



GURUDEV

Surana Corporation Limited

Corporate Head Office :

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Fax : +91-44-2535 5069 E-mail : secretarial@suranacorp.com

Website : www.suranacorp.com CIN : L65991TN1991PLC020783

Ref: SCL/SEC/ **64** /FY2017-2018

November 20, 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: Outcome of Board Meeting.

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

We wish to inform you that the Board of Directors of the Company at its meeting held today (November 20, 2017) has approved the following:

- a) Un-Audited financial results (Standalone) for the quarter and the half year ended September 30, 2017 along with the Assets and Liability Statement and Limited Review Report.
- b) Common Joint Compromise Memo to be signed by the company for giving consent to the court, that the seized gold of 400.47 Kgs by the CBI be returned to the State Bank of India, Chennai, the leader of the consortium of 6 Banks.
- c) Appointment of Shri. Hari Bala Subrahmanyam as Director.

This is for your information and records.

Thanking You,

Yours Faithfully,

For SURANA CORPORATION LIMITED


AUTHORISED SIGNATORY



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, Fax no: (044) 28521143

Statement of standalone Unaudited financial results for the quarter and half year ended 30/09/2017

Particulars	(Rupees in Crores except equity Shares and per equity share data)						Financial year ended on 31.03.2017
	Quarter Ended on 30.09.2017	Quarter ended on 30.06.2017	Quarter ended on 30.09.2016	Six months Ended on 30.09.2017	Six Months Ended on 30.09.2016	Unaudited	Audited
1. Revenue From Operation							
a. Gross sales **	(62.91)	77.69	8.37	14.78	89.04	231.56	231.56
b. Other operating revenue	-	-	-	-	1.12	3.10	3.10
Total Revenue from Operation	(62.91)	77.69	8.37	14.78	90.16	234.66	234.66
2. Other Income	-	-	0.01	-	0.01	6.21	6.21
3. Total Income (1 + 2)	(62.91)	77.69	8.38	14.78	90.17	240.87	240.87
4. Expenses							
a. Raw Material Consumed.	-	-	7.73	-	88.54	294.24	294.24
b. Purchase of Semi finished goods & Other Products	-	-	-	-	-	-	-
c. Changes in Inventory	(65.46)	81.43	0.24	15.97	1.35	(31.34)	(31.34)
d. Employee Benefit Expenses	0.14	0.11	0.11	0.25	0.25	0.52	0.52
e. Finance Cost	44.15	35.39	45.64	79.54	77.67	175.69	175.69
f. Depreciation and Amortisation Expenses	0.17	0.17	2.94	0.34	5.88	7.71	7.71
g. Other Expenses	338.72	35.03	31.50	373.75	63.42	113.31	113.31
Total Expenses { 4(a) to 4(g) }	317.72	152.13	88.16	469.85	237.11	560.13	560.13
5. Profit/ (Loss) Before Exceptional items & Tax [3-4]	(380.63)	(74.44)	(79.78)	(455.07)	(146.94)	(319.26)	(319.26)
6. Exceptional Items	-	-	-	-	-	-	-
7. Profit / (Loss) Before Tax [5 - 6]	(380.63)	(74.44)	(79.78)	(455.07)	(146.94)	(319.26)	(319.26)
8. Tax Expenses							
a. Current Tax	-	-	-	-	-	-	-
b. Deferred Tax	-	-	-	-	-	-	-
Total Tax Expenses [8(a) to 8(b)]	-	-	-	-	-	-	-
9 Net Profit / Loss for the period	(380.63)	(74.44)	(79.78)	(455.07)	(146.94)	(319.26)	(319.26)
10 Other Comprehensive Income	-	-	-	-	-	-	-
11. Total Comprehensive Income [9 + 10]	(380.63)	(74.44)	(79.78)	(455.07)	(146.94)	(319.26)	(319.26)
12. Paid Up Equity Share Capital	24.36	24.36	24.36	24.36	24.36	24.36	24.36
13. Paid up Debt	-	-	-	-	-	-	-
14. Reserves excluding Revaluation Reserve	-	-	-	-	-	-	-
15. Earnings per Equity Share							
Basic Earnings per Share.	(156.75)	(30.06)	(32.75)	(186.81)	(60.32)	(131.06)	(131.06)
Diluted Earnings per Share.	(156.25)	(30.56)	(32.75)	(186.81)	(60.32)	(131.06)	(131.06)
See accompanying note to the financial results							

** Sales returns made during the period against prior period sales



SURANA CORPORATION LIMITED**CIN: L65991TN1991PLC020783****Balance Sheet as at 30th Sept, 2017****(Amount in Crores)**

Sl. No	Particulars	As at 30th Sept , 2017	As at 31st March, 2017
1	ASSETS		
	Non-current assets		
	(a) Property, Plant and Equipment	7.60	7.94
	(b) Other Intangible assets	-	-
	(c) Financial Assets		
	(i) Trade receivables	270.93	358.93
	(ii) Investments	-	-
	(iii) Other financial assets	0.02	0.02
	(d) Other non-current assets	6.41	6.41
	Current assets		
	(a) Inventories	178.46	194.42
	(b) Financial Assets		
	(i) Trade receivables	118.34	390.51
	(ii) Cash and cash equivalents	0.95	0.21
	(iii) Other balances with banks	0.24	0.24
	(c) Other current assets	5.91	5.91
	Asset held for Sale	29.75	29.75
	Total Assets	618.59	994.34
2	EQUITY AND LIABILITIES		
	Equity		
	(a) Equity Share capital	24.36	24.36
	(b) Other Equity	(1,318.08)	(863.00)
	Liabilities		
	Non-current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	14.69	14.69
	(b) Provisions	0.08	0.08
	(c) Deferred Tax liabilities	-	-
	Current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	746.50	746.50
	(ii) Trade payables	0.25	0.28
	(iii) Other financial liabilities	1,055.08	975.56
	(b) Other current liabilities	38.40	31.77
	(c) Provisions	30.36	30.36
	Liabilities representing assets held for Sale	26.96	33.75
	Total Equity and Liabilities	618.59	994.34



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 November 20, 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 & 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 and no export activities have been undertaken during the current period.
4. In spite the company has incurred a net loss of Rs.455.07 Crores for the Half year ended September 30, 2017 and as of that date, the company's accumulated losses aggregate to Rs.1318.07 Crores 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.626.62 Crores 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.53.25 Crores which was not recovered as per the MoU terms are provided for and the same has been included in the total provision of Rs.355.33 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 vide its JLM dated 20.04.2016 had recommended to 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.

For and on behalf of the Board of Directors

Place: Chennai

Date: November 20, 2017



Agnes Roselind Joseph
Agnes Roselind Joseph
Director

V D S R & Co.
CHARTERED ACCOUNTANTS

Office:

3A, 3rd Floor, Amber Crest Apartments,
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Independent Auditor's Review Report on the Interim Financial Results

The Board of Directors

Surana Corporation Limited
Chennai

1. We have reviewed the accompanying statement of standalone unaudited financial results of **Surana Corporation Limited** ("the Company") for the quarter ended September 30, 2017 and the unaudited standalone Balance Sheet as that date ("the Statement") 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. This statement is the responsibility of the Company's Management and the Board of Directors and is required to be prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34), prescribed under section 133 of the Companies Act, 2013. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the statement as per 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 Statement is free from Material Misstatement. A review is Limited primarily to inquires 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.



3. Basis for Adverse Conclusion:

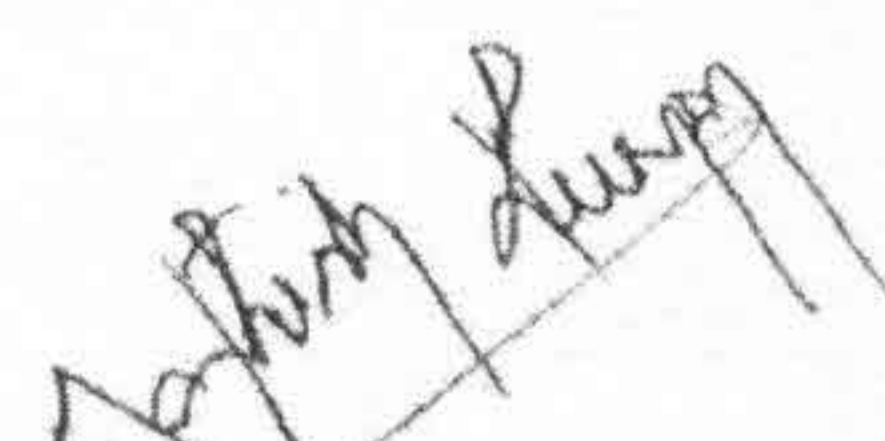
- a. We draw your attention to Note no 4 to the Statement which indicates that the Company has incurred net loss of Rs. 455.07 Crores and as of that date, the Company's accumulated losses aggregate to Rs. 1,471.05 Crores resulting in erosion of its net worth as at September 30, 2017. These conditions 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 their approval. The ability of the Company to continue as a going concern is significantly dependent on the approval by the consortium of lenders on the One Time Settlement offered by the Company.
- b. The Company has considered long term trade receivables of Rs. 270.92 Crores, as good and recoverable. However, we were unable to confirm or verify, by alternative means, balances of such trade receivables. Had the provision been made with respect to the above receivable in the books of the Company, the loss would have been increased by Rs. 270.92 Crores and consequently Net worth would have been reduced by Rs. 270.92 crores. With respect to the provision made against certain receivables which have become overdue and aging for more than one year amounting to Rs. 285.29 crores, the Company has not initiated adequate and necessary action for their recovery.
- c. Inventory lying with the third party as at September 30, 2017 aggregating to Rs 65.46 crores represents the sales made during the quarter ended June 30, 2017 and returned back subsequently to Company due to quality issues. In the absence of evidence for physical verification of inventory lying with the third party as at September 30, 2017 and its net realizable value, we are unable to comment on the adjustment that may be required to the carrying value of the inventory lying with the third party.
- d. It is informed to us that the records Registrar of Companies ("ROC") as per MCA Webportal are pending for updating and filing forms for appointment of various directors due to technical issues in online filing. Pending submission of relevant forms for uploading with respect to appointment and resignation of various directors, we are unable to comment on the penalty, which may be imposed under the Companies Act 2013.

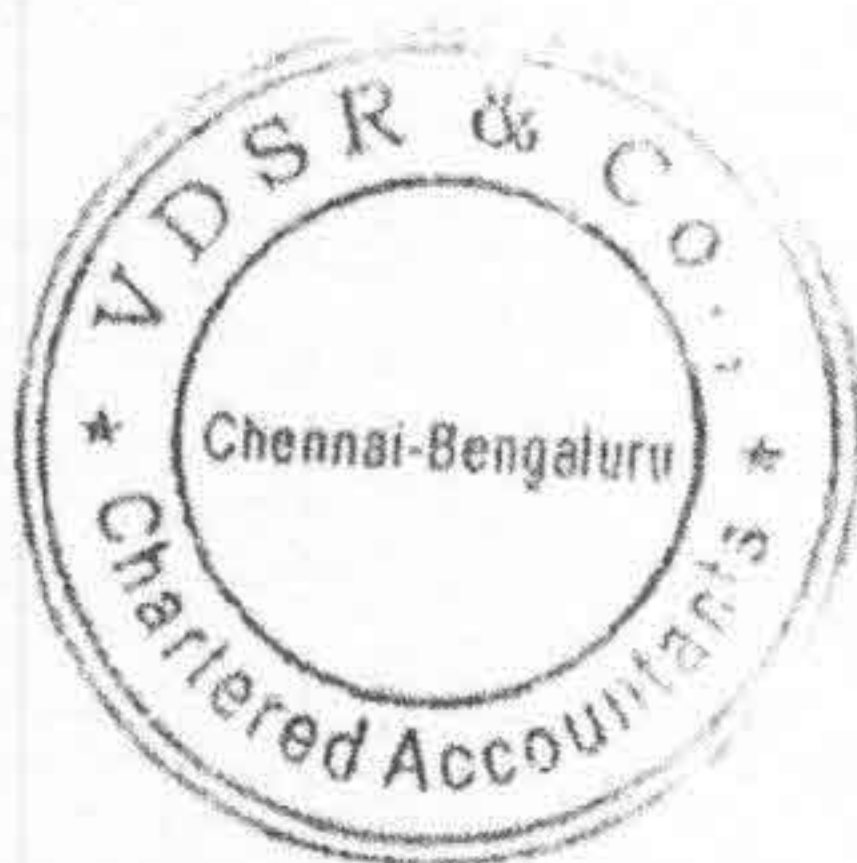


4. Adverse conclusion

Based on our review conducted as stated above, due to the significance and the possible effects of the matters described in paragraph 3 above, the accompanying Statement has not been prepared in accordance with Indian Accounting Standards (Ind AS) including Ind AS 34 and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (listing Obligation and Disclosure Requirements) Regulations, 2015 as modified by Circular NO. CIR/CFD/FAC/ 62/2016 dated July 5, 2016, including the manner in which it is to be disclosed and the Statement may contain material misstatements.

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


Sathish Kumar R K
Partner
Membership No : 220263



Place : Chennai.
Date : November 20, 2017