

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

<b>NON-EXECUTIVE CHAIRMAN</b>	:	Shri M. V. Bhaskara Rao *
<b>MANAGING DIRECTOR</b>	:	Shri G. Srinivasa Raju
<b>DIRECTORS</b>	:	Shri S. Hanumantha Rao Shri A. S. Anand Kumar * Shri L. V. Rao* Shri H. Biswas, IDBI, Nominee# Smt. B. Sandhyasri* <i>*Independent, Non-Executive Directors</i> <i># Nominee from IDBI Bank</i>

<b>AUDIT COMMITTEE</b>	:	Shri A. S. Anand Kumar Shri S. Hanumantha Rao Shri M. V. Bhaskara Rao Shri L. V. Rao
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<b>MANAGEMENT COMMITTEE</b>	:	Shri G. Srinivasa Raju Shri S. Hanumantha Rao Shri M. V. Bhaskara Rao
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<b>CORPORATE SOCIAL RESPONSIBILITY COMMITTEE</b>	:	Shri G. Srinivasa Raju Shri S. Hanumantha Rao Shri M. V. Bhaskara Rao
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<b>NOMINATION AND REMUNERATION COMMITTEE</b>	:	Shri S. Hanumantha Rao Shri A. S. Anand Kumar Shri M. V. Bhaskara Rao
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<b>RISK MANAGEMENT COMMITTEE</b>	:	Shri G. Srinivasa Raju Shri S. Hanumantha Rao Shri M. V. Bhaskara Rao
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<b>SHARE TRANSFER COMMITTEE</b>	:	Shri G. Srinivasa Raju Shri M. V. Bhaskara Rao Shri S. Hanumantha Rao
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<b>SHAREHOLDERS' GRIEVANCES COMMITTEE</b>	:	Shri G. Srinivasa Raju Shri S. Hanumantha Rao Shri M. V. Bhaskara Rao
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<b>VICE-PRESIDENT (FINANCE)</b>	:	Smt S. Kalyani
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<b>COMPANY SECRETARY</b>	:	Shri P. Apser Hussien
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<b>STATUTORY AUDITORS</b>	:	M/s. Venugopal & Chenoy Chartered Accountants, Tilak Road, Hyderabad.
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<b>INTERNAL AUDITORS</b>	:	Shri M. Balarama Krishnaiah Chartered Accountant, Hyderabad.
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# SUJANA TOWERS LIMITED

<b>COST AUDITORS</b>	:	M/s Nageswara Rao & Co. Cost Accountants, Hyderabad
<b>BANKERS</b>	:	Andhra Bank Central Bank of India Exim Bank Limited IDBI Bank Limited Karnataka Bank Ltd Punjab National Bank UCO Bank
<b>REGISTERED OFFICE &amp; CORPORATE OFFICE</b>	:	Plot No. 18 Nagarjuna Hills, Panjagutta, Hyderabad, Telangana- 500 082 Website: www.sujanatow.com
<b>WORKS</b>	:	(i) Plot No. 128 Part, Sy.No.172/B, I.D.A. Bollaram - 502 325, Jinnaram Mandal, Medak Dist, Telangana. (ii) Plot No. 10, 11 and 12, Sy. No.172 I.D.A. Bollaram - 502 325, Jinnaram Mandal, Medak Dist, Telangana. (iii) Plot No. 9, Sy. No.172/EE, U, UU, I.D.A. Bollaram - 502 325, Jinnaram Mandal, Medak Dist, Telangana. (iv) Plot No.8 B & C, Sy. No.172/EE, U, UU I.D.A. Bollaram - 502 325, Jinnaram Mandal, Medak Dist, Telangana. (v) Sy. No. 321, Turkala Khanapur Village - 502 201, Hatnur Mandal, Medak Dist. Telangana.
<b>LISTING</b>	:	<b>EQUITY</b> <b>BSE Limited (BSE)</b> PhirozeJeejeebhoy Towers Dalal Street, Mumbai - 400 001 <b>National Stock Exchange of India Limited (NSE)</b> 5th Floor, Exchange Plaza Bandra (E), Mumbai - 400 051
<b>REGISTRAR &amp; SHARE TRANSFER AGENT</b>	:	<b>M/s. Bigshare Services Private Limited</b> 306, Right Wing, 3rd Floor. Amrutha Ville, Opp: Yashoda Hospital, Raj Bhavan Road, Somajiguda, Hyderabad - 500 082 Phone No. 040-2337 4967 Email: bsshyd@bigshareonline.com Website: bigshareonline.com

## NOTICE

NOTICE is hereby given that the 8th Annual General Meeting of the Members of Sujana Towers Limited will be held on Wednesday, the 30th day of September, 2015 at “Katriya Hotel & Towers, No. 8, Raj Bhavan Road, Somajiguda, Hyderabad - 500 082, Telangana at 02:00 P.M., to transact the following businesses:

### ORDINARY BUSINESS

1. To receive, consider and adopt the standalone and consolidated financial statements of the Company for the financial year ended March 31, 2015, including the audited Balance Sheet as at March 31, 2015, the Statements of Profit and Loss and Cash Flow Statements for the financial year ended on that date and the report of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Shri S. Hanumantha Rao, (DIN: 00118801), who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify the appointment of M/s Venugopal & Chenoy (Regn. No.004671S), Chartered Accountants, Hyderabad, as Statutory Auditors and if thought fit to pass with or without modifications(s), the following resolution as an ordinary resolution:

“RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules 2014 and all other applicable provisions, if any, of the Companies Act, 2013, the members of the Company hereby ratify the appointment of M/s. Venugopal & Chenoy (Regn. No. 004671S), Chartered Accountants, Hyderabad, as Statutory Auditors of the Company to hold office till the conclusion of the 10th Annual General Meeting of the Company to be held in the year 2017, and the Board of Directors be and are hereby authorized to fix their remuneration, in accordance with the recommendation of the Audit Committee.”

### SPECIAL BUSINESS

4. **To consider and appoint Smt. B. Sandhyasri (DIN : 07135292) as an Independent Director and in this regard, if thought fit,**

**to pass, with or without modification(s), the following resolution as an Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 & 161 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013, (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 [Including any statutory modification(s) or re-enactment(s) thereof, for the time being in force] read with Clause 49 of Listing Agreement, Smt B. Sandhyasri (DIN: 07135292), who was appointed as an Additional Director (Independent) of the Company by the Board of Directors w.e.f. March 30, 2015 and who holds office up to the date of this Annual General meeting and in respect of whom the Company has received a notice in writing form a member proposing the candidature of Smt B. Sandhyasri for the Director of the Company, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for 5 (five) consecutive years commencing from March 30, 2015 to March 29, 2020.”

5. **To consider and appoint Shri G. Srinivasa Raju, as Managing Director & Key Managerial Person of the Company and in this regard, if thought fit, to pass, with or without modification(s), the following resolution as Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the rules, circulars, orders and notifications issued there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act (including any statutory modification(s) or re-enactment thereof, for time being in force), subject to all guidelines for managerial remuneration issued by the Central Government from time to time, and approval of Central Government, if any, and such other consents and approvals as may be required, and as recommended

## SUJANA TOWERS LIMITED

by the Nomination and Remuneration Committee, consent of the members be and is hereby accorded for appointment of Shri G. Srinivasa Raju (DIN: 00132249), as the Managing Director, a Whole time Key Managerial Personnel (KMP), of the Company, with substantial powers of management to be exercised by him, subject to the superintendence, control and direction of the Board of Directors of the Company, for a period of 3 (three) Years, effective from, May 28, 2015 till May 27, 2018 and the remuneration, if any payable taking together with the remuneration received by Shri G. Srinivasa Raju for being Managing Director & Key Managerial Person of M/s. Sujana Universal Industries Limited, shall not exceed the limits as prescribed in the Schedule V of the Companies Act, 2013.”

“RESOLVED FURTHER THAT the terms of the appointment of Shri G. Srinivasa Raju shall be subject to revision by the Board of Directors (hereinafter referred to as “Board” which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this resolution), from time to time during the tenure of the appointment, taking into account the performance of the Company, within the overall limit as provided in the provisions of the Companies Act, 2013.”

“RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the currency of his tenure, the Company will, subject to applicable laws and such sanctions and approvals as may be required, pay remuneration to Shri G. Srinivasa Raju, as Managing Director as provided in this resolution.”

“RESOLVED FURTHER THAT the remuneration specified above for Shri G. Srinivasa Raju, Managing Director may, subject to overall ceiling specified above and subject to Schedule V of the Companies Act,

2013 be modified, during the tenure of office as Managing Director, as may be agreed by the Board of Directors and Shri G. Srinivasa Raju.”

“RESOLVED FURTHER THAT the Board of Directors of the Company or any committee thereof be and is hereby authorized to do all such acts, deeds and things as in its absolute discretion it may think necessary, expedient or desirable; to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution and to seek such approval/consent from the government departments, as may be required in this regard.”

“RESOLVED FURTHER THAT the Board of Directors of the Company or the Company Secretary of the Company be and are hereby directed and severally authorised to complete necessary statutory formalities to give effect to the resolution and to do all such acts, deeds, matter and things as it may, in its absolute discretion deem desirable, necessary, expedient, usual or proper to implement this resolution from time to time and execute all necessary documents, applications and returns along with filing of necessary E-form with the Registrar of Companies, Andhra Pradesh & Telengana”.

**6. To alter Clause 145 of the Articles of Association of the Company under Section 14 of the Companies Act, 2013 by replacing new Clause 145 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions, if any of the Companies Act, 2013 including any statutory modifications or re-enactments thereof for the time being in force and subject to approvals, permissions and sanctions from the appropriate authority, if any, the consent of the Members be and is hereby accorded to alter the Articles of Association by substituting

the existing Article 145 of the Articles of Association of the Company with the following new Article 145:

**145:** A Managing Director while he continues to hold that office, is subject to retire by rotation, in accordance with Article 134, if he ceases to hold the office of Director he shall ipso facto, immediately cease to be a Managing Director.”

**7. To ratify the remuneration of the Cost Auditors for the financial year ending March 31st, 2016 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force], and subject to all other approvals, if any required, consent of the Members be and is hereby accorded to pay an amount of Rs.2.00 lakhs (Rupees Two Lakhs Only) plus service tax as applicable and reimbursement of actual travel and out of pocket expenses as remuneration to M/s. Nageswara Rao & Co., Cost Accountants, (Member Ship No Firm No.000332) Cost Accountants in practice, the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2016”

“RESOLVED FURTHER THAT the Board of Directors of the Company or the Company Secretary of the Company be and are hereby directed and severally authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

By order of the Board

**G. Srinivasa Raju**  
Managing Director

Place : Hyderabad  
Date : 12th August, 2015

**NOTES:**

1. The Explanatory Statements pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special businesses set out in the Notice are annexed.
2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty (50) members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report.
3. Corporate Members intending to send their authorised representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant board resolution together with their respective specimen signatures authorising their representative(s) to attend and vote on their behalf at the Meeting.
4. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
5. Members/ proxies should bring the duly filled Attendance Slip enclosed herewith to attend the Meeting.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.

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7. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours up to the date of the Meeting.
8. The Share Transfer Books and Register of Members of the Company will remain closed on September 29, 2015 (One day only).
9. Copy of the draft letters for respective appointment of Smt B. Sandhyasri as an Independent Director and Shri G. Srinivasa Raju as Managing Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company and also available @ [www.sujana.com](http://www.sujana.com)
10. The details under Clause 49 of the Listing Agreement with the Stock Exchanges in respect of Director seeking appointment/re-appointment at the Annual General Meeting, is annexed hereto. The directors have furnished the requisite declarations for their appointment/ re-appointment.
11. Shareholders desiring any information as regards the accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready at the Meeting.
12. The registration of share transfers and other related correspondence will be dealt at M/s. Bigshare Services Private Limited of Mumbai, having its branch office at 306, Right Wing, 3rd Floor, Amruta Ville, Opp: Yashoda Hospital, Raj Bhavan Road, Somajiguda, Hyderabad - 500 082.
13. The shareholders / members of the Company, who are having equity shares of the Company in physical form, are advised to get dematerialized of their respective equity shares by way of surrendering their physical share certificates to the Registrar and Share Transfer Agents (RTA) of the Company (i.e., M/s Bigshare Services Pvt. Ltd., Hyderabad) through their respective Depository Participants. The shareholders /members, who are not having demat accounts are requested to open the demat accounts and thereafter approach the RTA for dematerialization of their equity shares.
14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's RTA.
15. In accordance with the provisions of Section 72 of the Companies Act, 2013, members are entitled to make nominations in respect of the equity shares held by them, in physical form. Members desirous of making nominations may procure the prescribed form from the Registrar & Share Transfer Agent of the Company (i.e., M/s Bigshare Services Pvt. Ltd., Hyderabad).
16. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to RTA, for consolidation into a single folio.
17. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules issued there under, Companies can serve Annual Reports and other communications through electronic mode to those shareholders who have registered their email address either with the Company or with the Depository. It is a welcome move for the society at large, as this will reduce paper consumption to a great extent and allow shareholders to contribute towards a greener environment. This is a golden opportunity for

every shareholder of Sujana to contribute to the cause of Green Initiative. Members who have not registered their e-mail address with the Company are requested to register the same by submitting the letter to Company / RTA. The Members holding shares in electronic form are requested to register their e-mail address with their Depository Participants only. The Members of the Company, who have registered their e-mail address, are entitled to receive communications in physical form, upon request.

18. Electronic copy of the Annual Report for 2014-15 (including Notice of the 8th Annual General Meeting of the Company along with Attendance Slip and Proxy Form) is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2014-15 is being sent in the permitted mode.
  19. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates with their respective Depository Participants to receive all the communications in electronic mode. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company RTA.
  20. Members may also note that the Notice of the 8th Annual General Meeting and the Annual Report for 2014-15 will also be available on the Company's website [www.sujana.com](http://www.sujana.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Hyderabad for inspection during normal business hours on working days.
  21. Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc., from the Company electronically.
  22. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
- 23. Instructions for members for voting electronically are as under:-**
- In compliance with the provisions of section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 ("Amended Rules 2015") and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 8th Annual General Meeting by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the Annual General Meeting ("remote e-voting") will be provided by Central Depository Services Limited ("CDSL").
  - The facility for voting through ballot paper shall be made available at the Annual General Meeting and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
  - The members who have cast their vote by remote e-voting prior to the Annual General Meeting may also attend the Annual General Meeting but shall not be entitled to cast their vote again.

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- The remote e-voting period commences on 26th September, 2015 at 09:00 AM and ends on 29th September, 2015 at 05:00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23rd September, 2015, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- Shri Y. Ravi Prasada Reddy, Practicing Company Secretary, Hyderabad, has been appointed as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- The Chairman shall, at the Annual General Meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the Annual General Meeting but have not cast their votes by availing the remote e-voting facility.
- The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses and shall make, not later than three days of the conclusion of the Annual General Meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- The results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.sujana.com](http://www.sujana.com) and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorised by him in writing. The results shall also be immediately forwarded to the stock exchanges at which the shares of the Company are listed.

### **The process and manner for remote e-voting are as under:**

### **The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on 26th September, 2015 at 09:00 AM and ends on 29th September, 2015 at 05:00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23rd September, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID:
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:



<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> <li>The sequence number is available on the address label/email of their respective.</li> </ul>
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach “Password Creation” menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the **EVSN 150825003** for the relevant Company Name <**Sujana Towers Limited**> on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non – Individual Shareholders and Custodians:
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian

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are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

By order of the Board

**G. Srinivasa Raju**  
Managing Director

Place : Hyderabad  
Date : 12th August, 2015

### EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013 (“the Act”):

The following statement sets out all material facts relating to the business mentioned in Item no. 04 to 07 of the accompanying Notice:

#### Item Nos. 4

The Board of Directors of the Company, in pursuant to the provisions of Section 149, 152 & 161 of the Act and the Articles of Association of the Company and Clause 49 of the Listing Agreement, has appointed Smt B. Sandhyasri (DIN: 07135292) as an Additional Director (Independent Director) of the Company w.e.f March 30, 2015 who shall hold office upto the conclusion of this Annual General Meeting, now it is proposed by the Board to recommend her appointment as Independent Director for a term up to 5 (five) consecutive years w.e.f March 30, 2015 to March 29, 2020 subject to her election as a Director by the members at this Annual General Meeting.

The Company has received notice in writing from a member, under Section 160 of the Act proposing the candidature of Smt B. Sandhyasri (DIN: 07135292) and as Independent Director of the Company.

The Company has also received declarations from Smt B. Sandhyasri (DIN: 07135292) that she meets with criteria of Independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

Smt B. Sandhyasri (DIN: 07135292) is not disqualified from being appointed as Director in terms of Section 164 of the Act. The Board of Directors of your Company, after reviewing the provisions of the Act, are of the opinion that she is eligible to be appointed as an Independent Director pursuant to the provisions of Section 149 of the Act and Clause 49 of the Listing Agreement.

The Board of Directors of your Company is also of the opinion that the appointee is independent of the management of the Company.

The Board considers that keeping in view her vast expertise and knowledge; it will be in the interest of the Company to appoint her as an Independent Director. Accordingly, the Board recommends the resolution in relation to her appointment as an Independent Director pursuant to provisions of Section 149 read with Schedule IV of the Act for the

approval by the shareholders of the Company.

The details as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges are provided in Annexure to the Notice.

Smt B. Sandhyasri is a retired employee of State Government of Andhra Pradesh with 35 years of experience in State Government of Andhra Pradesh (1979-2014) worked in various capacities ranging from Assistant Director to Director in planning department. Extensive experience in formulation of five year plans and annual plans of the state government. Experience in preparing and implementing specialized World Bank funded projects such as A.P. Hazard Mitigation & Emergency Cyclone Recovery Project and Andhra Pradesh District Poverty Initiatives Project (APDPIP).

Post retirement, she has worked as a Special Officer in Planning Department, Government of Andhra Pradesh.

Smt B. Sandhyasri (DIN: 07135292) being an appointee is interested in the resolutions set out at Item No. 04 of the Notice with regard to her appointment.

Save and except the above, none of the other Directors/Key Managerial Personnel of the Company/their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution.

This statement may also be regarded as a disclosure under clause 49 of the listing agreement with the Stock Exchanges.

The Board recommends the Ordinary Resolutions set out at Item No. 04 of the Notice for approval by the shareholders.

#### **Item No. 5**

Shri G Srinivasa Raju, aged 52 years, holds Bachelor's Degree in Mechanical Engineering from Chaitanya Bharathi Institute of Technology, Hyderabad. He also holds a Master Degree in Engineering from Roorkee University. Shri G Srinivasa Raju has about 29 plus years of professional experience in manufacturing sector and immense knowledge in the steel & related products business.

Brief resume of Shri G Srinivasa Raju, nature of his expertise in specific functional areas, names of companies in which he holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships amongst directors inter-se as stipulated under Clause 49 of Listing Agreement entered with the Stock Exchanges, has been provided and forming part of the Annual Report of the Company.

On the recommendation of the Nomination and Remuneration Committee of the Board, the Board of Directors of the Company ("Board") at its meeting dated 28th May, 2015 appointed Shri G Srinivasa Raju as the Managing Director of the Company for a period of 3 (three) Years with effect from 28th May, 2015.

It is now proposed to seek the Shareholders' approval for appointment of Shri G Srinivasa Raju as Managing Director, liable to retire by rotation and a Key Managerial Personnel, in terms of the applicable provisions of the Companies Act, 2013 ("Act") with effect from 28th May, 2015 for a period of three years.

During the current financial year, your Company has achieved a net profits 382.73 lakhs , In case of losses or inadequacy of profits in any financial year during his tenure as Managing Director of the Company, the remuneration payable to him shall be in accordance with the limits prescribed in Section II of Part II of Schedule V of the Companies Act, 2013 as amended from time to time subject to the compliance thereof but in any event shall not exceed the limit of remuneration payable when the profits of the Company are adequate.

In accordance with the provisions of Section 196, 197, 203 and Schedule V of the Companies Act, 2013, approval of shareholders is required for re-appointment of Shri G Srinivasa Raju.

Statement as per Section II of Part II of Schedule V of the Companies Act, 2013 is as follows:

# SUJANA TOWERS LIMITED

## I. GENERAL INFORMATION

### 1. Nature of Industry:

The Company is in the area of manufacturing and Company is currently operating in various areas/verticals/products related to Towers & Transmission, TSF and Specialty Structural Steel Manufacturing Business.

### 2. Date of commencement of commercial production:

The Company was incorporate on 6th April, 2006 vide Corporate Identity Number U40109TG2006PLC049743, and has obtained its Certificate of Commencement on 12th September, 2006.

### 3. Financial performance based on given indicators:

Particulars	FY 2014-15 (Rs in lakhs)	FY 2013-14 (Rs in lakhs)	FY 2012-13 (Rs in lakhs)
Total Revenue	211905.51	180597.61	180628.25
Total Expenses	211402.19	180331.09	179972.25
Profit After Tax	382.73	180.05	372.61
Dividend Rate	-	-	-

### 4. Export performance and net foreign exchange collaborations:

Particulars	FY 2014-15 (Rs in lakhs)	FY 2013-14 (Rs in lakhs)	FY 2012-13 (Rs in lakhs)
Export FOB Value	-	3165.74	7353.19
Earnings in Foreign Exchange	853.62	2605.15	9935.36

### 5. Foreign investments or collaborators, if any: During the Year - Nil

## II. INFORMATION ABOUT THE APPOINTEE

### 1. Background details:

Shri G. Srinivasa Raju is a Promoter-Director of Company aged 52 years and holds Bachelor's Degree in Mechanical Engineering from Chaitanya Bharathi Institute of Technology, Hyderabad. He also holds a Master Degree in Engineering from Roorkee University. He has contributed to the Company with his rich and vast industrial experience, including the management of granite units. His wide exposure to the steel products industry has helped the Company to diversify in many new products and achieve quality and standard products, his knowledge of deep understanding of all the aspects of business administration has helped the Company in many ways.

### 2. Past Remuneration: Nil

### 3. Job profile and his suitability

Managing Director shall devote his whole time and attention to the business of the Company and carry out such duties as may be entrusted to him by the Board of Directors from time to time and separately communicated to him and such powers as may be assigned to him, subject to superintendence, control and directions of the Board in connection with and in the best interests of the business of the Company and the business of any one or more of its associated companies and/or joint venture companies and/or subsidiaries. This includes performing duties as assigned by the Board from time to time by serving on the boards of such associated companies and/or

joint venture companies and/or subsidiaries or any other executive body or any committee of such a company for which he may be allowed to receive remuneration as may be determined by the Board of such associated companies and/or joint venture companies and/or subsidiaries, subject to compliance with the applicable provisions of the prevailing laws and regulations.

Shri. G. Srinivasa Raju is a Promoter of the Company and being assigned the role and responsibilities of Managing Director of the Company, with his rich and vast industrial experience in management of steel production and estimating the demands and need of the markets has helped the Company in various ways, his deep understanding of the aspects of business administration has also added advantage to the Company for the internal management and control. Sujana Towers Limited was one of his brain-child and he played a key forced in the emerging of Sujana Towers Limited from Sujana Metal Products Limited through Demerger by Hon'ble High Court approval.

Taking into account the value added by Shri. G. Srinivasa Raju to the Company, the Board feels his is the best suitable for the post of Managing Director.

#### **4. Remuneration**

There is no remuneration proposed in the Company. However, Shri G. Srinivasa Raju is drawing Rs.48,00,000/- (Forty Eight Lakhs Only) per annum from M/s. Sujana Universal Industries Limited for being Managing Director.

5. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin): Not Applicable.
6. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any;

Shri. G. Srinivasa Raju being one for the promoters of the Company is associated with the Company from its inception and does not hold any stake in the Company.

Apart from himself being for the promoter and Managing Director along with his spouse and/or children are not associated with any other member of the Board or other Managerial Persons, further company policy determines his not to be associated or shall not become interested or otherwise concerned, directly or through his spouse and/or children, in any business transactions of the Company.

### **III. OTHER INFORMATION**

#### **1. Reason of inadequate profits:**

- ❖ Slowdown in the business due to challenging market conditions and delayed realization, increase in raw material consumption, overall reduction in quantitative discounts.
- ❖ Delay in Sanction of adequate working capital by Banks. Non Release of working capital sanctioned by the banks. which are severely affecting the operations of the Company.

#### **2. Expected increase in productivity and profits in measureable terms:**

- ❖ Repayments of high interest debts in a phased manner.
- ❖ Efforts to improve the working capital of the Company.
- ❖ Hive-off of high debt burden units i.e Telecom Towers Businss and establishment as a key player in the sector of Structured Steel manufacturing.

## SUJANA TOWERS LIMITED

Shri G. Srinivasa Raju being an appointee is interested in the resolutions set out at Item No. 05 of the Notice with regard to his appointment.

Save and except the above, none of the other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

This statement may also be regarded as a disclosure under Clause 49 of the listing agreement with the Stock Exchanges.

### Item No. 06:

As per the provisions of Section 152 Companies Act, 2013, 2/3rd of the total number of Directors shall be liable to retire by rotation and out of the Directors liable to retire by rotation 1/3rd share retired by every Annual General Meeting.

The Directors retiring shall be eligible to seek re-appointment and will be appointed if the members approve their re-appointment.

To comply with the provisions of Section 152 of the Companies Act, 2013, it is recommended by the Board, to make the term of Managing Director liable to retire by rotation and it is suggested to alter by substituting existing clause 145 of the Articles of Association of the Company with the new Clause 145.

None of the Directors/Key Managerial Personnel of the Company/their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Special Resolutions set out at Item No. 06 of the Notice for approval by the shareholders.

### Item No. 07:

The Board of Directors, on recommendation of the Audit Committee, at their meeting held on 20th May, 2015, has approved the appointment and remuneration of the M/s. M/s.Nageswara Rao & Co., Cost Accountants in practice, as Cost Auditors of the Company to conduct the audit of the cost records of the Company across various segments, for the financial year ending 31st March, 2016 on a remuneration of Rs. 2.00/- lakhs.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No.07 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2016.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Ordinary Resolution set out at Item No. 07 of the Notice for approval by the shareholders.

By order of the Board

**G. Srinivasa Raju**  
Managing Director

Place : Hyderabad  
Date : 12th August, 2015

## Details of the Directors seeking appointment/re-appointment in the forthcoming Annual General Meeting

(in pursuance of Clause 49 of the Listing Agreement)

<b>Name of Director</b>	Shri S. Hanumantha Rao	Smt B. Sandhyasri	Shri G. Srinivasa Raju
<b>Date of Birth</b>	18.07.1951	03.05.1954	20/10/1963
<b>DIN</b>	00118801	07135292	00132249
<b>Date of Appointment</b>	06.04.2006	30.03.2015	20/05/2015
<b>Expertise in specific functional areas</b>	Shri S. Hanumantha Rao has been on the Board of Directors of the Company since 18.07.2005. He did his B. Tech and AICWA also he has worked for more than 20 years in State Bank of India, moreover 3 years as Financial and Management Consultant.	Smt B. Sandhyasri has been on the Board of Directors of the Company since 30.03.2015. She has 35 years of experience in State Government of Andhra Pradesh (1979-2014) as Director. Also has extensive experience in formulation of five year plans and annual plans of the state government. Moreover in implementing specialized World Bank funded projects.	Shri G Srinivasa Raju, born on 20/10/1963, has a holds Bachelor's Degree in Mechanical Engineering from Chaitanya Bharathi Institute of Technology, Hyderabad. He also holds a Master Degree in Engineering from Roorkee University. Shri G Srinivasa Raju has about 25 plus years of professional experience in manufacturing sector and immense knowledge in the steel & related products business.
<b>Qualifications</b>	B.Tech., A.I.C.W.A. (Associate ICWAI)	Master's Degree in Commerce, Andhra University, 1976	Master Degree in Engineering from Roorkee University
<b>Directorship held in other public companies (excluding foreign companies)</b>	<ol style="list-style-type: none"> <li>1. Sujana Metal Products Limited</li> <li>2. Sujana Holding Limited</li> <li>3. Sujana Universal Industries Limited</li> <li>4. Sujana Projects Limited</li> <li>5. Sujana Energy Limited</li> <li>6. Sujana Power (India) Limited</li> </ol>	<ol style="list-style-type: none"> <li>1. Sujana Universal Industries Limited</li> <li>2. Sujana Metal Products Limited</li> </ol>	<ol style="list-style-type: none"> <li>1. Sujana Universal Industries Limited</li> <li>2. Sujana Projects Limited</li> <li>3. Sujana Holdings Limited</li> <li>4. Sujana Metal Products Limited</li> <li>5. Sujana Power (India) Limited</li> <li>6. Sujana Energy Limited</li> </ol>
<b>M e m b e r s h i p / Chairmanship of Committees of other public companies (includes only Audit Committees and Shareholders' Investors' Grievance Committee) C=Chairman, M=Member</b>	<b>Audit Committee:</b> Sujana Metal Products Limited (M)  <b>Shareholders' Grievance Committee:</b> Sujana Metal Products Limited (M)		<b>Shareholders' Grievance Committee:</b> Sujana Metal Products Limited (M&C) Sujana Universal Industries Limited (M)

By order of the Board

**G. Srinivasa Raju**  
Managing Director

Place : Hyderabad  
Date : 12th August, 2015

# SUJANA TOWERS LIMITED

## DIRECTORS' REPORT

### TO THE SHAREHOLDERS

The Directors have pleasure in presenting their Report and the Audited Financial Statements of your Company for the year ended 31st March 2015.

#### Company's Performance:

Your Company has achieved a turnover of Rs. 2,11,440.84 lakhs for the year ended 31st March, 2015, as against the turnover of Rs. 1,80,098.61 lakhs for the previous year ended 31st March, 2014, the highlights of the financial results are as follows:

(Rs. in lakhs)

Particulars	Financial Year ended 31st March, 2015	Financial Year ended 31st March, 2014
Profit before Depreciation and Interest	25,924.59	22552.00
Interest	22,680.27	20030.91
Depreciation	2,741.00	2254.56
Profit before tax	503.32	266.53
Provision for		
- Current tax	100.70	105.55
- Deferred tax	19.89	(19.07)
Profit after tax	382.73	180.05
Dividend on CRPS	2.53	3.26
Profit carried to Balance Sheet	380.20	176.79

#### Review of Operations:

In order to complete in the changing market conditions, STL started adapting different strategic initiatives in its existing businesses. A focussed approach and unique strategy was adopted for each business division with the objective of achieving higher growth and profitability. Various strategic initiatives are also in pipeline to lead the divisions towards profitability and stability.

#### Subsidiary Companies:

Your Company has the following subsidiaries:

##### A) Digitech Business Systems Ltd:

The operations of M/s. Digitech Business Systems Limited have commenced in a small way. We have stepped up the marketing

activities under the aegis of this Company and we hope to clock good turnover during the next year

##### B) Telesuprecon Limited:

M/s Telesuprecon Limited has branches in three countries viz., Malawi, Zambia and Kenya, providing telecom infrastructure services to Telecom operators. The Telecom Business in Africa was slowdown and many contracts were kept pending due to Global recession. We hope for the improvement of the situation during the next year. As per the law prevailing in Mauritius, financial statements of M/s Telesuprecon Limited are not required to be audited.

##### C) STL Africa Limited:

As of date the concentration is more on CAD/CAM contracts and Company is planning to enter into Execution Contracts across Eastern Africa and has already started working in this direction.

#### Consolidated Financial Statements:

As required under the Listing Agreements entered into with the Stock Exchanges, a consolidated financial statement of the Company and all its subsidiaries is attached. The consolidated financial statement has been prepared in accordance with the relevant accounting standards as prescribed under Section 133 of the Companies Act, 2013. The consolidated financial statement discloses the assets, liabilities, income, expenses and other details of the Company and its subsidiaries.

As per the provisions of Companies Act, 2013 annual accounts of the subsidiary companies and the related detailed information will be made available to the holding and subsidiary companies' investors seeking such information at any point of time. The annual accounts of the subsidiary companies will also be kept for inspection by any investor at its Head Office in Hyderabad and that of the subsidiary companies concerned. A gist of the financial performance of the subsidiaries in the prescribed Form AOC-1 is enclosed to this Annual Report.

#### Particulars of Loans, Guarantees or Investments

Particulars of Loans, Guarantees and Investments as required under the provisions of Section 186 of



the Companies Act, 2013 are provided in the notes to the Financial Statements.

**Deposits:**

The Company has not accepted any deposits covered under Chapter V of the Companies Act, 2013 and as such, no amount of principal or interest was outstanding as on 31st March, 2015.

**Industrial Relations:**

Your directors are happy to report that during the year there were very cordial and extremely good industrial relations at all levels.

**Meetings:**

During the year under review 6 (Six) board meetings were held on 30th May 2014, 14th July 2014, 12th August 2014, 28th August 2014, 11th November, 2014 and 14th February 2015. The maximum time-gap between any two consecutive meetings was within the period prescribed under the Companies Act, 2013.

**Directors:**

During the year under review, the members at the AGM held on 30th September, 2014 appointed Shri A. S. Anand Kumar, Shri M.V. Bhaskara Rao and Shri L V Rao as Independent Directors under Section 149 of the Act and Clause 49 (revised) of the Listing Agreement to hold office for 5 (five) consecutive years.

The Board has appointed Smt B. Sandhyasri, as Additional Director (Independent Director) w.e.f. 30th March, 2015 and now it is recommended her appointment to be regularized and be appointed for a period of 5 (Five) years i.e., from 30th March, 2015 to 29th March, 2020.

The Board of Directors of the Company, on the recommendation of the Nomination and Remuneration Committee, appointed Shri G. Srinivasa Raju as Managing Director of the Company with effect from 28th May, 2015, subject to the approval of the members, at the forthcoming Annual General Meeting.

In accordance with the provisions of Companies Act, 2013 and the Articles of Association of the Company Shri. S Hanumantha Rao, Director of

the Company will retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Shri Y. S. Chowdary, the Chairman and Promoter-Non Executive Director of the Company resigned from the Board of Directors with effect from 15th October, 2014. The Board placed on record its appreciation for the outstanding contributions made by Shri Y. S. Chowdary during his tenure.

Shri Y. Kamesh has tendered his resignation on completion of his term as Managing Director from the Board of Directors with effect from 26th May, 2015. The Board placed on record its appreciation for the outstanding contributions made by Shri Y. Kamesh during his tenure.

The Resolutions proposing their reappointment/appointments as Independent Directors will be placed before the Shareholders for their approval at the ensuing Annual General Meeting of the Company.

The Company has received declarations from all the Independent Directors of the Company confirming that they continue to meet with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the Listing Agreement with the Stock Exchanges.

For Directors seeking appointment/re-appointment in the forthcoming Annual General Meeting of the Company; the particulars as required to be disclosed in accordance with Clause 49 (Corporate Governance) of Listing Agreement, forms part of this Annual Report.

The following persons are Key Managerial Personnel of the Company:

Shri G. Srinivasa Raju, Managing Director

Smt S. Kalyani, Vice-President (Finance)

Shri P. Apser Hussen, Company Secretary & Compliance Officer.

During the year the term of Shri Y. Kamesh as Managing Director has completed and thereafter he has resigned from the Board of Directors w.e.f 27th May 2015.

Shri L. Narasimha Rao, Company Secretary has resigned w.e.f 23rd April, 2015.

# SUJANA TOWERS LIMITED

## Related Party Transactions

The Board of Directors, on recommendation of the Audit Committee framed a policy for Related Party Transaction which includes matters covered u/s 178(3) of the Companies Act 2013. The details of the same are provided in the Corporate Governance Report. The Policy is also posted in the Investors section of the Company's website.

All Related Party Transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. The requisite details of the related party transactions entered into during the financial year are provided in **Annexure (I)** included in this to this report.

Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements. All Related Party Transactions are placed before the Audit Committee as also the Board for approval, where ever required. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseeable and repetitive nature. A statement giving details of all related party transactions entered into pursuant to the omnibus approval so granted are placed before the Audit Committee on a quarterly basis.

None of the Directors, other than to the extent of their shareholding, receipt of remuneration / commission, has any pecuniary relationships or transactions vis-à-vis the Company.

## Audit Committee

Your Company has constituted an Audit Committee as per the requirements of section 177 of the Companies Act, 2013. The details of the composition of the Audit Committee as required under the provisions of Section 177(8) of the Companies Act, 2013, is given in the Corporate Governance Report furnished as part of the Annual Report. During the year under review, the Board has accepted all the recommendations of the Audit Committee.

## Sexual Harassment Policy

The Company as required under the provisions of "The Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013" has framed a Policy on Prohibition, Prevention and Redressal of Sexual Harassment of Women at Workplace and matters connected therewith or incidental thereto.

In the year under review, the Company has not received any complaint under the said Policy.

## Corporate Social Responsibility

The Board of Directors, on recommendation of the Corporate Social Responsibility Committee framed a Corporate Social Responsibility Policy in consonance with Section 135 of the Companies Act, 2013 read with the rules framed there under duly indicating the activities to be undertaken by the Company as specified in the Schedule VII of the Companies Act, 2013. The Corporate Social Responsibility Policy is posted in the Investors section of the Company's website.

The report on CSR activities is annexed herewith as **Annexure (II)** and forms part of this report.

## Risk Management

The Risk Management programme at STL is focused on ensuring that risks are known and addressed. The Board of Directors, on recommendation of the Audit Committee, established a robust Risk Management framework by framing a Risk Management Policy to deal with all risks including possible instances of fraud and mismanagement, if any. The Risk Management Policy details the Company's objectives and principles of Risk Management along with an overview of the Risk Management process, procedures and related roles and responsibilities.

The Board is of the opinion that there are no elements of risks that may threaten the existence of the Company. The board periodically tracks the progress of implementation of the Risk Management policy.

## Directors' Responsibility Statement:

Directors' Responsibility Statement as required under the provisions of Section 134(3)(c) of the Companies Act, 2013, is given in the **Annexure (III)** attached hereto and forms part of this Report.

**Statutory Auditors:**

The Statutory Auditors of the Company, M/s. Venugopal & Chenoy, Chartered Accountants, (Firm Regn. No.004671S), were re-appointed by the members at the 7th Annual General Meeting held on 30th September, 2014 for a term of 3(Three) years till the conclusion of 10th Annual General Meeting to be held in 2017. Members are requested to ratify the same at the ensuing Annual General Meeting of the company, in accordance with section 139 of the Companies Act 2013.

The Audit Report issued by the Statutory Auditors for the financial year ended 31st March, 2015 forms part of this Report. There are no qualifications, reservations or adverse remarks made by the Statutory Auditors which requires explanation or comments from the Board.

**Cost Auditors:**

M/s. Nageswara Rao & Co., Cost Accountants, (Member Ship No Firm No.000332) Hyderabad were re-appointed as Cost Auditors of the Company for the Year 2015-16 as per the provisions of the Companies Act, 2013 and the rules made there under.

The Cost Auditors has submitted the report along with their observations and suggestions, and Annexure to the Central Government/stipulated authority within stipulated time period.

Members are requested to ratify the remuneration payable to the Cost Auditors at the ensuing Annual General Meeting of the Company, in accordance with section 148 of the Companies Act, 2013.

**Secretarial Audit:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules framed there under, the Board of Directors, on recommendation of the Audit Committee, appointed Shri Y. Ravi Prasada Reddy, Practicing Company Secretary (CP. No 5360) to undertake the Secretarial Audit of the Company. The Secretarial Audit Report issued by Shri Y. Ravi Prasada Reddy Practicing Company Secretary for the financial year ending 31st March, 2015 is given in the **Annexure (IV)** attached hereto and forms part of this Report. There are no qualifications, reservations or adverse remarks made by the secretarial auditor and the observation made is self explanatory and requires no further explanation from the Board.

**Extract of Annual Return:**

Pursuant to the provisions of Section 92 of the Companies Act, 2013 and rules framed there under, the extract of the Annual Return in form MGT-9 is annexed herewith as **Annexure (V)** and forms part of this Report.

**Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo**

Particulars with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as required under Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 are given in the **Annexure (VI)** attached hereto and forms part of this Report.

**Environment and Social Obligation:**

The Company's plants comply with all norms set up for clean and better environment by the competent authorities. The Company undertakes regular checks / inspections including certification for the maintenance of the environment. The Company values environmental protection and safety as the major considerations in its functioning.

**Particulars of Employees:**

The information required pursuant to the provision of Section 197 read with Rule, 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, are set out in **Annexure (VII)** of this Report.

**Vigil Mechanism:**

The Board of Directors, on recommendation of the Audit Committee, established a vigil mechanism by framing a Whistle Blower Policy to deal with instance of fraud and mismanagement, if any. The Vigil Mechanism framework ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination shall be meted out to any person for a genuinely raised concern. The designated officer/ Audit Committee Chairman can be directly contacted to report any suspected or confirmed incident of fraud/ misconduct.

**Remuneration Policy:**

The Board of Directors, on recommendation of the

## SUJANA TOWERS LIMITED

Nomination and Remuneration Committee framed a Nomination and Remuneration policy for selection, appointment and remuneration of Directors, KMP and Senior Management and matters covered u/s 178(3) of the Companies Act 2013. The details of the same are provided in the Corporate Governance Report.

The Policy is also posted in the Investors section of the Company's website [www.sujana.com](http://www.sujana.com).

### Board Evaluation:

The Board of Directors evaluated the annual performance of the Board as a whole, its committee's and the directors individually in accordance with the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement in the following manner:

- Structured evaluation forms, after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance, for evaluation of the performance of the Board, its Committee's and each director were circulated to all the members of the Board along with the Agenda Papers.
- The members of the Board were requested to evaluate by filling the evaluation forms and the duly filled in evaluation forms were required to be sent to the Company Secretary in a sealed envelope or personally submitted to the Chairman at the concerned meeting.
- The Board also provided an individual feedback to the concerned director on areas of improvement, if any.

A separate meeting of Independent Directors was held on 30th March, 2015 to evaluate the performance evaluation of the Chairman, the Non Independent Directors, the Board and flow of information from management.

### Human Resource Management:

Human Capital has gained prime importance in last few years. Our Company believes that the human capital is of utmost importance to sustain the market leadership in all product segments and also to capture new markets. We have changed the Organisation Structure to optimise best resources

& to leverage the market potential. We have identified the high Performers and rewarded them appropriately, which has helped to achieve better employee engagement.

### Dividend:

As per the terms of issue of Cumulative Redeemable Preference Shares (CRPS), your Company is required to pay the dividend of Rs. 2,96,800/- (Previous year Rs. 2,96,800/-) which represents 1% on 2,96,795 Cumulative Redeemable Preference Shares (CRPS) of Rs.100/- each to the holders of Cumulative Redeemable Preference Shares for the year under review, Further your Company also provided a provision of dividend tax to the extent of Rs.1,26,100/- (Previous year Rs.75,660/-).

With an unprecedented raise costs and interrupted supplies and power cuts, operations are severely hit. The Company's operations also hampered during the year. As a result the profit of the Company was declined and your director's are not proposing any equity dividend during the year.

### Quality:

Your Company accord to high priority to quality, safety, training, development, health and environment. The Company endeavors to ensure continuous compliance and improvements in this regard.

### Material Changes and Commitments:

During the year, the Board of Directors has considered opportunities to cede some of the business verticals of the Company i.e '(a) Unit – I : Plot No. 9, Survey No. 172/E,U,UU, IDA Bollaram, Jinnaram Mandal, Medak Dist.Telangana; (b)Unit - II: Plot No. 10 A, Survey No.172, IDA Bollaram Jinnaram Mandal, Medak Dist., Telangana; (c) Unit – III: Plot No. 128/A, Survey No. 172/B, IDA Bollaram, Jinnaram Mandal, Medak Dist, Telangana; (d) Unit – V: Survey No. 321, Turkala Khanapur, Hathnoora Mandal, Medak Dist, Telangana'.

It was proposed to hive-off/sell/transfer the above business verticals to M/s. Agarwal Steel Structures (India) Private Limited (Buyer).

The Company has entered Business Transfer Agreement (BTA) with Buyer.



This hive-off is subject to the approval of share holders (the Company obtained the same, NOC from bankers (the Company is in the process of obtaining) Competition Commission of India (CCI) (Buyer is under process of obtaining the same).

**Details of significant and material Orders passed by the regulators or courts or tribunals impacting the going concern status of the Company and the Company's operations in future:**

There are no significant and material orders passed during the year.

**Internal Control Systems and their adequacy:**

Your Company has an effective Internal Control System to prevent fraud and misuse of Company's resources and protect shareholders' interest. Your Company has an independent Internal Audit Department to monitor and review and focus on the compliances of various business processes. The internal audit report alongwith audit findings and tracking of process improvements & compliances is presented for review to the Audit Committee of Board of Directors.

**Corporate Governance:**

Your Company has complied with the requirements of Clause 49 of the Listing Agreement regarding Corporate Governance. A report on the Corporate Governance practices, the Auditors' Certificate on compliance of mandatory requirements thereof and Management Discussion and Analysis are given as **Annexure (VIII) & (IX)** to this report.

**Acknowledgment:**

The Board of Directors places on record their appreciation for the co-operation and support extended by all stakeholders in the Company including the Shareholders, Bankers, Suppliers and other Business Associates.

The Directors also wish to place on record their appreciation for all the employees for their commitment and contribution towards achieving the goals of the Company.

The Directors also thank the Governments of various Countries, Government of India, State Governments in India and concerned Government Departments/Agencies for their co-operation.

By order of the Board

**G.Srinivasa Raju**  
Managing Director

**S.Hanumantha Rao**  
Director

Place: Hyderabad  
Date : 12th August, 2015

# SUJANA TOWERS LIMITED

## Annexure FORM AOC-1

*(Pursuant to first proviso to sub-section(3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)*

*Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures*

### Part “A” : Subsidiaries

*(Information in respect of each subsidiary to be presented with amounts in Rs. In lakhs)*

1. Sl.No.	:	1	2	3
2. Name of the Subsidiary	:	Digitech Business Systems Limited	STL Africa Limited	Telesuprecon Limited
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period	:	01.04.2014 to 31.03.2015	01.04.2014 to 31.03.2015	01.04.2014 to 31.03.2015
4. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	:	62.59	62.59	62.59
5. Share Capital	:	18,713.40	0.07	0.63
6. Reserves & Surplus	:	293.58	12,922.03	(8,027.50)
7. Total Assets	:	19,006.98	12,922.10	776.15
8. Total Liabilities	:	19,006.98	12,922.10	776.15
9. Investments	:	-	-	-
10. Turnover	:	14,943.42	-	61.15
11. Profit before taxation	:	36.46	(1.61)	(74.21)
12. Provision for taxation	:	-	-	-
13. Profit after taxation	:	36.46	(1.61)	(74.21)
14. Proposed Dividend	:	-	-	-
15. % of shareholding	:	100	100	51

### Part “B”: Associates and Joint Ventures

*Statement pursuant to section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Venture*

**NOT APPLICABLE**

By order of the Board

**G.Srinivasa Raju**  
Managing Director

**S.Hanumantha Rao**  
Director

Place: Hyderabad  
Date : 12th August, 2015

## Annexure (I): Details of Related Party Transactions

### Form No. AOC-2

*(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)*

**1. Details of contracts or arrangements or transactions not at arm's length basis :**

No transactions.

**2. Details of material contracts or arrangement or transactions at arm's length basis:**

Sl. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
1	Sujana Metal Products Limited, Common Director	Sales	One year	Rs. 1223.27 Lakhs	Not Applicable	Nil
2	Sujana Metal Products Limited, Common Director	Purchases	One year	Rs. 1719.26 Lakhs	Not Applicable	Nil
3	Sujana Universal Industries Limited, Common Director	Sales	One year	Rs. 28.76 Lakhs	Not Applicable	Nil
4	Sujana Universal Industries Limited, Common Director	Purchases	One year	Rs. 7.99 Lakhs	Not Applicable	Nil
5	Mr. Y. Kamesh, Managing Director *	Remuneration	One Year	Rs. 36.00 Lakhs	Not Applicable	Nil

\* Shri Y. Kamesh has resigned as Managing Director of the Company w.e.f. 20th May, 2015.

By order of the Board

**G.Srinivasa Raju**  
Managing Director

**S.Hanumantha Rao**  
Director

Place: Hyderabad

Date : 12th August, 2015

# SUJANA TOWERS LIMITED

## Annexure (II): Annual Report on Corporate Social Responsibility (CSR) activities

1. **A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes.**

The Board of Directors, on recommendation of the Corporate Social Responsibility (CSR) Committee framed a Corporate Social Responsibility Policy which is posted in the Investors section of the Company's website [www.sujana.com](http://www.sujana.com). The Company proposes to take up the CSR activity by making donations to "Sujana Foundation" which is a registered non government organization to take up projects or programmes under one or more of the activities as prescribed under Schedule VII of the Companies Act, 2013, as amended from time to time.

2. **Composition of the CSR Committee:**

- S Hanumantha Rao (Non- Executive Director)
- G Srinivasa Raju (Managing Director)
- Shri M V Bhaskara Rao (Independent Director)

3. **Average net profit of the Company for last three financial years: Rs. 2220.14 lakhs**

4. **Prescribed CSR Expenditure (two percent of the amount as in item 3 above): Rs. 44.40 lakhs**

5. **The Company is required to spend: Rs. 44.40 lakhs towards CSR.**

6. **Details of CSR spent during the financial year:**

- Total amount spent for the financial year: Rs. 44.40 lakhs
- Amount unspent, if any: - Nil
- Manner in which the amount spent during the financial year is detailed below:

S. No.	Projects/ Activities	Sector	Locations (State)	Amount Outlay (Budget) Project or Programs wise	Amount Spent on Project or Programs wise	Cumulative expenditure upto reporting period	Amount Spent directly or through implementing agency
1	Sujana Charitable Trust	Education and related field	Andhra Pradesh & Telangana	Rs. 44.40 lakhs	Rs. 44.40 lakhs	Rs. 44.40 lakhs	Through Sujana Foundation

7. **Reasons for not spending two percent of the average net profit of the last three financial years on CSR: Nil**

8. **The CSR Committee Confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and policy of the company.**

By order of the Board

**G.Srinivasa Raju**  
Managing Director

**S.Hanumantha Rao**  
Director

Place: Hyderabad

Date : 12th August, 2015



### **Annexure (III): Directors' Responsibility Statement**

Pursuant to the requirement of Section 134(3)(c) of the Companies Act, 2013, and on the basis of compliance certificate received from the executives of the Company and subject to disclosures in the Annual Accounts, as also on the basis of the discussion with the Statutory Auditors of the Company from time to time, and to the best of their knowledge and information furnished, the Board of Directors states:

- i. That in preparation of the Annual Accounts for the year ended 31st March, 2015; all the applicable Accounting Standards prescribed by the Institute of Chartered Accountants of India have been followed along with proper explanation relating to material departures, if any.
- ii. That the Directors have adopted such accounting policies, as selected in consultation with Statutory Auditors, and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company is Rs. 382.73 lakhs for the financial year ended 31st March, 2015.
- iii. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. That the Annual Accounts for the year ended 31st March, 2015, has been prepared on a going concern basis.
- v. That proper internal financial control were in place and that the financial controls were adequate and were operating effectively.
- vi. That systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

By order of the Board

**G.Srinivasa Raju**  
Managing Director

**S.Hanumantha Rao**  
Director

Place: Hyderabad  
Date : 12th August, 2015

# SUJANA TOWERS LIMITED

## Annexure (IV): Secretarial Audit Report

### Form No. MR-3

#### SECRETARIAL AUDIT REPORT

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]*

**FOR THE FINANCIAL YEAR ENDED 31st March, 2015**

To,  
The Members,  
**Sujana Towers Limited**  
Hyderabad

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s Sujana Towers Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015 has complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2015 according to the provisions of:
  - a. The Companies Act, 2013 (the Act) and the rules made thereunder;
  - b. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
  - c. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
  - d. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
  - e. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
    - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
2. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company under the financial year under report:-
  - a. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - b. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

- c. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - e. The Securities and Exchange Board of India(Delisting of Equity Shares) Regulations, 2009; and The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
3. The Company is into general manufacturing sector.
  4. I have also examined compliance with the applicable clauses of the Listing Agreements entered into by the Company with National Stock Exchange of India Limited and Bombay Stock Exchange Limited
  5. During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

### **I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the year under report, the Company has not undertaken any event / action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above viz.

**Y Ravi Prasada Reddy**  
Practising Company Secretary  
CP No. 5360  
Membership No: 5783

Place: Hyderabad  
Date : 27th May, 2015

# SUJANA TOWERS LIMITED

## Annexure (V): Extract of Annual Return

### EXTRACT OF ANNUAL RETURN

as on the financial year ended 31.03.2015

[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

### FORM No. MGT – 9

#### I. REGISTRATION AND OTHER DETAILS:

CIN	L40109TG2006PLC049743
Registration Date	06/04/2006
Name of the Company	M/s. Sujana Towers Limited
Category / Sub-Category of the Company	Public Limited Company
Address of the Registered office and contact details	Plot No.18, Nagarjuna Hills Punjagutta, Hyderabad-500 082 Phone No: 040-23351882
Whether listed company	Listed Company
Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. Bigshare Services Private Limited, 306, Right Wing, 3Rd Floor, Amruta Ville, Opp: Yashoda Hospital, Raj Bhavan Road, Somajiguda, Hyderabad — 500 082. Phone No. : 040-2337 49670

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Galvanised Steel Products	72161000	100%

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name And Address Of The Company	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Digitech Business Systems Ltd.	Holding	100%	2(87)
2	STL Africa Ltd.	Holding	100%	2(87)
3	Telesupercon Ltd.	Holding	51%	2(87)

#### IV SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### i) Category-wise Shareholding

Category code	Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2014)				No. of Shares held at the end of the year (31.03.2015)				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(A)</b>	<b>Promoter and Promoter Group</b>									
<b>1</b>	<b>Indian</b>									
(a)	Individuals/ Hindu Undivided Family	562,841	1,357*	564,198	1.09	562,841	1,357*	564,198	1.09	
(b)	Central Government/ State Government(s)	0	-	-	-	0	-	-	-	
(c)	Bodies Corporate	18,380,616	-	18,380,616	35.41	18,380,616	-	18,380,616	35.41	
(d)	Financial Institutions/ Banks	0	-	-	-	0	-	-	-	
(e)	Any Other (specify)	0	-	-	-	0	-	-	-	
	Sub-Total (A)(1)	18,943,457	1,357	18,944,814	36.49	18,943,457	-	18,944,814	36.49	
<b>2</b>	<b>Foreign</b>									
(a)	Individuals (Non-Resident Individuals/Foreign Individuals)	0	-	-	-	0	-	-	-	
(b)	Bodies Corporate	0	-	-	-	0	-	-	-	
(c)	Institutions	0	-	-	-	0	-	-	-	
(d)	Qualified Foreign Investor	0	-	-	-	0	-	-	-	
(e)	Any Other (Specify)	0	-	-	-	0	-	-	-	
	Sub-Total (A)(2)	-	-	-	-	-	-	-	-	
	Total Shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)	18,943,457	1,357	18,944,814	36.49	18,943,457	-	18,944,814	36.49	
<b>(B)</b>	<b>Public Shareholding</b>									
<b>1</b>	<b>Institutions</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>-</b>	
(a)	Mutual Funds/ UTI	0	-	-	-	0	-	-	-	
(b)	Financial Institutions/ Banks	595,500	-	595,500	1.15	595,500	100	595,600	1.15	
(c)	Central Government/ State Government(s)	0	-	-	-	0	-	-	-	
(d)	Venture Capital Funds	0	-	-	-	0	-	-	-	
(e)	Insurance Companies	0	-	-	-	0	-	-	-	
(f)	Foreign Institutional Investors	963,716	-	963,716	1.86	80,000	-	80,000	0.15	
(g)	Foreign Venture Capital Investors	0	-	-	-	0	-	-	-	
(h)	Qualified Foreign Investor	0	-	-	-	0	-	-	-	
(i)	Any Other (specify)	0	-	-	-	0	-	-	-	
	Sub-Total (B)(1)	1,559,216	-	1,559,216	3.00	675,500	0	675,600	1.30	
<b>B 2</b>	<b>Non-Institutions</b>									
(a)	Bodies Corporate	13663993	24,632	13,688,625	26.37	8188882	24,582	8,213,464	15.82	
(b)	Individuals -									
I	i. Individual shareholders holding nominal share capital up to Rs.1 lakh.	11027492	304,768	11,332,260	21.83	8751898	300,918	9,052,816	17.44	
II	ii. Individual shareholders holding nominal share capital in excess of Rs.1 lakh.	4102446	-	4,102,446	7.90	14105105	-	14,105,105	27.17	
(c)	Qualified Foreign Investor	0	-	-	-	0	-	-	-	
(d)	Foreign Body Corporate	0	-	-	-	0	-	-	-	
(d1)	Clearing Members	951429	-	951,429	1.83	570273	-	570,273	1.10	
(d2)	NRI	336133	-	336,133	0.65	352851	-	352,851	0.68	
(d3)	OCB's	0	-	-	-	0	-	-	-	
(d4)	Trust	0	-	-	-	0	-	-	-	
(d5)	GDR	0	-	-	-	0	-	-	-	
	Sub-Total (B)(2)	30,081,493	329,400	30,410,893	58.58	31969009	325,500	32,294,509	62.21	
	Total Public Shareholding (B) = (B1 +B2)	31,640,709	329,400	31,970,109	61.58	32,644,509	325,500	32,970,109	63.51	
	<b>TOTAL (A) + (B)</b>	<b>50,584,166</b>	<b>330,757</b>	<b>50,914,923</b>	<b>98.07</b>	<b>51,587,966</b>	<b>326,857</b>	<b>51,914,923</b>	<b>100.00</b>	
(C)	Shares held by Custodians and against which Depository Receipts have been issued.	1000000	-	1,000,000	1.93	0	-	-	-	
	Sub-Total (C)	1000000	-	1,000,000	1.93	0	-	-	-	
	<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>51,584,166</b>		<b>51,914,923</b>	<b>100.00</b>	<b>51,587,966</b>		<b>51,914,923</b>	<b>100.00</b>	

\*Represents fractional shares due to consolidation.

# SUJANA TOWERS LIMITED

## ii) Shareholding of Promoters

Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	
Shri Y.S.Chowdary	375,657	0.72	0.72	375,657	0.72	0.72	no change
Shri G Srinivasa Raju	180,184	0.35	0.35	180,184	0.35	0.35	no change
Sri S Hanumantha Rao (trustee)	8,357	0.02	0.02	8,357	0.02	0.02	no change
Sujana Finance and Trading Private Ltd	516,435	0.99	0.99	516,435	0.99	0.99	no change
Yelamanchili Finance and Trading (p) Ltd	4,767,500	9.18	9.18	4,767,500	9.18	9.18	no change
Sujana Holdings Limited	7,500,000	14.45	14.45	7,500,000	14.45	14.45	no change
Foster Infin and Tradign (p) Limited	5,095,999	9.82	9.82	5,095,999	9.82	9.82	no change
Sujana Capital Services Limited	682	0.00	-	682	0.00	-	no change
Sujana Pumps and motors (p) Limited	500,000	0.96	0.96	500,000	0.96	0.96	no change
<b>TOTAL</b>	<b>18,944,814</b>	<b>36.49</b>	<b>36.49</b>	<b>18,944,814</b>	<b>36.49</b>	<b>36.49</b>	<b>no change</b>

## iii) Change in Promoters' Shareholding

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
At the beginning of the year	18,944,814	36.49	18,944,814	36.49
Datewise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	No change during the year			
At the end of the year	18,944,814	36.49	18,944,814	36.49

## iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No	NAME	No. of Shares at the begining/End of the year	Date	Increase/ Decrease in share-holding	Reason	Number of Shares	Percentage of total shares of the company
1	HI TECH HOUSING PROJECTS PRIVATE LIMITED	2,609,946	1-Apr-14	0	Transfer	2,609,946	5.03
			30-May-14	-61500	Transfer	2,548,446	4.91
			13-Jun-14	-122055	Transfer	2,426,391	4.67
			20-Jun-14	-25130	Transfer	2,401,261	4.63
			30-Jun-14	-1550	Transfer	2,399,711	4.62
			4-Jul-14	-40861	Transfer	2,358,850	4.54
			11-Jul-14	-60000	Transfer	2,298,850	4.43
			18-Jul-14	-50000	Transfer	2,248,850	4.33
			24-Sep-14	-67829	Transfer	2,181,021	4.20
			30-Sep-14	-28129	Transfer	2,152,892	4.15
			12-Dec-14	-11248	Transfer	2,141,644	4.13
			19-Dec-14	-4216	Transfer	2,137,428	4.12
			30-Jan-15	-316799	Transfer	1,820,629	3.51
			6-Feb-15	-187095	Transfer	1,633,534	3.15
			13-Feb-15	-659734	Transfer	973,800	1.88
			20-Feb-15	-98464	Transfer	875,336	1.69
			27-Feb-15	-416160	Transfer	459,176	0.88
			6-Mar-15	-249841	Transfer	209,335	0.40
			13-Mar-15	-209335	Transfer	0	0.00
		0	31-Mar-15	0	Transfer	0	0.00
2	SRIHARI BABU KANCHERLA	1,008,318	1-Apr-14	0	Transfer	1,008,318	1.94
		1,008,318	31-Mar-15	0	Transfer	1,008,318	1.94

3	DEUTSCHE BANK TRUST COMPANY AMERICAS	1,000,000	1-Apr-14	0	Transfer	1,000,000	1.93
			9-May-14	-1000000	Transfer	0	0.00
		0	31-Mar-15	0	Transfer	0	0.00
4	RELIGARE FINVEST LTD	997,837	1-Apr-14	0	Transfer	997,837	1.92
			11-Apr-14	-700	Transfer	997,137	1.92
			25-Apr-14	1000	Transfer	998,137	1.92
			2-May-14	-25000	Transfer	973,137	1.87
			23-May-14	1000	Transfer	974,137	1.88
			30-May-14	-1000	Transfer	973,137	1.87
			13-Jun-14	-1000	Transfer	972,137	1.87
			20-Jun-14	-100000	Transfer	872,137	1.68
			30-Jun-14	-123500	Transfer	748,637	1.44
			18-Jul-14	-40000	Transfer	708,637	1.37
			25-Jul-14	939	Transfer	709,576	1.37
			8-Aug-14	-64939	Transfer	644,637	1.24
			5-Sep-14	-35000	Transfer	609,637	1.17
			12-Sep-14	-15000	Transfer	594,637	1.15
			28-Nov-14	-11465	Transfer	583,172	1.12
			5-Dec-14	-13535	Transfer	569,637	1.10
			31-Dec-14	-1000	Transfer	568,637	1.10
		568,637	31-Mar-15	0	Transfer	568,637	1.10
5	ESHAN FINANCIAL SERVICES PVT LTD	847,800	1-Apr-14	0	Transfer	847,800	1.63
		847,800	31-Mar-15	0	Transfer	847,800	1.63
6	AJITKUMAR JOGENDARP RASAD SINGH	473,126	1-Apr-14	0	Transfer	473,126	0.91
			11-Apr-14	378	Transfer	473,504	0.91
			18-Apr-14	36795	Transfer	510,299	0.98
			25-Apr-14	36740	Transfer	547,039	1.05
			2-May-14	34724	Transfer	581,763	1.12
			9-May-14	19553	Transfer	601,316	1.16
			16-May-14	2000	Transfer	603,316	1.16
			23-May-14	15053	Transfer	618,369	1.19
			30-May-14	4427	Transfer	622,796	1.20
			6-Jun-14	4712	Transfer	627,508	1.21
			13-Jun-14	2615	Transfer	630,123	1.21
			20-Jun-14	57720	Transfer	687,843	1.32
			30-Jun-14	10376	Transfer	698,219	1.34
			4-Jul-14	2232	Transfer	700,451	1.35
			11-Jul-14	13431	Transfer	713,882	1.38
			18-Jul-14	52058	Transfer	765,940	1.48
			25-Jul-14	18421	Transfer	784,361	1.51
			1-Aug-14	9340	Transfer	793,701	1.53
			8-Aug-14	10044	Transfer	803,745	1.55
			15-Aug-14	3727	Transfer	807,472	1.56
			22-Aug-14	-10722	Transfer	796,750	1.53
			5-Sep-14	-170360	Transfer	626,390	1.21
			24-Sep-14	5000	Transfer	631,390	1.22
			10-Oct-14	12269	Transfer	643,659	1.24
			17-Oct-14	56557	Transfer	700,216	1.35
			24-Oct-14	46883	Transfer	747,099	1.44
			31-Oct-14	40101	Transfer	787,200	1.52
			7-Nov-14	5080	Transfer	792,280	1.53
			14-Nov-14	4359	Transfer	796,639	1.53
			21-Nov-14	14696	Transfer	811,335	1.56
			28-Nov-14	6942	Transfer	818,277	1.58
			5-Dec-14	10004	Transfer	828,281	1.60
			19-Dec-14	12654	Transfer	840,935	1.62
			31-Dec-14	3185	Transfer	844,120	1.63
			2-Jan-15	875	Transfer	844,995	1.63
			9-Jan-15	46372	Transfer	891,367	1.72
			16-Jan-15	263250	Transfer	1,154,617	2.22
			30-Jan-15	29766	Transfer	1,184,383	2.28
			6-Feb-15	74	Transfer	1,184,457	2.28
			13-Feb-15	-1150	Transfer	1,183,307	2.28
			20-Feb-15	19390	Transfer	1,202,697	2.32
			27-Feb-15	30744	Transfer	1,233,441	2.38
			6-Mar-15	227	Transfer	1,233,668	2.38
			13-Mar-15	66085	Transfer	1,299,753	2.50
			20-Mar-15	59960	Transfer	1,359,713	2.62
			27-Mar-15	42889	Transfer	1,402,602	2.70
			31-Mar-15	10000	Transfer	1,412,602	2.72

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		1,412,602	31-Mar-15	0	Transfer	1,412,602	2.72
7	MRKR CONSTRUCTIONS AND INDUSTRIES PRIVATE LIMITED.	580,000	1-Apr-14	0	Transfer	580,000	1.12
			23-May-14	-10000	Transfer	570,000	1.10
			30-May-14	-5000	Transfer	565,000	1.09
			6-Jun-14	-30000	Transfer	535,000	1.03
			13-Jun-14	-45000	Transfer	490,000	0.94
			4-Jul-14	-5000	Transfer	485,000	0.93
			11-Jul-14	-10000	Transfer	475,000	0.92
			29-Aug-14	-10000	Transfer	465,000	0.90
			5-Sep-14	-5000	Transfer	460,000	0.89
			12-Sep-14	-5000	Transfer	455,000	0.88
			14-Nov-14	-45000	Transfer	410,000	0.79
			28-Nov-14	-5000	Transfer	405,000	0.78
			2-Jan-15	-5000	Transfer	400,000	0.77
			9-Jan-15	-5000	Transfer	395,000	0.76
		395,000	31-Mar-15	0	Transfer	395,000	0.76
8	BAHUBALI PROPERTIES LIMITED	510,147	1-Apr-14	0	Transfer	510,147	0.98
			16-May-14	-70000	Transfer	440,147	0.85
			23-May-14	-99647	Transfer	340,500	0.66
			30-May-14	-70170	Transfer	270,330	0.52
			6-Jun-14	-124940	Transfer	145,390	0.28
			13-Jun-14	-61000	Transfer	84,390	0.16
			22-Aug-14	-84390	Transfer	0	0.00
			20-Feb-15	2000	Transfer	2,000	0.00
		0	31-Mar-15	-2000	Transfer	0	0.00
9	SPARROW ASIA DIVERSIFIED OPPORTUNITIES FUND	500,000	1-Apr-14	0	Transfer	500,000	0.96
			18-Apr-14	-200000	Transfer	300,000	0.58
			25-Apr-14	-300000	Transfer	0	0.00
		0	31-Mar-15	0	Transfer	0	0.00
10	INDIAN OVERSEAS BANK	500,000	1-Apr-14	0	Transfer	500,000	0.96
		500,000	31-Mar-15	0	Transfer	500,000	0.96

### V) Shareholding of Directors and Key Managerial Personnel:

For Each of the Director and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
Shri Y.S. Chowdary*	375,657	0.72	-	-
Shri G. Srinivasa Raju	180,184	0.35	-	-
Shri S. Hanumantha Rao	7,000	0.02	-	-
Shri M. V. Bhaskara Rao	-	-	-	-
Shri L. V. Rao	-	-	-	-
Shri H. Biswas	-	-	-	-
Shri A. S. Anand Kumar	-	-	-	-
Smt B. Sandhyasri**	-	-	-	-

\* Shri Y. S. Chowdary resigned w.e.f. 15th October, 2014

\*\* Smt B. Sandhyasri has been appointed w.e.f. 30th March, 2015

### V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Rs. Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total
Indebtedness at the beginning of the financial year				
i) Principal Amount	136,327.33	27,292.17	-	163,619.50
ii) Interest due but not paid	11,390.94	-	-	11,390.94
iii) Interest accrued but not due			-	-
Total (i+ii+iii)	147,718.27	27,292.17	-	175,010.44



Change in Indebtedness during the financial year				
Addition	11,412.12	1,153.76	-	12,565.88
Reduction	(1,649.98)	-	-	(1,649.98)
Net Change	9,762.14	1,153.76	-	10,915.90
Indebtedness at the end of the financial year				
i) Principal Amount	147866.25	28,445.93	-	176,312.18
ii) Interest due but not paid	9614.16	-	-	9,614.16
iii) Interest accrued but not due	-	-	-	-
TOTAL (i+ii+iii)	157,480.41	28,445.93	-	185,926.34

## VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (Rs. Lakhs)

Sl. No.	Particulars of Remuneration	Shri Y. Kamesh Managing Director
1	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	36.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-
2	Stock Options	-
3	Sweat Equity	-
4	Commission	
	- as % of profit	-
	- others, specify...	-
5	Others, please specify	-
	Total (A)	36.00
	Ceiling as per the Act (as per Schedule V of the Companies Act, 2013)	42.00

### B Remuneration to other Directors:

#### 1 Independent Directors (Rs. Lakhs)

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Shri M.V. Bhaskara Rao	Shri A.S. Anand Kumar	Shri. L.V.Rao	Shri. H. Biswas	
1	Fee for attending Board / Committee Meetings	1.00	1.00	0.80	0.60	3.40
2	Commission	-	-	-	-	-
3	Others, please Specify	-	-	-	-	-
	TOTAL (1)	1.00	1.00	0.80	0.60	3.40

#### 2 Other Non Executive Directors (Rs. Lakhs)

Sl. No.	Particulars of Remuneration	Name of Directors		Total Amount
		Shri G.Srinivasa Raju	Shri S. Hanumantha Rao	
1	Fee for attending Board / Committee Meetings	-	-	-
2	Commission	-	-	-
3	Others, please Specify	-	-	-
	TOTAL (2)	-	-	-
	TOTAL (B) = (1+2)			3.40

# SUJANA TOWERS LIMITED

## C REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD Rs. in Lakhs

Sl. No.	Particulars of Remuneration	Name of the Manager		
		Company Secretary	CFO	Total Amount
1	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	9.30	30.00	39.30
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Options	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify...	-	-	-
5	Others, please specify	-	-	-
	Total (A)	9.30	30.00	39.30
	Ceiling as per the Act	-	-	-

### Annexure (VI):

#### Statement of particulars of the conservation of energy, technology absorption, foreign exchange earnings and outgo as per Rule 8 of Companies (Accounts) Rules, 2014

##### A. Conservation of energy:

Electricity, Coal & Furnace Oil — purchased for manufacture of re-rolled products and galvanized towers parts

Particulars	2014-15	2013-14
<b>1. Electricity</b>		
Units (KWH)	1593052	2512064
Total amount (Rs.)	19732921	24928246
Rate/units (Rs.)	12.39	9.92
<b>2. Coal</b>		
Quantity (Tonnes)	1465.25	3,460.10
Total Cost (Rs.)	8274646	20704387
Average Rate (Rs.)	5647.26	5,983.75
<b>3. Furnace Oil</b>		
Quantity (Ltrs.)	248320	309372
Total Cost (Rs.)	10698226	13683513
Average Rate (Rs.)	43.08	44.23
Electricity (KWH)	81.95	-
Coal (Tonnes)	0.13	-

- Steps taken or impact on conservation of energy: NA
- Steps taken by the company for utilising alternate sources of energy: NA
- Capital investment on energy conservation equipment: NA

##### B. Technology absorption:

- Efforts made towards technology absorption; NA
- The benefits derived like product improvement, cost reduction, product development or import substitution Nil
- In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): N/A
- Details of the expenditure incurred on Research and Development: Nil

##### C. Foreign exchange earnings and Outgo:

The Foreign Exchange earned in terms of actual inflows during the year is Rs. 853.62 lakhs and the Foreign Exchange outgo is Rs 8.05 lakhs during the year in terms of actual outflows.

## Annexure (VII):

### Details pertaining to remuneration as required u/s 197(12) of the Companies Act, 2013 read with rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2014-15, percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year 2014-15, and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

S. No.	Name of the Director / KMP (Designation)	Remuneration for FY 2014-15 (Rs. in lakhs)	Ratio of remuneration to the median remuneration of the employees	% increase in remuneration in the FY 2014-15
01	G. Srinivasa Raju Managing Director*	Nil	-	-
02	Y. Kamesh Managing Director*	36.00	16.31	Nil
03	S. Kalyani Vice-President (Finance)	30.00	13.60	Nil
04	L. Narsimha Rao**	9.30	4.21	Nil
05	P. Apser Hussen Company Secretary	Nil	-	-

\* Shri Y. Kamesh is resigned as Managing Director w.e.f. 20th May 2015 and Mr. G. Srinivasa Raju has appointed as Managing Director W.e.f. 20th May 2015.

\*\*Shri L. Narsimha Rao has resigned as Company Secretary w.e.f. 23rd April, 2015 and Shri P. Apser Hussen has been appointed as Company Secretary and Compliance Officer w.e.f. 23rd April, 2015.

- None of the other directors expect as disclosed above draws any remuneration in the Company. The median remuneration of employees of the Company during the financial year 2014-15 was 2.21 lacs against the median remuneration of Rs. 1.80 lakhs during the previous year signifying an increase of 22.59% in the financial year;

As on 31st March, 2015, there were 139 Number of permanent employees on the rolls of Company;

**2. The relationship between average increase in remuneration and company performance:**

The average increase in remuneration during the financial year 2014-15 is Nil. The total employees cost for the financial year ended 31st March, 2015 is Rs. 761.38 lakhs against Rs. 810.69 lakhs for the financial year ended 31st March 2014. The total net revenue of the company for financial year ended 31st March 2015 is Rs. 211905.51 lakhs as against Rs. 180597.62 lakhs for the financial year ended 31st March 2014. The total employees cost as a percentage of net total revenue was 0.36% (last year 0.45%). The performance was increased 17.34% during the financial year compared to last year.

**3. Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company:**

Rs. in lakhs

Particulars	2014-15	2013-14
Aggregate Remuneration of KMP in Financial Year	<b>75.30</b>	72.36
Revenue	<b>211905.51</b>	180597.62
Remuneration of KMP (as % of revenue)	<b>0.036</b>	0.040

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4. Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the company came out with the last public offer:

Sl. No.	Description	Rs. in lakhs
<b>1</b>	<b>Market Capitalisation</b>	
	Mcap at 31st March 2015	6416.68
	Mcap at 31st March 2014	3706.73
	Variation in Mcap in FY 2015 (%)	73%
<b>2</b>	<b>Price Earnings Ratio (PE Ratio) – (Mkt Price / EPS)</b>	
	PE at 31st March 2015	16.93
	PE at 31st March 2014	21.00
	Variation in PE in FY 2015 (%)	0.19
<b>3</b>	<b>% Increase/Decrease from last Public Offer</b>	Not Applicable^
	FPO price per share	
	Market price as at 31 March, 2015	
	% decrease from last FPO	

^ The Company was demerged from M/s. Sujana Metal Products Limited with approval of Hon'ble High Court.

5. Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year: Nil
6. The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy of the Company : N.A.
7. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: N.A.
8. Particulars of employees as required under rule 5 (2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014: Nil
9. It is hereby confirmed that the remuneration paid is as per the Remuneration Policy of the Company.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

The year 2014-15 is one of a watershed year for Sujana Towers Limited due to many organizational restructuring programs that are in pipeline for a better future of the Company; The Management has aimed to make the Company debt free and start on a fresh note in the sunrise sectors like Specialty Structural Steel Manufactures.

The business environment of your company during the year saw lot of ups and downs with challenging and heavy competition from small players and new entities per-se, illiquidity & volatility in currency and in commodity prices, predatory pricing by the new players from other industry segments to gain a toe hold in the T&D sector, inordinate delays in power capacity additions and power density improvement projects have proven to major constraints for growth.

### **INDUSTRY STRUCTURE AND DEVELOPMENTS**

For global economy, year 2014 proved to be another disappointing year notwithstanding a Dynamic and forward thinking Government in place. Despite sharp decline in crude & commodity prices, this year barely managed to match growth rate achieved in 2013. IMF estimated global economic growth of -3.3%, i.e., the same as in 2013. OECD estimated the growth of G-20 economies, which constitute 90% of global GDP, at -3.4% against -3.2% achieved during 2013. Probable reasons for this negative growth estimates include but not limited to slowdown in growth in China and Japan, which nullified the positive impact of better growth in India, UK, USA and Eurozone.

While growth of Chinese economy is expected to slip further to below 7%, Russian economy is expected to shrink due to sharp decline in crude prices However, India, ASEAN, South America, South Africa, and rest of the economies expected to do better, aided by lower crude prices. This, we consider as a good augury for “Make In India – Made By India” in the times to come.

Indian economy has registered a growth in GDP of 7.3 % in spite of the Global slowdown. The same trend has been followed in the industry also. Accordingly there has been growth in the performance of the Company. With the initiatives of the new Government in India there is a further wave of positive sentiment in the country. Your Company has achieved robust growth in all its business i.e. the Power Transmission & Distribution (T&D) business and the TSF Products business; however due to the admittance of the company for its debt restructuring scheme, company was finding it increasingly difficult to procure the orders from PSUs. This has lead to a very piquant situation and at the same time, the realisation from these debtors was getting stagnated due to the delays in executing the orders at various levels.

Keeping in view of many external and internal factors and in view of the long term prospects and growth possibilities, your Company has decided to exit the Telecom and Transmission business along with EPC business and concentrate and distinctly focus efforts and resources on the Specialty Structural Steel Manufactures business, which is one of the expected sector to grow rapidly due to the many reforms and FDI norms that are proposed by the Indian Government.

### **OPPORTUNITIES AND THREATS**

A developing country such as India needs to invest heavily on key sectors such as Power and Transportation. The new Government has not just maintained investments into these sectors but has increased manifold, the short, medium and long term investments for these sectors. The company is clearly aligned with these parameters and is in process to sustain the volatility of these prices and demands. Not just domestically but also globally the developing economies have increased their investments substantially on their Power and infrastructures development.

Although Indian economy has registered growth, overall global scenario is still in slow down or at the best in consolidation phase. Continuous slowdown of global economy is likely to put a threat to the Indian Economy also the resultant impact of which will be on the Industry as well as on the Company. The Company is

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operating in a very cautious manner so as to be prepared to face the challenges that may come up in future by conserving its resources and to reduce the debt burden on it.

Even though the T&D Industry is expected to grow at a very rapid pace in India, in the back drop of the crying need to improve the archaic transmission network among the length and breadth of the Country and to bring the Southern India into the national grid. Your company also notes that the government of India is laying emphasis on increasing the national transmission back bone's capacity upto 1200 kVA and 765 kVA from the present level of 400 kVA max, your Company feels that it has to divest from this lucrative segment in view of the cash flow constraints in so far as the manufacturing of the Transmission & Telecom Towers is concerned. EPC business calls for an iron grip on the entire supply chain in order to not only ensure that the timely supply of the component materials are made but also to ensure that the suppliers do supply on the prices agreed at the time of tendering. Due to the slippages, your company had to endure on account of the failure of these intermediary suppliers, your company had to face the music many a times. Keeping these in view, your Company feels that it would be better to divest its state of the art facilities to manufacture Transmission Towers, Telecom Towers and Sub Station structures to some other company who can exclusively tackle the irritants in this otherwise growing sector.

Needless to mention, the concern arising out of watching the reluctance of the customers' to place further orders on account of the reference of your Company to the CDR Mechanism, has played a decisive role in arriving at this decision.

### **RISK AND CONCERNS**

Your Company is having a risk management policy for identification and assessment of risks which is monitored by the risk management committee of the Company. The Committee closely monitors the process and suggests suitable measures to mitigate the risks. These risks may be caused due to an internal factor which may be tackled by the prompt action from the management. However risks imposed by the external factors are not in the control of the Company and the same are identified as per the directive given by risk management policy of the Company. Necessary precautionary measures are taken by the Company to negate the impact of probable risk.

### **BUSINESS RISK**

The business risk is in general the risk imposed by the competition from the competitors. The Company has achieved such a milestone that the risk of competition is very rare. However the Company does not ignore the possibility of competition from other players. The company operates in a very dynamic state and all decisions by the management are taken considering all these possibilities.

### **INTEREST RATE RISK**

The Company is financed by various bankers and it is required to pay interest on various credit facilities used by it. The Change in rate of interest may be both favourable as well as unfavourable to the Company. The Company has availed credit facilities from various bankers and as a result the Company is in a better position to make negotiation with the bankers and take the benefit of competitive rate of interest.

### **MARKET RISK**

The Company is supplier in both domestic and international market. The market risk may origin either way be it global impact or government policy or due to competition by way of predatory pricing from other players, especially the new entrants into the market. Due to the backward integration the Company is in a position to provide the products of better quality at competitive prices, which to a great extent minimizes the market risk due to Competition.

Prices of major inputs such as Steel, Zinc and Aluminum are highly volatile and are in sync with the global markets. This volatility in the prices could impact the profitability of the Company. While there is no formal 'futures' mechanism to enable hedging against Steel price volatility at the moment, your Company is

insulating itself from these adverse price movements by resorting to acceptance of the orders on “Variable” basis, which means the increase /decrease in the prices of the key raw materials are passed on to the customer.

### **LIQUIDITY RISK**

The liquidity risk may come in the way of smooth operation of the company due to one or the other reasons. Whenever there is blockage of funds in the hands of customers, the liquidity crunch is likely to happen. Although wholehearted support from the bankers strengthen the hands of the Company to face the liquidity risk, the company leaves no stone unturned to avoid the possibility of liquidity risk. Although management expects this kind of co-operation from the bankers, but things may go otherwise too.

### **FINANCIAL RISK**

Increase in operation cost as well as raw material cost poses financial risk to the Company. The impact of this risk is to some extent minimized with the escalation clause in majority of domestic orders. However the Company applies various strategies like purchase in bulk as well as import of raw materials etc. to minimize the impact of financial risk.

### **GROWTH PLANS**

Looking at the current market trends prevailing your Company is drafting aggressive plans to focus and develop itself as one of the key players in Specialty Structural Steel Manufacturing business with establishment of speciality steel structural manufacturing facilities and increase the volumes of its services.

The Company is continuously focusing on fast and quality execution, cost reduction, obtaining of financial support from banks with competitive interest rates; order book building is being achieved by retaining the existing customers as well by exploring new customers to retain the upward trend in the performance of your Company.

### **SUJANA'S COMPETITIVE STRENGTHS**

1. Vertically Integrated & approved manufacturing facilities;
2. Huge installed capacity to meet customer dead lines;
3. Manufacturing of steel accredited by PGCIL – the highest quality approval;
4. In house designing facilities to ensure optimum design;
5. Total technical and tactical support to the customer resulting in better project management;
6. Only manufacturer in the country with this vast product range;

### **OUTLOOK AND OPPORTUNITIES**

With the new capital proposed to come up in the newly formed state of residual AP, it is expected that the demand for various types of structural steel would go up exponentially. It is estimated that this demand would continue unabated for a decade. This affords a very exciting opportunity to your company to enter into this segment with its proven manufacturing facilities. This would also afford a lucrative opportunity to piggy back on the tremendous brand recall and value, the brand “Sujana” commands in the steel market.

Notwithstanding the neighboring markets, the captive market in the states of Telangana and Chennai are exhibiting signs of rapid recovery and coupled with these, one can be certain in mentioning that there are tremendous opportunities in future for the products of the Company.

### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The internal control systems as prevailing in the Company are commensurate with the size and nature of business of the Company. The Company has the system of Internal Audit. Internal Auditors regularly

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make assessment of internal control in various areas of operation and report to the Audit Committee with their suggestions for the improvement of the same. Accordingly, the suggestions for improvement wherever deemed necessary are implemented immediately. In addition the management itself keeps continuous watch on internal control systems of the company.

### **HUMAN RESOURCE AND INDUSTRIAL RELATIONS**

The relations between the Company and the employees are cordial. Company recognizes that the key to achieving its plans and sustaining them is none other than having best human resources pool.

Having said they your Company endeavors in recruiting the best of talent, motivating and retaining them and considers development of this biggest asset as its primary responsibility. Your Company firmly believes that his approach alone can make it face any challenge in today's business environment.

### **HIGHLIGHTS OF THE FINANCIAL RESULTS**

During the financial year, Your Company has achieved a turnover of Rs. 2,11,440.84 lakhs for the year ended 31st March, 2015, as against the turnover of Rs. 1,80,098.61 lakhs for the previous year ended 31st March, 2014,

### **SEGMENT WISE PERFORMANCE & GEOGRAPHICAL INFORMATION**

The Company primarily engaged in the business of manufacturing sales and trading sales of Iron & Steel products. The Company has identified two primary business segments, namely manufacture steel and Trade Steel & Steel products, which in the contest of accounting standard-17 on "Segment Reporting" constitute reportable segments.

### **STATUTORY COMPLIANCE**

Your Company gives priority to comply all of the statutory requirements in time and the management regularly discusses the same with all of the departmental heads. The Company Secretary, as compliance officer, timely ensures compliance of the SEBI Regulations and provisions of listing agreements.

### **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

Sujana Foundation, the CSR arm of the Sujana Group was established in 2007 to serve the society and community in the sectors of agriculture, education, management, healthcare, rural development, rural entrepreneurship and poverty elevation. Sujana Group has integrated the real mechanisms of CSR accountability, sustainability, transparency and responsibility into it's core business strategy. Over the years, the Sujana Group is sharing it's success and resources with those less privileged in society through community involvement.

The Company has constituted a Committee viz., Corporate Social Responsibility (CSR) Committee also to comply the provisions of the Companies Act, 2013.

### **CAUTIONARY STATEMENT**

Statement in the Management Discussion and Analysis describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities, law and regulations. The Company assumes no responsibility to publicly amend, modify or revise forward looking statements, on the basis of subsequent event or development. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations affecting selling price of finished goods, input availability and price, changes in government regulations, tax laws, economic development within and outside the country and other factors such as litigation and industrial relations.



## REPORT ON CORPORATE GOVERNANCE

(As per Clause 49 of the Listing Agreements entered into with the Stock Exchanges)

### I. Brief statement on Company's Philosophy on Code of Governance

The Company is committed to doing things the right way which means taking business decisions and acting in a way that is ethical and is in compliance with applicable legislation. The Company's governance structure including systems, processes and principles enable the Company to realise its long term goals. This is reflected in its sense of principles, which focuses on integrity and fairness in all dealings, which are periodically disclosed in the most transparent manner possible. The Company's business strategy focuses on creating sustainable long term value for all its stakeholders including members, customers, partners, employees and the society at large.

The entire governance structure is actively supervised by a Board of Directors, who oversee management activities and ensures their effectiveness in delivering member value. The Board plays a crucial role in overseeing how the management serves the short and long term interests of shareholders and other stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed and independent Board.

During the period under review, the Company is in compliance with the requirements stipulated under Clause 49 of the Listing Agreement entered into with the Stock Exchanges with regard to Corporate Governance.

### II. Board of Directors

#### 1. Composition of Board of Directors

The Company has an Independent and Non-Executive Chairman and the number of Independent Directors is one-third of the total number of Directors as required by Clause 49. The number of Non-Executive Directors is more than 50% of the total number of Directors.

The existing Policy is to have an appropriate blend of Executive and Independent Directors to maintain the independence of the Board and to separate the Board functions of governance and management.

Accordingly, the Board of Directors of your Company consists of Seven (7) members, out of which one (1) is Promoter & Managing Director, four (4) of them are Independent and Non-Executive Directors, one (1) Non-Executive Directors and one (1) is a Nominee Director of IDBI.

All the Directors on the Board of the Company have made necessary declarations / disclosures regarding their other directorships along with Committee positions held by them in other Companies.

No Director is related to any other Director on the Board in terms of the definition of "relative" given under the Companies Act, 1956/2013.

The names, categories of the Directors on the Board, their attendance at the Board Meetings during the year and at the last Annual General Meeting, as also the number of Directorships and Committee memberships held by them in other Companies are given below:

## SUJANA TOWERS LIMITED

Sl. No.	Name of the Director	Category	Designation	No. of Board Meetings attended	Attendance of each Director at the last A.G.M.
1	Shri G. Srinivasa Raju	Promoter & Managing Director	Director	6	Yes
2	Shri S. Hanumantha Rao	Independent & Non-Executive Director	Director	6	Yes
3	Shri A.S. Anand Kumar	Independent & Non-Executive Director	Director	6	No
4	Shri M.V.Bhaskara Rao	Independent & Non-Executive Director	Director	6	Yes
5	Shri L.V. Rao	Independent & Non-Executive Director	Director	5	Yes
6	Shri H. Biswas**	Nominee Director of IDBI	Director	6	No
7	Smt Sandhyasri^	Non-Executive Director	Director	0	N.A.
8	Shri Y. S. Chowdary@	Non-Executive Promoter Chairman	Chairman	-	-
9	Shri Y. Kamesh#	Managing Director	Managing Director	-	-

@ Shri Y S Chowdary has resigned w.e.f 15th October, 2014.

# Shri Y Kamesh has tendered his resignation w.e.f 27th May, 2015 on completion of his term as Managing Director.

^ Smt Sandhyasri was appointed as Independent Director w.e.f 30th March, 2015.

The necessary quorum was present at the meetings.

Sl. No.	Name of the Director	No. of Directorships in other Companies		No. of Committee positions held in other Companies**	
		No. of Chairmanships	No. of Directorships*	No. of Chairmanships	No. of Committee Memberships
1	Shri M V Bhaskara Rao	-	2	-	-
2	Shri G Srinivasa Raju	-	12	2	2
3	Shri S Hanumantha Rao	1	9	-	3
4	Shri A S Anand Kumar	-	4	1	1
5	Shri L V Rao	-	3	-	-
6	Shri H Biswas	-	-	-	-
7	Smt B Sandhyasri^	-	2	-	-
8	Shri Y S Chowdary@	-	-	-	-
9	Shri Y Kamesh#	-	-	-	-

@ Shri Y S Chowdary has resigned w.e.f 15th October, 2014.

# Shri Y Kamesh has tendered his resignation w.e.f 27th May, 2015 on completion of his term as Managing Director.

^ Smt Sandhyasri was appointed as Independent Director w.e.f 30th March, 2015.

\*Includes Private Limited Companies.

\*\*Includes Audit Committee and Shareholders' Grievances Committee.

## 2. Board Procedure

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board business. The Board / Committee Meetings are pre-scheduled and a tentative annual calendar of the Board Meetings is circulated to the Directors well in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings. However, in case of a special and urgent business need, the Board's approval is taken by passing resolutions by circulation, as permitted by law, which is confirmed in the subsequent Board meeting. The Chairman and Managing Director are assisted by the Executive Directors/ Senior Managerial Personnel in overseeing the functional matters of the Company.

The Board has constituted Seven Standing Committees, namely Audit Committee, Management Committee, Share Transfer Committee, Shareholders Grievance Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee and Risk Management Committee. The Board constitutes additional functional committees, from time to time, depending on the business needs.

A minimum of four Board Meetings are held every year and they are usually held at the Registered Office of the Company. Dates for the Board Meetings in the ensuing quarter are decided well in advance and communicated to the Directors. Notices of Board Meetings were sent to the Directors as required under the Companies Act, 2013 well in advance. The Agenda along with the explanatory notes are sent in advance to the Directors. Additional meetings of the Board are held when deemed necessary to address the specific needs of the Company.

Six (6) Board Meetings were held since 31.03.2014 (closure of last financial year) upto 31.03.2015 (closure of this financial period under review) and the gap between two meetings did not exceed four months. The dates on which the Board Meetings were held were as follows:

30th May, 2014, 14th July, 2014, 12th August, 2014, 28th August, 2014, 11th November, 2014 and 14th February, 2015.

The information as required under Annexure IA to Clause 49 was being made available to the Board.

The Company Secretary is responsible for collation, review and distribution of all papers submitted to the Board and Committees thereof for consideration. The Company Secretary is also responsible for preparation of the Agenda and convening of the Board and Committee meetings. The Company Secretary attends all the meetings of the Board and its Committees, advises / assures the Board on Compliance and Governance principles and ensures appropriate recording of minutes of the meetings.

The Board periodically reviews compliance reports of all laws applicable to the Company. Steps were taken by the Company to rectify instances of non-compliance, if any.

## III. Committees of Directors

### 1. Audit Committee

In accordance with Section 177(1) of the Companies Act, 2013 and as per the requirements of SEBI Circular dated April 17, 2014 for amendment to Equity Listing Agreement (which is effective from October 1, 2014), the new terms of reference for the Audit Committee and thereupon the revised terms of reference of the Audit Committee are in conformity with the requirements of Clause 49 (III) of the revised Listing Agreement and Section 177(1) of the Companies Act, 2013. Further the Audit Committee has been granted powers as prescribed under Clause 49 (III) of the Listing Agreement.

The main objective of the Audit Committee of your Company is to monitor and effectively

## SUJANA TOWERS LIMITED

supervise the financial reporting process of your Company with a view to provide accurate, timely and proper disclosures. The Committee is empowered with the powers as prescribed under Clause 49 of Listing Agreement, and also with the provisions of the Companies Act, 2013. The Committee also acts in terms of reference and directions of the Board from time to time.

The Board Functions of the Audit Committee includes, reviewing the adequacy of Internal Control Systems and the Internal Audit Reports and their compliance thereof.

### 2. Composition and Procedure of the Audit Committee

The Audit Committee of your Company comprises of three (3) Independent and Non-Executive Directors and one (1) Promoter and Non-Executive Director and the Members possess adequate knowledge of Accounts, Audit, Finance, etc.

The audit committee shall meet at least four times in a year and not more than four months shall elapse between two meetings.

The quorum shall be either two members or one third of the members of the audit committee whichever is greater, but there should be a minimum of two independent members present.

The details of the Committee is detailed below:

Sl. No.	Name of the Member	Designation	No. of Meetings Attended
1	Shri A.S. Anand Kumar	Member & Chairman	4
2	Shri M.V. Bhaskara Rao	Member	4
3	Shri L.V. Rao	Member	4
4	Shri S. Hanumantha Rao	Member	4

The necessary quorum was present at the meetings.

There was no change in the composition of Audit Committee since the date of last AGM held on 30.09.2014.

Four meetings of the Audit Committee were held since 31.03.2014 (closure of last financial year) upto 31.03.2015 (closure of this financial period under review). The date on which, the Audit Committee Meetings were held were as below:

30th May, 2014, 12th August, 2014, 14th November, 2014 and 14th February, 2015.

Audit Committee meetings are attended by the Vice-President (Finance), Representatives of Statutory Auditors, Representatives of Cost Auditors and Representatives of Internal Auditors. The Company Secretary acts as the Secretary of the Audit Committee.

### IV. Nomination and Remuneration Committee

In accordance with Section 178 of the Companies Act, 2013 and as per the requirements of SEBI Circular dated April 17, 2014 for amendment to Equity Listing Agreement (which is effective from October 1, 2014), the Board of Directors of the Company at their meeting held on 30.05.2014, have approved the change in nomenclature of the Remuneration Committee to Nomination and Remuneration Committee and have revised their role as under:

The revised role of the Nomination and Remuneration Committee, inter-alia, includes the following:

Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

Formulation of criteria for evaluation of Independent Directors and the Board;

Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

Devising a policy on Board diversity;

### 1. Composition and other details of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee of your Company comprises of two (2)

Independent and Non- Executive Directors and one (1) Promoter and Non-Executive Director as detailed below:

Sl.No.	Name of the Member	Designation
1	Shri A.S. Anand Kumar	Member & Chairman
2	Shri M.V. Bhaskar Rao	Member
3	Shri S. Hanumantha Rao	Member

There was no change in the composition of Nomination and Remuneration Committee since the date of last AGM held on 30.09.2014.

No Nomination and Remuneration Committee meeting was held during the financial year 2014-2015 (i.e., 01st April, 2014 to 31st March, 2015).

### 2. Remuneration Policy

The Remuneration Committee of Board of Directors of the Company generally decides and makes recommendations to the Board of Directors about the remuneration to be paid to the Directors and other Key Managerial Persons of the Company. The Remuneration recommendations about the remuneration of Directors are subject to the approval of the Members of the Company and the remuneration of the key managerial persons is to be recommended by the remuneration committee to the Board.

### 3. Sitting Fee details

Sl.No.	Name of the Director	Sitting Fees paid during the period 2014-2015 (Rs.)
1	Shri M V Bhaskara Rao	1,00,000
2	Shri A S Anand Kumar	1,00,000
3	Shri L V Rao	80,000
4	Shri H Biswas	60,000

Rs. 10,000/- (before TDS) will be paid as sitting fees to each Director for attending each Meeting of the Board of Directors of the Company.

The Company is proposing to have a plan for continuous appraisal of various parameters to analyze the performance of the Directors and Key Managerial Persons and to decide the annual compensation to be paid to them.

Shareholdings of Directors as on 31.03.2015

## SUJANA TOWERS LIMITED

Sl. No.	Name of the Member	Designation	No of Shares held (equity shares of Rs.10/- each)
1	Shri M. V. Bhaskara Rao	Independent & Non Executive Chairman	Nil
2	Shri G. Srinivasa Raju	Promoter and Executive Director	180184
3	Shri S. Hanumantha Rao	Promoter & Non Executive Director	7000
4	Shri A. S. Anand Kumar	Independent Director	Nil
5	Shri L. V. Rao	Independent Director	Nil
6	Shri H. Biswas	IDBI Nominee	Nil
7	Smt B. Sandhyasri	Independent Director	Nil

### V. Shareholders' Grievance Committee

#### 1. Scope of the Shareholders' Grievance Committee

The Shareholders' Grievance Committee of your Company shall look into the redressing of shareholder and investor complaints like transfer of shares, non-receipt of Balance Sheet, non receipt of declared Dividend, etc.

#### 2. Constitution and Composition of the Shareholders' Grievance Committee

Sl.No.	Name of the Member	Designation
1	Shri S. Hanumatha Rao	Member & Chairman
2	Shri G. Srinivasa Raju	Member
3	Shri M.V. Bhaskara Rao	Member

There was no change in the composition of Shareholders' Grievance Committee since the date of last AGM held on 30.09.2014.

No Shareholders' Grievance Committee Meeting was held during the financial year 2014-2015 and all the grievances received by the Company from the Members of the Company has been resolved by the Share Transfer Committee.

#### 3. Name and Designation of the Compliance Officer

The name and designation of the Compliance Officer of your Company is Shri P. Apser Hussien, Company Secretary of your Company.

During the year Shri L Narasimha Rao has resigned as Company Secretary of the Company w.e.f 23rd April, 2015 and Shri P Apser Hussien has been appointed as Company Secretary and Compliance Officer w.e.f. 23rd April, 2015.

#### 4. No. of Shareholders Complaints received so far during the year — 23 (twenty three) and all the Complaints were resolved.

Nature of queries/complaints	Received	Resolved	Un-Resolved
No. of requests for change of address	6	6	Nil
No. of requests for transmission	1	1	Nil
Non-receipt of Share Certificates/Bonus Shares	5	5	Nil
Revalidation of Dividend Warrants	1	1	Nil
Letters from SEBI & Stock Exchanges	Nil	Nil	Nil
Issue of Duplicate Certificates	1	1	Nil
Non receipt of Demat Confirmations/Rejections	Nil	Nil	Nil
Others	9	9	Nil
Total	23	23	Nil

#### **5. No. of Pending Transfers**

There are no share transfers pending more than fortnight during the financial period under review.

#### **VI. Share Transfer Committee**

The share transfer committee comprises of Shri G.Srinivasa Raju, Shri S. Hanumantha Rao and Shri M.V. Bhaskara Rao. Shri G. Srinivasa Raju is the Chairman of the Committee. The role, terms of reference, the authority and powers of the Share Transfer Committee are in conformity with the provisions of the Companies Act, 2013. During the period under review 3 (Three) meetings of Share Transfer Committee were held.

There was no change in the composition of Share Transfer Committee since the date of last AGM held on 30.09.2014.

#### **VII. Management Committee**

The Management Committee comprises of Shri G. Srinivasa Raju, Shri S. Hanumantha Rao and Shri M.V. Bhaskara Rao. The role, terms of reference and the authority and powers of the Management Committee are in conformity with the provisions of the Companies Act, 2013. During the period under review, the Management Committee met 25 (twenty Five) times.

There was no change in the composition of Management Committee since the date of last AGM held on 30.09.2014.

#### **VIII. Corporate Social Responsibility Committee**

In accordance with Section 135 of the Companies Act, 2013, the Board of Directors of the Company at their meeting held on 30.05.2014, have approved the constitution of the CSR Committee which comprises three directors viz. Shri G.Srinivasa Raju, Shri S.Hanumantha Rao and Shri M.V. Bhaskara Rao and defined the role of the Committee, which is as under:

To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Companies Act, 2013;

To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the company;

To monitor the CSR policy of the Company from time to time;

Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time”.

There was one CSR committee meeting was held on 19th January, 2015.

#### **IX. Risk Management Committee**

In accordance with the revised Clause 49(VI) of the Listing Agreement entered by the Company with the Stock Exchanges, the Board of Directors of the Company at their meeting held on 20.05.2015, have approved the constitution of the Risk Management Committee comprises of Shri G.Srinivasa Raju, Shri S.Hanumantha Rao and Shri M.V. Bhaskara Rao.

The Risk Management Committee shall be responsible for framing, implementing & monitoring the risk management plan of the Company.

There was one Risk Management Committee meeting held on 19th January, 2015.

#### **X. General Body Meetings**

The Financial Year 2014-2015 is the Eighth financial year of the Company. The details of last three AGMs held are as below:

## SUJANA TOWERS LIMITED

Sl. No.	No. of Annual General Meeting	Date of the Annual General Meeting	Venue	Time	Details of Special Resolutions passed
1	7th	30th September, 2014	Kohinoor, Taj Deccan, Road No.1, Banjara Hills Hyderabad - 500 034	12.30. P.M.	<ol style="list-style-type: none"> <li>1. Approve the Borrowing limits along with guarantee or counter guarantee and in this regard to consider and if thought fit to pass with or without modifications.</li> <li>2. Mortgage and/or charge any of its movable and / or immovable properties wherever situated both present and future and in this regard to consider and if thought fit, to pass, with or without modification.</li> <li>3. Approve and adopt the new set of Articles of Association of the Company in this regard to consider and if thought fit, to pass, with or without modification..</li> </ol>
2	6th	30th September, 2013	Hotel Sitara Residency, Beside Chandana Brothers, Ameerpet, Hyderabad - 500016	12.00 Noon	To sell, lease, or otherwise dispose of the whole, or substantially the whole of the undertaking of the Company under Section 293(1)(a) of the Companies Act, 1956.
3	5th	22nd September, 2012	Kohinoor, Taj Deccan, Road No.1, Banjara Hills Hyderabad - 500 034	4.00 P.M	<ol style="list-style-type: none"> <li>1. Reappointment of Shri Y. Kamesh as Managing Director for a further period of 3 years w.e.f. 28.05.2013.</li> <li>2. Reclassification of Authorised Share Capital.</li> <li>3. Amendment of Capital Clause V of the Memorandum of Association and Article 3 of the Articles of Association of the Company.</li> <li>4. Further allotments pursuant to Sec.81(1A) of the Companies Act,1956 upto 10 lakh Cumulative Redeemable Preference Shares (CRPS) of Rs.100/- each to Promoters and/ or Non-Promoters.</li> <li>5. To carry on the business as per the objects contained in the other objects clause of the Memorandum of Association of the Company as per Sec.149(2A) of the Companies Act, 1956.</li> </ol>

### Details of special resolutions passed in the previous year through postal ballot and details of voting pattern:

No special resolution passed through postal ballot during the period (01st April, 2014 to 31st March, 2015). However the members have approved the following resolutions through postal ballot on 21st July, 2015.

Resolution No.	Particulars
1	Special Resolution under Section 180 (1) (a) of the Companies Act, 2013, for hiving off the Business Verticals of the Company
2	To approve, ratify and confirm the Corporate Debt Restructuring (CDR) Scheme
3	Special Resolution under Section 62 of the Companies Act, 2013 to Issue and allotment of 46,29,629 Equity Shares of Rs. 10/- each (Rupees Ten only) at a premium of Rs. 44/- each Rupees Forty Four only for cash, to the Promoters/ Promoters' Group in compliance with the terms and conditions of CDR package.

No Extra-ordinary General Meeting of the shareholders was held during the year.



## **XI. Disclosures**

### **1. Materially Significant related party transactions**

There are no materially significant related party transactions i.e., transactions, material in nature with its Promoters, the Directors or the Management, their subsidiaries or relatives etc., having potential conflict with the interests of the Company at large except as mentioned in the Annual Accounts for the year ended on 31st March, 2015. All transactions were carried out on an arm's length basis and were not prejudicial to the interest of the Company.

### **2. Details of Statutory Non-compliances**

There have not been any non-compliance by the Company and no penalties or strictures imposed on the Company by the Stock Exchanges or SEBI or any Statutory Authority, on any material related to capital markets, during the period under review.

### **3. Whistle blower policy**

In accordance with Section 177(9) of the Companies Act, 2013, the Board of Directors of the Company at their meeting held on 30th May, 2014, have approved Vigil Mechanism Policy for its Directors and employees for adequate safeguards against victimization of persons and made provisions for direct access to the Chairperson of the Audit Committee to report the genuine concerns in such manner as may be prescribed in the policy.

### **4. Code of conduct for Independent Directors**

In accordance with Section 149(8) of the Companies Act, 2013, the Board of Directors of the Company at their meeting held on 30th May, 2014, have approved Code of conduct for Independent Directors.

### **5. Risk Management**

The management of the Company has identified some of the major areas of concern having inherent risk viz., Foreign Currency Fluctuation, Client Concentration, Technology Risks and Credit Control. The process relating to minimizing the above risks has already been initiated at the different levels of management and the same is expected to be further strengthened in the financial year 2014-15.

### **6. Adoption of non-mandatory requirements**

Besides mandatory requirements under Clause-49 of the Listing Agreement your Company has voluntarily constituted a Remuneration Committee to consider and recommend the remuneration of Executive Directors. The Company also endeavors to fully comply with all other non mandatory requirements of Clause 49 as well.

7. It is confirmed that no personnel has been denied access to the Audit Committee.

## **XII. Other Disclosures as per Clause 49 of the Listing Agreement**

### **1. Clause 49(II): Code of Conduct**

The Company has adopted a Code of Conduct as required under Clause 49(II) of the Listing Agreement with the Stock Exchanges, which applies to all the Board Members and Senior Management of the Company. The Board Members and Senior Management personnel have affirmed their compliance with the Code on annual basis and their confirmations have been received in this regard. The Code of Conduct has been posted on the Company's website. A separate declaration to this effect signed by the Managing Director is attached.

The Board has laid down a "Code of Conduct" for the prevention of "Insider Trading" in pursuance of the Securities Exchange Board of India (Prohibition of Insider Trading Regulations, 1992 (duly

## SUJANA TOWERS LIMITED

Amended). The Board Members and Senior Personnel have affirmed the compliance with the Code for the financial year 2014-15.

### 2. **Disclosure of Accounting Treatment**

The Company has complied with the appropriate accounting policies and has ensured that they have been applied consistently and comply with material aspects with the accounting standards notified under in Section 133 of the Companies Act, 2013. Significant Accounting policies are provided elsewhere in the Annual Report.

### 3. **Clause 49(VIII)**

None of the Independent/Non-Executive Directors has any pecuniary relationship or transactions with the Company which in the judgment of the Board may affect the independent of the Director except receiving sitting fee for attending Board/Committee Meetings.

### 4. **Management Discussion and Analysis Report**

The Management Discussion and Analysis Report form part of this Annual Report and is in accordance with the requirements as laid down in Clause 49 of the Listing Agreement with Stock Exchanges.

### 5. **Shareholders Information**

Appointment/Re-appointment of Directors: The brief resume of Directors retiring by rotation and Independent Directors seeking re-appointment, including nature of their experience in specific functional areas, names of Companies in which they hold Directorship and membership of committees of the Board is appended to the Notice for calling Annual General Meeting.

### 6. **Prevention of insider trading: [SEBI (Prohibition of Insider Trading) Regulations, 2015]**

The Board has laid down a "Code of Conduct" for the prevention of "Insider Trading" in pursuance of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

## XIII. Means of Communication

1. Publication of Quarterly Financial Results in daily newspapers and the same will be updated in the Company's Website at [www.sujana.com](http://www.sujana.com).
2. Furnishing the Quarterly Financial Results to Stock Exchanges in which Company's shares are listed.
3. Sending Balance Sheet, Statement of Profit & Loss, Directors' Report and Auditors' Report to Shareholders through Post.
4. Company's Corporate Website

The Company's website is a comprehensive reference on Sujana Towers Limited's management, vision, mission, policies, corporate governance, corporate sustainability, investor relations, sales network, updates and news. The Section on 'Investor Relations' serves to inform the shareholders, by giving complete financial details, shareholding patterns, corporate benefits, information relating to stock exchanges, registrars, share transfer agents and frequently asked questions. Investors can also submit their queries and get feedback through online interactive forms. The Section on 'Newsrooms' includes all major press reports and releases, awards, campaigns.

5. NSE Electronic Application Processing System (NEAPS) & BSE Online.

NEAPS and BSE Listing Centre are web based applications designed by NSE and BSE, respectively, for corporate. The Shareholding pattern, Corporate Governance Report are also

filed electronically on NEAPS and BSE Listing Centre in addition to the intimation of the meetings, outcomes of the meetings, postal ballot results, etc.

6. SEBI Complaints Redress System (SCORES)

SCORES is a system implemented by SEBI which enables investors to lodge their complaints electronically on the SEBI website. The investor complaints are processed in a centralized web based complaints redressal system. The salient features of this system are Centralised database of all complaints, online uploading of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status. No complaints were received during the period under review.

7. Annual Report

Annual Report containing, inter alia, Audited Annual Accounts, Consolidated Financial

Statements, Directors' Report, Auditor's Report and other important information is circulated to members and others entitled thereto. The Management Discussion and Analysis (MD&A) Report forms part of the Annual Report.

8. Chairman's Communiqué

Printed copy of the Chairman's Speech is distributed to all the shareholders at the Annual General Meetings.

#### XIV. General Shareholder's information

##### 1. Details pursuant to 8th AGM

1	Date	30th September, 2015
2	Time	02.00 P.M.
3	Venue	Katriya Hotel & Towers, No. 8, Raj Bhavan Road, Somajiguda, Hyderabad-500 082, Telangana, India.
4	Financial Year	2014-2015 (Consisting of 12 months)
5	Book Closure Date	29th September, 2015
6	Dividend payment Date	Not Applicable
7	Listing Details	Bombay Stock Exchange Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001 National Stock Exchange of India Limited (NSE) Exchange Plaza, Plot No. C/1, G Block, Bandra-kurla Complex, Bandra (E), Mumbai - 400 051
8	Stock Codes	BSE Scrip Code : 532887 NSE Scrip Code : SUJANATWR Demat ISIN : INE333I01036 CIN : L40109TG2006PLC049743
9	Payment of listing fee	The Company has paid annual listing fees to each of the above Stock Exchanges for the financial year 2014-15.
10	Company Website	www.sujana.com

## SUJANA TOWERS LIMITED

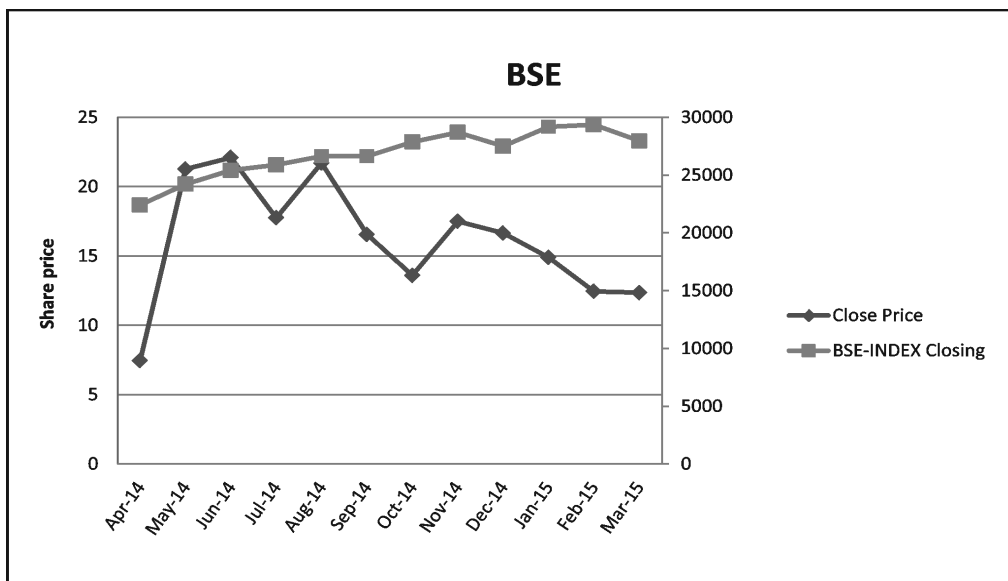
11	E-Voting facility	The voting period begins on 26th September, 2015 at 09.00 A.M. and ends on 29th September, 2015 at 05.00 P.M. (both days inclusive). Shareholders, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e., 23rd September, 2015 may cast their vote electronically. Website : <a href="http://www.evotingindia.com">www.evotingindia.com</a>
12	Share transfer system	Your Company has appointed M/s. Bigshare Services Private Limited for dealing in with the shares of the Company in physical and electronic mode. Presently, they are completing the process of transfers within a period of 10 to 12 days from the date of receipt, subject to the documents being valid and complete in all respects.

### 2. Market Price Data

The trading of equity shares in the Bombay Stock Exchange Limited for the period from 01.04.2014 to 31.03.2015.

Month	High	Low	Close	Bse sensex (closing)
April 2014	8.40	7.00	7.46	22417.80
May 2014#	21.26	7.47	21.26	24217.34
June 2014	32.75	20.05	22.10	25413.78
July 2014	22.40	16.60	17.75	25894.97
August 2014	24.95	17.55	21.70	26638.11
September 2014	22.95	15.65	16.55	26630.51
October 2014	16.60	13.25	13.60	27865.83
November 2014	21.92	13.30	17.05	28693.99
December 2014	17.80	14.15	16.65	27499.42
January 2015	19.45	14.40	14.90	29182.95
February 2015	17.35	12.30	12.45	29361.50
March 2015	13.74	9.70	12.36	27957.49

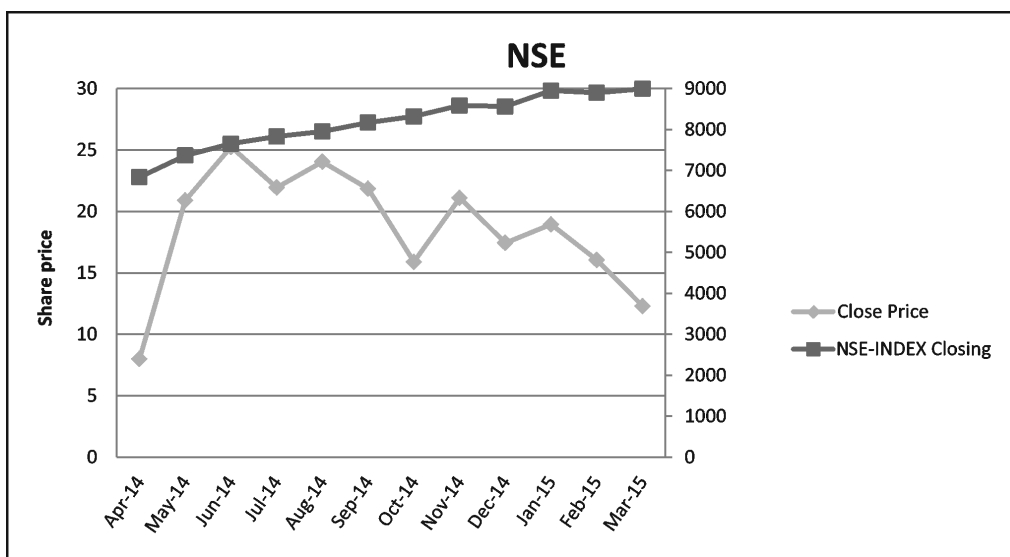
# During the Financial Year Share Price consolidated Rs. 1/- to Rs. 10/-



The trading of equity shares in the National Stock Exchange of India Limited for the period from 01.04.2014 to 31.03.2015.

Month	High	Low	Close	Nifty (closing)
April 2014	8.50	6.80	8.00	6840.00
May 2014	20.90	7.50	20.90	7367.10
June 2014	25.25	21.10	25.25	7656.40
July 2014	22.55	16.60	21.95	7830.60
August 2014	24.85	17.25	24.05	7954.35
September 2014	22.70	15.60	21.85	8173.90
October 2014	16.55	13.20	15.90	8322.20
November 2014	21.75	13.35	21.10	8588.25
December 2014	17.95	14.20	17.45	8564.40
January 2015	19.35	14.50	18.95	8952.35
February 2015	14.25	12.30	16.05	8901.85
March 2015	13.00	9.10	12.30	8996.25

# During the Financial Year Share Price consolidated Rs. 1/- to Rs. 10/-



### 3. Dematerialization of Shares

99.37% of the Company's Paid-up capital has been dematerialized upto 31.03.2015 as per the following details.

Particulars	Number of shares	% of share capital
NSDL	23550861	45.36
CDSL	28037105	54.01
Physical	326957	0.63
Total	51914923	100.00

100% of the promoters shareholding is in DEMAT.

# SUJANA TOWERS LIMITED

## 4. Distribution of Shareholding

As on 31st March, 2015, the Distribution Shareholding was as follows:

Range (Rs)	No. of Shares	% of Shareholding	No. of Shareholders	% of Shareholders
Upto - 5,000	19,72,371	3.80	18610	82.51
5,001 - 10,000	11,22,240	2.16	1363	6.04
10,001 - 20,000	14,33,860	2.76	916	4.06
20,001 - 30,000	10,33,639	2.00	403	1.79
30,001 - 40,000	7,84,966	1.51	219	0.97
40,001 - 50,000	9,52,917	1.84	201	0.90
50,001-1,00,000	29,09,682	5.60	391	1.73
1,00,001 and above	4,17,05,248	80.33	451	2.00
Total	5,19,14,923	100.00	22554	100.00

## 5. Shareholding pattern as on 31st March, 2015

Sl.No.	Category	No.of Holders	No of Shares	% to Equity
1	Promoters and Promoters Group	9	1,89,44,814	36.49
2	Bodies Corporate	515	82,13,464	15.82
3	Public - Individuals	21,830	2,37,28,194	45.71
4	NRIs	191	3,52,851	0.68
5	Foreign Institutional Investors	1	80,000	0.15
6	Financial Institutions/Banks	3	5,95,600	1.15
Total		22,549	5,19,14,923	100.00

## 6. Reconciliation of Share Capital Audit Report

SEBI has vide its circular no: CIR/MRD/DP/30/2010 dated: 06.09.2010 renamed the Secretarial Audit Report as the Reconciliation of Share Capital Audit Report. Reconciliation of Share Capital Audit Report in terms of SEBI Guidelines vide Circular No. CIR/MRD/DP/30/2010 dated 06th September, 2010, confirming that the total issued capital of the Company is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) is placed before the board on a quarterly basis and is also submitted to the Stock Exchanges where the shares of the Company are listed.

## 7. Plant Location

- (i) Plot No.128 Part, Sy. No. 172/B, I.D.A., Bollaram - 502 325, Jinnaram Mandal, Medak Dist., Telangana
- (ii) Plot No.10, 11 and 12 Part, Sy. No.172, I.D.A., Bollaram - 502 325, Jinnaram andal, Medak Dist., Telangana
- (iii) Plot No. 9, Sy. No.172/EE, U, UU, I.D.A., Bollaram - 502 325, Jinnaram Mandal, Medak Dist., Telangana
- (iv) Plot No. 8, B & C, Sy. No.172/EE, U, UU, I.D.A., Bollaram - 502 325, Jinnaram Mandal, Medak Dist., Telangana
- (v) Sy.No.321, Turkala Khanapur Village - 502 201, Hatnur Mandal, Medak Dist., Telangana

**8. Address for Correspondence**

*Registered Office & Secretarial Department*  
Plot No.18, Nagarjuna Hills, Panjagutta, Hyderabad-500 082.  
Phone No.23351882. website : www.sujana.com  
E-voting facility : www.evotingindia.com  
Compliance Officer mail id : pah2862@sujana.com

*Registrars and Share Transfer Agents*  
M/s. Bigshare Services Private Limited,  
306, Right Wing, 3rd Floor, Amruta Ville, Opp: Yashoda Hospital, Raj Bhavan Road,  
Somajiguda, Hyderabad - 500 082, Phone No. 040-2337 4967

**Declaration in terms of amended Clause 49 of Listing Agreement**

It is hereby confirmed that all board members and senior management personnel have affirmed compliance with the code of conduct, laid down by the Board of Directors, for the financial year 2014-15.

By order of the Board

Place : Hyderabad  
Date : 12.08.2015

**G Srinivasa Raju**  
Managing Director

**Certificate on Corporate Governance**

To

The Members of Sujana Towers Limited,

I have examined the compliance conditions of Corporate Governance by Sujana Towers Ltd., Hyderabad for the period ended 31st March, 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my knowledge and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

I state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Investor's Grievance Committee.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company

**Y. Ravi Prasada Reddy**  
Practicing Company Secretary  
FCS. No. 5783  
CP No. 5360

Place: Hyderabad  
Dated: 12.08.2015

# SUJANA TOWERS LIMITED

## INDEPENDENT AUDITORS' REPORT

To  
The Members,  
Sujana Towers Limited.

### Report on the Standalone Financial Statements

We have audited the accompanying financial statements of M/s.Sujana Towers Limited, which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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.

### Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 the disclosures in the financial statements. The procedures selected depend on the auditor's 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 internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 audit opinion on the standalone financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as at 31st March, 2015, and its profit and its cash flows for the year ended on that date.



## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e) On the basis of the written representations received from the directors as on 31st March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and
  - f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion, and to the best of our information and according to the explanations given to us :
    - I. There are no pending litigations for the company that will impact the financial position of the company;
    - II. There are no foreseeable losses on long-term contracts including derivative contracts;
    - III. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For VENUGOPAL & CHENOY**

Chartered Accountants,  
FRN: 004671S

**(P.V.SRI HARI )**

Partner  
Membership No.021961

Place: Hyderabad

Date: 20-05-2015

# SUJANA TOWERS LIMITED

## ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2015, we report that:

- (i) (a) The Company is in the process of updating its Fixed Assets register showing full particulars, including quantitative details and situation of fixed assets.
- (b) According to the information given to us, the fixed assets have been physically verified during the year by the management in accordance with a programme of verification. In our opinion, the periodicity of verification is reasonable having regard to the size of the company and the nature of its assets. However, the comparison of the fixed assets physically found is pending reconciliation with the Fixed Assets Register
- (ii) (a) As explained to us, the physical verification of inventory was carried out during the year by the management at reasonable intervals. However, the documentation with regard to such verification has to be strengthened.
- (b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) According to the information and explanation given to us, the company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book record were not material.
- (iii) (a) The Company has not granted loans to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
- (iv) In our opinion and according to the information and explanations given to us, the internal control procedures, considering the size of the company and the nature of its business, need to be strengthened with regard to purchase of inventory, fixed assets and with regard to sale of goods and services. However, we were informed, that the company is taking steps to improve the internal control procedures. We have not observed any other continuing failure to correct major weaknesses in internal controls.
- (v) In our opinion and according to the information and explanation given to us, the company has not accepted any deposits from the public.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to Section 148(1) of the Companies Act, 2013, and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance income tax, excise, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31 March 2015 for a period of more than six months from the date they became payable except:

Income Tax (2009-2010)	151.14
Income Tax (2010-2011)	2688.45
Income Tax (2011-2012)	2447.15
Income Tax (2012-2013)	129.69
Income Tax (2013-2014)	102.20

- (b) According to information and explanations given to us, the following dues of Excise Duty and Sales tax have not been deposited by the Company on account of disputes:

Name of the Statute (Nature of the Dues)	Period to which the amount relates	Forum where matter is pending	Amount
<b>Excise Department:</b>			
Excise Duty on Job Work	2010-2011	Additional Commissioner of central Excise	Rs. 30.98 lacs (paid Rs. 15.49 lacs during the year 2010-2011)
<b>Sales Tax Department:</b>			
Submission of C Forms	2011-2012	Appellate Deputy Commissioner	Rs. 72.02 lacs

- (viii) In our opinion, the company has no accumulated losses as at 31.03.2015 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- (ix) The Company has not defaulted in the repayment of dues to any bank or financial institution during the year.
- (x) According to the information and explanations given to us, the company has not given any guarantees for loans taken by others from banks or financial institutions.
- (xi) According to the information and explanations given to us, the company has applied the term loans disbursed during the year for the purposes for which they were granted.
- (xii) According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

**For VENUGOPAL & CHENOY**

Chartered Accountants,  
FRN: 004671S

**(P.V. SRI HARI )**

Partner

Membership No. 021961

Place: Hyderabad  
Date: 20-05-2015

# SUJANA TOWERS LIMITED

## BALANCE SHEET AS AT 31.03.2015

(Rs. In Lakhs)

Particulars	Note	As at 31 March 2015	As at 31 March 2014
<b>EQUITY AND LIABILITIES</b>			
Shareholders' funds			
Share capital	3	5,340.01	5,438.83
Reserves and surplus	4	72,051.67	71,671.48
<b>Non-Current Liabilities</b>			
Long-term borrowings	5	98,906.08	1,03,863.57
Deferred tax liabilities (net)	6	6,742.00	6,722.10
Other long term liabilities	7	27,298.92	304.67
Long term provisions	8	220.69	202.99
<b>Current liabilities</b>			
Short-term borrowings	9	64,456.27	55,208.93
Trade payables	10	33,974.35	24,598.40
Other current liabilities	11	23,286.89	27,363.56
Short term provisions	12	5,698.62	5,606.04
<b>Total</b>		<b>3,37,975.49</b>	<b>3,00,980.56</b>
<b>ASSETS</b>			
<b>Non current assets</b>			
<b>Fixed Assets</b>			
Tangible	13	43,158.94	45,865.34
Intangible		7.91	10.69
Non Current investments	14	13,993.74	13,993.74
Long term loans and advances	15	1,32,770.53	32,061.53
<b>Current assets</b>			
Inventories	16	3,804.86	6,801.68
Trade receivables	17	1,42,037.78	1,99,923.79
Cash and cash equivalents	18	54.85	73.59
Short term loan and advances	19	2,146.88	2,219.79
Other current assets	20	-	30.40
<b>Total</b>		<b>3,37,975.49</b>	<b>3,00,980.56</b>
<b>Significant accounting policies &amp; Notes to accounts</b>	Note 1 & 2		

As per our report attached

**M/s. Venugopal & Chenoy**

Chartered Accountants

Firm's Registration No: 004671S

**P.V. Sri Hari**

Partner

Membership No. 21961

Place: Hyderabad

Date: May 20, 2015

For and on behalf of the Board

**Y. Kamesh**  
Managing Director

**S. Hanumantha Rao**  
Director

**S. Kalyani**  
Vice-President (Finance)

**P. Apser Hussien**  
Company Secretary

Place: Hyderabad  
Date: May 20, 2015



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2015

(Rs. In Lakhs)

Particulars	Note	For the Year Ended 31.03.2015	For the Year Ended 31.03.2014
<b>Revenue from operations</b>			
a) Sale of Products		2,12,441.44	1,82,349.72
b) Other operating revenues	21	391.51	232.18
Less: Excise duty		1,000.60	2,251.11
<b>Total revenue from operations</b>		<b>2,11,832.34</b>	1,80,330.80
Other income	22	73.17	266.82
<b>Total Revenue</b>		<b>2,11,905.51</b>	1,80,597.62
<b>Expenses</b>			
Cost of materials consumed	23	9,349.01	12,061.86
Purchases of Stock-in-Trade	24	1,69,968.33	1,43,804.99
Change in inventory of finished goods, work-in-progress and stock-in trade	25	2,653.60	(1,941.66)
Employee benefits	26	761.38	810.69
Finance costs	27	22,680.27	20,030.91
Depreciation and amortisation expense	13	2,741.00	2,254.56
Other expenses	28	3,248.61	3,309.73
<b>Total expenses</b>		<b>2,11,402.19</b>	1,80,331.09
<b>Profit before tax</b>		<b>503.32</b>	266.53
<b>Tax Expense</b>			
Current tax		100.70	105.55
Deferred tax		19.89	(19.07)
<b>Profit / (Loss) for the period from continuing operations</b>		<b>382.73</b>	180.05
<b>Earning Per Share</b>			
Basic		0.73	0.34
Diluted		0.73	0.34
<b>Number of shares used in computing earnings per share</b>			
Basic		519,14,923	519,14,923
Diluted		519,14,923	519,14,923
<b>Significant accounting policies &amp; Notes to accounts</b>	1 & 2		

As per our report attached

**M/s. Venugopal & Chenoy**

Chartered Accountants

Firm's Registration No: 004671S

**P.V. Sri Hari**

Partner

Membership No. 21961

Place: Hyderabad

Date: May 20, 2015

For and on behalf of the Board

**Y. Kamesh**  
Managing Director

**S. Hanumantha Rao**  
Director

**S. Kalyani**  
Vice-President (Finance)

**P. Apser Hussen**  
Company Secretary

Place: Hyderabad  
Date: May 20, 2015

# SUJANA TOWERS LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2015

(Rs. in Lakhs)

S. No.	Particulars	For the Year Ended 31.03.2015	For the Year Ended 31.03.2014
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	NET PROFIT BEFORE TAX	503.32	266.53
	ADJUSTED FOR DEPRECIATION	2,741.00	2,254.56
	PROVISION FOR GRATUITY AND EARNED LEAVE	16.67	100.92
	FINANCIAL CHARGES	22,680.27	20,030.91
	<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>25,941.27</b>	<b>22,652.92</b>
	ADJUSTED FOR		
	DECREASE/(INCREASE) IN INVENTORIES	2,996.83	(1,180.35)
	DECREASE/(INCREASE) IN DEBTORS	57,886.01	(61,383.07)
	DECREASE/(INCREASE) IN LOANS AND ADVANCES	106.64	5,529.84
	(DECREASE)/INCREASE IN CURRENT LIABILITIES	14,480.98	(5,028.30)
	<b>CASH GENERATED FROM OPERATIONS</b>	<b>1,01,411.73</b>	<b>(39,408.96)</b>
	OTHER INCOME		
	TAXES PAID	34.97	246.82
	<b>CASH FROM OPERATING ACTIVITIES (A)</b>	<b>1,01,446.70</b>	<b>(39,162.14)</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	(INCREASE) IN FIXED ASSETS	(31.82)	(11,502.11)
	SALE OF FIXED ASSETS	-	8.99
	(INCREASE) IN CAPITAL WORK IN PROGRESS	(1,00,709.00)	-
	INCREASE IN INVESTMENTS	-	-
	INTEREST RECEIVED	-	-
	<b>CASH USED IN INVESTING ACTIVITIES (B)</b>	<b>(1,00,740.82)</b>	<b>(11,493.12)</b>
<b>C.</b>	<b>CASH FLOW FROM FINANCIAL ACTIVITIES</b>		
	(DECREASE)/INCREASE IN LONG TERM BORROWINGS	(4,957.49)	51,717.22
	(DECREASE)/INCREASE IN UNSECURED LOANS	27,031.84	7,787.47
	(DECREASE)/INCREASE IN SHAREHOLDERS FUNDS	(98.82)	-
	INTEREST PAID	(22,700.15)	(11,018.58)
	<b>NET CASH FROM FINANCING ACTIVITIES ( C )</b>	<b>(724.62)</b>	<b>48,486.11</b>
<b>D.</b>	<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>(18.74)</b>	<b>(2,169.15)</b>
	CASH AND CASH EQUIVALENTS AT BEGINNING	73.59	2,242.74
<b>E.</b>	<b>CASH AND CASH EQUIVALENTS AS ON 31.03.15</b>	<b>54.85</b>	<b>73.59</b>

As per our report attached

**M/s. Venugopal & Chenoy**

Chartered Accountants

Firm's Registration No: 004671S

**P.V. Sri Hari**

Partner

Membership No. 21961

Place: Hyderabad

Date: May 20, 2015

For and on behalf of the Board

**Y. Kamesh**  
Managing Director

**S. Hanumantha Rao**  
Director

**S. Kalyani**  
Vice-President (Finance)

**P. Apser Hussen**  
Company Secretary

Place: Hyderabad  
Date: May 20, 2015

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

#### 1. Basis of Preparation of Financial Statements

The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles ('Indian GAAP') to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on accrual basis. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the services rendered and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

#### 2. Use of Estimates

The Preparation of financial statements, in conformity with the generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amount of revenue and expenses for the period.

Estimates are based on historical experience where applicable and other assumptions that management believes are reasonable under the circumstances. Actual results could vary from these estimates and any such differences are dealt with in the period in which the results are known/ materialize.

#### 3. Fixed Assets

Fixed Assets are carried at cost less accumulated depreciation and impairment loss if any. Cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which take substantial period of time to get ready for their intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

#### 4. Depreciation

Depreciation is provided on Straight line method based on useful life of asset as prescribed in schedule II of the Companies Act, 2013.

#### 5. Revenue Recognition

Revenue is recognized when it is earned and to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Revenue from sale of manufactured goods is recognized on physical delivery of the products, when all significant contractual obligations have been satisfied, the property in the goods is transferred for a price, significant risks and rewards of ownership are transferred to the customers and no effective ownership is retained.

Revenue from traded goods is recognized on symbolic delivery. Significant risks and rewards incidental to ownership are transferred upon issuance of tax invoice and acknowledged by the customers.

Sales are net of sales returns and trade discounts. Export turnover includes related export benefits. Excise duty recovered is presented as a reduction from gross turnover.

#### 6. Inventories

Cost of Inventories comprises - of Cost of Purchase, cost of conversion and other costs incurred in bringing them to their present location and condition.

Raw Materials and Work-in-Progress are valued at cost using the Weighted Average cost method.

Finished Goods- produced and purchased are valued at Cost or Net Realizable value whichever is lower.

Excise duty in respect of finished goods awaiting dispatch is included in the valuation of inventory.

Stores and Spares, Packing material are carried at cost, ascertained on weighted average basis. Necessary provision is made in the case of obsolete and non moving items.

#### 7. Investments

Long-term investments are carried at cost less provision for other than temporary diminution in the carrying value of each investment. Current investments are stated at the lower of cost or quoted /fair value.

#### 8. Leases

Lease arrangements where the risks and rewards incident to the ownership of an asset substantially vest with the

# SUJANA TOWERS LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

lessor, are recognized as Operating leases. Lease rentals under operating leases are recognized in the Profit and Loss account on a straight-line basis over the lease term.

### 9. Employee Benefits

Short term employee benefits (benefits which are repayable within twelve months after the end of the period in which the employees render service) are measured at cost and are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related services are rendered.

Contributions to Provident Fund, a defined contribution plan, are made in accordance with the statute and are recognized as an expense when employees have rendered service entitling them to the contributions.

Other long term employee benefits (benefits which are payable after the end of twelve months from the end of the year in which the employees render service) are measured on a discounted basis by the Projected Unit Credit Method on the basis of actuarial valuation. Actuarial gains and losses are recognized in the profit and loss account.

### 10. Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and in respect of which a reliable estimate can be made.

Contingent liabilities are not provided for and are disclosed by way of notes.

Contingent assets are neither recognized, nor disclosed in the financial statements.

### 11. Foreign Currency Transactions

Transactions in foreign currencies are recorded at the exchange rates prevailing on the dates of transactions and in the case of purchase of material and sale of goods, the exchange gains/losses on the settlements during the year are changed to profit and loss account.

Monetary assets and liabilities denominated in foreign currencies are translated at the rates prevailing as on the date of Balance Sheet.

### 12. Borrowing Cost

Borrowing costs that are attributable to the acquisition or construction of qualifying fixed assets are capitalized as part of the cost of such assets till such time as the asset is ready for its intended use or sale.

### 13. Taxation

Current tax is determined as the amount of tax payable in respect of taxable income of the year. Deferred tax for timing differences between the income as per the financial statement and income as per the Income tax Act 1961 is accounted for using the tax rates and laws that have been enacted or substantially enacted as of the balance sheet date.

Deferred tax assets arising from timing differences are recognized to the extent there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be created.

### 14. Impairment of Assets

Assets that are subject to impairment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

### 15. Earnings per Share

The earnings considered in ascertaining EPS comprises the Net Profit after tax. The numbers of shares used in computing the Basic EPS are the weighted average number of shares outstanding during the period.

For the purpose of calculating the diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

### 16. Cash flow statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payment. The cash flows from regular revenue generating investment and financing activities of the Company are segregated.



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### NOTE 2: NOTES ON FINANCIAL STATEMENTS

#### 1. CONTINGENT LIABILITY

(Rs in Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
Bank Guarantees availed from Banks	<b>3970.42</b>	5675.13
Disputed Excise Liability not provided for	<b>30.98</b>	30.98
Disputed Sales tax liability for which the company preferred an appeal	<b>72.02</b>	72.02

#### 2. CAPITAL COMMITMENT

(Rs in Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
Estimated amount of contracts to be executed on capital account and not provided for	<b>Nil</b>	Nil
Other contracts	<b>Nil</b>	Nil
Total	<b>Nil</b>	Nil

#### 3. RETIREMENT BENEFITS

Gratuity is a unfunded defined benefit plan and the gratuity scheme provides for a lump sum benefit, subject to a vesting period of 5 years in case of early separation, based on final last drawn salary and completed years of service.

(Rs in Lakhs)

Particulars	Gratuity		Leave Encashment	
	For the year ended 31.03.2015	For the year ended 31.03.2014	For the year ended 31.03.2015	For the year ended 31.03.2014
Present value of obligations as at beginning of year	<b>145.33</b>	84.98	<b>66.43</b>	34.88
Interest Cost	<b>13.30</b>	6.97	<b>6.08</b>	2.86
Current service cost	<b>25.18</b>	23.71	<b>17.65</b>	31.55
Benefits paid	<b>(6.46)</b>	(8.41)	<b>(11.60)</b>	(11.87)

(Rs in Lakhs)

Particulars	Gratuity		Leave Encashment	
	For the year ended 31.03.2015	For the year ended 31.03.2014	For the year ended 31.03.2015	For the year ended 31.03.2014
Actuarial loss/(Gain)	<b>(12.91)</b>	38.09	<b>5.52</b>	9.01
Present value of obligations at year end	<b>164.44</b>	145.33	<b>84.08</b>	66.43
Current Liability	<b>11.16</b>	8.77	-	-
Non-Current Liability	<b>153.29</b>	136.56	-	-

# SUJANA TOWERS LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rs in Lakhs)

Particulars	Gratuity		Leave Encashment	
	For the year ended 31.03.2015	For the year ended 31.03.2014	For the year ended 31.03.2015	For the year ended 31.03.2014
<b>Changes in the fair value of plan assets:</b>				
Fair value of plan assets at beginning of year	-	-	-	-
Expected return on plan assets	-	-	-	-
Contributions	-	-	-	-
Benefits paid	-	-	-	-
Actuarial gain on plan assets	-	-	-	-
Fair value of plan assets at the end of year	-	-	-	-
Excess / (Shortfall) of plan assets over obligation	<b>(143.78)</b>	(120.14)	<b>(84.08)</b>	(66.43)
<b>Amounts recognized in the Balance sheet</b>				
Present value of obligations at the end of year	<b>(143.78)</b>	(120.14)	<b>(84.08)</b>	(66.43)
Fair value of plan assets as at the end of the year	-	-	-	-
Funded Status(Liability)	<b>(143.78)</b>	(120.14)	<b>(84.08)</b>	(66.43)
Net Liability recognized in the Balance Sheet	<b>(143.78)</b>	(120.14)	<b>(84.08)</b>	(66.43)
<b>Net Gratuity Cost for the year ended 31.03.15</b>				
Current service cost	<b>25.18</b>	23.71	<b>17.65</b>	31.55
Interest Cost	<b>13.30</b>	6.97	<b>6.08</b>	2.86
Expected return on plan assets	<b>(1.92)</b>	(2.27)	-	-
Net Actuarial (Gain)/Loss	<b>(12.91)</b>	38.09	<b>5.52</b>	9.01
Expense recognized in the year	<b>23.64</b>	66.50	<b>29.25</b>	43.42
<b>Assumptions in accounting for the Gratuity Fund</b>				
Discount Rate	<b>7.80%</b>	9.15%	<b>7.80%</b>	9.15%
Salary Escalation Rate	<b>10%</b>	10%	<b>10%</b>	10%
Expected Average remaining working lives of employees (years)	<b>21</b>	21	<b>21</b>	21

#### 4. SEGMENT REPORTING

The company is principally engaged in single business segment viz., "Power and Telecom Tower", and operates in one geographical segment as per Accounting Standard 17 on 'Segment Reporting'. Accordingly no segment reporting has been made by the company.

#### 5. LEASE COMMITMENTS

The Company has finance Lease agreements for vehicles, the minimum lease rental outstanding as on 31st March 2014 are as follows:-

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

(Rs. in Lakhs)

Particulars	Total Minimum Lease payments outstanding		Future Interest on Outstanding Payments		Present Value of Minimum Lease Payments	
	As at 31.03.2015	As at 31.03.2014	As at 31.03.2015	As at 31.03.2014	As at 31.03.2015	As at 31.03.2014
Within one year	5.28	Nil	0.82	Nil	4.77	Nil
Latter than one year and not later than five years	5.71	Nil	0.34	Nil	5.17	Nil
Later than five years	Nil	Nil	Nil	Nil	Nil	Nil
<b>Total</b>	<b>10.99</b>	<b>Nil</b>	<b>1.15</b>	<b>Nil</b>	<b>9.94</b>	<b>Nil</b>

**6. RELATED PARTY DISCLOSURES**

As per Accounting Standard -18 notified under The Companies (Accounting Standard ) Rules 2006 , the disclosures of transactions with related parties are as follows:

Name of the Subsidiary	Country of Incorporation	% of Holding as at 31.03.2015
<b>Subsidiaries held directly</b>		
Telesuprecon Limited	Mauritius	51
Digitech Business Systems Limited	Hong Kong	100
STL Africa Limited	Mauritius	100
<b>Key Managerial Personnel</b>		
Mr. Y. Kamesh	Managing Director	-

**List of Related Parties**

Sl. No	Name of the Company	Shri Y. S. Chowday	Shri G. Srinivasa Raju	Shri S. Hanumantha Rao
1	Foster Infin and Trading Private Limited	N.A.	√	N.A.
2	Glade Steel Private Limited	N.A.	√	N.A.
3	Kakatiya Enclaves Private Limited	N.A.	√	N.A.
4	Lakshmi Gayatri Industries Private Limited	N.A.	√	√
5	Sujana Energy Limited	N.A.	√	√
6	Sujana Finance and Trading Private Limited	N.A.	√	N.A.
7	Sujana Holding Limited	N.A.	√	√
8	Sujana Metal Products Limited	N.A.	√	√
10	Sujana Power (India) Limited	N.A.	√	√
11	Sujana Projects Limited	N.A.	√	√
12	Sujana Universal Industries Limited	N.A.	√	√
13	Sunled Technologies Private Limited	N.A.	N.A.	√
14	Yalamanchili Finance and Trading Private Limited	N.A.	√	N.A.
15	Sujana Solar Powers Private Limited	N.A.	N.A.	√

\*Shri Y.S. Chowday has resigned from the Board of Directors of the company w.e.f. 14th October, 2014.

# SUJANA TOWERS LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Related Party Transactions

Rs. in Lakhs

	Particulars	Subsidiaries		Key Managerial Personnel	
		2014-15	2013-14	2014-15	2013-14
<b>A</b>	<b>Sales</b>				
	Sujana Metal Products Ltd	-	-	1223.27	2022.45
	Sujana Universal Industries Limited	-	-	28.76	396.44
	<b>Sub-total</b>	-	-	<b>1252.03</b>	<b>2418.89</b>
<b>B</b>	<b>Purchases</b>				
	Sujana Metal Products Ltd	-	-	1719.26	2204.38
	Sujana Universal Industries Limited	-	-	7.99	42.41
	<b>Sub-total</b>	-	-	<b>1727.25</b>	<b>2246.79</b>
<b>C</b>	<b>Investments made during the year/period</b>				
	<b>Sub-total</b>	-	-	-	-
<b>D</b>	<b>Other income</b>				
	<b>Sub-total</b>	-	-	-	-
<b>E</b>	<b>Other Expenses</b>				
	Sujana Universal Industries Limited	-	-	-	1.08
	<b>Sub-total</b>	-	-	-	<b>1.08</b>
<b>F</b>	<b>Remuneration</b>				
	Mr. Y.Kamesh	-	-	<b>36.00</b>	36.00
	<b>Sub-total</b>	-	-	<b>36.00</b>	<b>36.00</b>
<b>G</b>	<b>Advances given/(refunded) during the year</b>				
	Sujana Holdings Limited	-	-	-	700.00
	<b>Sub-total</b>	-	-	-	<b>700.00</b>
	<b>Grand Total</b>	-	-	<b>3015.28</b>	<b>5402.76</b>

### 7. PAYMENT TO AUDITORS

(Rs. in Lakhs)

Particulars	For the year ended 31.03.2015	For the Year ended 31.03.2014
a) Statutory Audit fees	<b>15.00</b>	15.00
b) Limited Reviews	<b>2.00</b>	2.00
c) Other Certifications	<b>Nil</b>	Nil
<b>Total</b>	<b>17.00</b>	17.00

### 8. EARNINGS PER SHARE (EPS)

Particulars	For the year ended 31.03.2015	For the Year ended 31.03.2014
Profit attributable to equity shareholders - (A) (Rs. in Lakhs)	<b>380.20</b>	176.80
Weighted average number of equity shares outstanding during the year used as denominator for calculating EPS (B) (in No's)	<b>51,914,923</b>	51,914,923
Nominal value of equity shares (in Rs.)	<b>10.00</b>	10.00
Basic earnings per share (A/B) (Rs.) #	<b>0.73</b>	0.34
Diluted Earnings Per share (Rs.) #	<b>0.73</b>	0.34

# not annualized

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 9. VALUE OF MATERIALS CONSUMED DURING THE YEAR (Rs. in Lakhs)

Description	For the year ended 31.03.2015			For the Year ended 31.03.2014		
	Mts.	(Rs. in Lakhs)	%	Mts.	(Rs. in Lakhs)	%
<b>Iron Steel</b>						
Indigenous	14439	5363.91	100	28,981	9,054.86	100
Imported						
<b>Tower Parts</b>						
Indigenous	8254	3985.10	100	11,675	3,007.20	100
Imported						
<b>Others</b>						
Indigenous						
Imported						
<b>Total</b>		9349.01	100		12,061.86	100

### 10. VALUE OF BOUGH-OUT MATERIAL CONSUMED (Rs. in Lakhs)

Description	For the year ended 31.03.2015			For the Year ended 31.03.2014		
	Mts.	(Rs. in Lakhs)	%	Mts.	(Rs. in Lakhs)	%
<b>Iron Steel</b>						
Indigenous	296474	112282.22		122,598	49,968.03	100
Imported	584	31.88				
<b>Tower Parts</b>						
Indigenous	140325	57654.23		228,195	90,745.27	100
Imported				533	3091.69	100
<b>Others</b>						
Indigenous						
Imported						
<b>Total</b>		169968.33			143,804.99	

### 11. VALUE OF CONSUMABLES, STORES AND SPARES CONSUMED DURING THE PERIOD (Rs in Lakhs)

Description	For the year ended 31.03.2015	%	For the year ended 31.03.2014	%
Consumables (Indigenous)	1603.25	100	1745.46	100
Consumables (Imported)			-	-
<b>Total</b>	1603.25	100	1745.46	100

### 12. EXPENDITURE IN FOREIGN CURRENCY (ACCRUAL BASIS) (Rs in Lakhs)

	For the year ended 31.03.2015	For the year ended 31.03.2014
Travelling Expenses	Nil	2.36
GDR Service Charges	Nil	Nil
Bank Charges for GDR Issue	Nil	Nil

# SUJANA TOWERS LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 13. INVESTMENT IN EQUITY AND LOANS IN FOREIGN CURRENCY (Rs in Lakhs)

Particulars	For the year ended 31.03.2015	For the year ended 31.03.2014
Equity	13,991.46	13,991.46
Loans given to Subsidiary	1114.79	1114.79

### 14. EARNING IN FOREIGN CURRENCY (CASH AND ACCRUAL BASIS) (Rs. In Lakhs)

	For the year ended 31.03.2015	For the year ended 31.03.2014
FOB Value of Exports	Nil	3165.74

### 15. CIF VALUE OF IMPORTS (Rs. In Lakhs)

	For the year ended 31.03.2015	For the year ended 31.03.2014
Raw Materials and Traded Goods	31.88	3091.69
Stores and Spares and Consumables	Nil	Nil
Capital Goods	Nil	Nil

### 16. LOANS AND ADVANCES IN THE NATURE OF LOANS GIVEN TO SUBSIDIARIES AS PER CLAUSE 32 OF LISTING AGREEMENT

(Rs in Lakhs)

Name of the company	Balance as on		Maximum Outstanding	
	31.03.2015	31.03.2014	2014-2015	2013-2014
Telesuprecon Limited	1114.79	1114.79	1114.79	1114.79
Digitech Business Systems Limited	-	-	-	-
STL Africa Limited	-	-	-	-

17. Few Sundry Debtors, Sundry Creditors, Loans and Advances, Unsecured Loans are subject to confirmation of balances and consequential adjustments, if any.

18. Previous years' figures have been regrouped and reclassified wherever necessary in conformity to the Current Period's classification.

As per our report attached

**M/s. Venugopal & Chenoy**

Chartered Accountants

Firm's Registration No: 004671S

**P.V. Sri Hari**

Partner

Membership No. 21961

Place: Hyderabad

Date: May 20, 2015

For and on behalf of the Board

**Y. Kamesh**  
Managing Director

**S. Hanumantha Rao**  
Director

**S. Kalyani**  
Vice-President (Finance)

**P. Apser Hussen**  
Company Secretary

Place: Hyderabad

Date: May 20, 2015

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rs. in Lakhs)

### 3. Share Capital

Particulars	As at 31 March 2015	As at 31 March 2014
<b>Authorised</b>		
<b>Equity shares</b>		
79,000,000 shares @ Rs.10/- each (previous year 79,000,000 shares @ Rs. 10/- each)	7,900.00	7,900.00
<b>Cumulative Redeemable Preference shares</b>		
2,100,000 shares @ Rs. 100/- each (previous year 2,100,000 Rs. 100/- each)	2,100.00	2,100.00
	<b>10,000.00</b>	<b>10,000.00</b>
<b>Issued, Subscribed and fully Paid up</b>		
<b>Equity shares</b>		
519,149,23 shares @ Rs.10/- fully paid (previous year 519,149,23 shares @ Rs .10/- fully paid up)	5,191.49	5,191.49
<b>Cumulative Redeemable Preference shares</b>		
148,513 Shares @ Rs 100/- each, fully paid up (previous year 247,335 shares @ Rs.100/-each)	148.51	247.34
<b>Total</b>	<b>5,340.01</b>	<b>5,438.83</b>

#### 3.1. Share capital (continued)

The reconciliation of the number of equity shares outstanding is set out below:

Particulars	As at 31 March 2015 (in number)	As at 31 March 2014 (in number)
Shares outstanding at the beginning of the year	5191,49,230	5191,49,230
Shares Issued during the year	-	-
Shares bought back during the year	-	-
<b>Shares outstanding at the end of the year</b>	<b>5191,49,230</b>	<b>5191,49,230</b>

The reconciliation of the number of preference shares outstanding is set out below:

Particulars	As at 31 March 2015 (in number)	As at 31 March 2014 (in number)
Shares outstanding at the beginning of the year	2,47,335	2,96,795
Shares Issued during the year	-	-
Shares bought back during the year	98,822	49,460
<b>Shares outstanding at the end of the year</b>	<b>1,48,513</b>	<b>2,47,335</b>

1% Cumulative Redeemable Preference Shares (CRPS) are redeemable in 12 quarterly installments commenced from 01.10.2013.

# SUJANA TOWERS LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

The details of shareholder holding more than 5% equity shares is set below: (Rs. in Lakhs)

Name of Shareholder	As at 31 March 2015		As at 31 March 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Yalamanchili Finance & Trading (P) Ltd	47,67,500.00	9.18	47,67,500	9.18
Sujana Holdings Limited	75,00,000.00	14.45	75,00,000	14.45
Foster Infin & Trading (P) Ltd	50,95,999.00	9.82	50,95,999	9.82
HI Tech Housing Projects Private Limited	-	-	26,09,946	5.03

The details of shareholder holding more than 5% cumulative, redeemable preference shares is set below:

Name of Shareholder	As at 31 March 2015		As at 31 March 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Industrial Development Bank of India Ltd	1,48,513	100	2,47,335	100

#### 4. Reserve and Surplus

Particulars	As at 31 March 2015	As at 31 March 2014
<b>Capital Reserves</b>		
Opening Balance	11,669.67	11,669.67
Additions during the year	-	-
Deductions during the year	-	-
Closing Balance	11,669.67	11,669.67
<b>Securities Premium Account</b>		
Opening Balance	34,295.15	34,295.15
Add: Premium from shares issued	-	-
Closing Balance	34,295.15	34,295.15
<b>Surplus balance in the statement of profit and loss account</b>		
Opening Balance	25,657.20	25,529.86
Add: Profit for the year/period	382.73	180.05
Less: Dividend on CRPS	2.53	3.26
Less: Transfer to Capital Redemption Reserve Account	98.92	49.46
Closing Balance	25,938.47	25,657.20
<b>Capital Redemption Reserve Account</b>		
Opening Balance	49.46	-
Add: Transferred during the year	98.92	49.46
Closing Balance	148.38	49.46
<b>Total</b>	<b>72,051.67</b>	<b>71,671.48</b>



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

(Rs. in Lakhs)

Particulars	As at 31 March 2015	As at 31 March 2014
<b>5. Long term borrowings</b>		
<b>Secured</b>		
<b>Term loans</b>		
from banks (i)	70,087.43	74,301.40
from other parties	372.73	2,270.00
<b>Sub Total (a)</b>	70,460.15	76,571.40
<b>Un-Secured</b>		
Promoters Contribution as per CDR Schedule	11,945.93	10,792.17
Loans from Promoters and Promoter Group Companies	16,500.00	16,500.00
<b>Sub Total (b)</b>	28,445.93	27,292.17
<b>Total (a+b)</b>	98,906.08	1,03,863.57
(i) Term loans from Banks carry interest @11% are secured by first charge on all fixed assets of the Company, excluding fixed assets of khanapur plant, present and future and secured by personal guarantees of promoter directors and repayable in quarterly installments as per CDR package.		
<b>6. Deferred tax liabilities (net)</b>		
<b>Opening Balance</b>	6,722.10	6,741.18
<b>Add:</b> On account of Depreciation	96.91	52.56
<b>Less:</b> On account of retirement benefits	77.01	71.63
<b>Total</b>	6,742.00	6,722.10
<b>7. Other Long term liabilities</b>		
Deferred sales tax liability (ii)	304.67	304.67
Sundry Creditors	26,994.25	-
	27,298.92	304.67
(ii) 14 years Intert free Sales Tax Deferment Loan received from Government of Andhra Pradesh. Repayment Commences from March 24, 2014 based on the deferment availed in respective years.		
<b>8. Long term provisions</b>		
<b>Provision for employee benefits</b>		
Gratuity	142.13	136.56
Compensated absences	78.56	66.43
<b>Total</b>	220.69	202.99

# SUJANA TOWERS LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rs. in Lakhs)

Particulars	As at 31 March 2015	As at 31 March 2014
<b>9. Short term borrowings</b>		
<b>Secured</b>		
Working Capital demand loan from banks (a)	64,446.00	55,208.93
Finance Lease Obligations (b)	10.27	-
<b>Total</b>	<u>64,456.27</u>	<u>55,208.93</u>
(a) Working Capital demand loan from banks carry interest @ 11.5% is secured by way of pari passu first charge on the current assets and pari passu second charge on the fixed assets of the Company, both present and future, and further secured by the personal guarantee of promoter directors of the company.		
(b) Finance lease obligations secured by the assets purchased out of the said loan.		
<b>10. Trade payables</b>		
Trade Payables		
- due to micro and small enterprises	-	-
- others creditors	33,974.35	24,598.40
<b>Total</b>	<u>33,974.35</u>	<u>24,598.40</u>
<b>11. Other Current Liabilities</b>		
Interest accrued and due on borrowings		
from other parties	9,614.16	11,390.94
Current Obligations for Long Term debt	12,949.83	4,547.00
Advances from customers	30.78	30.78
Due to Statutory authorities	34.07	43.66
Other current liabilities	658.05	11,351.18
<b>Total</b>	<u>23,286.89</u>	<u>27,363.56</u>
<b>12. Short term provisions</b>		
<b>Others (Specify nature)</b>		
Provision for taxation	5,629.21	5,553.60
Provision for Fringe Benefit Tax	10.70	10.70
Proposed dividends	5.79	3.26
Provision for bonus	36.25	20.69
Gratuity	11.16	8.77
Compensated absences	5.52	9.01
<b>Total</b>	<u>5,698.62</u>	<u>5,606.04</u>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**13. FIXED ASSETS**

(Rs. In Lakhs)

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	Opening Gross Block as on 01.04.2014	Additions during the period Apr'14 to Mar'15	Deletions during the period Apr'14 to Mar'15	Closing Gross Block as on 31.03.2015	Acc. Dep. As on 01.04.2014	Depreciation for the period Apr'14 to Mar'15	Depreciation withdrawn	Acc. Dep. As on 31.03.2015	Net Block as on 31.03.2015	Net Block as on 31.03.2014
Land	1,868.84	-	-	1,868.84	-	-	-	-	1,868.84	1,868.84
Building	3,554.18	-	-	3,554.18	552.72	118.71	-	671.43	2,882.75	3,001.46
Plant & Machinery	54,359.61	11.91	-	54,371.52	13,598.58	2,586.62	-	16,185.20	38,186.32	40,761.03
Workshop Equipments	9.60	-	-	9.60	3.71	0.46	-	4.17	5.43	5.89
Weighing Machine	11.34	-	-	11.34	6.77	0.54	-	7.31	4.03	4.57
Electrical Installations	174.72	-	-	174.72	64.15	8.30	-	72.45	102.27	110.57
Furniture & Fixtures	32.75	0.13	-	32.87	13.09	2.08	-	15.17	17.71	19.66
Office Equipments	48.75	0.83	-	49.58	14.64	2.32	-	16.95	32.63	34.12
Vehicles	187.71	17.32	-	205.04	128.50	19.06	-	147.56	57.48	59.22
Computers	106.48	1.63	-	108.10	106.48	0.15	-	106.62	1.48	-
<b>Total</b>	60,353.97	31.82	-	60,385.79	14,488.63	2,738.22	-	17,226.85	43,158.94	45,865.34
<b>Intangible Assets</b>										
	Gross Block				Accumulated Depreciation				Net Block	
	Opening Gross Block as on 01.04.2014	Additions during the period Apr'14 to Mar'15	Deletions during the period Apr'14 to Mar'15	Closing Gross Block as on 31.03.2015	Acc. Dep. As on 01.04.2014	Depreciation for the period Apr'14 to Mar'15	Depreciation withdrawn	Acc. Dep. As on 31.03.2015	Net Block as on 31.03.2015	Net Block as on 31.03.2014
Particulars										
Computer Software	17.13	-	-	17.13	6.44	2.78	-	9.22	7.91	10.69
<b>Total</b>	17.13	-	-	17.13	6.44	2.78	-	9.22	7.91	10.69

# SUJANA TOWERS LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rs. in Lakhs)

Particulars	As at 31 March 2015	As at 31 March 2014
<b>14. Non Current investments</b>		
Investment in Subsidiaries - Equity instruments - Unquoted		
23,32,04,400 (Previous Year 23,32,04,400) Equity Shares of HKD 1 each fully paid in Digitech Business Systems Limited	<b>13,993.47</b>	13,993.47
510 (Previous Year 510) Equity Shares of USD 1 each fully paid in Telesupricon Ltd	<b>0.22</b>	0.22
116 (Previous Year 116) Equity shares of USD 1 each fully paid in STL Africa Ltd	<b>0.05</b>	0.05
<b>Total</b>	<b>13,993.74</b>	13,993.74
<b>15. Long term loans and advances</b>		
<b>Capital Advances for purchase of fixed assets</b>		
Secured, considered good	<b>1,30,560.36</b>	29,851.36
<b>Sub Total (a)</b>	<b>1,30,560.36</b>	29,851.36
<b>Loans and advances to related parties</b>		
Secured, considered good	<b>1,114.79</b>	1,114.79
Less: Provision for doubtful loans and advances		
<b>Sub Total (b)</b>	<b>1,114.79</b>	1,114.79
<b>Other loans and advances</b>		
Advance for business Acquisition	<b>1,095.38</b>	1,095.38
<b>Sub Total (c)</b>	<b>1,095.38</b>	1,095.38
<b>Total (a+b+c)</b>	<b>1,32,770.53</b>	32,061.53

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

(Rs. in Lakhs)

Particulars	As at 31 March 2015	As at 31 March 2014
<b>16. Inventories</b>		
Raw Materials and components (Raw material is valued at cost using the weighted average cost method)	626.54	1,246.19
<b>Sub Total (a)</b>	<u>626.54</u>	<u>1,246.19</u>
<b>Work-in-progress</b> (Work in progress is valued at cost using the weighted average cost method)	1,563.57	3,769.69
<b>Sub Total (b)</b>	<u>1,563.57</u>	<u>3,769.69</u>
Finished goods (Finished goods are valued at cost or net realisable value whichever is less)	1,003.08	1,450.55
<b>Sub Total (c)</b>	<u>1,003.08</u>	<u>1,450.55</u>
Stores and spares (Stores and spares are carried at cost, ascertained on weighted average basis)	611.67	335.25
<b>Sub Total (d)</b>	<u>611.67</u>	<u>335.25</u>
<b>Total (a+b+c+d)</b>	<u>3,804.86</u>	<u>6,801.68</u>
<b>17. Trade receivables</b>		
<b>Unsecured</b>		
<b>Debts outstanding for period exceeding six months</b>		
Considered Good	16,047.47	1,04,653.04
Considered Doubtful	-	-
<b>Other debts</b>		
Considered Good	1,26,227.69	95,508.13
Considered Doubtful	-	-
	<u>1,42,275.16</u>	<u>2,00,161.17</u>
Less: Provision for doubtful debts	237.38	237.38
<b>Total</b>	<u>1,42,037.78</u>	<u>1,99,923.79</u>
<b>18. Cash and cash equivalents</b>		
Cash and Cash Equivalents		
Cash on hand	8.17	4.87
Balance with banks in Current Accounts	7.68	68.72
<b>Sub Total (a)</b>	<u>15.85</u>	<u>73.59</u>
Other Bank Balances		
Margin money	39.00	-
<b>Sub Total (b)</b>	<u>39.00</u>	<u>-</u>
<b>Total (a+b)</b>	<u>54.85</u>	<u>73.59</u>

# SUJANA TOWERS LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rs. in Lakhs)

Particulars	As at 31 March 2015	As at 31 March 2014
<b>19. Short term loan and advances</b>		
<b>Others</b>		
Advance to suppliers	-	444.77
Deposits with Govt authorities	1,276.16	1,257.42
Margin money with parties	226.87	8.93
Advance for expenses	31.14	22.53
Other Deposits	612.72	486.15
<b>Total</b>	<b>2,146.88</b>	<b>2,219.79</b>
<b>20. Other current assets</b>		
Interest accrued	-	30.40
<b>Total</b>	<b>-</b>	<b>30.40</b>
<b>21. Other operating revenues</b>		
Others	391.51	232.18
<b>Total</b>	<b>391.51</b>	<b>232.18</b>
<b>22. Other income</b>		
Interest income	73.17	210.61
Foreign Exchange Fluctuation	-	56.21
<b>Total</b>	<b>73.17</b>	<b>266.82</b>
<b>23. Cost of material consumed</b>		
Opening stock	1,246.19	693.59
Add: Purchases	8,729.35	12,614.46
Add (Less:) Raw material received (transferred)	-	-
Less: Closing stock	626.54	1,246.19
Raw materials consumed	9,349.01	12,061.86
<b>24. Purchases of Stock-in-Trade</b>		
Opening stock	-	-
Add: Purchases	1,69,968.33	1,43,804.99
Add (Less:) Raw material received (transferred)	-	-
Less: Closing stock	-	-
Stock-in-Trade materials consumed	1,69,968.33	1,43,804.99

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

(Rs. in Lakhs)

Particulars	For the year ended 31.03.2015	For the year ended 31.03.2014
<b>25. Change in inventory of finished goods, work-in-progress and stock in trade</b>		
<b>Opening stock</b>		
Finished goods	1,450.55	764.16
Work-in-progress	3,769.69	2,514.43
<b>Sub-Total (a)</b>	<u>5,220.24</u>	<u>3,278.59</u>
<b>Less: Closing stock</b>		
Finished goods	1,003.08	1,450.55
Work-in-progress	1,563.57	3,769.69
<b>Sub-Total (b)</b>	<u>2,566.65</u>	<u>5,220.24</u>
<b>Total (a-b)</b>	<u>2,653.60</u>	<u>(1,941.66)</u>
<b>26. Employee benefits expense</b>		
Salaries and wages	712.14	744.81
Contribution to provident fund and other funds	13.24	29.88
Directors remuneration	36.00	36.00
<b>Total</b>	<u>761.38</u>	<u>810.69</u>
<b>27. Finance Cost</b>		
Interest on working capital loans	7,108.11	5,183.56
Interest Expenses on Term Loans	12,768.74	11,089.08
Other borrowing costs	2,803.42	3,758.28
<b>Total</b>	<u>22,680.27</u>	<u>20,030.91</u>
<b>28. Other Expense</b>		
Consumption of stores, loose tools and spare parts	2,440.59	2,073.80
Power and fuel	327.51	467.07
Repairs and maintenance:	42.34	88.75
Rates and taxes, excluding, taxes on income	43.60	29.88
Insurance	48.57	43.21
Traveling and conveyance	46.30	47.56
Communication	12.36	11.95
Contract labor charges (security charges)	79.62	70.61
Legal and professional fees	102.73	240.82
Auditor Remuneration	19.00	15.00
Sales promotion and advertisement	57.67	198.06
Loss on sale of fixed assets (net)	-	2.81
Donations	0.03	1.00
Printing and stationery	18.20	15.52
Sitting Fees	3.82	2.33
Miscellaneous expenses	6.27	1.37
<b>Total</b>	<u>3,248.61</u>	<u>3,309.73</u>

# SUJANA TOWERS LIMITED

## BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

<b>I</b>	<b>REGISTRATION DETAILS</b>		
	Registration No / Company Identification No.		CIN:U40109TG2006PLC049743
	Balance Sheet		31.03.2015
<b>II</b>	<b>CAPITAL RAISED DURING THE YEAR</b>		
	Public Issue		NIL
	Share warrants exercised		NIL
	Bonus Issue		NIL
	Private Placement		NIL
<b>III</b>	<b>POSITION OF MOBILISATION OF AND DEPLOYMENT OF FUNDS</b>		(Amt in Lakhs)
	Total Equity and Liabilities		337,975.49
	Total Assets		337,975.49
	<b>Equity and Liabilities</b>		
	Share Capital		5,340.01
	Reserves & Surplus		72,051.67
	Deferred Tax Liability		6,742.00
	Long term borrowings		98906.08
	Short term borrowings		64456.27
	Current Liabilities and Provisions		90,479.63
	<b>Application of Funds</b>		
	Net Fixed Assets		43,166.85
	Non Current Investments		13,993.74
	Long term Loans & Advances		132,770.53
	Current Assets		148,044.37
<b>IV</b>	<b>PERFORMANCE OF THE COMPANY</b>		(Amt in Lakhs)
	Total Income		211,905.51
	Total Expenditure		211,402.19
	Profit before Tax		503.32
	Profit after Tax		382.73
	<b>Earnings per Share in Rs.</b>		
	Basic		0.73
	Diluted		0.73
<b>V</b>	<b>GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF COMPANY (AS PER MONETARY TERMS)</b>		
	PRODUCT DESCRIPTION	STEEL ANGLES, SHAPES & U,I,H,L&T SECTIONS	
	ITEM CODE (IT CODE No.)	72161000	
	PRODUCT DESCRIPTION	GALVANISED STEEL PRODUCTS	



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# **Consolidated Accounts for the year ended 31.03.2015**

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# SUJANA TOWERS LIMITED

## INDEPENDENT AUDITORS' REPORT

To  
The Members,  
**Sujana Towers Limited,**  
Hyderabad.

### **Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of Sujana Towers Limited (herein referred to as "the Holding Company"), and its subsidiaries, (the Holding Company and its subsidiaries, together are referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2015, Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year ended on that date and a summary of the Significant Accounting Policies and other information annexed thereto (herein after referred to as "the consolidated financial statements")

### **Management's Responsibility for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013, ( the Act ) that give a true and fair view of the consolidated financial position, financial performance and cash flows of the Group in accordance with the accounting principles generally accepted in India, including Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We have taken into account the provisions of the Act, the accounting standards and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. 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 consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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, of the consolidated state of affairs of the Group, as at March 31, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

### **Other Matters**

- (a) We did not audit the Financial Statements of one subsidiary, whose Financial Statements reflect total assets (net) of Rs.19006.98 lakhs as at March 31, 2015, total revenues of Rs. 14943.42 lakhss and net cash inflows amounting to Rs. 4.91 lakhs for the year ended March 31, 2015, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose report has been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) and (11) of section 143 of the Act, insofar as it relates to the aforesaid subsidiary, is based solely on the report of the other auditor.
- (b) We did not audit the Financial Statements of two subsidiaries, whose financial statements reflect total assets (net) of Rs.13698.25 lakhs as at 31st March, 2015, total revenues of Rs.61.15 lakhs for the year ended on that date and net cash outflows amounting to Rs.86.78 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of two subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company incorporated in India, we give in Annexure to this report, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the

## SUJANA TOWERS LIMITED

Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2015, taken on record by the Board of Directors of the Holding Company incorporated in India, none of the directors of the Holding Company is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the Other Matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. There were no pending litigations which would impact the consolidated financial position of the Holding Company and its subsidiary companies
  - ii. The Holding Company and its subsidiary companies did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company incorporated in India.

**For VENUGOPAL & CHENYOY**  
Chartered Accountants  
FRN: 004671S

**P.V. SRI HARI**  
Partner  
Membership No. 21961

Place: Hyderabad  
Date: 20-05-2015

## Annexure to the Independent Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the Consolidated financial statements for the year ended 31 March 2015, we report that:

- (i) (a) The Holding Company is in the process of updating its Fixed Assets register showing full particulars, including quantitative details and situation of fixed assets.  
(b) According to the information given to us, the fixed assets have been physically verified during the year by the management in accordance with a programme of verification. In our opinion, the periodicity of verification is reasonable having regard to the size of the Holding Company and the nature of its assets. However, the comparison of the fixed assets physically found is pending reconciliation with the Fixed Assets Register
- (ii) (a) As explained to us, the physical verification of inventory was carried out during the year by the management at reasonable intervals. However, the documentation with regard to such verification has to be strengthened.  
(b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Holding Company and the nature of its business.  
(c) According to the information and explanation given to us, the Holding Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book record were not material.
- (iii) The Holding Company has not granted loans to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
- (iv) In our opinion and according to the information and explanations given to us, the internal control procedures, considering the size of the Holding Company and the nature of its business, need to be strengthened with regard to purchase of inventory, fixed assets and with regard to sale of goods and services. However, we were informed, that the Holding Company is taking steps to improve the internal control procedures. We have not observed any other continuing failure to correct major weaknesses in internal controls.
- (v) In our opinion and according to the information and explanation given to us, the Holding Company has not accepted any deposits from the public.
- (vi) We have broadly reviewed the books of account maintained by the Holding Company pursuant to Section 148(1) of the Companies Act, 2013, and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Holding Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance income tax, excise, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Holding Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31 March 2015 for a period of more than six months from the date they became payable except:

# SUJANA TOWERS LIMITED

Rs. In Lakhs

Income Tax (2009-2010)	151.14
Income Tax (2010-2011)	2688.45
Income Tax (2011-2012)	2447.15
Income Tax (2012-2013)	129.69
Income Tax (2013-2014)	102.20

- (b) According to information and explanations given to us, the following dues of Excise Duty and Sales tax have not been deposited by the Holding Company on account of disputes:

Name of the Statute (Nature of the Dues)	Period to which the amount relates	Forum where matter is pending	Amount
<b>Excise Department:</b>			
Excise Duty on Job Work	2010-2011	Additional Commissioner of central Excise	Rs. 30.98 lacs (paid Rs.15.49 lacs during the year 2010-2011)
<b>Sales Tax Department:</b>			
Submission of C Forms	2011-2012	Appellate Deputy Commissioner	Rs. 72.02 lacs

- (viii) In our opinion, the Holding Company has no accumulated losses as at 31.03.2015 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- (ix) The Holding Company has not defaulted in the repayment of dues to any bank or financial institution during the year.
- (x) According to the information and explanations given to us, the Holding Company has not given any guarantees for loans taken by others from banks or financial institutions.
- (xi) According to the information and explanations given to us, the Holding Company has applied the term loans disbursed during the year for the purposes for which they were granted.
- (xii) According to the information and explanations given to us, no material fraud on or by the Holding Company has been noticed or reported during the course of our audit.

**For VENUGOPAL & CHENYO**

Chartered Accountants

FRN: 004671S

**P.V. SRI HARI**

Partner

Membership No. 21961

Place: Hyderabad

Date: 20-05-2015

**CONSOLIDATED BALANCE SHEET AS AT 31.03.2015**

(Rs. In Lakhs)

Particulars	Note	As at 31st March 2015	As at 31 March 2014
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	3	5,340.01	5,438.83
Reserves and surplus	4	84,377.67	83,797.73
<b>Non-Current Liabilities</b>			
Long-term borrowings	5	1,06,420.97	1,11,106.52
Deferred tax liabilities (net)	6	6,735.52	6,715.32
Other long term liabilities	7	27,298.92	304.67
Long term provisions	8	220.69	202.99
<b>Current liabilities</b>			
Short-term borrowings	9	64,456.27	55,208.93
Trade payables	10	78,871.03	64,622.39
Other current liabilities	11	23,381.63	27,392.57
Short term provisions	12	5,698.62	5,640.33
<b>Total</b>		<b>4,02,801.32</b>	<b>3,60,430.28</b>
<b>ASSETS</b>			
<b>Non current assets</b>			
<b>Fixed Assets</b>			
Tangible	13	43,331.89	46,059.30
Intangible		7.91	10.69
Long term loans and advances	14	1,31,655.74	30,946.74
<b>Current assets</b>			
Inventories	15	3,940.42	6,932.47
Trade receivables	16	2,21,009.35	2,71,330.74
Cash and cash equivalents	17	90.65	191.26
Short term loan and advances	18	2,765.37	4,928.67
Other current assets	19	-	30.40
<b>Total</b>		<b>4,02,801.32</b>	<b>3,60,430.28</b>
Significant accounting policies & Notes to accounts	Note 1 & 2		

As per our report attached

**M/s. Venugopal & Chenoy**

Chartered Accountants

Firm's Registration No: 004671S

**P.V. Sri Hari**

Partner

Membership No. 21961

Place: Hyderabad

Date: May 20, 2015

For and on behalf of the Board

**Y. Kamesh**  
 Managing Director

**S. Hanumantha Rao**  
 Director

**S. Kalyani**  
 Vice-President (Finance)

**P. Apser Hussen**  
 Company Secretary

 Place: Hyderabad  
 Date: May 20, 2015

# SUJANA TOWERS LIMITED

## CONSOLIDATED PROFIT AND LOSS FOR THE PERIOD ENDED 31.03.2015

(Rs. In Lakhs)

Particulars	Note	For the year ended 31.03.2015	For the year ended 31.03.2014
<b>Revenue from operations</b>			
a) Sale of Products		<b>2,27,384.85</b>	1,95,944.81
b) Other operating revenues	20	<b>452.66</b>	232.18
Less: Excise duty		<b>1,000.60</b>	2,251.11
<b>Total revenue from operations</b>		<b>2,26,836.91</b>	1,93,925.89
Other income	21	<b>73.17</b>	266.82
<b>Total Revenue</b>		<b>2,26,910.07</b>	1,94,192.71
<b>Expenses</b>			
Cost of materials consumed	22	<b>9,349.01</b>	12,061.86
Purchases of Stock-in-Trade	23	<b>1,84,852.08</b>	1,57,220.50
Change in inventory of finished goods, work-in-progress and stock-in trade	24	<b>2,653.60</b>	(1,941.66)
Employee benefits	25	<b>842.52</b>	939.73
Finance costs	26	<b>22,702.26</b>	20,906.89
Depreciation and amortisation expense	13	<b>2,762.01</b>	2,278.67
Other expenses	27	<b>3,284.64</b>	3,473.78
<b>Total expenses</b>		<b>2,26,446.11</b>	1,94,939.78
<b>Profit before tax</b>		<b>463.96</b>	(747.07)
<b>Tax Expense</b>			
Current tax		<b>100.70</b>	126.93
Deferred tax		<b>19.89</b>	(19.07)
<b>Profit for the Year/Period</b>		<b>343.36</b>	(854.92)
<b>Earning Per Share</b>			
Basic		<b>0.73</b>	-
Diluted		<b>0.73</b>	-
<b>Number of shares used in computing earnings per share</b>			
Basic		<b>519,14,923</b>	519,14,923
Diluted		<b>519,14,923</b>	519,14,923
Significant accounting policies & Notes to accounts	1 & 2		

As per our report attached

**M/s. Venugopal & Chenoy**

Chartered Accountants

Firm's Registration No: 004671S

**P.V. Sri Hari**

Partner

Membership No. 21961

Place: Hyderabad

Date: May 20, 2015

For and on behalf of the Board

**Y. Kamesh**  
Managing Director

**S. Hanumantha Rao**  
Director

**S. Kalyani**  
Vice-President (Finance)

**P. Apser Hussien**  
Company Secretary

Place: Hyderabad  
Date: May 20, 2015



## CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2015

(Rs. In Lakhs)

	For the Year Ended 31.03.2015	For the Year Ended 31.03.2014
<b>A. Cash Flow from Operating Activities</b>		
Net Profit after Tax	377.20	(262.50)
Adjusted for Depreciation	2,762.01	2,278.67
Dividend & Distribution Tax	2.53	3.26
Provision for Gratuity and Earned Leave	16.67	100.92
Loss on Sale of Fixed Assets	-	92.94
Financial Charges	22,702.26	20,906.89
<b>Operating Profit Before Working Capital Changes</b>	<b>25,860.67</b>	<b>23,120.17</b>
Adjusted for		
Decrease/(Increase) in Inventories	2,992.06	(1,192.66)
Decrease/(Increase) in Debtors	50,321.40	(70,540.58)
Decrease/(Increase) in Loans And Advances	2,193.70	5,224.62
(Decrease)/Increase in Current Liabilities	19,543.32	5,234.45
Cash Generated from Operations	100,911.15	(38,153.99)
Taxes Paid	34.97	246.82
<b>Cash from Operating Activities (A)</b>	<b>100,946.12</b>	<b>(37,907.17)</b>
<b>B. Cash Flow From Investing Activities</b>		
(Increase) in Fixed Assets	(31.82)	(11,511.10)
Sale of Fixed Assets	-	185.34
(Increase)/Decrease in Capital Work in Progress	(100,709.00)	-
Increase In Investments	-	-
<b>Cash Used In Investing Activities (B)</b>	<b>(100,740.82)</b>	<b>(11,325.75)</b>
<b>C. Cash Flow From Financial Activities</b>		
(Decrease)/Increase in Long Term Borrowings	(4,685.55)	51,254.60
(Decrease)/Increase in Unsecured Loans	27,032.15	4,086.74
(Decrease)/Increase in Shareholders Funds	(98.82)	(49.46)
(Decrease)/Increase in share Premium and Capital Reserves	202.74	2,525.08
Interest Paid	(22,756.43)	(10,843.83)
<b>Net Cash from Financing Activites ( C )</b>	<b>(305.91)</b>	<b>46,973.14</b>
<b>D. Net Increase in Cash and Cash Equilant (A+B+C)</b>	<b>(100.61)</b>	<b>(2,259.79)</b>
Cash and Cash Equilant at Beginning 01.04.2014	191.26	2,451.05
<b>E. Cash and Cash Equilant As On 31.03.2015</b>	<b>90.65</b>	<b>191.26</b>

As per our report attached

**M/s. Venugopal & Chenoy**

Chartered Accountants

Firm's Registration No: 004671S

**P.V. Sri Hari**

Partner

Membership No. 21961

Place: Hyderabad

Date: May 20, 2015

For and on behalf of the Board

**Y. Kamesh**  
Managing Director

**S. Hanumantha Rao**  
Director

**S. Kalyani**  
Vice-President (Finance)

**P. Apser Hussien**  
Company Secretary

Place: Hyderabad

Date: May 20, 2015

# SUJANA TOWERS LIMITED

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Note 1: SIGNIFICANT ACCOUNTING POLICIES

#### 1. Basis of Preparation of Consolidated Financial statements

The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles ('Indian GAAP') to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on accrual basis. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the services rendered and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities..

#### 2. Use of Estimates

The Preparation of consolidated financial statements, in conformity with the generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amount of revenue and expenses for the period.

Estimates are based on historical experience, where applicable and other assumptions that management believes are reasonable under the circumstances. Actual results could vary from these estimates and any such differences are dealt with in the period in which the results are known/materialize.

#### 3. Fixed Assets

Fixed Assets are carried at cost less accumulated depreciation and impairment loss if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of Fixed Assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

#### 4. Intangible Assets

Intangible assets are stated at cost of acquisition less accumulated amortization.

#### 5. Depreciation and Amortization

Depreciation is provided on Straight line method based on useful life of asset as prescribed in schedule II of the Companies Act, 2013.

#### 6. Inventories

Items of Inventories are measured at lower of Cost or net realizable value after providing for obsolescence, if any. Cost of Inventories comprises of Cost of Purchase, cost of conversion and other costs incurred in bringing them to their respective present location and condition. Cost of Raw materials, Stores and spares, Packing Materials, trading and other Products are determined on weighted average basis. Work in process includes material cost and applicable direct overheads. Finished goods are valued at the aggregate of material cost and applicable direct and indirect overheads or market value whichever is lower.

#### 7. Investments

Long-term investments are carried at cost less provision for other than temporary diminution in the carrying value of each investment. However there are no investments.

#### 8. Leases

Lease arrangements where the risks and rewards incident to the ownership of an asset substantially vest with the lessor, are recognized as operating leases. Lease rentals under operating leases are recognized in the Profit and Loss account on a straight-line basis over the lease term.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### 9. Employee Benefits

- a. Short term employee benefits are charged off at the undiscounted amount in the year in which related service is rendered.
- b.
  - i) The Company's contribution to provident fund is recognized on accrual basis.
  - ii) Gratuity and Leave Encashment liability is provided on the basis of an actuarial valuation carried out at the end of each financial year.

### 10. Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and in respect of which reliable estimate can be made.

Contingent liabilities are not provided for and are disclosed by way of notes.

Contingent assets are neither recognized nor disclosed in the financial statements.

### 11. Foreign Currency Transactions

Foreign Currency transactions are recorded at the rates prevailing on the date of transaction. Monetary assets and liabilities in foreign currency are translated at the period end rates. Exchange differences arising on settlement of transactions and translation of monetary items are recognized as income or expense.

### 12. Borrowing Cost

Borrowing costs that are attributable to the acquisition or construction of qualifying fixed assets are capitalized as part of the cost of such assets till such time as the asset is ready for its intended use or sale.

### 13. Taxation

Current tax is determined as the amount of tax payable in respect of taxable income of the year. Deferred tax for timing differences between the income as per the financial statement and income as per the Income tax Act 1961 is accounted for using the tax rates and laws that have been enacted or substantially enacted as of the balance sheet date.

Deferred tax assets arising from the timing differences are recognized to the extent there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be created.

### 14. Impairment of Assets

Assets that are subject to impairment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the assets carrying amount exceeds the recoverable amount.

### 15. Earnings per share

The earnings considered in ascertaining EPS comprise the net profit after tax. The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the Period.

For the Purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

### 16. Consolidated Cash flow statement

Consolidated Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payment. The Consolidated cash flows from regular revenue generating investment and financing activities of the Company are segregated.

# SUJANA TOWERS LIMITED

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### NOTE 2: NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

#### 1. Principles of Consolidation

The Consolidated Financial Statements relate to Sujana Towers Limited (“the Company”) and its subsidiary Companies. The Consolidated Financial Statements have been prepared on the following basis.

The financial statements of the Company and its subsidiary companies have been combined on a line-by –line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra group transactions resulting in unrealized profits or losses as per Accounting Standard 21- Consolidated Financial Statements notified by the Companies (Accounting Standards) Rules, 2006.

In case of foreign subsidiaries, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at the rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognized in foreign currency translation reserve.

The Financial Statements of Subsidiaries used in the consolidation are drawn up to the same reporting dates as that of the company. i.e. March 31, 2015

The list of Subsidiary companies which are included in the consolidation and the company’s holding therein are as under:

Name of the Consolidated Entities	Country of Incorporation	Nature of Interest	% of Interest
Telesuprecon Limited	Mauritius	Subsidiary	51
Digitech Business Systems Limited	Hong Kong	Subsidiary	100
STL Africa Limited	Mauritius	Subsidiary	100

2. In respect of Telesuprecon Limited and STL Africa Limited, the consolidation has been made on the basis of accounts compiled by the Management.

#### 3. CONTINGENT LIABILITY

(Rs in Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
Bank Guarantees availed from Banks	3970.42	5675.13
Disputed Excise Liability not provided for	30.98	30.98
Disputed Sales tax liability for which the company preferred an appeal	72.02	72.02

#### 4. CAPITAL COMMITMENTS

(Rs. In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
Estimated amount of contracts to be executed on capital account and not provided for	Nil	Nil
Other contracts	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### 5. RETIREMENT BENEFITS

Gratuity is a unfunded defined benefit plan and the gratuity scheme provides for a lump sum benefit, subject to a vesting period of 5 years in case of early separation, based on final last drawn salary and completed years of service.

(Rs. in Lakhs)

Particulars	Gratuity		Leave Encashment	
	For the year ended 31.03.2015	For the year ended 31.03.2014	For the year ended 31.03.2015	For the year ended 31.03.2014
Present value of obligations as at beginning of year	145.33	84.98	66.43	34.88
Interest Cost	13.30	6.97	6.08	2.86
Current service cost	25.18	23.71	17.65	31.55
Benefits paid	(6.46)	(8.41)	(11.60)	(11.87)
Actuarial loss/(Gain)	(12.91)	38.09	5.52	9.01
Present value of obligations at year end	164.44	145.33	84.08	66.43
Current Liability	11.16	8.77	-	-
Non-Current Liability	153.29	136.56	-	-
<b>Changes in the fair value of plan assets:</b>				
Fair value of plan assets at beginning of year	-	-	-	-
Expected return on plan assets	-	-	-	-
Contributions	-	-	-	-
Benefits paid	-	-	-	-
Actuarial gain on plan assets	-	-	-	-
Fair value of plan assets at the end of year	-	-	-	-
Excess / (Shortfall) of plan assets over obligation	(143.78)	(120.14)	(84.08)	(66.43)
Amounts recognized in the Balance sheet				
Present value of obligations at the end of year	(143.78)	(120.14)	(84.08)	(66.43)
Fair value of plan assets as at the end of the year	-	-	-	-
Funded Status(Liability)	(143.78)	(120.14)	(84.08)	(66.43)
Net Liability recognized in the Balance Sheet	(143.78)	(120.14)	(84.08)	(66.43)
<b>Net Gratuity Cost for the year ended 31.03.15</b>				
Current service cost	25.18	23.71	17.65	31.55
Interest Cost	13.30	6.97	6.08	2.86
Expected return on plan assets	(1.92)	(2.27)	-	-
Net Actuarial (Gain)/Loss	(12.91)	38.09	5.52	9.01
Expense recognized in the year	23.64	66.50	29.25	43.42
<b>Assumptions in accounting for the Gratuity Fund</b>				
Discount Rate	7.80%	9.15%	7.80%	9.15%
Salary Escalation Rate	10%	10%	10%	10%
Expected Average remaining working lives of employees (years)	21	21	21	21

# SUJANA TOWERS LIMITED

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### 6. SEGMENT REPORTING

Segments are identified in line with AS 17 “Segment Reporting”, taking into consideration the internal organization and management structure as well as the different risk and returns of the segment.

1. The group is principally engaged in single business segment Viz., “Power and Telecom Towers” and has been considered as the only reportable segment and hence no separate financial disclosure provided in respect of its single business segment.
2. The Company operates in different geographical locations. However each of these operating locations are further aggregated based on the following factors: (a) similarity of economic and political conditions; (b) relationships between operations in different geographical areas; (c) proximity of operations; (d) special risks associated with operations in a particular area; (e) exchange control regulations; and (f) the underlying currency risk. Accordingly, the following have been identified as operating and reportable segments: (a) “India”, (b) Mauritius “(c) “Hong Kong”.

Financial information as required in respect of operating and reportable segments is as given below.

(Rs. in Lakhs)

Particulars	India	Mauritius	Hongkong	Consolidated
External Sales	211,440.83	-	14,943.42	226,384.2
Inter Segment Sales	-	-	-	-
Total Revenue	211,440.83	-	14,943.42	226,384.2
<b>Results</b>	-	-	-	-
Segment Results	22,718.92	(136.32)	57.79	22,640.39
Interest Expense	-	-	-	22,702.26
Other Income	-	-	-	525.83
Income tax	-	-	-	120.60
Minority Interest	-	-	-	(36.37)
Profit for the period	-	-	-	(379.73)

### 7. RELATED PARTY DISCLOSURE

As per Accounting Standard -18 notified under The Companies (Accounting Standard ) Rules 2006 , the disclosures of transactions with related parties are as follows :

#### Subsidiaries

Name of the Subsidiary	Country of Incorporation	% of Holding as at 31.03.2015
<b>Subsidiaries held directly</b>		
Telesuprecon Limited	Mauritius	51
Digitech Business Systems Limited	Hong Kong	100
STL Africa Limited	Mauritius	100
<b>Key Managerial Personnel</b>		
Shri. Y. Kamesh	Managing Director	

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### List of Related Parties

Sl. No	Name of the Company	Shri Y. S. Chowdary	Shri G. Srinivasa Raju	Shri S. Hanumantha Rao
1	Foster Infin and Trading Private Limited	N.A.	√	N.A.
2	Glade Steel Private Limited	N.A.	√	N.A.
3	Kakatiya Enclaves Private Limited	N.A.	√	N.A.
4	Lakshmi Gayatri Industries Private Limited	N.A.	√	√
5	Sujana Energy Limited	N.A.	√	√
6	Sujana Finance and Trading Private Limited	N.A.	√	N.A.
7	Sujana Holding Limited	N.A.	√	√
8	Sujana Metal Products Limited	N.A.	√	√
10	Sujana Power (India) Limited	N.A.	√	√
11	Sujana Projects Limited	N.A.	√	√
12	Sujana Universal Industries Limited	N.A.	√	√
13	Sunled Technologies Private Limited	N.A.	N.A.	√
14	Yalamanchili Finance and Trading Private Limited	N.A.	√	N.A.
15	Sujana Solar Powers Private Limited	N.A.	N.A.	√

\*Shri Y.S. Chowday has resigned from the Board of Directors of the company w.e.f. 14th October, 2014.

### Related Party Transactions

Rs. in Lakhs

Particulars	Subsidiaries		Key Managerial Personnel	
	2014-15	2013-14	2014-15	2013-14
<b>A Sales</b>				
Sujana Metal Products Ltd	-	-	<b>1223.27</b>	2022.45
Sujana Universal Industries Limited	-	-	<b>28.76</b>	396.44
<b>Sub-total</b>	-	-	<b>1252.03</b>	2418.89
<b>B Purchases</b>				
Sujana Metal Products Ltd	-	-	<b>1719.26</b>	2204.38
Sujana Universal Industries Limited	-	-	<b>7.99</b>	42.41
<b>Sub-total</b>	-	-	<b>1727.25</b>	2246.79
<b>C Investments made during the year/period</b>				
<b>Sub-total</b>	-	-	-	-
<b>D Other income</b>				
<b>Sub-total</b>	-	-	-	-
<b>E Other Expenses</b>				
Sujana Universal Industries Limited	-	-	-	1.08
<b>Sub-total</b>	-	-	-	1.08
<b>F Remuneration</b>				
Mr. Y. Kamesh	-	-	<b>36.00</b>	36.00
<b>Sub-total</b>	-	-	<b>36.00</b>	36.00
<b>G Advances given/(refunded) during the year</b>				
Sujana Holdings Limited	-	-	-	700.00
<b>Sub-total</b>	-	-	-	700.00
<b>Grand Total</b>	-	-	<b>3015.28</b>	5402.76

# SUJANA TOWERS LIMITED

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### 8. EARNINGS PER SHARE (EPS)

Particulars	For the year ended 31.03.2015	For the Year ended 31.03.2014
Profit attributable to equity shareholders - (A) (In Rs)	<b>377.20</b>	-
Weighted average number of equity shares outstanding during the year used as denominator for calculating EPS (B) (In No's)	<b>51,914,923</b>	51,914,923
Nominal value of equity shares (In Rs.)	<b>10.00</b>	10.00
Basic earnings per share (A/B) (In Rs.)	<b>0.73</b>	-
Diluted Earnings Per share (In Rs.)	<b>0.73</b>	-

9. The provision for Current Tax, Deferred Tax, and Fringe Benefit Tax has been made based on the computation of Income prepared by the company.
10. Previous Period figures have been regrouped and reclassified wherever necessary in conforming to the current Period's classification.

As per our report attached

#### **M/s. Venugopal & Chenoy**

Chartered Accountants

Firm's Registration No: 004671S

For and on behalf of the Board

**Y. Kamesh**

Managing Director

**S. Hanumantha Rao**

Director

#### **P.V. Sri Hari**

Partner

Membership No. 21961

**S. Kalyani**

Vice-President (Finance)

**P. Apser Hussen**

Company Secretary

Place: Hyderabad

Date: May 20, 2015

Place: Hyderabad

Date: May 20, 2015



## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### 3. Share capital

(Rs. in Lakhs)

Particulars	As at 31 March 2015	As at 31 March 2014
<b>Authorised</b>		
<b>Equity shares</b>		
79,000,000 shares @Rs.10/- each (previous year 79,000,000 shares @ Rs. 10/- each)	7,900.00	7,900.00
<b>Cumulative Redeemable Preference shares</b>		
2,100,000 shares @ Rs.100/- each (previous year 2,100,000 @ Rs. 100/- each)	2,100.00	2,100.00
	<b>10,000.00</b>	10,000.00
<b>Issued, Subscribed and fully Paid up</b>		
<b>Equity shares</b>		
519,149,23 shares Rs.10/- each fully paid (previous year 519,149,23 shares @ Rs. 10/- each fully paid up)	5,191.49	5,191.49
<b>1% Cumulative Redeemable Preference shares</b>		
148,513 shares @ Rs. 100/- each, fully paid up (previous year 247,335 shares @ Rs. 100/- each)	148.51	247.34
<b>Total</b>	<b>5,340.01</b>	5,438.83

The reconciliation of the number of equity shares outstanding is set out below:

Particulars	As at 31 March 2015 (in number)	As at 31 March 2014 (in number)
<b>3.1. Share capital (continued)</b>		
Shares outstanding at the beginning of the year	519,14,923	519,14,923
Shares Issued during the year	-	-
Shares bought back during the year	-	-
Shares outstanding at the end of the year	<b>519,14,923</b>	519,14,923

**3.2. The reconciliation of the number of preference shares outstanding is set out below:**

Particulars	As at 31 March 2015 (in number)	As at 31 March 2014 (in number)
Shares outstanding at the beginning of the year	2,47,335	2,96,795
Shares Issued during the year	-	-
Shares bought back during the year	98,822	49,460
Shares outstanding at the end of the year	<b>1,48,513</b>	2,47,335

1% Cumulative Redeemable Preference Shares (CRPS) are reedeemable in 12 quarterly installments commenced from 01.10.2013

# SUJANA TOWERS LIMITED

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### 3.3. The details of shareholder holding more than 5% equity shares is set below: (Rs. in Lakhs)

Name of Shareholder	As at 31st March 2015		As at 31st March 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Yalamanchili Finance & Trading (P) Ltd	47,67,500.00	9.18	47,67,500	9.18
Sujana Holdings Limited	75,00,000.00	14.45	75,00,000	14.45
Foster Infin & Trading (P) Ltd	509,59,990.00	9.82	509,59,990	9.82
HI Tech Housing Projects Private Limited			26,09,946	5.03

### 3.4. The details of shareholder holding more than 5% cumulative, redeemable preference shares is set below:

Name of Shareholder	As at 31st March 2015		As at 31 March 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Industrial Development Bank of India Ltd	1,48,513	100.00	2,47,335	100

Particulars	As at 31st March 2015	As at 31st March 2014
<b>4. Reserve and Surplus</b>		
Capital Reserves		
Opening Balance	11,736.77	11,736.77
Additions during the year	-	-
Deductions during the year	-	-
Closing Balance	11,736.77	11,736.77
<b>Securities Premium Account</b>		
Opening Balance	34,295.15	34,295.15
Add: Premium from shares issued	-	-
Closing Balance	34,295.15	34,295.15
<b>Foreign Currency Translation Reserve</b>		
Opening Balance	6,223.86	3,698.78
Additions/Deletions	202.74	2,525.08
Closing Balance	6,426.60	6,223.86
<b>Surplus balance in the statement of profit and loss account</b>		
Opening Balance	31,492.49	31,807.70
Add: Profit for the year/period	343.36	(854.92)
Add: Minority Interest	36.37	537.33
Less: Prior Period Adjustments	-	(55.10)
Less: Dividend on CRPS	2.53	3.26
Less: Transfer to Capital Redemption Reserve Account	98.92	49.46
Closing Balance	31,770.77	31,492.49
<b>Capital Redemption Reserve Account</b>		
Opening Balance	49.46	-
Add: Transferred during the year	98.92	49.46
Closing Balance	148.38	49.46
<b>Total</b>	<b>84,377.67</b>	<b>83,797.73</b>

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS** (Rs. in Lakhs)

Particulars	As at 31st March 2015	As at 31st March 2014
<b>5. Long term borrowings</b>		
<b>Secured</b>		
<b>Term loans</b>		
from banks (i)	<b>70,087.43</b>	74,302.91
from other parties	<b>7,887.61</b>	2,270.00
<b>Sub Total (a)</b>	<b>77,975.04</b>	76,572.90
<b>Unsecured</b>		
Promoters Contribution as per CDR Schedule	<b>16,500.00</b>	10,792.17
Loans from Promoters and Promoter Group Companies	<b>11,945.93</b>	23,741.45
<b>Sub Total (b)</b>	<b>28,445.93</b>	34,533.62
<b>Total (a+b)</b>	<b>1,06,420.97</b>	1,11,106.52
(i) Term loans from Banks carry interest @11% are secured by first charge on all the fixed assets excluding fixed assets of Khanapur plant, present and future and secured by personal guarantees of promoter directors and repayable in quarterly installments as per CDR package		
<b>6. Deferred tax liabilities (net)</b>		
Opening Balance	<b>6,715.32</b>	6,741.18
Add: On account of Depreciation	<b>97.21</b>	45.77
Less: On account of retirement benefits	<b>77.01</b>	71.63
<b>Total</b>	<b>6,735.52</b>	6,715.32
<b>7. Other Long term liabilities</b>		
Deferred sales tax liability (ii)	<b>304.67</b>	304.67
Sundry Creditors	<b>26,994.25</b>	-
<b>Total</b>	<b>27,298.92</b>	304.67
(ii) 14 years Intert free Sales Tax Deferment Loan received from Government of Andhra Pradesh. Repayment Commences from March 24, 2014 based on the deferment availed in respective years.		
<b>8. Long term provisions</b>		
Provision for employee benefits		
Gratuity	<b>142.13</b>	136.56
Compensated absences	<b>78.56</b>	66.43
<b>Total</b>	<b>220.69</b>	202.99

# SUJANA TOWERS LIMITED

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Rs. in Lakhs)

Particulars	As at 31st March 2015	As at 31st March 2014
<b>9. Short term borrowings</b>		
<b>Secured</b>		
Working Capital demand loan from banks (i)	64,446.00	55,208.93
Finance Lease Obligations (ii)	10.27	-
<b>Total</b>	<b>64,456.27</b>	<b>55,208.93</b>
(i) Working Capital demand loan from banks carry interest @ 11.5% secured by way of pari passu first charge on the current assets and pari passu second charge on the fixed assets of the company both present and future and further secured by the personal guarantee of promoter directors of the company.		
(ii) Finance lease obligations secured by the assets purchased out of the said loan.		
<b>10. Trade payables</b>		
Trade Payables		
- due to micro and small enterprises	-	-
- others creditors	78,871.03	64,622.39
<b>Total</b>	<b>78,871.03</b>	<b>64,622.39</b>
<b>11. Other Current liabilities</b>		
Interest accrued and due on borrowings from other parties	9,614.16	11,390.94
Current Obligations for Long Term debt	12,949.83	4,547.00
Advances from customers	30.78	30.78
Due to Statutory authorities	34.07	43.66
Other current liabilities	752.79	11,380.19
<b>Total</b>	<b>23,381.63</b>	<b>27,392.57</b>
<b>12. Short term provisions</b>		
<b>Others (Specify nature)</b>		
Provision for taxation	5,629.21	5,577.04
Provision for Fringe Benefit Tax	10.70	10.70
Proposed dividends	5.79	14.11
Provision for bonus	36.25	20.69
Gratuity	11.16	8.77
Compensated Absences	5.52	9.01
<b>Total</b>	<b>5,698.62</b>	<b>5,640.33</b>

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

**13. Fixed Assets**

Tangible Assets		Gross Block						Accumulated Depreciation				Net Block	
		Opening Gross Block as on 01.04.2014	Additions during the period Apr'14 to Mar'15	Deletions during the period Apr'14 to Mar'15	Closing Gross Block as on 31.03.2015	Acc. Dep. As on 01.04.2014	Depreciation for the period Apr'14 to Mar'15	Depreciation withdrawn	Acc. Dep. As on 31.03.2015	Net Block as on 31.03.2015	Net Block as on 31.03.2014		
Land	1,868.84	-	-	1,868.84	-	-	-	-	-	1,868.84	1,868.84		
Building	3,554.18	-	-	3,554.18	552.72	118.71	-	671.43	2,882.75	3,001.46			
Plant & Machinery	54,513.89	11.91	-	54,525.80	13,667.80	2,594.67	-	16,262.48	38,263.32	40,846.08			
Workshop Equipments	9.60	-	-	9.60	3.71	0.46	-	4.17	5.43	5.89			
Weighing Machine	11.34	-	-	11.34	6.77	0.54	-	7.31	4.03	4.57			
Electrical Installations	235.09	-	-	235.09	83.43	10.17	-	93.59	141.50	151.66			
Furniture & Fixtures	69.78	0.13	-	69.90	47.40	4.15	-	51.54	18.36	22.38			
Office Equipments	72.94	0.83	-	73.77	19.77	3.15	-	22.92	50.85	53.17			
Vehicles	421.96	17.32	-	439.29	331.61	27.09	-	358.70	80.59	90.36			
Computers	163.37	1.63	-	165.00	148.47	0.31	-	148.78	16.22	14.90			
<b>Total</b>	60,920.99	31.82	-	60,952.80	14,861.68	2,759.23	-	17,620.92	43,331.89	46,059.30			
<b>Intangible Assets</b>		Gross Block						Accumulated Depreciation				Net Block	
		Opening Gross Block as on 01.04.2014	Additions during the period Apr'14 to Mar'15	Deletions during the period Apr'14 to Mar'15	Closing Gross Block as on 31.03.2015	Acc. Dep. As on 01.04.2014	Depreciation for the period Apr'14 to Mar'15	Depreciation withdrawn	Acc. Dep. As on 31.03.2015	Net Block as on 31.03.2015	Net Block as on 31.03.2014		
Computer Software	17.13	-	-	17.13	6.44	2.78	-	9.22	7.91	10.69			
<b>Total</b>	17.13	-	-	17.13	6.44	2.78	-	9.22	7.91	10.69			

# SUJANA TOWERS LIMITED

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Rs. in Lakhs)

Particulars	As at 31st March 2015	As at 31st March 2014
<b>14. Long term loans and advances</b>		
<b>Capital Advances for purchase of fixed assets</b>		
Secured, considered good	1,30,560.36	29,851.36
<b>Sub Total (a)</b>	<b>1,30,560.36</b>	<b>29,851.36</b>
<b>Other loans and advances</b>		
Advance for business Acquisition	1,095.38	1,095.38
<b>Sub Total (b)</b>	<b>1,095.38</b>	<b>1,095.38</b>
<b>Total (a+b)</b>	<b>1,31,655.74</b>	<b>30,946.74</b>
<b>15. Inventories</b>		
Raw Materials and components	626.54	1,376.98
Goods-in transit (Raw material is valued at cost using the weighted average cost method)	-	-
<b>Sub total (a)</b>	<b>626.54</b>	<b>1,376.98</b>
Work-in-progress (Work in progress is valued at cost using the weighted average cost method)	1,699.13	3,769.69
<b>Sub Total (b)</b>	<b>1,699.13</b>	<b>3,769.69</b>
Finished goods (Finished goods are valued at cost or net realisable value whichever is less)	1,003.08	1,450.55
<b>Sub Total (c)</b>	<b>1,003.08</b>	<b>1,450.55</b>
Stores and spares (Stores and spares are carried at cost,ascertained on weighted average basis)	611.67	335.25
<b>Sub Total (d)</b>	<b>611.67</b>	<b>335.25</b>
<b>Total (a+b+c+d)</b>	<b>3,940.42</b>	<b>6,932.47</b>
<b>16. Trade receivables</b>		
<b>Unsecured</b>		
Debts outstanding for period exceeding six months		
Considered good	1,16,580.14	1,43,454.14
Considered doubtful	-	-
<b>Other debts</b>		
Considered good	1,04,666.59	1,28,113.98
Considered doubtful	-	-
	<b>2,21,246.73</b>	<b>2,71,568.12</b>
Less: Provision for doubtful debts	237.38	237.38
<b>Total</b>	<b>2,21,009.35</b>	<b>2,71,330.74</b>

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS** (Rs. in Lakhs)

Particulars	As at 31st March 2015	As at 31st March 2014
<b>17. Cash and cash equivalents</b>		
Cash on hand	12.70	11.67
Balance with banks in current accounts	38.95	179.59
<b>Sub Total (a)</b>	<u>51.65</u>	<u>191.26</u>
<b>Other Bank balances</b>		
Margin money	39.00	-
<b>Sub Total (b)</b>	<u>39.00</u>	<u>-</u>
<b>Total (a+b)</b>	<u>90.65</u>	<u>191.26</u>
<b>18. Short term loans and advances</b>		
Advance to suppliers	-	444.77
Deposits with Govt authorities	1,276.16	1,257.42
Margin money with parties	226.87	8.93
Advance for expenses	379.12	22.53
Other Deposits	883.22	3,195.03
<b>Total</b>	<u>2,765.37</u>	<u>4,928.67</u>
<b>19. Other current assets</b>		
Interest accrued	-	30.40
<b>Total</b>	<u>-</u>	<u>30.40</u>
<b>20. Other operating revenues</b>		
Others	452.66	232.18
<b>Total</b>	<u>452.66</u>	<u>232.18</u>
<b>21. Other income</b>		
Interest income	73.17	210.61
Foreign Exchange Fluctuation	-	56.21
<b>Total</b>	<u>73.17</u>	<u>266.82</u>
<b>22. Cost of material consumed</b>		
Opening stock	1,246.19	693.59
Add: Purchases	8,598.56	12,614.46
Add (Less:) Raw material received (transferred)	-	-
Less: Closing stock	495.75	1,246.19
Raw materials consumed	<u>9,349.01</u>	<u>12,061.86</u>
<b>23. Purchases of Stock-in-Trade</b>		
Opening stock	130.79	118.48
Add: Purchases	1,84,852.08	1,57,232.81
Add (Less:) Raw material received (transferred)	-	-
Less: Closing stock	130.79	130.79
<b>Stock-in-Trade materials consumed</b>	<u>1,84,852.08</u>	<u>1,57,220.50</u>

# SUJANA TOWERS LIMITED

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Rs. in Lakhs)

Particulars	For the year ended 31.03.2015	For the year ended 31.03.2014
<b>24. Change in inventory of finished goods, work-in-progress and stock in trade</b>		
<b>Opening stock</b>		
Finished goods	1,450.55	764.16
Work-in-progress	3,769.69	2,514.43
<b>Sub Total (a)</b>	<u>5,220.24</u>	<u>3,278.59</u>
<b>Less: Closing stock</b>		
Finished goods	1,003.08	1,450.55
Work-in-progress	1,563.57	3,769.69
<b>Sub Total (b)</b>	<u>2,566.65</u>	<u>5,220.24</u>
<b>Total (a-b)</b>	<u>2,653.60</u>	<u>(1,941.66)</u>
<b>25. Employee benefits expense</b>		
Salaries and wages	793.28	873.85
Contribution to provident fund and other funds	13.24	29.88
Directors remuneration	36.00	36.00
<b>Total</b>	<u>842.52</u>	<u>939.73</u>
<b>26. Finance Cost</b>		
Interest on working capital loans	7,108.11	5,183.56
Interest Expenses on Term Loans	12,768.74	11,089.08
Other borrowing costs	2,825.41	4,634.25
<b>Total</b>	<u>22,702.26</u>	<u>20,906.89</u>
<b>27. Other expense</b>		
Consumption of stores, loose tools and spare parts	2,440.59	2,073.80
Power and fuel	327.51	474.02
Repairs and maintenance:	42.84	91.86
Rates and taxes, excluding, taxes on income	44.59	40.75
Insurance	49.94	46.91
Traveling and conveyance	48.04	47.56
Communication	18.86	14.66
Contract labor charges (security charges)	79.62	70.61
Legal and professional fees	105.91	246.80
Auditor Remuneration	22.44	20.28
Sales promotion and advertisement	74.64	33.29
Loss on sale of fixed assets (net)	-	92.94
Donations	0.03	1.00
Printing and stationery	18.44	15.52
Staff Welfare	0.30	1.94
Carriage Outward	-	183.55
Sitting Fees	3.82	2.33
Miscellaneous expenses	7.10	15.98
<b>Total</b>	<u>3,284.64</u>	<u>3,473.78</u>





# SUJANA TOWERS LIMITED

Registered Office: Plot No.18, Nagarjuuna Hills, Punjagutta,  
Hyderabad-500 082, Telangana

**CIN : L40109TG2006PLC049743**

Member's Folio Number ..... No.of Shares held.....

## ATTENDANCE SLIP (8th AGM)

This Attendance Slip duly filled in to be handed over at the entrance of the Meeting Hall.

Name of the Attending Member or Proxy (In Block Letters) .....

I hereby record my presence at the 8th Annual General Meeting held on Wednesday, September 30th, 2015 at 02.00 P.M. at Katriya Hotel & Towers, No.8, Raj Bhavan Road, Somajiguda, Hyderabad-500 082 Telangana .

To be signed at the time of handing over this slip

.....  
Member's / Proxy's Signature

## Form No. MGT-11

### Proxy Form

**[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies  
(Management and Administration) Rules, 2014]**

CIN : L40109TG2006PLC049743

Name of the company : SUJANA TOWERS LIMITED

Registered office : Plot No.18, Nagarjuna Hills, Punjagutta, Hyderabad - 500 082, Telangana.

Name of the Member(s):	E-Mail Id:
Registered Address:	
Folio No./Client Id:	DP Id:

I/We, being the member (s) of ..... shares of the above named company, hereby appoint:

Name:	Address:
E-mail Id	Signature:
or failing him;	
Name:	Address:
E-mail Id	Signature:
or failing him;	
Name:	Address:
E-mail Id	Signature:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 8th Annual General Meeting of the company, to be held on the Wednesday 30th day of September, 2015 At 2.00 p.m. at Katriya Hotel & Towers, No. 8, Raj Bhavan Road, Somajiguda, Hyderabad - 500 082, Telangana and at any adjournment thereof in respect of such resolutions as are indicated below :

Item No.	Resolution	Optional	
		For	Against
	<b>Ordinary Business</b>		
1	Receive, Consider and adopt the standalone and consolidated financial statements of the Company for the financial year ended March 31, 2015, including the audited Balance Sheets as at March 31, 2015		
2	Re-appointment of Mr. S Hanumatha Rao, who retires by rotation.		
3	Ratification of the appointment of M/s Venugopal & Chenoy (Regn. No.004671S), Chartered Accountants, Hyderabad, as Statutory Auditors of the Company.		
	<b>Special Business</b>		
4	Appointment of Smt B Sandhyasri as an Independent Director in terms of Section 149 of the Companies Act, 2013.		
5	Appointment of Mr. G. Srinivasa Raju, as Managing Director & Key Managerial Person of the Company.		
6	Adoption of new set of Articles of the Company pursuant to Section 14 of the Companies Act, 2013.		
7	Ratification of the remuneration of the Cost Auditors for the financial year ending 31st March, 2016		

Signed this ..... day of September 2015.

Signature of shareholder

Signature of Proxy holder(s)



**Notes:**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 8th Annual General Meeting.
3. It is optional to put a 'P' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
4. Please complete all details including details of member(s) in above box before submission.

## Form No. MGT-12

### POLLING PAPER

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]

Name of the Company : Sujana Towers Limited  
CIN : L40109TG2006PLC049743

#### BALLOT PAPER

S.No.	Particulars	Details
1.	Name of the First Named Shareholder (In block letters)	
2.	Postal address	
3.	Registered folio No. / *Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4.	Class of Share	Equity

I hereby exercise my vote in respect of Ordinary/ Special resolution enumerated below by recording my assent or dissent to the said resolution in the following manner:

Item No.	Resolution	No. of shares held by me	I assent to the resolution	I dissent from the resolution
	<b>Ordinary Business</b>			
1	Receive, Consider and adopt the standalone and consolidated financial statements of the Company for the financial year ended March 31, 2015, including the audited Balance Sheets as at March 31, 2015			
2	Re-appointment of Mr. S Hanumatha Rao , who retires by rotation.			
3	Ratification of the appointment of M/s Venugopal & Chenoy (Regn. No.004671S), Chartered Accountants, Hyderabad, as Statutory Auditors of the Company.			
	<b>Special Business</b>			
4	Appointment of Smt B Sandhyasri as an Independent Director in terms of Section 149 of the Companies Act, 2013.			
5	Appointment of Mr. G. Srinivasa Raju, as Managing Director & Key Managerial Person of the Company.			
6	Adoption of new set of Articles of the Company pursuant to Section 14 of the Companies Act, 2013.			
7	Ratification of the remuneration of the Cost Auditors for the financial year ending 31st March, 2016			

Place:

Date:

(Signature of the shareholder)

#### INSTRUCTIONS

1. This Ballot paper is for the members who have not voted through e-voting facility. A member can opt for only one mode of voting i.e., either through e-voting or by Ballot paper. If a Member casts votes in both the modes, then vote cast through e-voting shall prevail and Ballot paper shall be treated as invalid.
2. The vote should be cast either in favour or against by putting the tick(3) mark in the column provided for assent or dissent. Ballot paper bearing tick marks in both the columns will be treated as invalid. Please do not use pencil.
3. This form should be completed and signed by the Member/Proxy Holder as per the specimen signatures registered with the Company/Depository. In case of joint holding this form should be completed and signed by the first named member.
4. Any cutting/overwriting on this Ballot paper should be signed by the shareholder/proxy holder.
5. Unsigned, incomplete, improperly or incorrectly tick marked Ballot papers will be rejected. A Ballot paper will also be rejected if it is received torn, defaced or mutilated to an extent which makes it difficult for the Scrutinizer to identify either the member or as to whether the votes are in favour or against or if the signature cannot be verified.
6. The decision of Scrutinizer on the validity of the Ballot paper and any other related matter shall be final.
7. The Scrutinizer will collate the votes downloaded from the e-voting system and votes cast through Ballot paper to declare the final result for each of the Resolutions enumerated above.
8. The Results shall be declared on or after the date of AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website : [www.sujana.com](http://www.sujana.com) and on the website of [www.bighshareonline.com](http://www.bighshareonline.com) within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges.

INTENTIONALLY KEPT BLANK