in investing activities (B)	(3,349.23)	(4,157.17)

Cash flow statement for the Year ended 31 March 2014

Rupees in lakhs

Particulars	For the Year ended 31 March 2015	For the Year ended 31 March 2014
Cash flow from financing activities		
Proceeds from issue of share capital	255.00	-
Share premium received / Capital Reserve	-	-
Proceeds from long-term borrowings	3,442.60	13,420.00
Repayment of long-term borrowings		-
Increase in short-term borrowings	(8,620.97)	15,083.77
Dividend paid including tax there on	(17.57)	(17.36)
Interest and other borrowing costs paid	(21,083.73)	(16,635.98)
Net cash (used in)/from financing activities (C)	(26,024.67)	11,850.43
Net (decrease)/increase in cash and cash equivalents (A + B + C)	(1,838.29)	(194.45)
Cash and cash equivalents at the beginning of the year	175.27	370.06
Exchange difference on translation of foreign currency cash and cash equivalents	1,866.85	-
Cash and cash equivalents at the end of the year	203.83	175.61

Notes:

- Cash Flow Statement has been prepared under the Indirect method as set out in the Accounting Standard 3 on Cash Flow Statements.
- Reconciliation of Cash and cash equivalents with balance sheet:

Cash and bank balances as per balance sheet	2,942.34	1,972.68
Less: Balances in earmarked accounts	-	-
- balance held as margin monies	2,738.51	1,797.07
Net cash and cash equivalents at the end of the year	203.83	175.61

See accompanying notes forming part of the Consolidated financial statements

As per our report of even date attached

For and on behalf of the Board of Directors

For CRK & Associates

Chartered Accountants
(Firm Regn. No. 010004S)

R K Birla

Managing Director
(DIN: 00118776)

S. Hanumantha Rao

Director - Finance
(DIN: 00118801)

C. Rajendra Kumar

Partner
(M.No. 023103)

Ch. Narayana Rao

Chief Financial Officer

Shaik Ibraheem

Company Secretary

Place : Hyderabad
Date : 27th May 2015

Place : Hyderabad
Date : 27th May 2015

SUJANA METAL PRODUCTS LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

1 Corporate information

Sujana Metal Products Limited (SMPL) was incorporated on 02 May 1988 under the name of Sujana Steel Re-rolling Industries Private Limited. The name of the company was changed to Sujana Steels Private Limited on 30 March 1992. The company was converted into public limited company on 20 April 1992. The company further changed its name as Sujana Metal Products Limited w.e.f. 09 November 2001. The Company was promoted by Sri Y.S.Chowdary, his associates and relatives.

The company was incorporated with an object to manufacture of steel re-rolled products. SMPL is engaging in the business of manufacturing and marketing value added steel products. SMPL is categorized as a secondary steel producer in the Industry.

SMPL is currently engaging in the business of Manufacture and trading of steel products like Thermo Mechanically Treated (TMT) bars in different sizes, Structural steels like Ms Angles, Ms Squares, Ms Beams and Ms Channels etc and smart steel of varying shapes and dimensions for the construction & infrastructure sector.

2 Significant accounting policies

a Basis of Preparation of Financial Statements

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

b Principles of Consolidation:

The Consolidated Financial Statements relate to Sujana Metal Products Limited ("the Company") and its subsidiary companies ("the Group"). The Consolidated Financial Statements have been prepared on the following basis.

The financial statements of the Company and its subsidiary companies have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra -group balances and unrealised profits or losses on intra-group transactions as per Accounting Standard 21 - "Consolidated Financial Statements" notified by the Companies (Accounting Standards) Rules, 2006.

In case of foreign subsidiaries being non-integral foreign operations, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at the rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in "Foreign Currency Translation Reserve".

The excess of cost to the Company, of its investment in the subsidiaries over the Company's share of equity is recognised in the financial statements as Goodwill and tested for impairment annually.

Minority interest in the net assets of the consolidated subsidiaries is identified and presented in consolidated balance sheet separately from non-current liabilities and the equity of the Company's share holders.

Minority interest consists of:

- i) The amount of equity attributable to minorities at the date on which investment in a subsidiary is made; and
- ii) The minorities share of movements in the equity since the date the parent subsidiary relationship came into existence.

Share of net profit attributable to the minority share holders for the year is identified and adjusted against profit after tax of the group.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

c Use of Estimates

The preparation of financial statements are in conformity with Indian GAAP requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and any revision to accounting estimates is recognised prospectively in the period in which the results are known/materialised. Examples of such estimates include provisions for doubtful debts, employee retirement benefit plans, provision for income taxes and the useful lives of fixed assets.

d Fixed Assets and Depreciation

TANGIBLE ASSETS:

Tangible assets are stated at their cost of acquisition or construction except for assets acquired under the composite scheme of amalgamation and arrangement which are recorded at fair value, less accumulated depreciation and impairment losses, if any.

The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use. The Company has adopted the provisions of para 46 / 46A of AS 11 The Effects of Changes in Foreign Exchange Rates, accordingly, exchange differences arising on restatement / settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets.

Fixed assets retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately.

CAPITAL WORK-IN-PROGRESS: Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest. Fixed assets acquired and put to use for project purpose are capitalised and depreciation thereon is included in the project cost till the project is ready for its intended use.

INTANGIBLE ASSETS Intangible assets are recognised only when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the assets can be measured reliably. Intangible assets are stated at cost except for assets acquired under the composite scheme of amalgamation and arrangement which are recorded at fair value, less accumulated amortisation and impairment loss, if any.

DEPRECIATION AND AMORTISATION Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated

SUJANA METAL PRODUCTS LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

technological changes, manufacturers warranties and maintenance support, etc.:

Class of asset	Years
Plant and machinery	8 to 40 years
Work-roll	1 year

Leasehold land is amortized over the period of the lease, except where the lease is convertible to freehold land under lease agreements at future dates at no additional cost. Intangible assets are amortised over their estimated useful lives on straight line method as follows: Class of assets Years Computer software 3 to 5 years Licenses 3 to 5 years The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

e Investments

Investments are classified as current or long-term in accordance with Accounting Standard 13 on "Accounting for Investments".

Current Investments are stated at lower of cost or market value. Any reduction in the carrying amount and any reversals of such reductions are charged or credited to the Statement of Profit and Loss.

Long term Investments are stated at cost comprising of acquisition and incidental expenses. Provision is made to recognize a diminution, other than temporary, in the value of such investments.

f Revenue Recognition

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

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

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

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

g Inventories

Raw materials are valued at cost or net realisable value, which ever is lower. Cost is ascertained based on weighted average cost method.

Finished goods produced and purchased are valued at cost or net realisable value, whichever is lower.

Excise duty in respect of finished goods produced and awaiting despatch is included in valuation of the Inventory.

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

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

h Employee Benefits

Liability for employee benefits, both short and long term, for present and past services which are due as per the terms of employment are recorded in accordance with Accounting Standard (AS) 15 'Employee Benefits' notified by the Companies (Accounting Standards) Rules, 2006.

Defined Benefit Plan

i) Gratuity

In accordance with the Payment of Gratuity Act, 1972 the Company provides for gratuity covering eligible employees. Liability on account of gratuity is:

- covered partially through a recognised Gratuity Fund managed by Life Insurance Corporation of India and contributions are charged to revenue; and
- balance is provided on the basis of valuation of the liability by an independent actuary as at the year end.

ii) Compensated Absences

Liability for compensated absence is treated as a long term liability and is provided on the basis of valuation by an independent actuary as at the year end.

Defined Contribution Plan

i) Provident Fund

Contribution to Provident fund (a defined contribution plan) made to Regional Provident Fund Commissioner are recognised as expense as they fall due based on the amount of contribution required to be made.

i Foreign Currency Transactions

Transactions in foreign currencies are recorded at the exchange rates prevailing on the dates of transactions and in case of purchase of materials and sale of goods, the exchange gains / losses on settlements during the year, are charged to Statement of Profit and Loss.

Monetary assets and liabilities denominated in foreign currencies are translated at the rates prevailing on the date of Balance Sheet. Exchange gains / losses including those relating to fixed assets are dealt with in the Statement of Profit and Loss.

j Borrowing Costs

Borrowing costs attributable to the acquisition or construction of qualifying assets, as defined in Accounting Standard 16 on "Borrowing Costs" are capitalized as part of the cost of such asset up to the date when the asset is ready for its intended use. Other borrowing costs are expensed as incurred.

k Taxes on Income

Income taxes are accounted for in accordance with Accounting Standard 22 on "Accounting for Taxes on Income". Taxes comprise both current and deferred tax. Current tax is measured at the amount expected to be paid to the revenue authorities, using the applicable tax rates and laws.

Minimum Alternate Tax (MAT) provision in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal tax in the near

SUJANA METAL PRODUCTS LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

future period. Accordingly, it is recognized as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably.

The tax effect of the timing differences that result between taxable income and accounting income and are capable of reversal in one or more subsequent periods are recorded as a deferred tax asset or deferred tax liability.

Deferred tax assets and liabilities are recognized for future tax consequences attributable to timing differences. They are measured using the substantively enacted tax rates and tax regulations at the reporting date.

The carrying amount of deferred tax assets at each balance sheet date is reduced to the extent that it is no longer reasonably certain that sufficient future taxable income will be available against which the deferred tax asset can be realized.

Tax on distributed profits payable in accordance with the provisions of Section 115O of the Income Tax Act, 1961 is in accordance with the Guidance Note on "Accounting for Corporate Dividend Tax" regarded as a tax on distribution of profits and is not considered in determination of profits for the year.

I Earnings per Share

The Company reports Basic and Diluted Earnings Per Share (EPS/DEPS) in accordance with Accounting Standard 20 on "Earnings Per Share". Basic EPS is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted EPS is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

m Impairment of assets

The carrying amount of assets, other than inventories is reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the assets is estimated. The recoverable amount is the greater of the asset's net selling price and value in use which is determined based on the estimated future cash flow discounted to their present values. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

n Provisions, Contingent Liabilities and Contingent Assets

The Company recognises provisions when there is present obligation as a result of past event and it is probable that there will be an outflow of resources and reliable estimate can be made of the amount of the obligation. A disclosure for Contingent liabilities is made in the notes on accounts when there is a possible obligation or present obligations that may, but probably will not, require an outflow of resources. Contingent assets are neither recognised nor disclosed in the financial statements.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rupees in lakhs

	As at 31 March 2015	As at 31 March 2014
Note 3: Share capital		
Authorised		
i) 310,000,000 (31.03.2014:310,000,000) Equity Shares of Rs.5 each	15,500.00	15,500.00
ii) 4,500,000 (31.03.2014:4,500,000) Preference Shares of Rs. 100 each	4,500.00	4,500.00
Issued, subscribed and fully paid up		
i) 201,450,881 (31.03.2014:196,350,881) Equity Shares of Rs. 5 each	10,072.54	9,817.54
ii) 1,493,365 (31.03.2014:1,493,365) 1% Cumulative Redeemable Preference Shares of Rs.100 each	1,493.37	1,493.37
	11,565.91	11,310.91

Notes:

i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year/period

Particulars	Year ended 31 March 2015		Year ended 31 March 2014	
	Number	Amount	Number	Amount
a) Equity				
Shares outstanding at the beginning of the year/period	196,350,881	9,817.54	196,350,881	9,817.54
Shares issued during the year/period	5,100,000	255.00	-	-
Shares bought back during the year/ period	-	-	-	-
Shares outstanding at the end of the year/ period	201,450,881	10,072.54	196,350,881	9,817.54
b) Cumulative Redeemable Preference Shares				
Shares outstanding at the beginning of the year/period	1,493,365	1,493.37	1,493,365	1,493.37
Shares Issued during the year/period	-	-	-	-
Shares redeemed during the year/period	-	-	-	-
Shares outstanding at the end of the year/period	1,493,365	1,493.37	1,493,365	1,493.37

ii) Details of shares held by each shareholder holding more than 5% shares:

Name of Shareholder	As at 31 March 2015		As at 31 March 2014	
	No. of Shares held	% held	No. of Shares held	% held
a) Equity shares of Rs. 5 each fully paid				
Yalamanchili Finance & Trading Pvt Ltd	267,66,585	13.29	267,66,461	13.63
Foster Infin and Trading Pvt Limited	250,00,000	12.41	250,00,000	12.73
Stressed Assets Stabilisation Fund	127,59,682	6.33	127,59,682	6.50
Sujana Holdings Limited	100,00,000	4.96	100,00,000	5.09
b) Cumulative Redeemable Preference Shares of Rs.100 each fully paid				
IDBI Bank Limited	14,93,365	100.00	14,93,365	100.00

SUJANA METAL PRODUCTS LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rupees in lakhs

iii) The company has only one class of shares referred to as equity shares having a par value of Rs.5/-. Each holder of equity shares is entitled to one vote per share held.

iv) Redemption of Cumulative Redeemable Preference Shares (CRPS)

1,493,365 1% of Cumulative Redeemable Preference Shares of Rs.100 each aggregating to Rs.1493.37 lakhs is redeemable in 12 quarterly installments co-terminus with principal payment commencing from October 01, 2013 and ending July 01, 2016. CRPS carry cumulative dividend@1% per annum. The company declares and pays dividend in Indian rupees. Each holder of CRPS is entitled to one vote per share only on resolutions placed before the company which directly effect the rights attached to CRPS.

Six quarterly installments of Rs. 745.10 lakhs have been paid to IDBI (preference share holder) for redemption of 7,46,680 number of 1% preference shares of Rs. 100/- each. however these share were not received by the Company from IDBI for redemption. Hence the amount of Rs. 745.10 lakhs has been classified as advance.

	As at 31 March 2015	As at 31 March 2014
Note 4: Reserves and surplus		
i) Capital reserve		
Opening balance	9,880.43	9,880.43
Add: Additions during the year/period	-	-
Closing balance	9,880.43	9,880.43
ii) CRPS redemption reserve		
Opening balance	1,493.37	1,493.37
Add: Additions during the year/period	-	-
Closing balance	1,493.37	1,493.37
iii) Securities premium account		
Opening balance	35,430.34	35,430.34
Add: Premium on shares issued during the year/period	-	-
Closing balance	35,430.34	35,430.34
iv) Foreign Currency Translation Reserve		
Opening balance	6,057.72	3,445.64
Add: Additions during the year/period	1,866.85	2,612.08
Closing balance	7,924.57	6,057.72
v) General reserve	698.64	698.64
vi) Surplus in statement of profit and loss		
Opening balance	21,967.15	24,763.30
Add: Profit for the year/period	1,043.07	(2,778.79)
Less: Appropriations	-	-
Proposed dividend on CRPS	14.93	14.93
Dividend distribution tax	2.64	2.43
CRPS redemption reserve	-	-
Closing balance	22,992.65	21,967.15
	78,420.00	75,527.65

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rupees in lakhs

	As at 31 March 2015	As at 31 March 2014
Note 5: Long term borrowings		
Secured		
a) Term loans from		
i) Banks	27,357.00	26,267.15
ii) Financial institutions	6,550.72	6,550.72
b) Funding of Intrest on Term Loan		
i) FITL - I	13,795.41	8,236.33
ii) FITL -II	2,036.73	1,820.32
iii) W C T L	47,236.89	48,633.44
iv) FITL ON WCTL	468.76	2,487.16
c) Vehicle loans from		
i) Banks	5.85	13.64
ii) Others	-	-
	97,451.36	94,008.76

Notes:

Term loan from banks viz. Punjab National Bank, Bank of India, Indian Overseas Bank, IDBI Bank and Andhra Bank are secured by first chare on all the immovable and movable fixed assets of the company both present and future and second charge on the current assets of the company. Further these loans are secured by personal guarantees and properties of certain directors.

As per CDR Terms of repayment are as follows:

- Loan taken from Andhra Bank, Rs.50.91Crores, carries an interest rate of 11 % p.a from 1st October, 2012 till 30th September, 2014 and there after 13% p.a and is repayable in 96 monthly installments commencing from 1st October, 2014.
- Loan taken from Indian Overseas Bank, Rs.32.60Crores, carries an interest rate of 11 % p.a from 1st October, 2012 till 30th September,2014 and there after 13% p.a and is repayable in 96 monthly installments commencing from 1st October, 2014.
- Loan taken from Bank Of India, Rs. 54.61Crores, carries an interest rate of 11 % p.a from 1st October, 2012 till 30th September,2014 and there after 13% p.a and is repayable in 96 monthly installments commencing from 1st October, 2014.
- Loan taken from Punjab National Bank, Rs.90.86Crores, carries an interest rate of 11 % p.a from 1st October, 2012 till 30th September,2014 and there after 13% p.a and is repayable in 96 monthly installments commencing from 1st October, 2014.
- Loan taken from IDBI, Rs. 22.38Crores, carries an interest rate of 11 % p.a from 1st October, 2012 till 30th September,2014 and there after 13% p.a and is repayable in 96 monthly installments commencing from 1st October, 2014..
- Term loan from financial institutions viz Stressed Assets Stabilization Fund (SASF) secured by first charge on all the immovable and movable fixed assets of the company and second charge on the current assets of the company. As per SASF letter dated 15 March 2013, crystallizes the SASF dues to Rs.6,600 lakhs and is to be paid in cash carrying ROI @ 9% p.a payable over 9 1/2 years and balance Rs. 1800 lakhs to be converted into equity as per SEBI Guidelines. After giving effect to the CDR it was decided that SASF dues as per June, 2008 package should be considered for restructuring at par with other lenders including clearance of interest overdue as on COD (October 1,

SUJANA METAL PRODUCTS LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

2012). As per Bank's advice Interest and other overdues of Rs18.20 crore as on COD, is to be cleared for restructuring of dues at CDR.

- vii) Overdue interest on Term Loans, SASF & Working Capital was converted to 'Funding of Interest on Term Loan' amounting to Rs. 67.46Crores, which shall be repayable in 4.5years after completion of moratorium period i.e. October, 2014.
- viii) Working Capital loans were converted to Working Capital Term Loans amounting Rs.41,735.66Lakhs, which shall be repayable in 8years, after completion of moratorium period i.e. Oct, 2014.
- ix) Vehicle loans from banks and others are secured by hypothecation of the vehicles financed through the loan arrangements and are repayable over a period of 36 months to 60 months.
- x) Additional Term Loan taken from Andhra Bank Rs.271.00 lakhs on 20th Jan 2014, Bank of Ondia Rs.269.00 laks, IOB Rs.154.00 lakhs and PNB Rs.406.00 lakhs carries an interest rate of 11 % p.a for upgradation of technology at Shadnagar and Bollaram units.
- xi) As per terms of CDR, the repayments of Installments have commenced from oct, 2014.

Rupees in lakhs

	As at 31 March 2015	As at 31 March 2014
Note 6: Deferred tax liabilities (net)		
Deferred tax liability:		
On difference between book balance and tax balance of fixed assets	7,453.81	7,395.63
Deferred tax asset:	-	
Provision for employee benefits	151.38	136.94
Provision for doubtful trade receivables, loans and advances	225.23	408.28
	376.61	545.22
Deferred tax liabilities (net)	7,077.20	6,850.41
Note 7: Other long -term liabilities	-	
Security Deposits	170.46	90.20
Govt Grands - Differed Receivable	27.49	29.08
Trade payables	-	-
Un Secured Loans (Promoters Contribution)	-	-
	197.95	119.28
Note 8: Long-term provisions		
Provision for Employee benefits	308.61	291.54
	308.61	291.54
Note 9: Short-term borrowings		
Loans repayable on demand		
From Banks		
Secured	54,996.50	64,551.75
From Others	-	-
Unsecured	5,119.30	4,185.02
	60,115.80	68,736.77

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

- i) Loans repayable on demand includes an amount of Rs. 54,996.50 lakhs (31.03.2014:Rs.64,551.75 lakhs) represents working capital loans from banks are inter alia secured by way of parri passu first charge on current assets and parri passu second charge on fixed assets both present and future. Further these loans are secured by personal guarantee and properties of certain directors.
- ii) Rs.5006.82 lakhs has been brought by promoters as interest free unsecured loan and Rs. 112.48 lakhs from others.

Rupees in lakhs

	As at 31 March 2015	As at 31 March 2014
Note 10: Trade payables		
Acceptances	37,275.63	15,554.92
Other than acceptances	1,22,457.75	1,34,269.49
	1,59,733.38	1,49,824.41
Note 11: Other current liabilities		
Current maturities of long-term debt	1,605.93	1,605.93
Interest accrued and due on borrowings	2,924.78	2,380.78
Other payables	-	37.50
Statutory remittances	244.82	296.05
Payables on purchase of fixed assets	13.45	3,019.71
Advances from customers	2,857.00	2,744.40
	7,645.98	10,084.37
Note 12: Short-term provisions		
Provision for employee benefits	157.95	130.54
Provision for current income tax	1,944.19	1,838.40
Provision for proposed dividend on CRPS	99.74	65.55
Provision for tax on proposed dividend	5.17	2.54
	2,207.05	2,037.03

SUJANA METAL PRODUCTS LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 13A: Tangible Assets

(Rupees in Lakhs)

Description	GROSS BLOCK (At Cost)			DEPRECIATION/AMORTISATION				NET BLOCK	
	As at 01 April 2014	Additions	Deletions	As at 31 March 2015	As at 01 April 2014	For the year	Deletions	As at 31 March 2015	As at 31 March 2014
Land- Freehold	2,230.05	-	-	2,230.05	-	-	-	2,230.05	2,230.05
Buildings	4,967.48	230.70	-	5,198.18	1,009.17	166.07	-	4,022.95	3,958.31
Plant & Machinery	67,248.26	1,158.53	36.45	68,370.34	23,894.18	2,897.76	1.20	26,790.75	43,354.08
Owned	-	-	-	-	-	-	-	-	-
Given under operating lease	-	-	-	-	-	-	-	-	-
Electrical Installation	2,595.68	472.68	-	3,068.36	776.21	429.43	-	1,205.64	1,819.47
Furniture& Fixtures	91.50	2.02	-	93.52	61.81	6.52	-	68.33	29.69
Office Equipment	173.00	5.26	0.41	177.85	55.10	87.22	0.18	142.14	117.90
Vehicles	686.28	12.67	19.74	679.21	364.20	62.44	10.74	415.90	322.07
Computers	962.43	2.91	0.60	964.74	593.72	343.62	0.39	936.95	368.72
TOTAL (A)	78,954.68	1,884.76	57.20	80,782.24	26,754.39	3,993.07	12.51	30,734.95	52,200.29
Previous Period	70,629.52	8,330.61	5.45	78,954.68	22,893.89	3,862.38	1.88	26,754.39	47,735.63

Note 13B: Intangible Assets

Description	GROSS BLOCK (At Cost)			DEPRECIATION/AMORTISATION			NET BLOCK		
	As at 01 April 2014	Additions	Deletions	As at 31 March 2015	As at 01 April 2014	For the year	Deletions	As at 31 March 2015	As at 31 March 2014
Goodwill	28.68	-	-	28.68	28.68	-	-	28.68	-
Computer Software	-	-	-	-	-	-	-	-	-
Total (B)	28.68	-	-	28.68	28.68	-	-	28.68	-
Previous Period	28.68	-	-	28.68	28.68	-	-	28.68	-
Grand Total (A+B)	78,983.36	1,884.76	57.20	80,810.92	26,783.07	3,993.07	12.51	30,763.63	50,047.29
Previous Period	70,658.20	8,330.61	5.45	78,983.36	22,922.57	3,862.38	1.88	26,783.07	52,200.29

Pursuant to the enactment of Companies Act 2013, the Company has applied the estimated useful lives as specified in Schedule II. Accordingly unamortised carrying value is being depreciated / amortised over the revised / remaining useful lives. The written down value of Fixed Assets whose lives have expired as at 1st April, 2014 have been charged to the Profit and Loss Account amounting to Rs.22.43 Lakhs.

SUJANA METAL PRODUCTS LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rupees in lakhs

	As at 31 March 2015	As at 31 March 2014
Note 17: Trade receivables (Unsecured)		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Considered Good	1,52,012.51	55,974.52
Considered Doubtful	691.30	906.44
	1,52,703.81	56,880.96
Less: Provision for doubtful trade receivables	691.30	906.44
(A)	1,52,012.51	55,974.52
Other trade receivables		
Considered Good	1,54,616.68	2,48,344.33
Considered Doubtful	-	-
	1,54,616.68	2,48,344.33
Less: Provision for doubtful trade receivables		-
(B)	1,54,616.68	2,48,344.33
(A+B)	3,06,629.19	3,04,318.85
Trade receivables include receivables from foreign debtors of Rs. 202.51 crores out of which Rs. 183.66 crores is due for more than one year.		
Note 18: Cash and bank balances		
Cash and cash equivalents		
Cash on Hand	26.53	23.90
Balances with Banks:	-	-
In current accounts	177.30	151.71
Balance held as margin monies	2,738.51	1,797.07
	2,942.34	1,972.68
Note 19: Short-term loans and advances		
(Unsecured and considered good unless otherwise stated)	-	-
Loans and advances to related parties		
Security deposits	21.75	43.02
Loans and advances to employees	31.10	39.04
Prepaid expenses	10.62	14.15
Balances with government authorities	-	-
CENVAT credit receivable	1,562.96	969.94
VAT credit receivable	(3.79)	68.02
Advances for supply of goods and rendering of services	21,754.62	20,083.81
Others	1,174.15	453.54
	24,551.41	21,671.52
Short term loans and advances include amounts due from:		
Directors		
Note 20: Other current assets		
Interest accrued but not due on deposits	336.73	571.24
	336.73	571.24

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rupees in lakhs

	Year Ended 31 March 2015	Year Ended 31 March 2014
Note 21: Revenue from operations		
a) Sale of products		
i) Manufactured	48,846.03	61,804.25
ii) Traded & Processed Goods	3,43,175.15	2,72,341.67
iii) Exports	1,820.29	2,660.53
b) Other operating revenues	-	
Conversion income	406.74	522.08
Total	3,94,248.21	3,37,328.53

Note 22: Other Income

a) Interest on deposit with banks and others	253.60	498.34
b) Liabilities/Provisions no longer required written back	233.71	87.63
c) Net gain on foreign currency transactions and translations	436.61	1,489.84
d) Adjustments to carrying amount of current investments	0.82	0.05
e) Profit on sale of fixed assets (net)	0.01	-
f) Rental income from operating leases	9.00	9.00
g) Miscellaneous income	101.84	76.47
h) Increase/(decrease) of excise duty on inventory	16.67	3.09
	1,052.26	2,164.42

Note 23 : Cost of materials

Opening Stock	2,776.94	1,368.79
Add : Purchases	3,58,741.20	3,21,685.98
	3,61,518.14	3,23,054.77
Less : Closing stock	3,013.36	2,776.94
	3,58,504.78	3,20,277.83
Less : Transfer to capital work in progress	-	56.01
	3,58,504.78	3,20,221.82

Note 23.a. Details of raw materials consumed

Particulars	Year ended 31 March 2015		Year ended 31 March 2014	
	Qty (MT)	Rupees in lakhs	Qty (MT)	Rupees in lakhs
Pig /Sponge Iron/Scrap	1,29,969	12,228.36	1,47,486	11,563.94
Billets / Blooms	1,07,070	33,166.39	1,24,199	35,528.12
MS Products	3,974	1,403.43	19,312	6,074.78
MS Ingots	169	55.16	1,958	589.16
TMT Bars*	8,932	3,154.93	8,956	3,218.44
Total	2,50,114	50,008.27	3,01,911	56,974.44
Less: Transferred to capital work in progress	-	-	147	56.01
Total	2,50,114	50,008.27	3,01,764	56,918.43

SUJANA METAL PRODUCTS LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rupees in lakhs

Particulars	Year ended 31 March 2015		Year ended 31 March 2014	
	Qty (MT)	Rupees in lakhs	Qty (MT)	Rupees in lakhs
Note 23.b: Details of Purchase of traded goods				
TMT Bars	6,52,769	2,52,643.46	1,50,406	87,949.59
MS Rebars	60	23.66	4,47,462	1,73,741.13
H R Coils and C R Coils	-	-	-	-
Others	28,281	55,412.18	7,369	1,307.69
M S Scrap	1,907	417.21	1,376	304.99
Total	6,83,017	3,08,496.51	6,06,613	2,63,303.40

	Year Ended 31 March 2015	Year Ended 31 March 2014
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Note 23.c: Changes in inventories of finished goods, work in progress and stock-in-trade

Inventories at the beginning of the year:

Finished goods	23,968.36	1,854.19
Work in progress	-	-
Stock in trade	-	11,078.56
	23,968.36	12,932.75

Inventories at the end of the year:

Finished goods	25,257.31	23,968.36
Work in progress	-	-
Stock in trade	-	-
	25,257.31	23,968.36
Net (increase) / decrease	(1,288.95)	(11,035.61)

Note 24: Employee benefit expenses

Salaries, wages and bonus	1,967.73	2,118.31
Contribution to provident and other funds	144.99	160.94
Staff welfare expenses	44.24	41.68
	2,156.96	2,320.93

Note 25: Finance costs

Interest expense on		
Borrowings	20,106.47	15,970.50
Other borrowing costs	1,521.26	1,306.59
	21,627.73	17,277.09

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rupees in lakhs

	Year Ended 31 March 2015	Year Ended 31 March 2014
Note 26: Other expenses		
Consumption of stores, spares and consumables	1,335.46	1,478.41
Power and fuel	4,674.09	4,421.21
Other manufacturing expenses	219.02	272.41
Equipment hire charges	30.79	31.49
Job work charges	436.15	626.11
Rent includes lease rentals	167.43	139.51
Repairs and Maintenance-Buildings	4.41	7.24
Repairs and Maintenance-Machinery	67.82	48.69
Repairs and Maintenance-Others	25.31	25.89
Insurance	30.23	64.71
Rates and taxes	84.76	107.97
Factory maintenance	60.21	53.40
Printing and stationery	31.46	22.57
Communication	46.98	46.57
Travelling and conveyance	379.28	306.74
Legal and professional	207.78	302.42
Payments to auditors (Refer Note (i) below)	52.37	45.45
Security Charges	123.52	126.37
Donations	1.11	1.00
Sales commission	12.13	2.27
Sales discount	46.58	30.30
Business promotion	142.70	41.93
Freight outwards	551.36	645.78
Directors' fees	3.20	2.40
Provision for doubtful trade receivables, loans and advances	-	(77.34)
Miscellaneous expenses	95.32	127.68
Loss on sale of fixed assets	3.42	0.98
Preliminary Expenses Written Off	-	1.92
	8,832.89	8,904.08
Note (i): Payments to the auditors (net of service tax input credit)		
As auditors - statutory audit	52.37	45.45
Other Services	-	-
Total	52.37	45.45

SUJANA METAL PRODUCTS LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

27 The list of Subsidiary companies which are included in the consolidation and the Company's holdings therein are as under:

Name of the Company	Percentage of voting power as at 31 March 2015	Percentage of voting power as at 31 March 2014	Country of Incorporation
Subsidiaries (held directly)			
Glade Steel Pvt Ltd.	51.15%	51.15%	India
Alpha Ventures Ltd.	100.00%	100.00%	Cayman Islands
Asian Tide Ventures Ltd.	100.00%	100.00%	Hong Kong
Subsidiary (held indirectly)			
Optimix Enterprises Limited (w.e.f 22.08.2011)	100.00%	-	Mauritius

28 Employee Benefits

Defined contribution plans:

The Company makes Provident Fund contribution to defined contribution plans for qualifying employees. Under the Scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs.69.26 lakhs (31.03.2014: Rs.60.66 lakhs) for Provident Fund contributions in the Statement of Profit and Loss. The contributions payable to these plan by the Company are at rates specified in the rules of the scheme.

Defined benefit plans

The Company offers the following employee benefit schemes to its employees:

i. Gratuity

ii. Compensated absences

Liability for retiring gratuity as on March 31, 2015 is Rs.313.11 lakhs (31-3-2014: Rs.298.87 lakhs) of which Rs.2.65 lakhs (31.3.2014: 13.90 lakhs) is funded with the Life Insurance Corporation of India and Bajaj Allianz Life Insurance Company. The balance of Rs.310.46 lakhs (31-3-2014: Rs.284.97 lakhs) is included in Provision for Gratuity. The Liability for Gratuity and Cost of

Compensated absences has been actuarially determined and provided for in the books.

Details of the company's post-retirement gratuity plans for its employees including whole time directors are given below, which is certified by the actuary and relied upon by the auditors.

Amount to be recognised in balance sheet

(Rupees in lakhs)

Particulars	Gratuity	Compensated Absences	Total
Present value of funded obligations	313.11	155.17	468.28
	298.87	137.10	435.97
Fair value of plan assets	(2.65)	-	(2.65)
	(13.90)	-	(13.90)
Net liability	310.46	155.17	465.63
	284.97	137.10	422.07

Note: In accordance with the payment of Gratuity Act, 1972 the company provides for gratuity covering eligible employees.

The liability on account of gratuity is covered partially through a recognized Gratuity Fund managed by Life Insurance Corporation of India, Bajaj Allianz life Insurance company and balance is provided on the basis of valuation of the liability by an independent actuary as at the year end. The management understands that their overall portfolio of assets is well diversified and as such, the long term return on the policy is expected to be higher than the rate of return on Central Government bonds.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Rupees in lakhs)

Expenses to be recognised in statement of profit and loss account			
Particulars	Gratuity	Compensated Absences	Total
Current Service Cost	41.35	18.07	59.42
	<i>39.14</i>	<i>29.43</i>	<i>68.57</i>
Interest Cost	24.51	11.24	35.75
	<i>20.35</i>	<i>8.83</i>	<i>29.18</i>
Expected return on plan assets	(0.46)	-	(0.46)
	<i>(0.30)</i>	-	<i>(0.30)</i>
Actuarial (Gains)/Losses	(27.49)	(0.47)	(27.96)
	<i>(0.34)</i>	<i>7.95</i>	<i>7.61</i>
Total included in employee benefit expense	37.91	28.84	66.75
	<i>58.85</i>	<i>46.21</i>	<i>105.06</i>
Change in Defined Benefit Obligations (DBO)			
Present Value of DBO at Beginning of Period / Year	298.86	137.10	435.96
	<i>248.20</i>	<i>107.67</i>	<i>355.87</i>
Current Service Cost	41.35	18.07	59.42
	<i>39.14</i>	<i>29.43</i>	<i>68.57</i>
Interest Cost	24.51	11.24	35.75
	<i>20.35</i>	<i>8.83</i>	<i>29.18</i>
Actuarial (Gains)/Losses	(27.49)	(0.47)	(27.96)
	<i>(0.34)</i>	<i>7.95</i>	<i>7.61</i>
Benefits Paid	(24.12)	(10.77)	(34.89)
	<i>(8.48)</i>	<i>(16.78)</i>	<i>(25.26)</i>
Closing defined benefit obligation	313.11	155.17	468.28
	<i>298.87</i>	<i>137.10</i>	<i>435.97</i>
Opening fair value of plan assets	13.89	-	13.89
	<i>5.02</i>	-	<i>5.02</i>
Expected return on plan assets	0.46	-	0.46
	<i>0.30</i>	-	<i>0.30</i>
Contributions by employer	12.42	-	12.42
	<i>17.06</i>	-	<i>17.06</i>
Benefits Paid	(24.12)	-	(24.12)
	<i>(8.48)</i>	-	<i>(8.48)</i>
Closing Fair Value of Plan Assets	2.65	-	2.65
	<i>13.90</i>	-	<i>13.90</i>
Assumptions			
Interest / Discount Rate			7.80%
			<i>9.15%</i>
Expected return on plan assets			9.00%
			<i>9.00%</i>
Rate of escalation in salary			6.00%
			<i>6.00%</i>
Attrition Rate			2.00%
			<i>3.00%</i>
<i>Note: Figures in italics relate to previous period</i>			

i) Discount Rate

The discount rate is based on the prevailing market yield on Indian Government Securities as at the balance sheet date for the estimated term of the obligations.

ii) Expected Rate of Return on Plan Assets:

This is based on our expectation of the average long term rate of return expected on investments of the Fund during the estimated term of the obligations.

SUJANA METAL PRODUCTS LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Rupees in lakhs)

iii) Salary Escalation Rate

The estimates of future salary increase considered takes into account the inflation, seniority, promotion and other relevant factors.

Net Asset/(Liability) recognised in Balance Sheet					
Particulars	2014-15	2013-14	2012-13	2011-12	2009-11
Gratuity					
Present value of defined benefit obligation	313.11	298.87	248.20	230.26	192.75
Fair value of plan assets	2.65	13.90	5.02	15.67	-
Status [Surplus / (Deficit)]	(310.46)	(284.97)	(243.18)	(214.59)	(192.75)
Compensated Absences					
Present value of defined benefit obligation	155.17	137.10	107.66	90.60	63.21
Fair value of plan assets	-	-	-	-	-
Status [Surplus / (Deficit)]	(155.17)	(137.10)	(107.66)	(90.60)	(63.21)

29 Related Party Disclosure

The following are related parties as defined in "Accounting Standard (AS) 18 - Related Party Disclosures" notified under The Companies (Accounting Standards) Rules, 2006.

List of Related Parties

1. Subsidiaries

<i>Subsidiaries held directly</i>	Country of Incorporation	Percentage of ownership interest
i. Glade Steel Pvt Ltd.	India	51.15%
ii. Alpha Ventures Ltd.	Cayman Islands	100%
iii. Asian Tide Enterprises Ltd.	Hong Kong	100%
<i>Subsidiaries held indirectly</i>		
i. Optimix Enterprises Limited	Mauritius	100%

2. Key Management Personnel

i. Mr. R. K. Birla	Managing Director
ii. Mr. S. Hanumantha Rao	Director (Finance)

3. List of Related Parties

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

Note: Related parties have been identified by the management.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Rupees in lakhs)

Related Party Transactions with:				
Particulars	Subsidiaries		Companies where Key Management Personnel are directors	
	2014-15	2013-14	2014-15	2013-14
A). Sales				
Glade Steel Private Limited	-	-	-	-
Sujana Universal Industries Limited	-	-	5,263.50	3,964.94
Sujana Towers Limited	-	-	1,719.26	2,204.38
SUB-TOTAL	-	-	6,982.76	6,169.32
B). Purchases				
Glade Steel Private Limited	-	-	-	-
Sujana Universal Industries Limited	-	-	6,995.86	10,644.42
Sujana Towers Limited	-	-	1,223.27	2,022.45
SUB-TOTAL	-	-	8,219.13	12,666.87
C). Investments made during the year/period				
Alpha Ventures Limited	-	-	-	-
Asian Tide Enterprises Limited	552.01	-	-	-
SUB-TOTAL	552.01	-	-	-
D). Advances given/(refunded) during the year				
Alpha Ventures Limited	-	-	-	-
Asian Tide Enterprises Limited	(552.01)	-	-	-
SUB-TOTAL	(552.01)	-	-	-
E). Advances received during the year				
Yalamanchili Finance and Trading Private Limited	-	-	1,176.80	4,038.05
SUB-TOTAL	-	-	1,176.80	4,038.05
F). Other Income				
Sujana Universal Industries Limited	-	-	9.00	9.00
SUB-TOTAL	-	-	9.00	9.00
G). Other Expenses				
Glade Steel Private Limited	9.00	9.00	-	-
SUB-TOTAL	9.00	9.00	-	-
H). Remuneration				
Mr. R.K.Birla - Managing Director	-	-	120.36	120.36
Mr. Hanumantha Rao - Director (Finance)	-	-	13.80	13.80
SUB-TOTAL	-	-	134.16	134.16

SUJANA METAL PRODUCTS LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Rupees in lakhs)

30 Earnings Per Share

Particulars	2014-15	2013-14
Profit After Tax	1,018.58	(2,777.46)
Less: Preference Dividend including tax thereon	17.59	17.36
Profit attributable to ordinary share holders	1,000.99	(2,794.82)
Profit attributable to ordinary share holders- for diluted EPS	1,000.99	(2,794.82)
Weighted average number of ordinary shares used in computing Basic Earnings per Share	2,014,508.81	1963,50,881
Add: Effect of potential ordinary (equity shares) on conversion of share warrants and redeemable preference shares	-	-
Weighted average number of ordinary (equity shares) used in computing Diluted Earnings Per Share.	2,014,508.81	1963,50,881
Earnings per share - Face Value: Rs. 5/- each		
Basic - Rs.	0.50	(1.42)
Diluted - Rs.	0.50	(1.42)

31 Contingent liabilities and commitments (to the extent not provided for)

Particulars	As at 31 March 2015	As at 31 March 2014
a) Contingent liabilities		
i) Claims against the Company not acknowledged as debts in respect of:		
Excise Duty	2,071.70	2,120.20
Custom Duty	839.24	839.49
TNVAT/APGST/CST	2,198.12	2,198.12
Income Tax (Net of liability as per return)	-	1,479.25
FERA*	400.00	400.00
ii) Guarantees		
Corporate Guarantees furnished on behalf of Sujana Universal Industries Ltd	81,410.00	81,410.00
Joint Corporate Guarantee executed by the Company with Sujana Universal Industries Ltd and Sujana Towers Limited in favour of Alpha Ventures Ltd and Sujana Holdings Ltd, Wholly Owned Subsidiary of the Company and Sujana Universal Industries Ltd respectively [USD Nil (31.03.2012:Nil)]		
Corporate guarantee furnished on behalf of Optimix Enterprises Limited (USD 75 lakhs)	4,087.50	4,087.50
b) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for on account of tangible assets		
ii. Export commitments on account of import of machinery and equipments at concessional duty under EPCG scheme (31.03.2014 : Rs.112.916Lakhs). Such export commitments need to be fulfilled by the Company on or before 23 April 2016. As on 31st March 2015, the Company has fulfilled its export commitments and which are pending final approval of Director General of Foreign Trade. In the event of non-fulfillment of the export commitments by 23rd April 2016 by the Company, the liability (excluding interest and penalties) towards customs duty	112.16	112.16

*Against which bank guarantee of Rs.215 lakhs has been issued.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

32 Stressed Assets Stabilization Fund (SASF) has communicated as follows

As per SASF letter dated 15 March 2013, crystallizes the SASF dues to Rs.6,600 lakhs and is to be paid in cash carrying ROI @ 9% p.a payable over 9 1/2 years and balance Rs. 1800 lakhs to be converted into equity as per SEBI Guidelines. After giving effect to the CDR it was decided that SASF dues as per June, 2008 package should be considered for restructuring at par with other lenders including clearance of interest overdue as on COD (October 1, 2012). As per Bank's advice Interest and other overdues of Rs18.20 crore as on COD, is to be cleared for restructuring of dues at CDR.

The negotiations are going on with respect restructuring of debts.

33 IMPLEMENTATION & TERMS OF CDR:

The loans of the company have been restructured under the Corporate Debt Restructuring (CDR) System, The CDR package was sanctioned by CDR Empowered Group, at the meeting held on 15.02.2013 and approval letters have been given by the CDR Cell on 25.03.2013. where all the banks, who have extended financial assistance & given the loans to the company, have agreed for restructure of the loans.

The letters from individual banks also have been issued by Banks & Salient Features of the CDR package are given below:-

- i) Cut-off date (COD) for loans has been considered as 1st October 2012. The loans outstanding as on this date has been considered for restructuring.
- ii) Interest rate on the loans has been fixed at 11%p.a. during the moratorium period (24 months) from cut off date after that it is 13%.
- iii) Term Loans have been restructured with a moratorium of 24 months from COD and repayable in 96 equal monthly installments starting from 1st October 2014.
- iv) The irregularity in the Cash Credit has been carved out as Working Capital Term Loan with a moratorium of 24 months from COD and repayable in 96 equal monthly installments starting from 1st October 2014.
- v) The unpaid interest as on 30.09.2012 and interest from 01.10.2012 to 28.02.2013 on term loans and interest from 01.10.2012 to 28.02.2013 on WCTL has been restructured as Funded Interest Term Loan-I, repayable in 54 equal monthly installments starting from FY Oct 31, 2014 and ending with March 31, 2019, after FITL - I is completely built up.
- vi) The interest on Cash Credit from October 2012 to March, 2013 has been restructured as Funded Interest Term Loan-II, repayable in 54 equal monthly installments starting from April 30, 2013 and ending with September 2017, after FITL - II is completely built up.
- vii) The Interest on loan of NBFC from cut off date Oct 1, 2012 till September 30, 2014 shall be converted into FITL I and interest would be charged at 11%p.a. at monthly rests with a right to reset after two years from cut-off date & thereafter annually. Interest on FITL - I shall be serviced as and when due. Interest overdue prior to COD would be converted to FITL I(A) to be repaid from FY 2014 to FY 2018 with 9% interest p.a. at monthly rests.
- viii) The Principle of NBFC has been given moratorium of 24 months from COD and repayable in 96 equal monthly instalments over a period of 8 years starting from Oct 31, 2014 and ending with September 30, 2022.

SUJANA METAL PRODUCTS LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

- ix) Cash Credit and the Non-fund based limits as per the appraisal of the banks.
 - x) Promoters shall bring funds as per the applicable terms of CDR package.
 - xi) The lenders shall have the right to recompense the reliefs/sacrifices/waivers extended by respective CDR lenders as per guidelines.
 - xii) The CDR package has been implemented in all respects with PNB as the monitoring agency for monitoring the implementation of the CDR package. The repayments of installments have commenced during the year.
- 34** The Company's significant leasing arrangements are in respect of operating leases for premises (office, stores, godowns, etc.). The leasing arrangements, which are not non-cancellable, range between ten months and three years generally, and are usually renewable by mutual consent on agreed terms. The aggregate lease rentals Rs.148.51 lakhs (31.03.2014:Rs.148.51 lakhs) payable are charged as rent in the statement of profit and loss.
- 35** Previous period's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.
- 36** Balances of Unsecured loans, receivables, payables and loans and advances are subjects to their confirmation and reconciliations.

See accompanying notes forming part of the Financial Statements 1-36.

As per our report of even date attached

For and on behalf of the Board of Directors

For CRK & Associates

Chartered Accountants
(Firm Regn. No. 010004S)

R K Birla

Managing Director
(DIN: 00118776)

S. Hanumantha Rao

Director - Finance
(DIN: 00118801)

C. Rajendra Kumar

Partner
(M.No. 023103)

Ch. Narayana Rao
Chief Financial Officer

Shaik Ibraheem
Company Secretary

Place : Hyderabad
Date : 27th May 2015

Place : Hyderabad
Date : 27th May 2015



SUJANA METAL PRODUCTS LIMITED

Regd Office: No. 18, Nagarjuna Hills, Panjagutta, Hyderabad - 500 082.

CIN : L28120TG1988PLC008610

25th Annual General Meeting : Wednesday, 30th September, 2015

ATTENDANCE SLIP

(Please complete this attendance slip and hand it over at the entrance of the Hall)

I, hereby record my presence at the 25TH Annual General Meeting of the Company to be held on Wednesday, September 30th, 2015 at Katriya Hotel & Towers, # 8, Raj Bhavan Road, Somajiguda, Hyderabad - 500 082, Telangana at 12.00 noon.

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

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

No. of Shares held:.....

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

*Strike out whichever is not applicable

Signature of the Shareholder/Proxy/Representative*

ELECTRONIC VOTING PARTICULARS

EVSIN	User ID	Password
150829007	Please refer to Note No. 23 in the Notice	



SUJANA METAL PRODUCTS LIMITED

Regd Office: No. 18, Nagarjuna Hills, Panjagutta, Hyderabad - 500 082.

CIN : L28120TG1988PLC008610

Form No. MGT - 11

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):	E-Mail Id:
Registered Address:	
Folio No./Client Id:	DP Id:

I/We, being the Member(s) of shares of the above named Company, hereby appoint

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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 25th Annual General Meeting of the Company, to be held on the Wednesday, September 30th, 2015 at 12.00 noon at Katriya Hotel & Towers, # 8, Raj Bhavan Raod, Somajiguda, Hyderabad - 500 082, Telangana and at any adjournment

thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions
	Ordinary Business
1	Adoption of Financial Statements for the year ended 31st March, 2015.
2	Re-appointment of Shri R.K. Birla, who retires by rotation.
3	Appointment of M/s. T. Raghavendra & Associates, Chartered Accountants as Statutory Auditors of the Company, in place of M/s. CRK & Associates, retiring Auditors of the Company.
	Special Business
4.	Appointment of Smt B.Sandhyasri Independent Director in terms of Section 149 of the Companies Act, 2013.
5.	Re-appointment of Shri S.Hanumantha Rao, as Director-Finance of the Company and to and to fix the remuneration for a period not exceeding 3 (Three) years.
6.	Ratification of remuneration of the Cost Auditor of the Company.

Signed this day of September, 2015.

Signature of the shareholder

Signature of Proxy holder(s).....

Affix
Revenue
Stamp
Re 1.00

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 25th Annual General Meeting.
3. Please complete all details including details of member(s) in above box before submission.

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

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

CIN : L28120TG1988PLC008610
 Name of the Company : Sujana Metal Products Limited
 Registered office : Plot No. 18, Nagarjuna Hills, Panjagutta, Hyderabad, Telangana – 500 082, India

BALLOT PAPER

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

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

Item No.	Resolution	No. of shares held by me	I assent to the resolution	I dissent from the resolution
	Ordinary Business			
1.	Adoption of the standalone and consolidate financial statements of the Company for the financial year ended 31st March, 2015.			
2.	Re-appointment of Shri R.K.Birla, who retires by rotation.			
3.	Appointment of M/s. T. Raghavendra & Associates, Chartered Accountants as Statutory Auditors of the Company, in place of M/s CRK & Associates, retiring Auditors of the Company			
	Special Business			
4.	Appointment of Smt B. Sandhyasri as an Independent Director.			
5.	Special Resolution for re-appointment of Shri S. Hanumantha Rao as Director-Finance of the Company and to fix the remuneration for a period not exceeding 3 (Three) years.			
6.	To ratify the remuneration of the Cost Auditors of the financial year ending 31st March, 2016.			

Place:

Date:

(Signature of the shareholder)

INSTRUCTIONS

- This Ballot paper is for the members who have not voted through e-voting facility. A member can opt for only one mode of voting i.e., either through e-voting or by Ballot paper. If a Member casts votes in both the modes, then vote cast through e-voting shall prevail and Ballot paper shall be treated as invalid.
- The vote should be cast either in favour or against by putting the tick (✓) mark in the column provided for assent or dissent. Ballot paper bearing tick marks in both the columns will be treated as invalid. Please do not use pencil.
- This form should be completed and signed by the Member/Proxy Holder as per the specimen signatures registered with the Company/Depository. In case of joint holding this form should be completed and signed by the first named member.
- Any cutting/overwriting on this Ballot paper should be signed by the shareholder/proxy holder.
- Unsigned, incomplete, improperly or incorrectly tick marked Ballot papers will be rejected. A Ballot paper will also be rejected if it is received torn, defaced or mutilated to an extent which makes it difficult for the Scrutinizer to identify either the member or as to whether the votes are in favour or against or if the signature cannot be verified.
- The decision of Scrutinizer on the validity of the Ballot paper and any other related matter shall be final.
- The Scrutinizer will collate the votes downloaded from the e-voting system and votes cast through Ballot paper to declare the final result for each of the Resolutions enumerated above.
- The Results shall be declared on or after the date of AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website: www.sujana.com and on the website of www.bighshareonline.com within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges.

INTENTIONALLY KEPT BLANK

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Sujana Metal Products Limited

Registered Office :

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

Phone: 040-23351882, 23351887

Website : www.sujana.com