



GURUDEV

Surana Corporation Limited

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CIN : L65991TN1991PLC020783

Ref: SCL/SEC/ 004 /FY2016-2017

May 26, 2016

The Manager
National Stock Exchange of India Limited
Listing Department
Exchange Plaza, Bandra-Kurla complex
Bandra (E), Mumbai – 400051.

The Deputy General Manger,
Department of Corporate Services,
Bombay Stock Exchange Limited,
23rd Floor, PJ Towers, Dalal Street,
Mumbai-400 001.

Dear Sir,

Sub: Standalone Audited Financial Results for the quarter and year ended 31st March, 2016 along with Form A.

Ref: Scrip Code: 531102, Scrip ID: SURANACORP, Symbol: SURANACORP

Pursuant to the applicable regulations of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, please find attached herewith the following:

- Standalone Annual audited financial results of the company for the quarter & year ended March 31, 2016.
- Standalone Auditor's report for Annual audited financial results for the quarter and year ended March 31, 2016.
- Standalone statement of Assets and liabilities as at March 31, 2016.
- Form A, duly signed.

This is for your information and records.

Thanking You,

Yours Faithfully,

For Surana Corporation Limited


Devarajan.K.E
Director



Registered Office: No. 30, G N T Road, Madhavaram, Chennai, Tamil Nadu – 600 110

Gurudev

SURANA CORPORATION LIMITED

CIN : L65991TN1991PLC020783

Regd. Office : No.30, GNT Road, Madhavaram, Chennai 600 110.

Scrip Code : 531102, Scrip ID : SURANACORP

Website : www.suranacorp.com, Email : secretarial@suranacorp.com, Tel no: (044) 28525127, Fax no: (044) 28521143

Statement of standalone audited financial results for the quarter and year ended 31st March, 2016

(Rupees in Crores except equity Shares and per equity share data)

	PART I	Quarter ended				Year ended	
		March 31,2016	December 31,2015	March 31,2015	March 31,2016	March 31,2015	March 31,2015
		Audited	Unaudited	Unaudited	Audited	Audited	Audited
1	INCOME FROM OPERATIONS						
	(a) Net Sales	557.98	211.81	374.83	1,192.64	1,111.04	
	(b) Wind Energy	0.13	0.52	-0.04	3.68	4.87	
	Total Income from Operations	558.11	212.33	374.79	1,196.32	1,115.91	
2	EXPENSES						
	(a) Cost of Materials Consumed	541.59	233.91	438.87	1,050.26	1,315.36	
	(b) Changes in Inventories of Finished Goods	-1.27	22.16	22.36	199.28	-99.71	
	(c) Employee Benefit Expense	0.19	0.21	0.70	1.14	2.78	
	(d) Depreciation and amortisation	5.28	3.17	3.04	23.66	13.70	
	(e) Other Expenditure	-44.94	10.32	3.70	51.86	8.81	
	Total Expenses	500.86	269.78	468.67	1,326.21	1,240.95	
3	Profit/(Loss) from Operations before other income , finance cost , exceptional items and prior period items (1-2)	57.25	-57.45	-93.88	-129.89	-125.03	
4	Other Income	0.25	1.22	0.11	0.73	4.16	
5	Profit/(Loss) from ordinary activities before finance costs , exceptional items and prior period items (3+4)	57.49	-56.23	-93.77	-129.17	-120.88	
6	Finance Cost	72.03	35.95	63.39	193.26	170.24	
7	Profit/(Loss) from Ordinary activities after finance costs but before exceptional items and prior period items (5-6)	-14.54	-92.18	-157.16	-322.43	-291.12	
8	Exceptional Items	0.00	-	-	-	-	
9	Profit/(Loss) from Ordinary activities before tax prior period items (7-8)	-14.54	-92.18	-157.16	-322.43	-291.12	
10	Prior Period items	-0.09	0.00	-	-2.21	-	
11	Profit/(Loss) from Ordinary activities before tax (9-10)	-14.45	-92.18	-157.16	-320.22	-291.12	
12	Tax Expense	3.69	-	-	-20.57	-4.06	
13	Net Profit /(loss) from ordinary activities after Tax (11-12)	-18.14	-92.18	-157.16	-299.65	-287.06	
14	Extraordinary items	-	-	-	-	-	
15	Net Profit / (Loss) for the period (13-14)	-18.14	-92.18	-157.16	-299.65	-287.06	
16	Paid-up Equity Share Capital (Face value of Rs.10 each)	24.36	24.36	24.36	24.36	24.36	
17	Reserves excluding revaluation reserves	-	-	-	-	-	
18	Basic and diluted earnings per share (in Rs)	-7.45	-37.84	-64.52	-123.01	-117.84	
	See accompanying note to the financial results						



Notes:

1. The Statutory Auditors have performed the Audit and the above audited financial results have been reviewed by the Audit Committee and approved by the Board of Directors of the company in their respective meetings held on 26th May, 2016.
2. Other expenditure includes reversal of provisions on trade receivables amounting to Rs. 49.56 Crore in this quarter as the recovery to that extent has happened from the sticky debtors.
3. During the quarter ended 31.03.2016, the Company has made the impairment provisions of Rs.2.44 Crore on assets of Building and impairment provisions of Rs. 10 crore on assets of Windmill during the year ended as per the futuristic economic and expected realisation value and the same has been reflected under the head "Depreciation and amortisation".
4. As per the Special Conditions to CDR (Clause 12.1 of Article XII) Rupees 35.27 Crore brought in by the promoters as their contribution for the sacrifice amount towards CDR implementation was treated as share application money at the year ended 31st March, 2015, the same has been reclassified as unsecured loan to the extent not repaid amounting to Rs. 14.68 due to the fact that the shares could not be allotted within the period of sixty days as stipulated under the provisions of the companies Act 2013.
5. The Company's activities during the year revolve around Manufacturing and Trading in Bullion and Jewellery and power generation from Windmill. Considering the nature of Company's business and operations, there are no separate reportable segments disclosure is required. The SEZ license is not renewed no export activities have been undertaken during the current period.
6. The Company restarted its production operation at Madhavaram Factory from 1st October, 2015.
7. Even though the Company has incurred a net loss of Rs. 299.65 Crore during the year ended March 31, 2016 and as of that date, the Company's accumulated losses aggregate to Rs. 543.74 resulting in erosion of its net worth, the financial statements have been prepared under the assumption of going concern, considering the management's assessment to recover the balance dues from various debtors and management's plan to venture into new business areas.
8. Debtors of Rs. 582.91 aged more than one year (referred as sticky) are covered under the Memorandum of understanding entered in June 2014 confirming the schedule of repayment. This Schedule of repayment has been considered as part of company CDR proposal by the consortium of Banks. Further the Memorandum also indicates coverage of these debts belonging to some of the debtors by properties. These properties of the debtors have been mortgaged in favour of the consortium lenders of the company as part of CDR. Also the company reserves the rights to sell the said properties in case of non receipt of scheduled payments. During this financial year an amount of Rs. 30.22 Crore which was not recovered as per the MOU terms provided for and the same has been included in the total provision of Rs. 166.24 Crore. The Company has initiated necessary legal recourse to recover the dues.



9. The Company and the CDR Lenders executed a Master Restructuring Agreement(MRA) during the FY 2014-15. The MRA as well as the provisions of the Master Circular on corporate debt restructuring issued by the Reserve Bank of India, provides the right to CDR Lenders to get a recompense of their waivers and sacrifices made as part of the CDR proposal. The recognition of recompense amount payable does not arise since the recompense amount payable to banks in lieu of sacrifice is subject to the surplus cash flow in the company.

10. During the year, lenders have categorized some of the loan accounts as Non Performing Assets and have not charged interest thereof for the subsequent period. Management has provided on prudent basis for interest based on the information available as per the terms of the prevailing loan agreements without having any balance confirmation from the banks with respect to accrual of Interest Payable. Accordingly the actual interest payment to the banks may vary from the amount already accounted.

11 The company has impaired all its investments in subsidiaries as there is no certainty of recovery from them. Consequently the consolidation of subsidiary accounts with that of the holding company does not arise as per AS 21.

12. Tax Expense comprise of reversal of MAT Credit availment , deferred tax liability and Income Tax (net). According to AS 22 on Accounting for Taxes on Income , recognition of Deferred Tax Assets only if there is sufficient future taxable income. In view of the substantial accumulated losses, the company has not recognised any deferred Tax assets and during this year had recognised the reversal of Deferred tax liability of Rs. 24.6 Core.

13. Previous year figures have been regrouped / recasted wherever necessary.

14. The figures for the quarter ended 31st March 2016 and 31st March 2015 as reported in these financial results are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter of the relevant financial years.

Place: Chennai
Date : 26th May,2016

For and on behalf of the Board



Devarajan K E
Director
(DIN: 07228715)



STANDALONE STATEMENT OF ASSETS AND LIABILITIES

		Rupees in Crore	
S No.	Particulars	As at 31st March, 2016	As at 31st Mar 2015
		Audited	Audited
A.	<u>EQUITY AND LIABILITIES</u>		
1	<u>Shareholders' funds</u>		
	(a) Share Capital	24.36	24.36
	(b) Reserves and surplus	-543.74	-244.10
	Sub-total -Shareholders funds	-519.38	-219.74
2	<u>Non-current liabilities</u>		
	(a) Long-term borrowings	722.43	883.24
	(b) Deferred tax liabilities (Net)	-	24.26
	(c) Long-term Provisions	0.07	0.30
	Sub-total -Non-Current Liabilities	722.50	907.79
4	<u>Current liabilities</u>		
	(a) Short-term borrowings	587.60	501.78
	(b) Trade Payables	0.46	0.73
	(c) Other Current liabilities	329.06	65.42
	(d) Short-term provisions	30.36	30.38
	Sub-total -Current Liabilities	947.48	598.31
	TOTAL -EQUITY AND LIABILITIES	1,150.59	1,286.36
B.	<u>ASSETS</u>		
1	<u>Non-current assets</u>		
	(a) Fixed assets	54.47	78.91
	(b) Non-current investments	-	0.17
	(c) Long-term loans and advances	6.41	10.13
	(d) Other non-current assets	460.75	567.18
	Sub-total -Non-Current assets	521.63	656.40
2	<u>Current assets</u>		
	(a) Inventories	163.09	502.93
	(b) Trade receivables	454.92	116.54
	(c) Cash and cash equivalents	4.82	2.82
	(d) Short-term loans and advances	6.13	7.68
	(e) Other Current Assets	0.01	-
	Sub-total -Current assets	628.97	629.96
	TOTAL - ASSETS	1,150.59	1,286.36



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Fax: 23313725
Email: kamath@vdsr.co.in

Independent Auditor's Report to the Board of Directors of Surana Corporation Limited

1. We have audited the accompanying statement of standalone financial results ("the Statement") of **Surana Corporation Limited** ("the Company") for the year ended **March 31, 2016**, being submitted by the Company pursuant to the requirement of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This statement, which is the responsibility of the Company's Management and has been approved by the Board of Directors, has been prepared on the basis of the related financial statements which are in accordance with the Accounting Standards prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement.
2. We conducted our audit in accordance with the Standard on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with our ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial results included in the statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financials included in the statement, whether due to error or fraud. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial results included in the statement in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the management as well as evaluating the overall presentation of the financial results included in the statement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

3. Emphasis of matter :

We draw your attention to:

- a. Note no 7, the Company has incurred a net loss of Rs. 299.63/- Crores during the year ended March 31, 2016 (representing Rs.193.26 Crores representing finance cost and Rs. 106.37 Crores towards operational loss) and as of that date, the Company's accumulated losses aggregate to Rs. 543.74 Crores resulting in erosion of its net worth. These conditions indicate the existence of uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, the financial statements have been prepared under the assumption of going concern, considering the management's assessment to recover the balance dues from various debtors and management's plan to venture into new business areas with necessary funding from



promoters. These submissions and assertions by the management envisage that the Company has the ability to source the required cash flows, which have not been independently assessed by us.

- b. Note no 8 regarding short term trade receivables of Rs. 454.91 Crores and Long term trade receivables of Rs. 460.26 Crores in respect of which the Company has initiated action for recovery from the customers and has considered as good and recoverable for the reasons stated therein.
- c. Note no 9, regarding recompense for reliefs and sacrifices extended by the bankers, in respect of which the company is of the opinion that such payment is contingent on various factors including improved performance and cash flows the outcome of which is materially uncertain and therefore recompense amount payable cannot be determined currently.
- d. Note no 10, regarding Interest payable on borrowings from the consortium banks. During the year, lenders have categorized some of the loan accounts as Non Performing Assets and have not charged interest thereof for the subsequent period. Management has provided for interest based on the information available as per the terms of the prevailing loan agreements without having any balance confirmation from the banks with respect to accrual of Interest Payable. Accordingly the actual interest payment to the banks may vary from the amount already accounted.

Our opinion is not qualified in respect of these matters.

- 4. In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:

(i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and

(ii) give a true and fair view of the net loss and other financial information for the year ended March 31, 2016

(iii) the Statement includes the results for the Quarter ended March 31, 2016 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures upto 3rd quarter of the current financial year which were subject to limited review by us.

for V D S R & Co,
Chartered Accountants
F.R. No 001626S



Venkatesh Kamath .S.V
Partner
Membership No : 202626



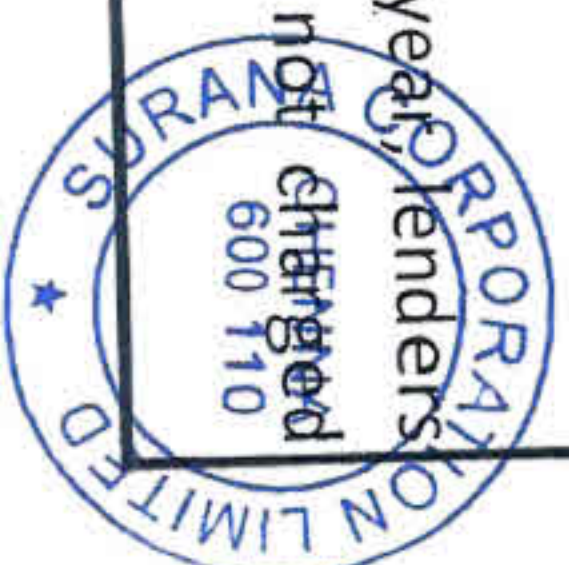
Place : Chennai.
Date : May 26, 2016

ANNEXURE X

Form A (For Audit Report with Un-modified opinion)

Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015

1	Name of the Company	Surana Corporation Limited
2	Annual Financial Statements for the year ended	31 st March 2016
3	Type of Audit observation	Emphasis of Matter
4	Frequency of observation	Matter appearing in Annual report since Financial year ended March 31, 2015
	Frequency of observation	Basis for Emphasis of Matter : i) The Company has incurred a net loss of Rs. 299.64 Crore during the year ended March 31, 2016 (representing Rs.193.26 Crores representing finance cost and Rs. 106.37 Crores towards operational loss) and as of that date, the Company's accumulated losses aggregate to Rs. 543.73 Crore resulting in erosion of its net worth. For the First Time Basis for Emphasis of Matter : i) Regarding short term trade receivables of Rs. 454.92 Crore and Long term trade receivables of Rs. 460.26 Crore in respect of which the Company has initiated action for recovery from the customers. However, we are unable to comment, on the adjustments that may be required, if any, to the carrying values of these receivables as at March 31, 2016 and, in respect of the loss as reported in the Statement of Profit and Loss. ii) Regarding recompense for reliefs and sacrifices extended by the bankers, in respect of which the company is of the opinion that such payment is contingent on various factors including improved performance and cash flows the outcome of which is materially uncertain and therefore recompense amount payable cannot be determined currently. iii) Regarding Interest payable on borrowings from the consortium banks. During the year, lenders have categorized some of the loan accounts as Non Performing Assets and have not charged interest thereof for the subsequent period.



		<u>Management Response</u> The observations and comments given by the Statutory Auditors in their report read together with Notes to Accounts are Self-explanatory and hence do not call for any further comments.
	Additional Comments from the Board /audit committee chair:	Nil
5	Signed by Swaminathan Ganesh Chairman Devarajan K E Director For V D S R & CO Chartered Accountants F R No. 001626S Venkatesh Kamath S V Partner - M No.202626 Statutory Auditors of the Company	     