



GURUDEV

## **SURANA Corporation Limited**

Corporate Head Office :

New No. 116, (Old No. 79), NSC Bose Road, Sowcarpet,  
Chennai - 600 001. Ph : +91-44-2535 5072

Fax : +91-44-2535 5069 E-mail : [secretarial@suranacorp.com](mailto:secretarial@suranacorp.com)

Website : [www.suranacorp.com](http://www.suranacorp.com) CIN : L65991TN1991PLC020783

Ref: SCL/SEC/ /FY2016-2017

December 14, 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,**  
23<sup>rd</sup> Floor, PJ Towers, Dalal Street,  
Mumbai-400 001.

Dear Sir,

### **Sub: Outcome of Board Meeting**

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

We wish to inform you that the Meeting of Board of Directors of the Company at their meeting held today (14<sup>th</sup> December, 2016), inter alia, considered and approved the Un-Audited Standalone financial results of the Company as per Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 along with the Limited Review Report of the auditor for the quarter and half year ended September 30, 2016 which is enclosed herewith.

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

Registered Office : No. 30, G.N.T. Road, Madhavaram, Chennai - 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 unaudited financial results for the half year ended 30th September 2016

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

|    |                                                                                                                                 | 6 months ended<br>(30/09/2016) | Corresponding 6<br>months ended in the<br>previous year<br>(30/09/2015) |
|----|---------------------------------------------------------------------------------------------------------------------------------|--------------------------------|-------------------------------------------------------------------------|
|    |                                                                                                                                 | Unaudited                      | Unaudited                                                               |
| 1  | <b>INCOME FROM OPERATIONS</b>                                                                                                   |                                |                                                                         |
|    | (a) Net Sales                                                                                                                   | 89.04                          | 422.85                                                                  |
|    | (b) Wind Energy                                                                                                                 | 1.12                           | 3.03                                                                    |
|    | <b>Total Income from Operations</b>                                                                                             | <b>90.15</b>                   | <b>425.88</b>                                                           |
| 2  | <b>EXPENSES</b>                                                                                                                 |                                |                                                                         |
|    | (a) Cost of Materials Consumed                                                                                                  | 88.54                          | 274.76                                                                  |
|    | (b) Changes in Inventories of Finished Goods                                                                                    | 1.35                           | 178.39                                                                  |
|    | (c) Employee Benefit Expense                                                                                                    | 0.25                           | 0.75                                                                    |
|    | (d) Depreciation and amortisation                                                                                               | 5.88                           | 5.21                                                                    |
|    | (e) Other Expenditure                                                                                                           | 63.42                          | 97.49                                                                   |
|    | <b>Total Expenses</b>                                                                                                           | <b>159.44</b>                  | <b>556.60</b>                                                           |
| 3  | <b>Profit/(Loss) from Operations before other income , finance cost ,<br/>exceptional items and prior period items (1-2)</b>    | <b>(69.29)</b>                 | <b>(130.72)</b>                                                         |
| 4  | Other Income                                                                                                                    | 0.01                           | 0.47                                                                    |
| 5  | <b>Profit/(Loss) from ordinary activities before finance costs ,<br/>exceptional items and prior period items (3+4)</b>         | <b>-69.28</b>                  | <b>-130.25</b>                                                          |
| 6  | Finance Cost                                                                                                                    | 77.67                          | 85.28                                                                   |
| 7  | <b>Profit/(Loss) from Ordinary activities after finance costs but before<br/>exceptional items and prior period items (5-6)</b> | <b>(146.96)</b>                | <b>(215.53)</b>                                                         |
| 8  | Exceptional Items                                                                                                               | -                              | 0.17                                                                    |
| 9  | <b>Profit/(Loss) from Ordinary activities before tax prior period items (7-<br/>8)</b>                                          | <b>(146.96)</b>                | <b>(215.70)</b>                                                         |
| 10 | Prior Period items                                                                                                              | 0.00                           | (2.08)                                                                  |
| 11 | <b>Profit/(Loss) from Ordinary activities before tax (9-10)</b>                                                                 | <b>(146.96)</b>                | <b>(213.62)</b>                                                         |
| 12 | Tax Expense                                                                                                                     | -                              | -24.26                                                                  |
| 13 | <b>Net Profit /(loss) from ordinary activities after Tax (11-12)</b>                                                            | <b>(146.96)</b>                | <b>(189.36)</b>                                                         |
| 14 | Extraordinary items                                                                                                             | -                              | -                                                                       |
| 15 | <b>Net Profit / (Loss) for the period ( 13-14 )</b>                                                                             | <b>(146.96)</b>                | <b>(189.36)</b>                                                         |
| 16 | <b>Other Comprehensive Income</b>                                                                                               | <b>0.00</b>                    | <b>0.00</b>                                                             |
| 17 | <b>Total Comprehensive Income</b>                                                                                               | <b>(146.96)</b>                | <b>(189.36)</b>                                                         |
| 18 | Paid-up Equity Share Capital (Face value of Rs.10 each)                                                                         |                                |                                                                         |
| 19 | Reserves excluding revaluation reserves                                                                                         | 24.36                          | 24.36                                                                   |
| 20 | Basic and diluted earnings per share (in Rs)                                                                                    | (60.33)                        | (77.73)                                                                 |
| 21 | <b>See accompanying note to the financial results</b>                                                                           |                                |                                                                         |



# STANDALONE STATEMENT OF ASSETS AND LIABILITIES

|           |                                               | Rupees in Crore   |                   |
|-----------|-----------------------------------------------|-------------------|-------------------|
| S No.     | Particulars                                   | As at 30th Sep'16 | As at 31st Mar'16 |
|           |                                               | Unaudited         | Audited           |
|           |                                               |                   |                   |
| <b>A.</b> | <b><u>EQUITY AND LIABILITIES</u></b>          |                   |                   |
| <b>1</b>  | <b><u>Shareholders' funds</u></b>             |                   |                   |
|           | (a) Share Capital                             | 24.36             | 24.36             |
|           | (b) Reserves and surplus                      | -690.69           | -543.73           |
|           | <b>Sub-total -Shareholders funds</b>          | <b>-666.33</b>    | <b>-519.37</b>    |
| <b>2</b>  | <b>Advances against Share application Mon</b> | -                 | -                 |
| <b>3</b>  | <b><u>Non-current liabilities</u></b>         |                   |                   |
|           | (a) Long-term borrowings                      | 722.43            | 722.43            |
|           | (b) Long term provisions                      | 0.05              | 0.08              |
|           | <b>Sub-total -Non-Current Liabilities</b>     | <b>722.48</b>     | <b>722.50</b>     |
| <b>4</b>  | <b><u>Current liabilities</u></b>             |                   |                   |
|           | (a) Short-term borrowings                     | 712.55            | 587.60            |
|           | (b) Trade Payables                            | 0.35              | 0.46              |
|           | (c) Other Current liabilities                 | 281.43            | 329.06            |
|           | (d) Short-term provisions                     | 30.35             | 30.35             |
|           | <b>Sub-total -Current Liabilities</b>         | <b>1,024.68</b>   | <b>947.46</b>     |
|           | <b>TOTAL -EQUITY AND LIABILITIES</b>          | <b>1,080.83</b>   | <b>1,150.59</b>   |
| <b>B.</b> | <b><u>ASSETS</u></b>                          |                   |                   |
| <b>1</b>  | <b><u>Non-current assets</u></b>              |                   |                   |
|           | (a) Fixed assets                              | 48.46             | 54.47             |
|           | (b) Non-current investments                   | -                 | -                 |
|           | (c) Long-term loans and advances              | 6.41              | 6.41              |
|           | (d) Other non-current assets                  | 397.31            | 460.75            |
|           | <b>Sub-total -Non-Current assets</b>          | <b>452.18</b>     | <b>521.63</b>     |
| <b>2</b>  | <b><u>Current assets</u></b>                  |                   |                   |
|           | (a) Inventories                               | 161.74            | 163.09            |
|           | (b) Trade receivables                         | 457.89            | 454.92            |
|           | (c) Cash and cash equivalents                 | 2.91              | 4.83              |
|           | (d) Short-term loans and advances             | 6.12              | 6.13              |
|           | <b>Sub-total -Current assets</b>              | <b>628.65</b>     | <b>628.97</b>     |
|           | <b>TOTAL - ASSETS</b>                         | <b>1,080.83</b>   | <b>1,150.59</b>   |



**Notes:**

1. The aforesaid standalone financial results were reviewed by the Audit Committee of the Board and subsequently approved by Board of Directors of the company at its meeting held on December 12, 2016. The Statutory Auditors of the company have conducted a Limited Review for the period ended September 30, 2016.
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. Accordingly, the comparative figures for the quarter ended June 30, 2015 have been restated by the management as per Ind AS and have not been subject to limit review. However, the Management has exercised necessary due diligence to ensure that the financial results provide a true and fair view of the company affairs.
3. The Financial results do not include figures for the preceeding quarter and previous year ended March 31, 2016. Further, the company will provide reconciliation of its equity for the previous year ended 31, 2016 at the time of submitting the audited financial results for the year ended March 31, 2017 as per SEBI's circular no. CIR/CFD/FAC/2016 dated July 05, 2016.
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. Even though the company has incurred a net loss of RS.146.96 crore during the half year ended 30th September 2016 and as of that date, the company's accumulated losses aggregate to Rs.690.69 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.
7. 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 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.31.35 crore which was not recovered as per the MoU terms provided for and the same has been included in the total provision of Rs.229.34 crore. The company has initiated necessary legal recourse to recover the dues.
8. 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.
9. 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.
10. 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.
11. CDR Exit: The consortium of lenders vide 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.
12. M/S New Zone Trade FZE an unsecured creditor has filed windup petition in the High Court of Madras. Consequently, the Hon'ble Court vide its order dated 16.06.2016 had appointed liquidator for the company. The company subsequently has obtained a stay from Hon'ble court of Madras against the appointment of liquidator on 18.07.2016.
13. Figures for the Previous period have been regrouped/reclassified, wherever necessary to synchronise and conform with current period classification.

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

**Place: Chennai**  
**Date : 14th December, 2016**



**Devarajan K E**  
**Director**  
**(DIN: 07228715)**

**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  
Email : office@kapasi.net  
Web : www.vdsr.co.in

**Branch:**

3rd Floor, Karuna Complex,  
No. 337, Sampige Road,  
Malleswaram, Bangalore - 560 003.  
Tel: 080-23312779, 23313725  
Email: kamath@vdsr.co.in

**Independent Auditor's Review Report**

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

We have reviewed the accompanying statement of unaudited standalone financial results of Surana Corporation Limited ("the Company") for the quarter ended September 30, 2016 and year to date from April 1, 2016 to September 30, 2016 ("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 5<sup>th</sup> July 2016. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Further the management is also responsible to ensure that the accounting policies used in the preparation of the Company's opening Unaudited Balance Sheet at April 1, 2015 prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS"), as voluntarily adopted by the company, prescribed under section 133 of the Companies Act, 2013 and other recognised accounting practices and policies. Our responsibility is to issue a report on the Statement based on our review.

Attention is drawn to the fact that the figures for the corresponding quarter ended September 30, 2015 and the year to date period ended September 30, 2015, have been approved by company's Board of Directors but have not been subjected to review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

**Basis of Disclaimer of opinion :**

- a. The Consortium of Lenders have exited from the CDR package during the current period and as a result, accounting for short term borrowings, long term borrowings, and current liabilities should be as per the original agreements entered with such lender banks. However in the absence of the relevant details and information with respect to calculation of interest and loan liability, we are unable to comment upon the impact of such exit on the carrying amount of short term borrowings, long term borrowings, current liabilities and interest expense for the financial period ended September 30 2016 and the consequential impact on the financial results.



- b. The Company has also incurred losses in the current period and in the previous year(s) and thereby resulting in erosion of 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. Consequently, adjustments may be required to the recorded asset amounts and classification of liabilities.
- c. We were unable to confirm or verify by alternative means balance of trade receivables and we are unable to comment on the adjustments that may be required as at September 30, 2016.
- d. Net realizable value of the Inventory as at September 30, 2016 aggregating to Rs. 43.72 Crores, were not assessed and determined by the management. In accordance with the Ind AS 2 on Inventories, these inventories should be valued at lower of cost and net realizable value. In the absence of the assessment of net realizable value, we are unable to comment on the adjustments that may be required to the carrying values of the inventory.
- e. The financial assets and the financial liabilities as at September 30, 2016 are not carried at amortised cost 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 and the financial liabilities.

Because of the significance of the matters described in the Basis for Disclaimer of Opinion paragraph above, we have not been able to obtain sufficient appropriate evidence to provide a basis for conclusion that, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results prepared in accordance with applicable accounting standards i.e. Ind AS prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder or by the Institute of Chartered Accountants of India and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms 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 5<sup>th</sup> July 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement. Accordingly, we are unable to comment on the aforesaid statements.

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

  
Sathish Kumar R K  
Partner  
Membership No : 220263



Place : Chennai.  
Date : 14<sup>th</sup> December 2016