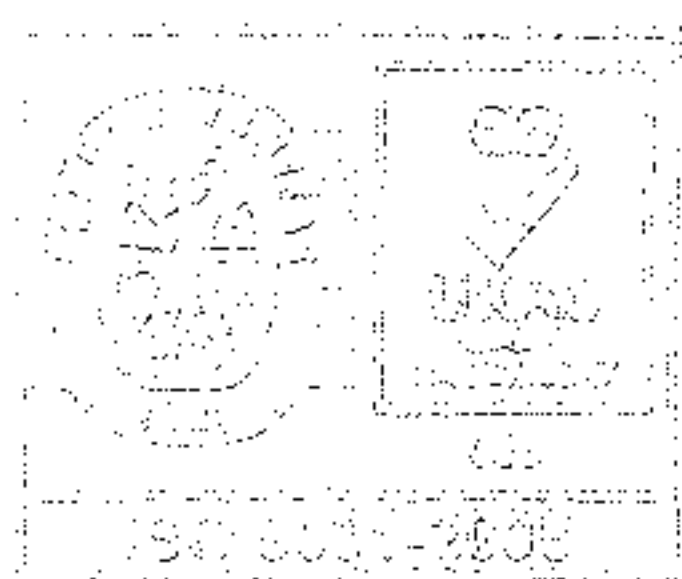




Surana Industries Limited

Regd. Office: 1st Floor, Whites Road, 1st Floor,
Royapettah, Chennai - 600 014. Tel: 2832 3336, 2832 5127, (3 lines)
Fax: 044-28320713 & Chennai: ACCURASTY
E-mail: surana@suranaind.com & Website: www.suranaind.com



Ref: Sil/Sec/Listing/

30th May, 2014

The Manager,
National Stock Exchange of India Limited
Listing Department
Exchange Plaza, Bandra-Kurla Complex
Bandra (E), Mumbai - 400 051

Sub: Clause 41 of Listing Agreement - Audited financial results for the quarter & year ended 31.3.2014.

This is to inform you that the Board of Directors of the Company at their meeting held today i.e 30.5.2014 have interalia considered and approved the Standalone and Consolidated Audited Financial Results for the quarter & year ended 31.3.2014, which are enclosed herewith.

Also we hereby enclose a copy of Audit Report for the year ended 31.3.2014.

We request you to take the above on record.

Thanking you,

Yours faithfully,

For Surana Industries Limited


Venkatraman
Company Secretary

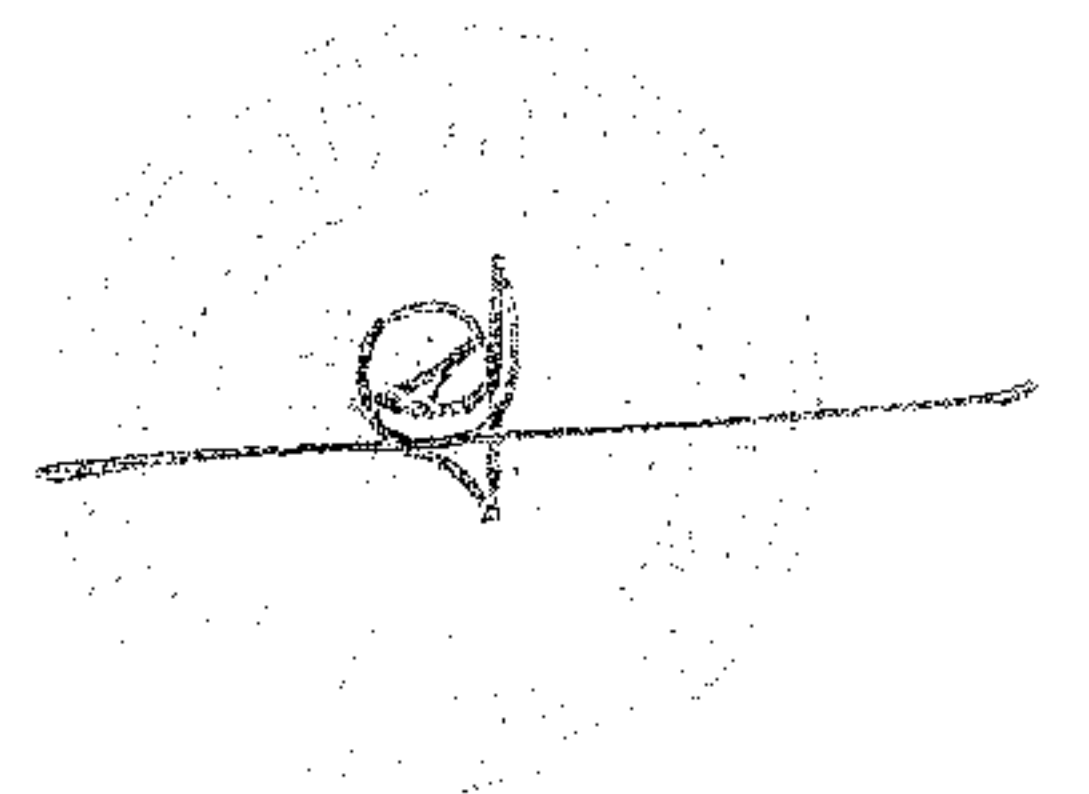
Encl: as above

Cc: 1. The Deputy General Manager,
Department of Corporate Services,
The Stock Exchange, Mumbai,
P J Towers, Dalal Street,
Mumbai – 400 001
Ref: Sil/Sec/Listing/

2. The Asst. General Manager,
Madras Stock Exchange Limited,
No.30, Second line Beach,
Chennai 600 001
Ref: Sil/Sec/Listing/

Gurudev
Surana Industries Limited
#29, Whites Road, 2nd Floor, Royapettah, Chennai - 14
Statement of d Standalone & Consolidated Audited Results for the Year Ended 31/03/2014
(Rs.in lakhs,except per share data)

Sr.No.	Particulars	Quarter Ended			Year Ended		Consolidated Year Ended	
		31.03.2014	31.12.2013	31.03.2013	31.03.2014	31.03.2013	31.03.2014	31.03.2013
		Audited	Unaudited		Audited			
Part I								
1	Income From Operations							
	a. Net Sales/Income from Operations	12,451.22	10,569.06	40,447.37	55,520.60	142,500.87	63,112.06	149,361.72
2	Total income from Operations (Net Expenses)	12,451.22	10,569.06	40,447.37	55,520.60	142,500.87	63,112.06	149,361.72
	a. Cost of Materials Consumed	5,102.00	7,708.50	32,296.38	43,788.60	115,165.83	46,115.93	118,395.69
	b. Purchases of Stock-in-trade	8,791.74	1,964.17	6,266.86	10,755.91	8,024.27	14,313.32	8,082.17
	c. Changes in inventories of finished goods,work-in-progress and stock-in-trade	1,904.26	440.08	(3,675.90)	2,596.87	(4,823.35)	2,593.04	(4,846.20)
	d. Employee benefits expenses	343.60	334.90	601.98	1,293.32	1,848.83	1,469.76	1,958.92
	e. Depreciation and amortisation expenses	261.74	1,011.75	1,023.32	3,192.79	3,903.10	4,866.27	5,518.66
	f. Other Expenses (Any Item exceeding 10% of the total Expenses relating to continuing operations to be shown separately)	650.63	686.17	1,057.75	2,776.98	4,791.00	3,068.78	4,096.00
	Total Expenses	17,053.98	12,145.58	37,570.38	64,404.48	128,909.68	72,547.10	133,205.24
3	Profit/(Loss) from operations before other income,finance costs and exceptional items	(4,602.76)	(1,576.51)	2,876.99	(8,883.88)	13,591.19	(9,435.04)	16,156.48
4	Other Income	89.99	63.81	170.49	302.51	543.43	398.93	690.15
5	Profit/(Loss) from ordinary activities before finance costs and exceptional items	(4,512.77)	(1,512.71)	3,047.48	(8,581.37)	14,134.62	(9,036.11)	16,846.63
6	Finance costs	5,330.61	4,235.82	3,131.34	14,806.16	11,383.81	17,627.79	14,214.75
7	Profit/(Loss) from ordinary activities after finance costs but before exceptional items	(9,843.38)	(5,748.53)	(83.87)	(23,387.53)	2,750.81	(26,663.90)	2,631.88
8	Exceptional Items							
9	Profit/(Loss) from ordinary activities before tax	(9,843.38)	(5,748.53)	(83.87)	(23,387.53)	2,750.81	(26,663.90)	2,631.88
10	Tax Expenses	(3,402.67)	(2,126.37)	674.73	-8169.650	1,725.92	(9,740.74)	2,378.09
11	Net Profit/(Loss) from ordinary activities before tax	(6,440.71)	(3,622.16)	(758.60)	(15,217.88)	1,024.89	(16,923.16)	253.78
12	Extraordinary items (net of tax expenses Lakhs)							
13	Net Profit/(Loss) for the period	(6,440.71)	(3,622.16)	(758.60)	(15,217.88)	1,024.89	(16,923.16)	253.78
14	Paid-Up equity share capital (Face value of the share shall be indicated)	4,451.91	4,451.91	4,451.91	4,451.91	4,451.91	4,451.91	4,451.91
15	Reserve excluding revaluation reserves as per balance sheet of previous accounting year		-		89,584.78	104,438		
16	Earnings per share (after extraordinary items) (of /- each) (Not annualised)							
	(a) Basic	(14.47)	(8.14)	(1.70)	(34.18)	2.30	(38.01)	0.23
	(b) Diluted	(14.47)	(8.14)	(1.70)	(34.18)	2.30	(38.01)	0.23



Sr.No.	Particulars	Quarter Ended			Year Ended	
		31.03.2014	31.12.2013	31.03.2013	31.03.2014	31.03.2013
		Audited	Unaudited		Audited	
Part II						
A	Particulars of Share Holdings					
1	Public Share Holding					
	-Number of Shares	24,211,565	24,211,565	24,211,565	24,211,565	8,737,120
	-Percentage of Holding	54.38%	54.38%	54.38%	54.38%	30.08%
2	Promoters and Promoter Group Shareholding					
	a) Pledged/ Encumbered					
	- Number of shares	13,427,676	111,500,000	9,650,000	13,427,676	9,650,000
	-Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	66.12%	54.91%	47.52%	66.12%	47.52%
	-Percentage of Shares (as a % of the total share capital of the company)	30.16%	25.05%	33.22%	30.16%	33.22%
	b) Non - Encumbered					
	-Number of Shares	6,879,826	9,157,502	10,657,502	6,879,826	10,657,502
	-Percentage of Shares (as a % of the total Shareholding of Promoter an Promoter group)	33.87%	45.09%	52.48%	33.87%	52.48%
	-Percentage of Shares (as a % of the total Share capital of the Company)	15.45%	20.57%	36.69%	15.45%	36.69%

B	Investor Complaints	3 Months Ended 31.03.2014
	Pending at the beginning of the quarter	Nil
	Received during the quarter	Nil
	Disposed of during the quarter	Nil
	Remaining unresolved at the end of the quarter	Nil



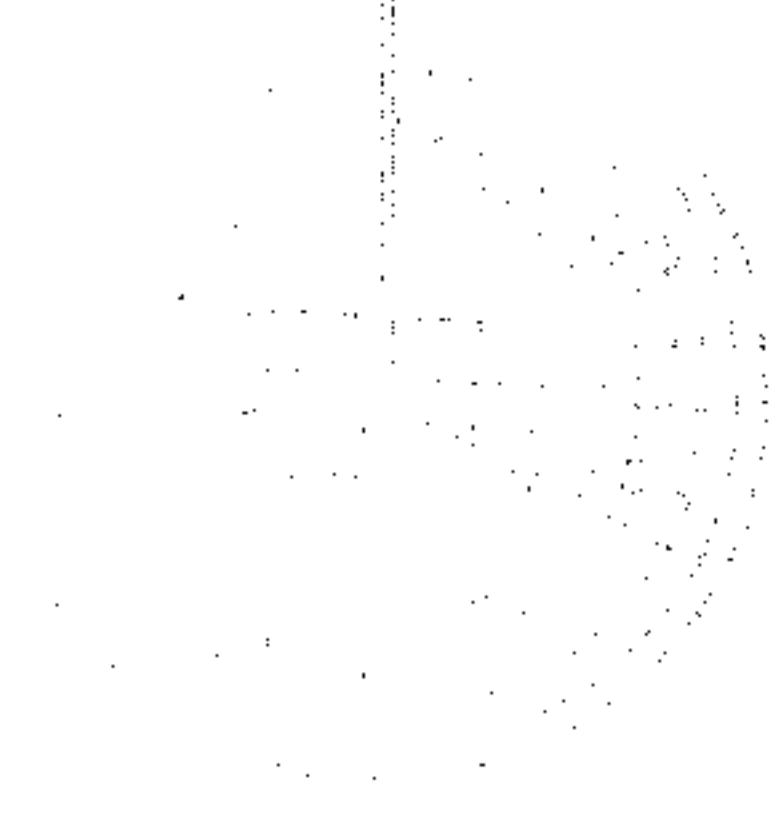
Notes:

- 1 The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting on 30/05/2014.
- 2 The Financial results for the year ended have been audited by the Statutory Auditors of the Company. The Auditors have given a qualified report. Major points have been addressed. Management Accounts of M/s. Surana Mines and Minerals Ltd have been considered for the purpose of consolidation accounts.
- 3 The Raichur Integrated Steel Plant was not operational during the last quarter of the FY 2013-14. Hence the company has not claimed depreciation to the extent of Rs.8,05,04,491/- for the said period.
- 4 The Raichur Plant faced labour unrest as a result of which the Raichur plant's operations came to a halt. Company had to take up the matter with the Government for reconciliation of the dispute. Consequently the Company had to downsize the staff strength and now plans to engage workers on contract basis.
- 5 The 2x210 mw power plant of subsidiary M/s. Surana Power Limited is stalled from completion mainly due to external factors . The 35mw power plant was non operational for majority of FY 2013-14 and the lenders have restructured its debts.
- 6 The figures for the last quarter are the balancing figures between audited figures in respect of full financial year and unaudited published year to date figures upto the third quarter of the current financial year. Figures for the prior/year have been regrouped and /or reclassified wherever considered necessary.
- 7 The Company has executed the Master Restructuring Agreement with its lenders on 21st March 2014, for implementation of the CDR package approved by the CDR (Empowered Group) on 17th February 2014. The cut off date for the package is 1st June 2013.
- 8 The Company have received Rs.27.17 Crores towards promoters contribution interms of the CDR package by way of Long term Unsecured Interest free Loans.
- 9 The company is dealing Iron and Steels products only. Hence no segment reporting is applicable.
- 10 In view of the losses incurred and with a view to conserve resources, the Board of Directors have not recommended any dividend for the FY 2013-14.
- 11 Provision towards employee benefits has been made based on the workings relating to actuarial valuation as on 31.03.2014.
- 12 The board has approved divestment of entire equity stake in M/s. Uday Energy Private Limited at par value with effect from 30/05/2014.
- 13 Bad debts written off during the year Rs.73,43,031/-
- 14 The next Annual General Meeting will be held on 18/07/2014 to consider the accounts for the financial year 2013-14.

Place : Chennai
Date : 30/05/2014

For Surana Industries Limited


Dineshchand Surana
Managing Director



Audited Standalone & Consolidated Statement of Assets and Liabilities

S.No.	Particulars	Standalone		Consolidated	
		As at 31.03.2014	As at 31.03.2013	As at 31.03.2014	As at 31.03.2013
1	EQUITY AND LIABILITIES				
A	Shareholders' Funds				
	(A) Share Capital	445,190,670	445,190,670	445,190,670	445,190,670
	(B) Reserve and Surplus	9,016,541,029	10,508,457,596	8,085,108,342	9,744,129,679
	(C) Non-Controlling Interest			59,145,455	40
		9,461,731,699	10,953,648,266	8,589,444,467	10,189,320,389
	Share Application Money Pending Allotment	-	-	24,969,404	-
		-			
B	Non-Current Liabilities				
	(A) Long-Term Borrowings	9,005,903,831	5,663,993,492	24,077,205,891	18,170,699,349
	(B) Deferred tax liabilities(net)	-	758,548,728		832,181,866
	(C) Other Long-Term Liabilities	69,180,157	594,482,651	265,710,157	594,482,651
	(D) Long-term Provisions	339,727,282	18,833,582	355,925,132	24,552,586
	Sub-total-Non-current liabilities	9,414,811,270	7,035,858,453	24,698,841,180	19,621,916,452
C	Current Liabilities				
	(A) Short-term borrowings	3,359,323,043	3,437,152,017	3,469,319,115	3,714,506,581
	(B) Trade Payables	1,698,855,763	1,213,831,680	4,575,793,643	4,684,499,882
	(C) Other Current Liabilities	30,290,305	584,428,153	378,880,314	897,439,887
	(D) Short-term Provisions	77,037,507	127,317,553	79,271,447	127,463,309
	Sub-total-Current Liabilities	5,165,506,617	5,362,729,403	8,503,264,520	9,423,909,660
	Total - Equity And Liabilities	24,042,049,587	23,352,236,123	41,816,519,570	39,235,146,501
2	ASSET				
A	Non-Current Assets				
	(A) Fixed Assets	9,087,636,951	8,661,488,368	28,623,918,598	28,266,879,862
	(B) Deferred Tax Assets(NET)	58,416,287		152,274,327	-
	(C) Long-Term Loans and Advances	2,503,180,079	2,664,297,116	4,622,169,551	2,025,875,207
	(D) Other Non -Current Assets	5,068,011,354	5,057,060,654	309,260	309,300
	Sub-total-Non Current Assets	16,717,244,672	16,382,846,138	33,398,671,736	30,293,064,369
B	Current Assets				
	(A) Current Investments	99,960			
	(B) Inventories	2,997,126,041	2,987,743,666	3,439,370,498	3,490,145,539
	(C) Trade Receivables	3,644,401,805	3,113,339,949	3,734,547,160	4,075,596,653
	(D) Cash and Cash Equivalents	72,255,925	254,836,575	148,399,821	762,784,645
	(E) Short-term loans and advances	610,921,184	613,469,795	1,095,530,356	613,555,295
	(F) Other Current Assets	-	-		
	Sub-total-Current Assets	7,324,804,915	6,969,389,985	8,417,847,834	8,942,082,132
	Total Assets	24,042,049,586	23,352,236,123	41,816,519,570	39,235,146,501





INDEPENDENT AUDITORS' REPORT

To the Members of Surana Industries Limited

Report on the Financial Statements

We have audited the accompanying financial statements of M/s. Surana Industries Limited, which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flow of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the 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 financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the

CERTIFIED TRUE COPY
For SURANA INDUSTRIES LIMITED

Director



appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Basis for Qualified Opinion

The company's financing arrangements for the Beneficiation and Pelletisation Project under the CDR package is required to be tied up before 31st December 2014. The promoters are also required to infuse equity in terms of the CDR package for the Beneficiation and Pelletisation Project. The timely tying up of finance and equity are crucial for completion of the project.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, ***except for the effects of matter described in the Basis for Qualified Opinion paragraph***, the 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:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) In the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

1. We draw to attention to note no 23 (p) to the financial statements, regarding the non-provision for diminution in value of long term unquoted investments made in Surana Power Limited, as the ongoing 210 X 2 MW power plant project is stalled for want of fresh equity and finance. The company believes that equity and finance required for the



project would be infused during FY 2014-15 and the diminution in the investment value is temporary in nature.

2. We draw attention to note no 23(r) to the financial statements, regarding non provision for impairment of assets as per Accounting Standard 28, as the Raichur unit did not function for major period during the year. On the basis of the valuation of fixed assets certified by the certified valuer, the fair value of assets is more than the book value of assets. Hence the company did not make any provision.
3. We draw attention to note 23s. of the financial statement where in the company has not claimed depreciation on the assets pertaining to Raichur Integrated Steel Complex.
4. The company has retrenched all the employees, who were working at Raichur Integrated Steel Complex on 31st March 2014 and we were informed that the company would be engaging the contractors for running the plant. (Also refer note no 2 (a) to the Financial Statements).

Our opinion is not qualified in respect of the above matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. ***except for the effects of the matter described in the Basis for Qualified Opinion paragraph***, in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books



C.S.P. Jain & Co.,
CHARTERED ACCOUNTANTS

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PHONE: 91+44+25353267
FAX : 91+44+43233863
EMAIL: info@servunity.n
Web Add: www.servunity.in

- c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account
- d. ***except for the effects of the matted described in the Basis for Qualified Opinion paragraph***, in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
- e. on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For C.S.P.Jain & Co.,
Chartered Accountants

C.S.Prithviraj Jain
Proprietor
M.N.11529
Firm No.001227S

Place: Chennai
Date :30.05.2014

**ANNEXURE REFERRED TO IN PARAGRAPH 5 OF OUR REPORT OF
EVEN DATE**

i. a. The Company is maintaining proper Records showing full particulars, including quantitative details and situation of Fixed Assets.

b. Major Fixed Assets were Physically Verified during the year by the Management, with a programme of verification which in our opinion provides for physical verification of all the fixed assets at reasonable intervals.

c. As per information and explanations given to us, substantial amount of Fixed Assets have not been sold during the current year affecting the Going concern assumption.

ii. In respect of its inventory:

(a) According to the information and explanations given to us, the inventories were physically verified during the year by the Management at reasonable intervals. Also the Material discrepancies have been properly dealt with in the books of accounts.

(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 according to the information and explanations given to us, the Company has maintained proper records of inventories.

iii. According to information and explanations given to us, the company has not granted / received any loans to parties / companies covered under register maintained under section 301 of the Companies Act, 1956.

iv. In our opinion and according to the information and explanations given to us, there is adequate Internal Control System commensurate with the size of the Company and the nature of its business for purchase of Inventories and Fixed Assets and for the Sale of Goods and Services and we have not observed any continuing failure to correct major weaknesses in Internal Controls.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public. We are informed by the Management that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal under Sections 58A and 58AA of the Companies Act, 1956.

vi. In our opinion, the Company has an adequate Internal Audit System commensurate with the size of the company and the nature of its business.

vii. We have broadly reviewed the books of account and records maintained by the Company relating to the manufacture of steel, pursuant to the Rules made by the Central Government for maintenance of Cost Records under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determining whether they are accurate or complete.

viii. a) According to the information and explanations given to us, the Company has delayed in depositing undisputed statutory dues including Provident Fund, Employee State Insurance, Sales Tax, Service Tax, Customs Duty, Excise Duty, Income Tax, Cess and other material statutory dues with the appropriate authorities during the year. We are informed that the Company is not covered under operation of the Employees' State Insurance Act at Raichur location.

b) According to the information and explanations given to us undisputed amounts payable in respect of Service Tax of Rs.3,60,402/-, Employee Provident Fund of Rs.13,59,642/-, Professional Tax of Rs.37,800/-, ~~VAT~~ ^{Amount of Rs.7.80 crs;} Rs.1,90,78,537/- and TDS & TCS of Rs.32,59,880/- were in arrears as at 31.3.2014 for a period of more than six months from the date of becoming payable. However the amounts have been subsequently remitted.

c) As per the information and explanation given to us, the details of dues of sales tax, customs duty, income tax ,excise duty and cess which has not been deposited as on 31 st march 2014 on account of dispute has been detailed below:

Name of the Statue (Nature of the dues)	Period to which Amount relates	Forum where matter is pending	Amount
<u>Excise Department</u>			
Compounded levy demanded by the Department from Sep 1997 to Mar 2000 under Rule 5 of Hot Re-rolling Steel Mills annual capacity determination (amended Rule 1997)	1997-2000	Hon'ble High Court of Chennai	Rs.93,88,727 (paid Rs.33,48,742/- as deposit in the year 2004-05)
Rebate Claim	1999-2000	Hon'ble High Court of Chennai	Rs. 2,868,511
Shortage of Material	2006	Commissioner of Central Excise, Commissionerte II, Chennai	Rs.88,32,710 (This amount was fully paid during 2007-08)
Supply to SEZ Developers	2010	Commissioner of Central Excise, Commissionerte II, Chennai	Rs. 50,359,737
Detention of Material	2010	Commissioner of Central Excise, Commissionerte I, Chennai	Rs. 15,000,000
Reversal of Cenvat Credit	2011	CESTAT, Bangalore	Rs. 117,632,904
Levy of Penalty by Addl. Commissioner of Central Excise	2013	Appeal will be filed before CESTAT, Bangalore	Rs. 2,800,000
<u>Customs Department</u>			
Penalty levied by DRI	2000-03	Hon'ble High Court, Chennai	Rs. 10,000,000
Misclassification of Material	2005-06	Hon'ble Supreme Court	Rs. 13,829,000
<u>Income Tax Department</u>			
Disallowance of Lease Rent paid to NBFCs	1996-97 to 1997-98	Won the Case before ITAT, pending before the assessing officer for revision order	Rs.66,60,190/- (Out of this paid Rs.32,31,967/- during the year 2006-07)
<u>Sales Tax Department</u>			

Reversal of Input VAT credit on sales made to SEZ developers, Tax on Conversion Charges & Form C & Form F	2006-07 to 2010-11	Writ filed before Hon'ble High Court of Madras	Rs.18,95,18,342/-
KVAT disputed disallowance of input tax credit on purchase of iron and steel and other items for fabrication of machinery items and structural	2007-08 & 2008-09	Pending before sales tax tribunal Gulbarka	Rs.72,94,227/-
Disallowance of ITC for non-discharges of tax liability by the supplier.	2010-11	Pending before sales tax tribunal Gulbarka	Rs.8,58,052/-

ix. The accumulated losses of the company at the end of the financial year are not more than fifty percent of the Networth. The company has incurred Cash loss during the current financial year of our audit. There was no cash loss in the immediately preceding financial year.

x. According to information and explanations given to us, the bankers and financial institution have restructured the loans/debts during the year. We are informed by the company that all the facilities availed by the company have been classified as "Standard" by the lenders as at the Balance sheet date. Except for IFICI which has classified the advances as NPA.

xi. According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

xii The provisions of clause 4 (xiii) of the Order relating to Chit Funds are not applicable to the Company.

xiii. The Company is not dealing or trading in Shares, Security, Debentures and Other Investments.

xiv. According to the information and explanations given to us, the Company has given Guarantee for loans taken by M/s. Surana Green Energy limited to IFICI venture capital funds Limited for sanction of Loan amount of Rs 12.5 crores and to State bank of india for sanction of term loan of Rs.24 crores against the windmill. The amount outstanding as on 31.03.2014 is Rs.10.34 crores and Rs.18.33 crores respectively. The company's maximum liability is to the extent of Loan amount and accumulated outstanding Interest.

xv. To the best of our knowledge and belief and according to the information and explanations given to us, in our opinion, term loans availed by the company were, prima facie, applied by the company during the year, for the purpose for which the loans were obtained, other than temporary deployment pending application.

xvi. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, funds raised on short term basis have, prima facie, not been used during the year for long term investment.

xvii. According to the information and explanations given to us, the Company has not made preferential allotment of Shares to parties covered under section 301.

xviii. The Company has not issued debentures during the year and therefore the question of creating security or charge in respect thereof does not arise.

xix. The Company has not made public issue of securities during the year and therefore the question of disclosing the end-use of money raised by way of public issue does not arise.

xx. During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have not come across any instance of material fraud on or by the company, noticed or reported during the year.

**For C.S.P.Jain & Co.,
Chartered Accountants**

**C.S.Prithviraj Jain
Proprietor
M.N.11529
Firm No.001227S**

**Place: Chennai
Date :30.05.2014**