SURYALAKSHMI COTTON MILLS LTD

(AN IS/ISO 9001 : 2008 & ISO 14001 : 2004 CERTIFIED COMPANY)

To

Dated: 16.05.2017

The National Stock Exchange of India Ltd.,
"Exchange Plaza"
Bandra Kurla Complex,
Bandra East,
MUMBAI – 400 051.

Ref: SURYALXMI
Reg: Outcome of Boad meeting – Clarification.

Dear Sir,

We refer to your mail dated.15.05.2017 regarding intimation on the outcome of the Board meeting held on 13.05.2017 and clarify by attaching the brief profile of M/s K S Rao & Co. in connection with their appointment as the Statutory Auditors of the Company.

Hope you will find the same in order.

Thanking you.

Yours faithfully,
For Suryalakshmi Cotton Mills Limited

EVSV Sarma
Company Secretary

ABOUT US:

K.S.RAO & Co. was established in 1976 and engaged in providing , statutory auditing services,internalauditing services, tax audit services etc.,

We are one of the experienced chartered accountant firms in Hyderabad.

With years of rich experience and credibility to back up, K S Rao& Co. has always been able to meet the client's specific requirement.

Year of Establishment	1976
ICAI Firm Registration Number	003109S
PAN	AACFK8953G
Service Tax Registration Number	AACFK8953G ST 001
Reserve Bank of India	UniqueCode No. 020512,
Number of Partners	11
Qualified Professional Staff	3
Number of Articled Clerks	17
Number of Accounting , Audit and Admin Staff	8
Email ID	ksraoandcompany@gmail.com
Telephone numbers	040-23373399
Address for communication	505, Golden Green Apartments, IrrumManzil Colony, Hyderabad-500082

PEER REVIEW CERTIFICATION

Peer review certification as per Institute of Chartered Accountants of India (ICAI)

"We have been successfully peer reviewed twice and our firm next peer review would be due in the year 2020."

Partners Details:

S.No.	Name	Qualification	Specialised areas
1	Sri P.Govardhana Reddy	B.Com. F C A	Corporate Aud
2	Sri.K.A.Choudary	B.Com. F C A	Internal Audit and
3	Sri V.Venkateswara Rao	M.Com.F.C.A.	Corporate Audit/Interna
4	Sri M.NagaPrasadu	B.Com. A.C.A	Corporate Audit/Interna
5	Sri TummaSukesh Kumar	B.Com. ACA	Audit
6.	Sri.Pardhasaradhi Rao Permalla	B.Com. FCA	Audit
7.	Sri .Hitesh Kumar .P	B.Com. A.C.A	Audit
8.	Sri.Vamsi Krishna Kuricheti	B.Com. A.C.A	Audit
9.	Sri.GopikrishnaChowdaryManchinella	B.Com. A.C.A	Audit
10.	Sri.Bapatla MP Kanva	B.Com. A.C.A	Audit
11.	Sri. Krishna ChaitanyaManthena	B.Com. A.C.A	Audit

We offer services in the following areas:

1. Audit and Assurance

Our audit and assurances service offerings are based on a complete understanding of the clients' business specifics, industry peculiarities and the applicable laws. The audit approach is based on the compliance issues, the nature and requirement for audit, the clients' requirement and key risk issues involved.

Our audit and assurance solutions range from statutory audits, internal audits, tax audits, transfer pricing audits, management audits, concurrent audits etc. The audit deliverables range from reporting for statutory

compliances to enhancing the client's business financial and operational performance.

1.1. Statutory Audits

We conduct statutory and regulatory compliance audits for filing of annual or periodic financial results. Statutory audits are aimed at achieving compliance with regulations, assessing the strength of controls, confirmation of accounting treatments of recorded transactions, independent review of reported information and preparation of accountants' report.

2. Tax Audits

We annually conduct tax audits under various provisions of the tax laws. Amongst the firms' tax auditee clients are listed companies, small businesses, partnership firms, non-profit organisations and high net worth individuals. The firm has dedicated audit teams which specialise in conducting the audits effectively and diligently.

3. Internal Audits

The internal audits are conducted with varying client requirements but essentially the objective thereof is to provide assurance on controls and processes.

4.Keeping Clients Informed

We acknowledge the fact that it is indeed difficult for business managers to keep pace with fast paced statutory pronouncements, ever developing jurisprudence and news flow which impacts businesses in a big way. For the sake of our clients knowledge we are constantly providing information on developments by way of news flash through emails

Client base by Sectorwise

Since its inception over four decades, the firm has slowly and steadily built up extensive practice. The client profile comprises**listed companies**, large, medium and small units in the private sector. Many of the clients are the Founders and have been with us all along. In short, the motto "once a client always a client" applies to our firm, which is the result of client goodwill built up over four decades

Our client profile broadly comprises:

- Manufacturing activity
- Hospitality
- Service Sector
- NBFC – Asset Reconstruction Companies
- Others.

CLIENTS IN THE MANUFACTURINGSECTORS INCLUDE:

- Automobile components
- Bus manufacturers
- Cement
- Ceramics
- Construction
- Food Processing
- Pharmaceuticals

OUR INTERNAL AUDIT CLIENTS INCLUDE:

- Cement
- Dairy farming
- Hospitality
- Hospitals
- Media (both electronic and press)
- Sugar

OTHERS:

- Charitable Trusts
- Educational Institutions

We give below some of our Corporate Clients Names

Listed Entities

1.TheK C P Limited
2.VST Tillers Tractors Limited
3.Southern Magnesium & Chemicals Ltd
4.Keerthi Industries Ltd.,(Cement, Wind power Electronics)

Un-Listed Entities

1.Deccan auto Ltd
2.Corona Bus Manufacturing (p) Ltd.,
3.Sanzyme (p) Ltd (Bulk drugs, formulations, Aqua feed Supplements)
4.Prithivi Asset Reconstruction and Securitisation Company Ltd.,
5.GAR Corporation (p)Ltd (SEZ Developers)
6.Nirvana Holdings (p)Ltd.(Heritage foods group)
7.Hyderabad Insulated Wires (p) Ltd
8.Vignanajyothi (educational institutions)

INTERNAL AUDIT CORPORATE CLIENTS

1. Eenadu group
2.NavaBharath Ventures Ltd.,
3.Heritage Foods Ltd.,
4.Apollo Hospitals (Hyderabad Units)
5.Thosali Cements Ltd.,
6.Dolphin Hotels(Hyderabad Units)