



GURUDEV

SURANA Corporation Limited

Corporate Head Office :

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E-mail : secretarial@suranacorp.com. Website : www.suranacorp.com

CIN : L65991TN1991PLC020783

Ref: SCL/SEC/260 /FY2017-2018

May 18, 2017

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

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

Dear Sir,

**Sub: Audited Standalone Financial Results for the quarter and year ended 31st March,
2017 along with the Statement on Impact of Audit Qualifications.**

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:

- Annual Audited Standalone Financial Results of the company for the quarter & year ended March 31, 2017 along with the Statement of Assets and Liabilities for the financial year ended March 31, 2017.
- Auditor's Report on the Annual Audited Standalone Financial Results for the financial year ended March 31, 2017.
- Statement on Impact of Audit Qualifications for the financial year ended March 31, 2017.

This is for your information and records.

Thanking You,

Yours Faithfully,

For SURANA CORPORATION LIMITED


**DEVARAJAN.K.E
DIRECTOR**



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) 25355070

Statement of standalone Audited financial results for the quarter and year ended 31/03/2017

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

	PART I		Quarter ended		Year ended	
			March 31,2017	December 31,2016	March 31,2017	March 31,2016
			Audited	Unaudited	Audited	Audited
1		INCOME FROM OPERATIONS				
		(a) Net Sales	44.21	98.31	557.98	1,192.64
		(b) Wind Energy	-0.65	2.64	0.13	3.68
		Total Income from Operations	43.56	100.95	558.11	1,196.33
2		EXPENSES				
		(a) Cost of Materials Consumed	0.00	205.69	541.59	909.68
		(b) Changes in Inventories of Finished Goods	68.42	-101.11	(1.27)	339.84
		(c) Employee Benefit Expense	0.12	0.15	0.19	1.14
		(d) Depreciation and amortisation	-1.11	2.94	5.28	23.66
		(e) Other Expenditure	32.03	17.86	(44.94)	51.88
		Total Expenses	99.47	125.53	500.86	1,326.19
3		Profit/(Loss) from Operations before other income, finance cost, exceptional items and prior period items (1-2)	(55.91)	(24.58)	57.25	(129.87)
4		Other Income	6.20	-	0.25	0.73
5		Profit/(Loss) from ordinary activities before finance costs, exceptional items and prior period items (3+4)	-49.71	-24.58	57.49	-129.14
6		Finance Cost	68.88	29.14	72.03	193.26
7		Profit/(Loss) from Ordinary activities after finance costs but before exceptional items and prior period items (5-6)	(118.58)	(53.72)	(14.54)	(322.40)
8		Exceptional Items	0.00	-	-	-
9		Profit/(Loss) from Ordinary activities before tax prior period items (7-8)	(118.58)	(53.72)	(14.54)	(322.40)
10		Prior Period items	0.00	0.00	(0.09)	2.21
11		Profit/(Loss) from Ordinary activities before tax (9-10)	(118.58)	(53.72)	(14.45)	(320.19)
12		Tax Expense	-	-	3.69	-20.57
13		Net Profit/(Loss) from ordinary activities after Tax (11-12)	(118.58)	(53.72)	(18.14)	(299.62)
14		Extraordinary items	-	-	-	-
15		Net Profit/(Loss) for the period (13-14)	(118.58)	(53.72)	(18.14)	(299.62)
16		Paid-up Equity Share Capital (Face value of Rs.10 each)	24.36	24.36	24.36	24.36
17		Reserves excluding revaluation reserves	-	-	-	(244.10)
18		Basic and diluted earnings per share (in Rs)	(48.68)	(22.05)	(7.44)	(123.00)
		See accompanying note to the financial results				

For and on behalf of the Board

Place: Chennai
Date: 18-05-2017Devarajan K E
Director
(DIN: 07228715)

SURANA CORPORATION LIMITED
STANDALONE STATEMENT OF ASSETS AND LIABILITIES
(Rupees in Crores)

Sl. No	Particulars	As at 31/03/2017	As at 31/03/2016
1	ASSETS		
	Non-current assets		
	(a) Property, Plant and Equipment	7.94	54.47
	(b) Financial Assets	358.93	460.26
	(i) Trade receivables	6.41	6.41
	(ii) Loans	0.00	0.48
	(c) Other non-current assets		
	Current assets	194.42	163.09
	(a) Inventories		
	(b) Financial Assets	390.51	454.92
	(ii) Trade receivables	0.21	2.23
	(iii) Cash and cash equivalents	0.26	0.26
	(iv) Bank balances other than (iii) above	5.91	6.13
	(v) Loans	0.00	2.35
	(c) Other current assets	29.75	-
	Assets held for sale		
	Total Assets	994.34	1,150.59
2	EQUITY AND LIABILITIES		
	Equity		
	(a) Equity Share capital	24.36	24.36
	(b) Other Equity	-863.00	-543.73
	LIABILITIES		
	Non-current liabilities		
	(a) Financial Liabilities	14.69	722.43
	(i) Borrowings	0.08	0.08
	(b) Provisions		
	Current liabilities		
	(a) Financial Liabilities	746.50	587.60
	(i) Borrowings	0.27	0.46
	(ii) Trade payables	1,041.07	329.06
	(b) Other current liabilities	30.36	30.35
	(c) Provisions		
	Total Equity and Liabilities	994.34	1,150.59

For and on behalf of the Board

Place : Chennai
Date : 18-05-2017



Devarajan.K.E
DIRECTOR

Notes:

1. The above statement of Audited Standalone Financial Results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on May 18, 2017.
2. The Financial Result of the company have been prepared in accordance with the companies (Indian Accounting Standard) Rules, 2015 (Ind As) prescribed under Section 133 of the companies Act, 2013. The company has adopted Ind AS from April 01, 2016 with a transition date of April 01, 2015.
3. 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.
4. Even though the company has incurred a net loss of RS.319.26 Crores for the year ended March 31, 2017 and as of that date, the company's accumulated losses aggregate to Rs.856.81 resulting in erosion of its net worth, the financial statements have been prepared on on-going concern by considering the outcome of the consortium meeting dated December 14, 2016 and May 08, 2017, whereby the company has offered One Time Settlement of its liabilities with the consortium members, which has been considered by them for further approval.
5. Debtors of Rs.582.91 aged more than one year (referred as sticky) are covered under the Memorandum of understanding entered in June 2015 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 the 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 Quarter an amount of Rs.20.25 Crores which was not recovered as per the MoU terms provided for and the same has been included in the total provision of Rs.267.33 Crores. The company has initiated necessary legal recourse to recover the dues.
6. 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 certain banks with respect to accrual of interest payable. Accordingly the actual interest payment to the banks may vary from the amount already accounted. The company has impaired all its investments in subsidiaries as there is no certainty of recovery from them.



7. CDR Exit: The consortium of lenders vides JLM dated 20.04.2016 had recommended exit from CDR to CDR-EG. CDR-EG vide its communication dated 24.05.2016 has approved exit of Consortium from CDR. Consortium of lenders has also issued notice of filing a suit in Debt Recovery Tribunal, Chennai for recovery of their dues. The same is being contested by the company. Meanwhile, the company has offered One-Time Settlement to the consortium lenders and the JLM's held on December 14, 2016 and May 08, 2017 respectively, have accorded acceptance, subject to approval from the respective authorities.
8. Figures for the previous period have been regrouped/reclassified, wherever necessary to synchronise and conform with current period classification.

Place: Chennai

Date: May 18, 2017

For and on behalf of the Board of Directors



Devarajan K E
Director
(DIN: 07228715)



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No. 337, Sampige Road,
Malleswaram, Bangalore - 560 003.
Tel: 080-23312779, 23313725
Email: kamath@vdsr.co.in

Independent Auditor's Report

**The Board of Directors
Surana Corporation Limited
Chennai**

We have audited the accompanying statement of standalone financial results of Surana Corporation Limited ("the Company") for the quarter ended March 31, 2017 and year to date from April 1, 2016 to March 31, 2017 ("the Statement") attached herewith, being submitted by the company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by SEBI Circular No CIR/CFD/FAC/62/2016 dated 5th July 2016. The Quarterly standalone financials results are the derived figures between the audited figures in respect of the year ended March 31, 2017 and the published year to date figures upto December 31, 2016, being the date of the end of the third quarter of the current financial year which were subjected to limited review.

The standalone financials results are based on the financial statements for the year ended March 31, 2017 prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards ("Ind AS"), as voluntarily adopted by the company, prescribed under section 133 of the Companies Act, 2013 which are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit of the financial statements for the year ended March 31, 2017 and our review of financial results for the nine-month period ended December 31, 2016.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the Audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement(s). An Audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by the management.

Basis for Qualified Opinion:

- The Company has not provided for interest and penal interest on certain borrowings for the year ended March 31, 2017 which is estimated at Rs.46.97 Crores.
- The Company has considered trade receivables outstanding for more than 6 months of Rs. 249.36 Crores and long term trade receivables of Rs. 358.92, as good and recoverable. However, we were unable to confirm or verify, by alternative means, balances of such trade receivables.

Had provision been made with respect to the above interest and receivables in the books of the Company, the loss would have been increased by Rs. 655.25 Crores and consequently networth would have been reduced by Rs. 655.25 crores.



V D S R & Co.
CHARTERED ACCOUNTANTS

Office:

3A, 3rd Floor, Amber Crest Apartments,
No. 37, Pantheon Road,
(Near Mercury Hospital),
Egmore, Chennai - 600 008.
Tel : 044-2855 4447, 2855 4019
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Branch:

3rd Floor, Karuna Complex,
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Malleswaram, Bangalore - 560 003.
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Email: kamath@vdsr.co.in

- c. The carrying values of the financial assets as at March 31, 2017 are not measured in accordance with the Ind-AS 39 and we are unable to comment on the adjustments that may be required to the carrying values of the financial assets.

Opinion:

- (i) In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter as described in the Basis for Qualified Opinion paragraph as above, the Statement is presented in accordance with the requirements of the regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circulars CIR/CFD/CMD/15/2015 dated November 30, 2015 and CIR/CFD/FAC/62/2016 dated July 5, 2016 in this regard; and
- (ii) gives a true and fair view of the net loss and other financial information in conformity with the accounting principles generally accepted in India including Ind AS specified under section 133 of the Act for the year ended March 31, 2017.

Emphasis of matters:

We draw attention to Note no 4 to the Statement which indicates that the Company has incurred net loss of Rs. 200.68 Crores and Rs. 319.26 Crores during the half year ended and year ended March 31, 2017 respectively and as on that date, the Company's current liabilities exceeded its current assets by Rs. 1,229.80 Crores and the company's accumulated losses aggregate to Rs. 838.63 crores resulting in erosion of its networth. These conditions along with other matters as set forth in the aforesaid note indicate the existence of a material 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 the outcome of the consortium meeting dated December 14, 2016 and May 08, 2017, whereby the company has offered One Time Settlement of its liabilities with the consortium members, which has been considered by them for further approval. The ability of the company to continue as a going concern is significantly dependent on the further approval by consortium of lenders on the one time settlement offered by the company.

Our opinion is not qualified in respect of this matter.

For V D S R & Co,
Chartered Accountants
F.R. No 0016268

Satish Kumar R K
Partner

Membership No : 220263

Place : Chennai.

Date : 18th May 2017



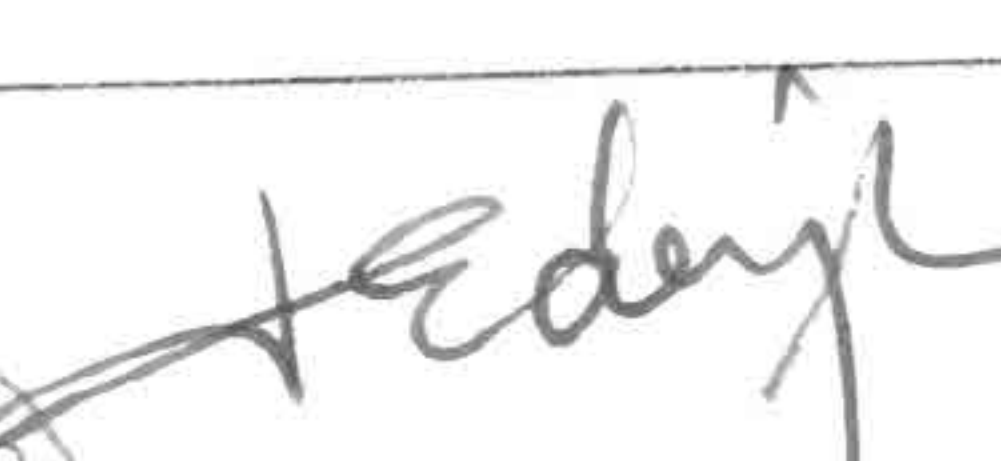
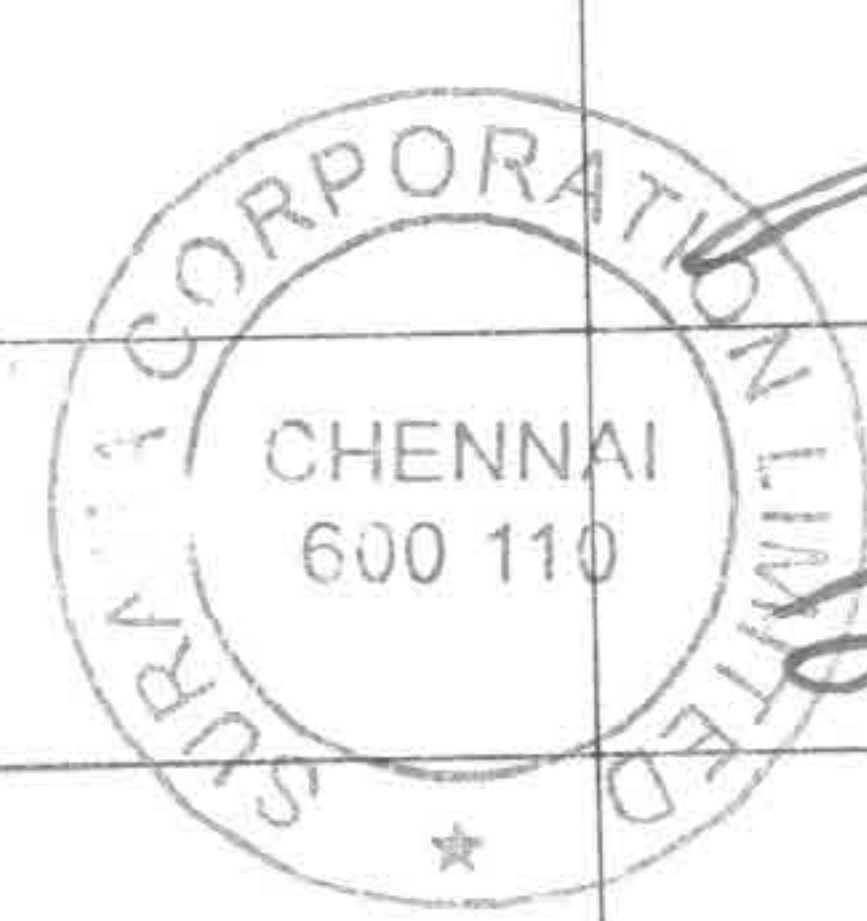
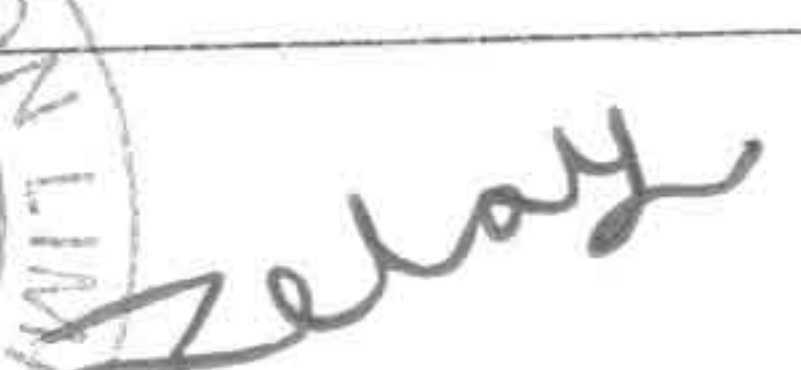
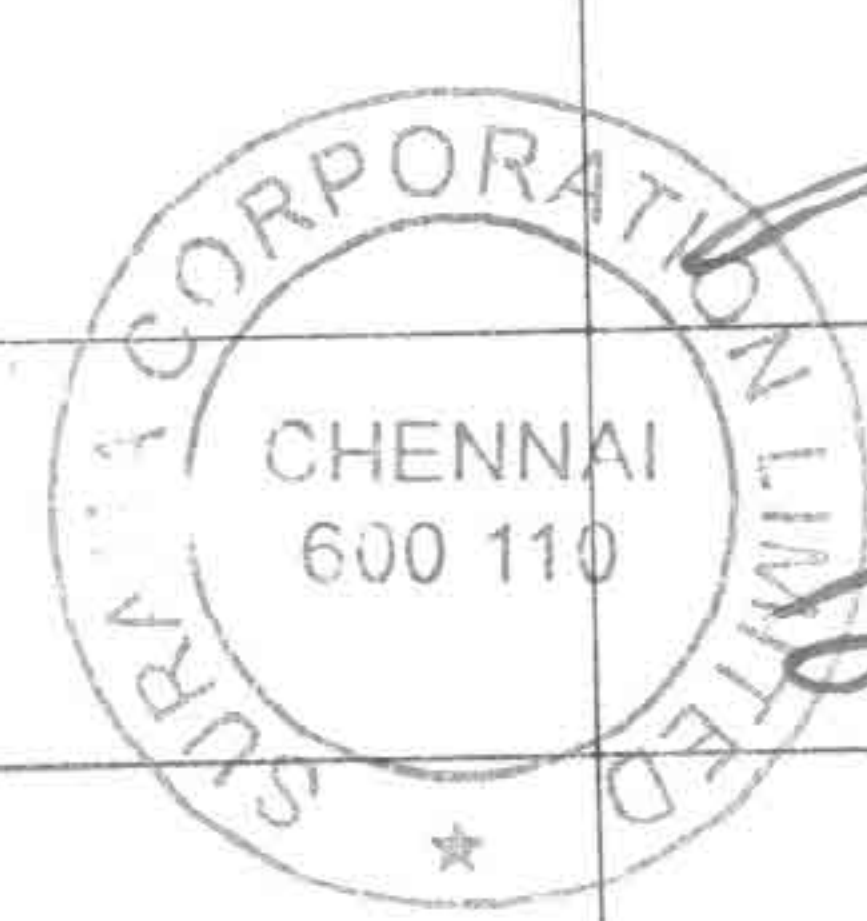
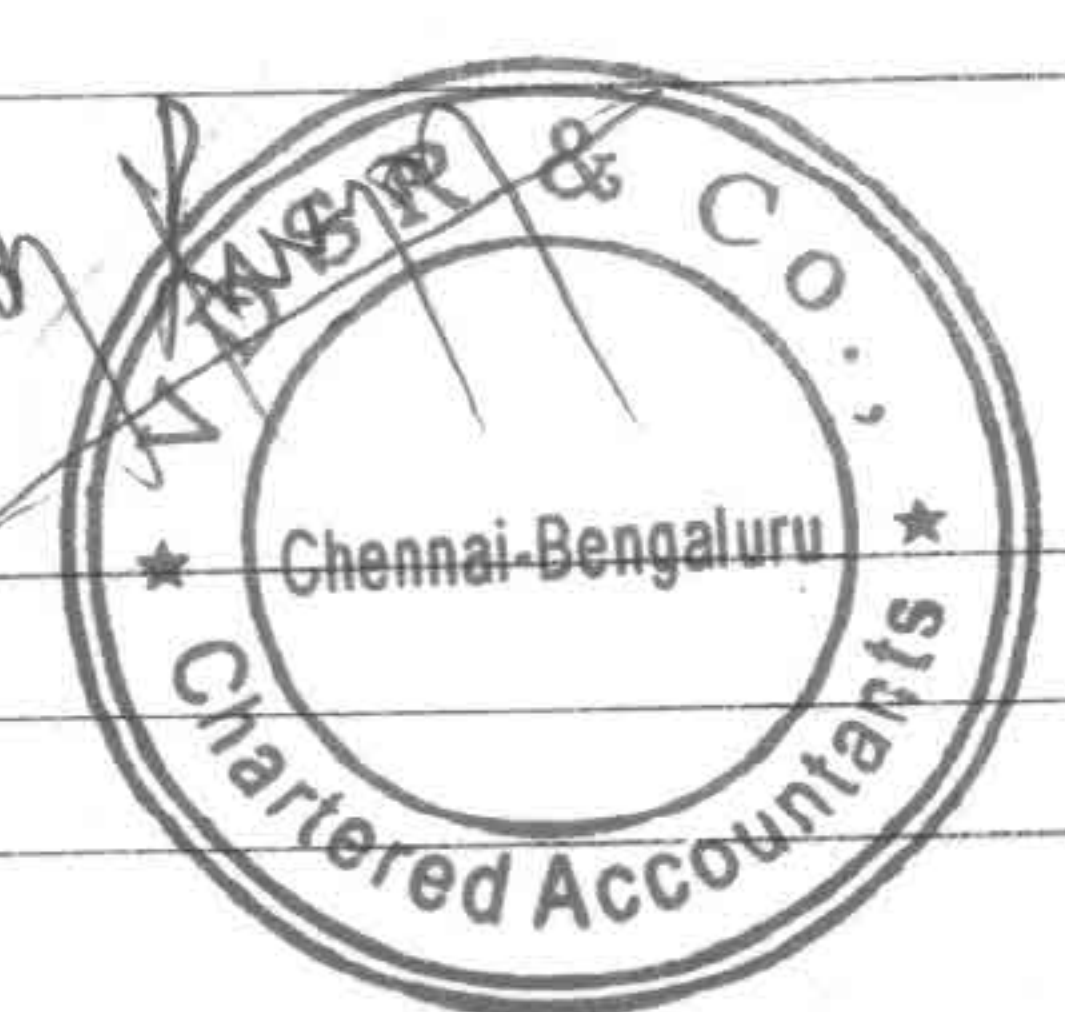
**Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results -
(Standalone)**

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2017 [Under Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) Rs. In Lakhs	Adjusted Figures (audited figures after adjusting for qualifications)* Rs in Lakhs
	1	Turnover / Total Income	23466	23466
	2	Total Expenditure	55392	120917
	3	Net Profit/ (Loss)	(31926)	(97451)
	4	Earnings Per Share	(131.07)	(415.39)
	5	Total Assets	99434	38606
	6	Total Liabilities	99434	38606
	7	Net Worth	(83863)	(149388)
	8	Any other financial item(s) (as felt appropriate by the management)		
		*these figures are after adjustments for audit qualifications which are not agreed to by the management		
II.	Audit Qualification (each audit qualification separately):			
1	a.	Details of Audit Qualification: The Company has not provided for interest and penal interest on certain borrowings for the year ended March 31, 2017 which is estimated at Rs.4697 Lakhs.		
	b.	Type of Audit Qualification : Qualified Opinion		
	c.	Frequency of qualification: First Time		
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: The company has not provided for interest on certain borrowings as the lenders have declared the accounts as Non Performing Asset and have not charged the interest in their loan books.		
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor: -NA- (i) Management's estimation on the impact of audit qualification: -NA- (ii) If management is unable to estimate the impact, reasons for the same: -NA- (iii) Auditors' Comments on (i) or (ii) above: -NA-		
		Audit Qualification		
2	a.	Details of Audit Qualification: The Company has considered trade receivables outstanding for more than 6 months of Rs. 249.36 Crores and long term trade receivables of Rs. 358.92, as good and recoverable. However, we were unable to confirm or verify, by alternative means, balances of such trade receivables.		



	Had provision been made with respect to the above interest and receivables in the books of the Company, the loss would have been increased by Rs. 655.25 Crores and consequently networth would have been reduced by Rs. 655.25 Crores.
	b. Type of Audit Qualification : Qualified Opinion
	c. Frequency of qualification: First Time
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: The Company has treated the long-term receivables of Rs.358.92 Crs, which is net of provisioning as good and recoverable due to fact that the said receivables are covered under the Memorandum of Understanding consisting of definitive repayment schedule and some of the assets belonging to the said parties is collateralized to the consortium on behalf of the company. Further trade receivables outstanding for more than six months of Rs.249.36 Crs are considered good and fully recoverable.
	e. For Audit Qualification(s) where the impact is not quantified by the auditor: (i) Management's estimation on the impact of audit qualification: -NA- (ii) If management is unable to estimate the impact, reasons for the same: -NA- (iii) Auditors' Comments on (i) or (ii) above: -NA-
	Audit Qualification :
3	a. Details of Audit Qualification: The carrying values of the financial assets as at March 31, 2017 are not measured in accordance with the Ind-AS 39 and we are unable to comment on the adjustments that may be required to the carrying values of the financial assets.
	b. Type of Audit Qualification : Qualification
	c. Frequency of qualification: First Time
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: The Company has implemented Ind-AS 39 and as all the necessary provisions on the financial assets and financial liabilities have been recognized, the company is of the view that financial assets and financial liabilities of the company are represented at fair market value. Further there are no financial assets held by the company. Similarly as all the financial liabilities of the company is payable on demand due to the fact that the loans have become Non-Performing Assets and the banks have initiated recovery suit, these financial liabilities are disclosed in the books as per the claims made by the lenders and accordingly the management is of the view that there might not be any adjustments required in carrying value on the financial assets and liabilities.
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:-NA- (i) Management's estimation on the impact of audit qualification: -NA- (ii) If management is unable to estimate the impact, reasons for the same: -NA- (iii) Auditors' Comments on (i) or (ii) above: -NA-



	Audit Qualification	
4	a. Details of Audit Qualification: We draw attention to Note no 4 to the Statement which indicates that the Company has incurred net loss of Rs. 200.68 Crores and Rs. 319.26 Crores during the half year ended and year ended March 31, 2017 respectively and as on that date, the Company's current liabilities exceeded its current assets by Rs. 1,229.80 Crores and the company's accumulated losses aggregate to Rs. 838.63 Crores resulting in erosion of its networth. These conditions along with other matters as set forth in the aforesaid note indicate the existence of a material 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 outcome of the consortium meeting dated December 14, 2016 and May 08, 2017, whereby the company has offered One Time Settlement of its liabilities with the consortium members, which has been considered by them for further approval. The ability of the company to continue as a going concern is significantly dependent on the further approval by consortium of lenders on the one time settlement offered by the company.	
	b. Type of Audit Qualification : Emphasis of Matter	
	c. Frequency of qualification: Second Time	
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: The Company would like to submit that vide the consortium meeting dated December 14, 2016 and May 08, 2017 the company's offer for One Time Settlement of its liabilities with the consortium members has been considered and forwarded to necessary authorities for approval. Consequently, the company is well within its capacity to repay the consortium liabilities and accordingly the books of accounts have been prepared on on-going concern basis.	
	e. For Audit Qualification(s) where the impact is not quantified by the auditor: Not Applicable (i) Management's estimation on the impact of audit qualification: -NA- (ii) If management is unable to estimate the impact, reasons for the same: -NA- (iii) Auditors' Comments on (i) or (ii) above: -NA-	
III.	Signatories	
	Audit Committee Chairman	  
	GM - Accounts	 
	Statutory Auditor	 
	Place: Chennai	
	Date: 18.05.2017	