



**Sujana Universal Industries Limited**

Regd. & Corp. Office :  
18, Nagarjuna Hills, Panjagutta,  
Hyderabad - 500 082.  
CIN : L29309TG1986PLC006714

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E info.suil@sujana.com  
www.sujana.com

Date: 06<sup>th</sup> October, 2016

To The Department of Corporate Services - CRD, Bombay Stock Exchange Ltd, P.J.Towers, Dalal Street, MUMBAI - 400 001.	To National Stock Exchange of India Ltd, 5 <sup>th</sup> floor, Exchange Plaza, Bandra (E), MUMBAI - 400 051.
Scrip Code: 517224	Scrip Symbol: SUJANAUNI

Dear Sir/Madam,

**Sub: Submission of Annual Report for the Financial Year 2015-16 - Reg.**

Pursuant to the Regulation 34 of the SEBI (LODR) Regulations, 2015, please find enclosed herewith the Annual Report of the Company for the Financial Year 2015-16 for your information and record.

Kindly acknowledge the receipt.

Thanking you,

Yours faithfully,

For SUJANA UNIVERSAL INDUSTRIES LIMITED

  
P.KODANDA RAMI REDDY  
COMPANY SECRETARY



Encl: As above



27<sup>th</sup>

ANNUAL REPORT

2015 - 2016

**SUJANA UNIVERSAL INDUSTRIES  
LIMITED**

**BOARD OF DIRECTORS**

*NON-EXECUTIVE CHAIRMAN*  
*MANAGING DIRECTOR*  
*WHOLE TIME DIRECTOR*  
*DIRECTORS*

: Dr V. Malakonda Reddy\*  
: Shri G. Srinivasa Raju  
: Shri S. Hanumantha Rao  
: Shri J. Ramakrishnan\*  
Dr. K. Srinivasa Rao\*  
Smt. A. Syamala Reddy\*  
Shri Ch. Srinivasu#  
\*Independent, Non-Executive Directors  
#Nominee from IDBI Bank

**MANAGEMENT COMMITTEE**

: Shri G. Srinivasa Raju  
Shri S. Hanumantha Rao  
Shri J. Ramakrishnan

**AUDIT COMMITTEE**

: Dr. K. Srinivasa Rao  
Shri S. Hanumantha Rao  
Shri J. Ramakrishnan  
Dr. V. Malakonda Reddy

**CORPORATE SOCIAL  
RESPONSIBILITY COMMITTEE**

: Shri G. Srinivasa Raju  
Shri S. Hanumantha Rao  
Dr. K. Srinivasa Rao

**NOMINATION AND  
REMUNERATION COMMITTEE**

: Dr. V. Malakonda Reddy  
Dr. K. Srinivasa Rao  
Shri J. Ramakrishnan

**RISK MANAGEMENT COMMITTEE**

: Shri G. Srinivasa Raju  
Shri S. Hanumantha Rao  
Dr. K. Srinivasa Rao

**SHARE TRANSFER COMMITTEE**

: Shri G. Srinivasa Raju  
Shri J. Ramakrishnan

**SHAREHOLDERS' GRIEVANCES  
COMMITTEE**

: Shri G. Srinivasa Raju  
Shri J. Ramakrishnan

**CHIEF FINANCIAL OFFICER**

: Shri B. Manoharan

**COMPANY SECRETARY**

: Shri P. Kodanda Rami Reddy

**STATUTORY AUDITORS**

: M/s. T. Raghavendra & Associates  
Chartered Accountants, Hyderabad

**INTERNAL AUDITORS**

Shri M. Balarama Krishnaiah  
Chartered Accountant, Hyderabad

**COST AUDITORS**

: M/s. B.V.R. & Associates  
Cost Accountants  
Hyderabad

## **SUJANA UNIVERSAL INDUSTRIES LIMITED**

- BANKERS** : Bank of Baroda  
Bank of India  
Central Bank of India  
IDBI Bank Limited  
Indian Overseas Bank  
Oriental Bank of Commerce  
UCO Bank
- REGISTERED OFFICE & CORPORATE OFFICE** : Plot No. 18  
Nagarjuna Hills, Panjagutta  
Hyderabad, Telangana- 500 082  
Website: www.sujana.com
- WORKS - LEC DIVISION** : Plot Nos. 10, 11 & 12  
Survey No. 172  
Bollaram Village  
Jinnaram Mandal, Medak District  
Telangana
- **DOMESTIC APPLIANCES DIVISION** : Plot No. 1B, Survey No. 308  
Sri Venkateswara Co-operative  
Industrial Estate, Jeedimetla  
Hyderabad.
- **STEEL PRODUCTS DIVISION** : Plot No.128/A  
I.D.A. Bollaram  
Jinnaram Mandal, Medak District  
Telangana
- **INFRASTRUCTURE DIVISION** : Plot No.18, Nagarjuna Hills  
Panjagutta, Hyderabad – 500 082
- LISTING** : **EQUITY**  
**BSE Limited (BSE)**  
Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai - 400 001  
**National Stock Exchange of India Limited (NSE)**  
Exchange Plaza, Bandra Kurla Complex  
Bandra (E), Mumbai - 400 051
- REGISTRAR & SHARE TRANSFER AGENTS** : M/s. Bigshare Services Private Limited  
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 27th Annual General Meeting of the Members of Sujana Universal Industries Limited will be held on Friday, the 30th day of September, 2016 at "Katriya Hotel & Towers",# 8, Raj Bhavan Road, Somajiguda, Hyderabad - 500 082, Telangana at 10:00 A.M., to transact the following businesses:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the standalone and consolidate financial statements of the Company for the financial year ended March 31, 2016, including the audited Balance Sheets as at March 31, 2016, 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 G.Srinivasa Raju, (DIN: 00132249), who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify the appointment of M/s. T. Raghavendra & Associates (Membership No. 023806), Chartered Accountants, 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 Company hereby ratifies the appointment of M/s. T. Raghavendra & Associates (Membership No. 023806), Chartered Accountants, as Statutory Auditors of the company to hold office till the conclusion of the 28th 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 in consultation with the auditors."

**SPECIAL BUSINESS:**

4. **To consider and appoint Smt. A.Syamala Reddy (DIN:02224082) 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 Regulation 17 of the SEBI(Listing Obligations And Disclosure Requirements) Regulations, 2015, Smt. A.Syamala Reddy (DIN: 02224082), who was appointed as an Additional Director (Independent) of the Company by the Board of Directors w.e.f. August 27th, 2016 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 from a member proposing the candidature of Smt A. Syamala Reddy 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 September 30th, 2016 to September 30th, 2021."

5. **To consider and approve the appointment of Shri S. Hanumantha Rao as an Executive of Director and Key Managerial Personnel of the Company 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 Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V of the Companies Act, 2013 and



## SUJANA UNIVERSAL INDUSTRIES LIMITED

Articles of Association of the Company and subject to the approval of the members of the Company and subject to the approval of Central Government or other Government authority/agency/board, if necessary, Shri S. Hanumantha Rao, Non Executive Director of the Company be and is hereby appointed as an Executive Director and Key Managerial personnel of the Company for a period of 3 (Three) years commencing from 01.01.2016 and the remuneration be fixed on the following terms and conditions, until otherwise decided for the tenure of his office:

1. Salary	Rs.1,15,000/- per month
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The perquisites are classified into three categories A, B & C:

### Category A:

1	Housing	No Housing is provided.
2	Medical Reimbursement	Reimbursement of expenses incurred for self and family subject to a ceiling of Rs.15,000/- in a year or Rs. 45,000/- for a period of three years.
3	Reimbursement of Expenses	Reimbursement of expenses incurred for personal secretary subject to ceiling of Rs.5,000/- per month or Rs. 60,000/- per annum.

### Category B:

1	Provident Fund	No Contribution to provident fund, superannuation or annuity fund.
2	Gratuity	Gratuity payable at a rate not exceeding half a month's salary for each completed year of service subject to a ceiling of Rs.10,00,000/-.
3	Earned/privilege leave	On full pay and allowances as per the rules of the Company, but not more than 15 days leave for every twelve months of service. Leave accumulated but not availed of will be allowed to be encashed at the end of the tenure.

The aforesaid perquisites stated in Category B will not be included in the computation of the aforesaid ceiling on perquisites.

### Category C:

Provision of car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purposes shall be billed by the Company to the Director.

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 Provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 when the profits in a financial year are adequate, the remuneration payable by way of salary, perquisites and other allowances shall not exceed five percent of the Company's net profits, provided that if there are more than one managerial person, it shall not exceed ten percent for all of them together in a financial year.

### Minimum Remuneration:

In case of loss or inadequacy of profits in any financial year during his tenure as Executive 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 remuneration payable when the profits of the Company are adequate.

"RESOLVED FURTHER THAT Shri G. Srinivasa Raju, Managing Director of the Company, be and is hereby authorised to file necessary e-forms/documents with the Registrar of Companies, Andhra Pradesh & Telangana and also comply with all other formalities in this regard."

**6. To increase the authorized share capital of the Company from Rs.200 crores to Rs.1000 crores 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 Sections 13 and 61 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-

enactment thereof, for the time being in force), subject to the approval of the members, the Authorised Share Capital of the Company be increased from Rs.200,00,00,000/- (Rupees Two Hundred Crores only) divided into 17,50,00,000 (Seventeen Crores Fifty Lakhs) Equity Shares of Rs.10/- (Rupees Ten only) each and 25,00,000 (Twenty Five Lakhs) Preference Shares of Rs.100/- (Rupees One Hundred only) each to Rs.1,000,00,00,000/- (Rupees Thousand Crores only) divided into 25,00,00,000 (Twenty Five Crores) Equity Shares of Rs.10/- (Rupees Ten only) each and 7,50,00,000 (Seven Crores Fifty Lakhs) Preference Shares of Rs.100/- (Rupees One Hundred only) each by further creation of 7,50,00,000 (Seven Crores Fifty Lakhs) Equity Shares of Rs.10/- (Rupees Ten only) each and 7,25,00,000 (Seven Crores Twenty Five Lakhs) Preference Shares of Rs. 100/- (Rupees one hundred only) each."

"RESOLVED FURTHER that, the consent of the members of the Company be and is hereby accorded to the Board/Management Committee of the Board of Directors of the Company to finalise the desired level/limit of authorized share capital of the Company upto Rs. 1000 Crores (Rupees One thousand Crores only) keeping in view the proposed further issues of the Company and to file necessary e-forms with the Registrar of Companies, Andhra Pradesh and Telangana, Hyderabad and to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper, desirable or expedient."

"RESOLVED FURTHER that the date on which the resolution passed by the Board/Management Committee of the Board to increase the authorized share capital of the Company basing the consent given by the members to the desired levels as above, shall be treated as date of consent given by the members of the Company."

"RESOLVED FURTHER that the Clause V(a) of the Memorandum of Association of the Company and Article 3 of Articles of Association be altered as follows:

The Authorised Share Capital of the Company

is Rs.1,000,00,00,000/- (Rupees Thousand Crores only) divided into 25,00,00,000 (Twenty Five Crores) Equity Shares of Rs.10/- (Rupees Ten only) each and 7,50,00,000 (Seven Crores Fifty Lakhs) Preference Shares of Rs.100/- (Rupees One Hundred only) each."

**7. To issue the Cumulative Redeemable Preference Shares (CRPS) 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 in accordance with the provisions of Sections 42, 55, 62 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with the Rules framed there under, as may be amended from time to time and the Articles of Association of the Company and the regulations/guidelines, if any, prescribed by any relevant authorities from time to time, to the extent applicable and subject to such other approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be considered necessary by the Board of Directors (hereinafter referred to as the "Board" which term shall be deemed to include any Committee thereof for the time being exercising the powers conferred on the Board by this Resolution) or as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board, the consent of the Company be and is hereby accorded to the Board to offer or invite to subscribe, issue and allot, such number of Preference Shares of the Company of the face value of Rs. 100/- each, for an aggregate value not exceeding Rs. 750 Crores (including existing paid up preference share capital), as Cumulative Redeemable Preference Shares ("CRPS"), to the lenders who are proposing to invoke the provisions of strategic debt restructuring (SDR) formulated by reserve Bank of India, as set out in Resolution No.8 of this Notice through conversion of existing loans and / or interest on such loans at such price or prices as the Board or Committee thereof may in its absolute discretion think fit."

RESOLVED FURTHER that in accordance with the provisions of Section 43 of the Act,

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the CRPS shall be non participating, carry a preferential right, vis-à-vis Equity Shares of the Company, with respect to payment of dividend and repayment in case of a winding up or repayment of capital and shall carry voting rights as per the provisions of Section 47(2) of the Act.

RESOLVED FURTHER THAT the said Cumulative Redeemable Preference Shares shall not be convertible with equity shares and accordingly the same shall not be listed with any Stock Exchange.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and execute all such deeds, documents and writings, as it may in its absolute discretion deem necessary or incidental, and pay such fees and incur such expenses in relation thereto as it may deem appropriate.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors, or Executive Director or any other Director(s) or officer(s) of the Company to give effect to the aforesaid resolution."

**8. To approve and confirm the Strategic Debt Restructuring Scheme(SDR)/ outside SDR formulated by the Reserve Bank of India and in this regard, if thought fit, to pass, with or without modification(s), the following resolution as Special Resolution**

"RESOLVED THAT in supersession to the earlier resolution passed by the members of the Company through postal ballot on 18.08.2016 and subject to the applicable provisions of the Companies Act, 2013 and all other applicable laws (including any statutory modification(s) or re-enactment thereof for the time being in force) and in accordance with the provisions of the Memorandum and Articles of Association of the Company, listing agreements entered into with stock exchanges on which the equity shares of the Company are listed (the "Equity Shares"), the applicable rules, notifications, guidelines issued by the Government of India, the Reserve Bank of India and any regulatory or other appropriate authorities (including but

not limited to Securities and Exchange Board of India ("SEBI"), and subject to approvals, permissions, sanctions and consents as may be necessary from any regulatory or other appropriate authorities (including but not limited to SEBI, the Reserve Bank of India (the "RBI") and pursuant to the Strategic Debt Restructuring Scheme (SDR) Scheme formulated by the Reserve Bank of India vide Circular I DBR.BP.BC.No.101/21.04.132/2014-15, dated June 8, 2015, Circular II DBR.BP.BC.No.41/21.04.048/2015-16 dated September 24, 2015, Circular III DBR.BP.BC.No.82/21.04.132 / 2015-16 dated February 25, 2016 and DBR.No.BP.BC.103/21.04.132/2015-16 dated June 13,2016 issued by the Reserve Bank of India(hereinafter referred to as the "SDR Circulars"), the action taken/proposed to be taken stipulating the invocation of the provisions of SDR Circulars, by Bank of Baroda, UCO Bank, IDBI Bank Limited, Bank of India, Indian Overseas Bank, Oriental Bank of Commerce and Central Bank of India (hereinafter referred to as the "Lenders") vide the Minutes of the Meeting of Joint Lenders' Forum held on 24th August, 2016, agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board", which terms shall be deemed to include any committee which the Board has constituted or may constitute to exercise its powers, including the powers conferred under this resolution), be and is hereby approved and the consent of the members of the Company be and is hereby accorded to adopt and implement the provisions of the SDR Circulars between the Company and the Lenders of the Company whose loans are being restructured under the Strategic Debt Restructuring Scheme issued by the RBI and the Board and/or any person authorized by the Board in respect thereof from time to time, be and is hereby authorized on behalf of the Company to discuss, negotiate, amend, if required, the terms and conditions of the SDR Circulars in the manner as may be approved by and between the Company and the Lenders, amend or make changes to the documents and enter into other documents in pursuance of the SDR Scheme, implement the SDR Scheme, on the basis of the terms set



out in the SDR Scheme and as may be agreed between the respective parties, and execute the necessary documents for the same including, inter-alia issuance of Equity Shares/ preference shares / convertible securities to the Lenders of the Company by conversion of loans into fully paid equity shares/ preference shares / convertible securities in terms of the SDR Scheme.”

“RESOLVED FURTHER THAT in such event of invocation and implementation of SDR Circulars, by the Lenders as agreed by the Company, there will be change of management in the Company and the new persons / entities as may be identified by the Lenders will have management and control over the entire affairs of management of the Company and the members of the Company hereby accord their consent and approval for such change of management and change of persons having control over the Company subject to the provisions of Companies Act, 2013, and rules made thereunder, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (SEBI ICDR Regulations) and Securities and Exchange Board of India (Substantial Acquisition of Shares And Takeovers) Regulations, 2011 (SEBI SAST Regulations) post conversion of equity shares”.

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and are hereby severally authorised to do all such acts, deeds and things which are necessary for the purpose of giving effect to this Resolution.”

**9. To ratify the remuneration of the Cost Auditors for the financial year ending 31st March, 2017 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, the Company be and is hereby authorized to pay an amount of Rs. 1,50,000/- (Rupees One Lakh Fifty Thousand Only) plus service tax as applicable and reimbursement of actual travel and out of pocket expenses as remuneration to M/s. B.V.R & Associates, (Membership No.16851), 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, 2017”

“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: : 27th August, 2016

**NOTES:**

1. The relative 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.

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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.
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 Thursday the September 29, 2016 (One Day only).
9. Copy of the draft letters for respective appointment of Smt. A. Syamala Reddy as an Independent Director and Sri S. Hanumantha Rao as a Whole Time 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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 Companies 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 specific written request.
18. Electronic copy of the Annual Report for 2015-16 (including Notice of the 27th 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 a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2015-16 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 27th Annual General Meeting and the Annual Report for 2015-16 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 Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 27th 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 National Securities Depository Limited (NSDL).

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- ❖ 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.
- ❖ The remote e-voting period commences on 26th September, 2016 (9:00 A.M.) and ends on 29th September, 2016 (5:00 P.M.). During this period members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date of Friday, 23rd September, 2016, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL 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 not in the employment of the Company 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 NSDL 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:**

**Voting through electronic means**

  - a) **In case of Shareholders' receiving e-mail from NSDL [for members whose email IDs are registered with the Company/ Depository Participants(s)]**
    - i) Open e-mail and open PDF file viz; "SUJIL e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
    - ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
    - iii) Click on Shareholder - Login
    - iv) Put user ID and password as initial password noted in step (i) above. Click Login.
    - v) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share

- your password with any other person and take utmost care to keep your password confidential.
- vi) Home page of e-Voting opens. Click on e-Voting: Active Voting Cycles.
  - vii) Select "EVEN" of Sujana Universal Industries Limited.
  - viii) Now you are ready for e-Voting as Cast Vote page opens.
  - ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
  - x) Upon confirmation, the message "Vote cast successfully" will be displayed.
  - xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
  - xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail yravifcs@gmail.com with a copy marked to evoting@nsdl.co.in.
- b) In case of Shareholders' receiving Physical copy of Notice [for members whose email IDs are not registered with the Company/ Depository Participants(s) or requesting physical copy]:**
- i) Initial password is provided at the bottom of the Attendance Slip.
  - ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- c) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsd.com.**
- d) If you are already registered with NSDL for e-voting then you can use your existing user ID and password for casting your vote.
  - e) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
  - f). The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 23rd September, 2016.
  - g). Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 23rd September, 2016, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/ RTA.
- However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsd.com or contact NSDL at the following toll free no.: 1800-222-990.

BY ORDER OF THE BOARD

Place: Hyderabad  
Date: 27th August, 2016

**G. Srinivasa Raju**  
Managing Director



## SUJANA UNIVERSAL INDUSTRIES LIMITED

### 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 09 of the accompanying Notice:

#### Item No 4:

The Board of Directors of the Company, in pursuant to the provisions of Sections 149, 152 & 161 of the Act and the Articles of Association of the Company and Regulation 17 of SEBI (Listing Obligations & Disclosures Requirements) Regulations 2015, has appointed Smt. A. Syamala Reddy (DIN: 02224082) as an Additional Director (Independent Director) of the Company w.e.f. August 27th, 2016 who shall hold office upto the conclusion of this Annual General Meeting. It is proposed by the Board to recommend her to appoint as Independent Director for a term up to 5 (five) consecutive years w.e.f. September 30th, 2016 to September 30th, 2021 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. A.Syamala Reddy (DIN: 02224082) as Independent Director of the Company.

The Company has also received declarations from Smt. A.Syamala Reddy (DIN: 02224082) that she meets with criteria of Independence as prescribed both under Sub-Section (6) of Section 149 of the Act and under Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

Smt A.Syamala Reddy (DIN: 02224082) 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 Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015

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 of 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 Regulation 36(3) of SEBI (Listing Obligations & Disclosures Requirements) Regulations 2015 are provided as Annexure to the Notice.

Smt A. Syamala Reddy, 48 years, is the Director of the Company. She is a post graduate in M.SC (Home Science) and a Bachelor’s degree in Science. She was a Director in various companies and having an industrial experience for more than 10 year.

Smt. A.Syamala Reddy (DIN: 02224082) being an appointee is interested in the resolutions set out at Item No.4 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.

The Board recommends the Ordinary Resolution set out at Item No.4 of the Notice for approval by the shareholders.

#### Item No. 05:

Shri S.Hanumantha Rao aged about 65 years old and holds a Bachelors Degree in Technology and He is a qualified Cost Accountant having AICWA qualification from the Institute of Cost & Works Accountants of India. He has worked for more than 20 years in State Bank of India and 3 years as Financial and Management Consultant.

Brief resume of Shri S.Hanumantha Rao, 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 Regulations 36(3) of SEBI (Listing Obligations & Disclosures Requirements) Regulations 2015, 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 and in view of his outstanding contribution in the growth of the Company and his leadership qualities supported by his qualifications & experience, the Board of Directors of the Company ("Board") at its meeting dated December 28th 2015 appointed Shri S. Hanumantha Rao as an Executive Director and Key Managerial Personnel of the Company for a period of 3 (three) Years with effect from January 01st, 2016.

During the current financial year 2015-16, your Company has earned a net loss of Rs. 1,518.02 Lakhs. In case of loss or inadequacy of profits in any financial year during his tenure as Executive 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 remuneration payable when the profits of the Company are adequate.

On the recommendation of the Nomination and Remuneration Committee of the Board, the Board of the Company (Board") decided to pay the remuneration (i.e. Rs.13.80 lakhs per annum) subject to deduction of applicable taxes for a period not exceeding three years to Shri S. Hanumantha Rao, Executive Director and Key Managerial Personnel of the Company.

In accordance with the provisions of Sections 196, 197, 203 and Schedule V of the Companies Act, 2013, approval of shareholders is required for the resolution set out at Item No. 5 of the Notice.

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

**I. GENERAL INFORMATION**

**1. Nature of Industry:**

The Company is in the area of manufacturing and operating in various areas/verticals/products related to Steel & its related products, Appliances, Light Engineering Components (LEC) and International Trading of steel & related products, applications include automobile components and General engineering equipments for both equipment manufacturers and the replacement market.

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

The Company was incorporated on 22nd August, 1986 having Corporate Identity Number L29309TG1986PLC006714 and has obtained its certificate of incorporation on 22nd January, 1987.

Company started its production of domestic appliances under the brand name of "Padmini", castings, and bearings under the brand name "SIL bearings" in 1989. Within a short span of time SIL bearings earned a reputation for their unsurpassed quality and reliability to both original equipment manufacturers and the replacement market and agri commodities.

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

Rs. in Lakhs

Particulars	FY 2015-16 (12 months)	FY 2014-15 (12 months)	FY 2013-14 (12 months)
Total Revenue	315,348.39	327,825.04	346,574.88
Total Expenses	317,436.43	329,606.16	347,516.12
Profit After Tax	(1,518.02)	(1,194.38)	(630.33)
Dividend Rate	-	-	-

## SUJANA UNIVERSAL INDUSTRIES LIMITED

### 4. Export performance and net foreign exchange earnings: Rs. in Lakhs

Particulars	FY 2015-16 (12 months)	FY 2014-15 (12 months)	FY 2013-14 (12 months)
Export FOB Value	32,417.45	3,259.67	19,357.96
Earnings in Foreign Exchange	32,417.45	3,259.67	19,357.96

### 5. Foreign investments or collaborators, if any:

Investments in Subsidiaries as on 31.03.2016 are Rs. 24,264.03 lakhs

Loans & Advances to Subsidiaries as on 31.03.2016 are Rs. 1,135.22 lakhs

## II. INFORMATION ABOUT THE APPOINTEE

### 1. Background details:

Shri S.Hanumantha Rao, Whole Time Director of the Company, aged about 65 years old and holds a Bachelors Degree in Technology and He is a qualified Cost Accountant having AICWA qualification from the Institute of Cost & Works Accountants of India. He has worked for more than 20 years in State Bank of India and 3 years as Financial and Management Consultant.

### 2. Past Remuneration: Nil

### 3. Job profile and his suitability:

Whole Time Director of the Company. He is designated as Director(whole Time).

Considering the background, competence and experience of Shri S.Hanumantha Rao, Director of the Company and also by considering the guidance and advices provided by him during his tenure as Director of the Company, the Board feels he is the best suitable for the post of Director.

### 4. Remuneration Proposed:

The remuneration being proposed as approved by the Remuneration Committee of the Company and Board of the Company is Rs.13,80,000/- (Thirteen Lakhs Eighty Thousand Only) per annum subject to deduction of applicable taxes, inclusive of all perquisites and allowances but excluding Car Service provided by the Company and Telephone facility.

### 5. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any

Except for receiving remuneration from the Company as a Whole Time Director, Shri S. Hanumantha Rao and his relatives had no other pecuniary relationship with the Company.

## III. OTHER INFORMATION

### 1. Reason of inadequate profits:

Your company has incurred a net loss of Rs.15.18 crores for the financial year ended 31st March 2016. The major reasons among others are;

- ❖ Slowdown in the business due to challenging market conditions and delayed realization, increase in raw material consumption, overall reduction in quantitative discounts.
- ❖ Exports are declined due to a sharp decline in steel prices internationally coupled with weak demand.

### 2. Expected increase in productivity and profits in measurable terms:

With an unprecedented raise cost, sluggish markets and decline in exports, the margins are severely hit. As a result the profits of the company declined.

To overcome these obstacles the Board of the company is planning to manufacture the value added products with energy efficient systems like hot charging facilities.

It is also proposed to create focus for each of the Appliance, Light Engineering Components (LEC) and

International Trading by spinning off into specialized companies wherein the Company will hold majority and scout for strategic investors or partners who are having synergy and invest capital for the growth of the SPVs.

This statement may also be regarded as a disclosure under SEBI (Listing Obligations & Disclosures Requirements) Regulations 2015.

Shri S.Hanumantha Rao, are interested in the resolutions set out respectively at Item Nos. 5 of the Notice with regard to their respective appointment.

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

The Board recommends the Special Resolutions set out in Item Nos. 5 of the Notice for approval of members of the Company.

**Item No. 06:**

The Consortium of the Lenders of the Company (i.e. Bank of Baroda, UCO Bank, IDBI Bank Limited, Bank of India, Indian Overseas Bank, Oriental Bank of Commerce and Central Bank of India) are proposing to invoke the provisions of Strategic Debt Restructuring Scheme (SDR) formulated by Reserve Bank of India vide Circular I DBR.BP.BC.No.101/21.04.132/2014-15, dated June 8, 2015, Circular II DBR.BP.BC.No.41/21.04.048/ 2015-16 dated September 24, 2015, Circular III DBR.BP.BC.No.82/ 21.04.132 / 2015-16 dated February 25, 2016 and Circular IV DBR.No.BP.BC.103/21.04.132 /2015-16 dated June 13, 2016 at their meeting held on 24th August, 2016 as set out in Item No. 8 of this Notice, in accordance with which Preference shares may have to be issued to the lenders in terms of above scheme. Accordingly there is a requirement of increasing the Authorised Share Capital of the Company from Rs.200,00,00,000/- (Rupees Two Hundred Crores only) divided into 17,50,00,000 (Seventeen Crores Fifty Lakhs) Equity Shares of Rs.10/- (Rupees Ten only) each and 25,00,000 (Twenty Five Lakhs) Preference Shares of Rs.100/- (Rupees One Hundred only) each to Rs.1,000,00,00,000/- (Rupees Thousand Crores only) divided into 25,00,00,000 (Twenty

Five Crores) Equity Shares of Rs.10/- (Rupees Ten only) each and 7,50,00,000 (Seven Crores Fifty Lakhs) Preference Shares of Rs.100/- (Rupees One Hundred only) each by further creation of 7,50,00,000 (Seven Crores Fifty Lakhs) Equity Shares of Rs.10/- (Rupees Ten only) each and 7,25,00,000 (Seven Crores Twenty Five Lakhs) Preference Shares of Rs. 100/- (Rupees one hundred only) each .”

The Board/Management Committee of the Board will finalise the desired level/limit of authorized share capital of the Company to be increased upto an extent of Rs.1000 Crores (Rupees One Thousand Crores only) as required from time to time, keeping in view the proposed further issues of the Company.

The proposed increase in the Authorised Share Capital of the Company requires the approval of the members in the Annual General Meeting.

Consequent upon the increase in Authorised Share Capital of the Company, its Memorandum and Articles of Association also require alteration so as to reflect the increase in authorised share capital.

The Board is of the opinion that the aforesaid Resolution is in the best interest of the Company and hence, recommends the above resolution for your approval as a special resolution.

None of the Directors / Key Managerial Personnel of the Company / their relatives is in any way, concerned or interested, financially or otherwise, in the Special Resolution, except as Shareholders of the Company.

**Item No. 7**

The Consortium of the Lenders of the Company (i.e. Bank of Baroda, UCO Bank, IDBI Bank Limited, Bank of India, Indian Overseas Bank, Oriental Bank of Commerce and Central Bank of India) are proposing to invoke the provisions of Strategic Debt Restructuring Scheme (SDR) formulated by Reserve Bank of India vide Circular I DBR.BP.BC.No.101/21.04.132/2014-15, dated June 8, 2015, Circular II DBR.BP.BC.No.41/21.04.048/2015-16 dated September 24, 2015, Circular III DBR.BP.BC.No.82/ 21.04.132 / 2015-16 dated February 25, 2016 and Circular IV DBR.No.BP.BC.103/21.04.132/2015-16 dated June 13, 2016 at their meeting held on 24th August, 2016 as set out in Item No. 8 of this Notice. In such an event, Preference shares may

## SUJANA UNIVERSAL INDUSTRIES LIMITED

have to be issued to the lenders in terms of above scheme.

Therefore, it is proposed to issue and allot 'Cumulative Redeemable Preference Shares' (CRPS) of the face value of Rs.100/- (Rupees one hundred only) each, for an aggregate value not exceeding Rs. 750 crores (including existing paid up preference share capital) to the lenders through conversion of existing loans and / or interest on such loans at such price or prices as the Board or duly authorized Management Committee thereof may in its absolute discretion think fit."

This resolution empowers the Board / Committee of the Board of Directors, to issue CRPS of Rs.100/- each on such terms and conditions including but not limited as to the rate of dividend, period and manner of redemption, amount of premium, if any, as the Board/Management Committee in its absolute discretion may determine. The Board/ Management Committee shall also be authorized to approve any modification, alteration and re-setting of all or any of the terms and conditions of the Preference Shares from time-to-time in consultation and agreement with the Subscribers/ holders of Preference Shares.

The terms and conditions of the Preference Shares shall however be subject to provisions of the Companies Act, 2013 and the Memorandum and Articles of Association of the Company. The authority conferred on the Board/Management Committee is continuing authority enabling it to make such further issue(s) of Preference Shares within such limit on appropriate terms and conditions on any subsequent redemption of such and / or outstanding Preference Shares or any part thereof from time-to-time, so however that the total Preference Share Capital outstanding at any point of time shall not exceed the Authorized Preference Share Capital stipulated under the Memorandum and Articles of Association of the Company. The Preference Shares shall rank in priority to Equity Shares for repayment of Capital and payment of Dividend. The Preference Shares shall be transferred in the same manner as Equity shares. The Preference Shares shall be redeemed in accordance to the provisions of the Companies Act, 2013 and the Memorandum and Articles of Association of the Company. However, the final terms and conditions of the issue of Preference

Shares shall be determined by the Board/ Management Committee.

The consent of the shareholders is therefore being sought pursuant to the provisions of Section 62 of the Companies Act, 2013 read with the Companies (Share Capital & Debentures) Rules, 2014, authorising the Board/Management Committee to raise additional capital by issue of Cumulative Redeemable Preference Shares in such manner or on such terms as the Board may deem fit in the manner proposed in the Resolution.

None of the Directors / Key Managerial Personnel of the Company / their relatives is in any way, concerned or interested, financially or otherwise, in the Special Resolution, except as Shareholders of the Company.

### Item No.8

At present

- the Business of the Company is highly working capital intensive
- Present Promoters not in a position to commit further funds at this stage
- Hence, scouting for new investor with strong financial muscle and experience in steel sector.

Under the above circumstances, the Consortium of the Lenders of the Company (i.e. Bank of Baroda, UCO Bank, IDBI Bank Limited, Bank of India, Indian Overseas Bank, Oriental Bank of Commerce and Central Bank of India) (hereinafter referred to as the "Lenders of the Company"), are proposing to invoke the provisions of Strategic Debt Restructuring Scheme as formulated by Reserve Bank of India under any of the below mentioned Circulars. The Consortium of the Lenders may stipulate issue of preference shares to the Lenders against the conversion of loans and interest accrued thereon, change of management to a new investor and any other applicable conditions.

1. Circular I: No. DBR.BP.BC.No.101/ 21.04.132/2014-15, dated June 8, 2015
2. Circular II: No. DBR.BP.BC.No.41/ 21.04.048/ 2015-16 September 24, 2015
3. Circular III: DBR.BP.BC.No.82/ 21.04.132 / 2015-16 dated February 25, 2016
4. Circular IV: DBR.No.BP.BC.103/21.04.132 /2015-16 dated June 13,2016.



Therefore, in order to Honour the Lenders' proposed action, Shareholders resolution for restructuring the debts of the Company/change of management under SDR Scheme formulated by the Reserve Bank of India, may be required for which the approval of the members of the Company is sought by way of special resolution as set out in this notice.

None of the Directors / Key Managerial Personnel of the Company / their relatives is in any way, concerned or interested, financially or otherwise, in the Special Resolution, except as Shareholders of the Company.

**Item No. 09:**

The Board of Directors, on recommendation of the Audit Committee, at their meeting held on 30th May, 2016, has approved the appointment and remuneration of the M/s. B.V.R. & Associates, 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, 2017 on a remuneration of Rs. 1,50,000/- (Rupees one lakh fifty thousand) only.

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. 09 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2017.

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.

This statement may also be regarded as a disclosure under the Listing Regulations 2015.

The Board recommends the Ordinary Resolution set out at Item No. 09 of the Notice for approval by the shareholders.

BY ORDER OF THE BOARD

Place: Hyderabad  
Date: 27th August, 2016

**G. Srinivasa Raju**  
Managing Director

**Route Map to the AGM Venue : Katriya Hotel & Towers, # 8, Raj Bhavan Road, Somajiguda, Hyderabad - 500 082, Telangana.**



## SUJANA UNIVERSAL INDUSTRIES LIMITED

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

(in pursuance of Regulations 36(3) of Listing Regulations, 2015)

Name of Director	Smt A. Syamala Reddy	Shri S. Hanumantha Rao	Shri G. Srinivasa Raju
Date of Birth	10.08.1966	18.07.1951	20.10.1963
DIN	02224082	00118801	00132249
Date of Appointment	27.08.2016	18.07.2005	28.06.1995
Expertise in specific functional areas	She was a Director in various companies and having an industrial experience for more than 10 years.	He is 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.	He is a Promoter-Director of the Company. He holds Bachelor's Degree in Mechanical Engineering from Chaitanya Bharathi Institute of Technology, Hyderabad. He also holds a Master Degree in Engineering from Roorke 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.
Qualifications	M.Sc.,	B.Tech., A.I.C.W.A. (Associate ICWAI)	Masters Degree in Engineering from Roorke University.
Directorship held in other public companies (excluding foreign companies)	1. Bartronics India Limited. 2. Vijay Home Appliances Limited.	1. Sujana Metal Products Limited 2. Sujana Holding Limited 3. Sujana Towers Limited 4. Sujana Projects Limited 5. Sujana Energy Limited 6. Sujana Power (India) Limited	1. Sujana Metal Products Limited 2. Sujana Holding Limited 3. Sujana Towers Limited 4. Sujana Projects Limited 5. Sujana Power (India) Limited 6. Sujana Energy Limited
Membership/ Chairmanship of Committees of other public companies (includes only Audit Committees and Shareholders'/ Investors' Grievance Committee) C=Chairman, M=Member	Audit Committee : 1. Bartronics India Limited (M&C)	Audit Committee: 1. Sujana Metal Products Limited(M) 2. Sujana Towers Limited (M)  Shareholders' Grievance Committee: 1. Sujana Metal Products Limited (M) 2. Sujana Towers Limited (M)	Shareholders' Grievance Committee: 1. Sujana Towers Limited (M) 2. Sujana Metal Products Limited (C)
Shareholdings in the Company	Nil	Nil	Nil

## 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 2016.

### Company's Performance

Your Company has achieved a turnover of Rs. 315,231.87 lakhs for the year ended 31st March, 2016, as against the turnover of Rs. 326,016.19 lakhs for the previous year ended 31st March, 2015, the highlights of the financial results are as follows:

Rs. in Lakhs

Particulars	2015-2016	2014-2015
Profit Before Depreciation & Interest	<b>13,206.05</b>	11,313.55
Financial Costs	<b>13,245.84</b>	10,963.89
Depreciation	<b>2,048.25</b>	2,130.80
Profit Before Tax	<b>(2,088.04)</b>	(1,781.14)
<b>Provision for Tax</b>		
- Current Tax	-	-
- Deferred Tax	<b>(570.02)</b>	(586.76)
Profit After Tax	<b>(1,518.02)</b>	(1,194.38)
Balance of profit brought forward from earlier years	<b>22,659.06</b>	23,032.47
Add: Excess Provision for IT written off	-	844.56
Profit available for appropriation	<b>21,141.04</b>	22,682.65
<b>Appropriations:</b>		
Proposed Dividend:		
- Equity	-	-
- Preference	<b>12.18</b>	20.30
- Dividend Tax	<b>2.48</b>	3.29
Balance of Profit	<b>21,126.38</b>	22,659.06

### Operations

In order to compete in the changing market conditions, the Company 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.

Appliances Division	The Appliances divisions mainly includes the products like varieties of Fans, Fan Components and other appliances, which has recorded a turnover of Rs. 5.23 lakhs during the year ended 31st March, 2016.
Steel Products Division	The Steel Products division mainly handles activities of Casting, Processing and Trading of Steel and aided products and during the year ended 31st March, 2016 it has recorded a turnover of Rs. 315,226.64 lakhs including the export turnover of various products were Rs. 32,417.45 lakhs.
LEC Division	The LEC division is mainly includes bearing and bearing components.

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Infrastructure Division	With a view to expand the Company's operations in the construction and developmental activities like integrated residential townships, commercial buildings and specialized design and construction of integrated medical colleges and super specialty hospitals etc, the Company started Infrastructure Division, however due to the current economic slowdown, no works were taken up by this Division in this year.
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### Subsidiary Companies

Your Company has the following Wholly Owned Subsidiaries:

PAC Ventures Pte Ltd	Pac Ventures Pte. Ltd, Singapore was set up in the year 2007 with a view to expand the Company's business of general wholesale trade (including general imports and exports) in the overseas markets and the Company has achieved revenue of Rs. 71,644.40 lakhs during the year.
Sujana Holdings Ltd	Sujana Holdings Ltd, Dubai was set up in the year 2006 for carrying on the business of investments and trading and its revenue during the year is nil. Further, Sujana Holdings has expanded its operations in Sharjah UAE by forming a subsidiary namely Empire Gulf FZE, Sharjah, UAE.
Nuance Holdings Ltd	Nuance Holdings Ltd, Hong Kong was set up in the year 2006 for carrying on the business of investments and trading and its revenue during the year was Rs. 7,505.84 lakhs.  Nuance Holdings Ltd has expanded its operations by forming a subsidiary namely Selene Holdings Ltd, Mauritius.
Sun Trading Ltd	Sun Trading Ltd, Cayman Islands was set up in the year 2008 for carrying on the business of general wholesale trade which includes general imports and exports and its consolidated revenue was Rs. 185,031.56 lakhs.  Sun Trading Ltd has a subsidiary namely Sun global Trading Pte. Ltd, Singapore.
Hestia Holdings Ltd	Hestia Holdings Ltd, Mauritius has become subsidiary of the Company w.e.f. 27th December 2010, with the object of carrying on the business of general trade which includes general imports and exports.

### Share Capital

The paid up Equity Share Capital as on 31st March, 2016 was 16,884.11 lakhs. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity. As on 31st March, 2016, none of the Directors of the Company hold shares or convertible instruments of the Company.

### 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, 2016.

**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.

**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, Five (05) Board Meetings were held on 27th May, 2015, 12th August, 2015, 14th November, 2015, 28th December, 2015 and 12th February, 2016. 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 of the Company at their Annual General Meeting held on September 30th, 2015 appointed Smt. B. Sandhyasri as Independent Director under Section 149 of the Act to hold office for 5 (Five) consecutive years w.e.f. March 30, 2015 and re-appointed Shri G.Srinivasa Raju, as the Managing Director of the Company for a period of 3 (Three) years w.e.f. August 12th, 2015.

During the year, Smt B.Sandhyasri, an Independent and Non Executive Director of the Company resigned from the Board of Directors with effect from May 30th, 2016. The Board placed on record its sincere appreciation and thanks to Smt B. Sandhyasri for her support and guidance provided from time to time during her tenure as Director of the Company. Shri S. Hanumantha Rao, changed from the position of Non executive Director of the Company and continues as Executive Director of the Company w.e.f. 01.01.2016.

The Board has appointed Smt. A. Syamala Reddy, as Additional Director (Independent Director) w.e.f. August 27th, 2016 and now it is recommended her appointment to be regularized and be appointed for a period of 5 (Five) years i.e. from September 30th, 2016 to September 30th, 2021. Her appointment on the Board shall also fulfill the requirement of a Woman Director on the Board of the Company as required under the Companies Act, 2013 and Regulation 17(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to the provisions of Section 152 of the Companies Act, 2013 and in accordance with the Articles of Association of the Company, Shri G. Srinivasa Raju, Managing Director of the Company will retire by rotation at the ensuing Annual General Meeting and, being eligible, offers himself for re-appointment.



## **SUJANA UNIVERSAL INDUSTRIES LIMITED**

The Resolutions proposing their reappointment/appointments as 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 Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

None of the Directors of your Company is disqualified under Section 162 (2) of the Companies Act, 2013. As required by law, this position is also reflected in the Auditors' Report.

The following persons are Key Managerial Personnel of the Company:

1. Shri G. Srinivasa Raju : Managing Director
2. Shri S. Hanumantha Rao : Whole Time Director
3. Shri B. Manoharan : Chief Financial Officer
4. Shri P. Kodanda Rami Reddy : Company Secretary

During the year Shri M. Naresh Kumar resigned as Company Secretary w.e.f. 15.09.2015 and Shri P. Kodanda Rami Reddy appointed as Company Secretary w.e.f. 13.06.2016.

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 Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms part of this Report.

### **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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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 Committees 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, 2016 to evaluate the performance of the Chairman, the Non Independent Directors, the Board and flow of information from management.

### **Related Party Transactions**

The Board of Directors, on recommendation of the Audit Committee framed a policy for Related Party Transactions 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 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, wherever 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.

None of the Directors, other than to the extent of their shareholding, receipt of remuneration, 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 Annual Report on CSR activities is annexed herewith as Annexure-II and forms part of this report.

### **Risk Management**

The Risk Management programme at the Company 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.

# **SUJANA UNIVERSAL INDUSTRIES LIMITED**

## **Statutory Auditors**

The Statutory Auditors of the Company, M/s. T. Raghavendra & Associates, Chartered Accountants, (Firm Registration Number: 003329S), were re-appointed by the members at the 25th Annual General Meeting held on 30th September, 2014 for a term of 3 (Three) years till the conclusion of 28th 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, 2016 forms part of this Report. There are no qualifications, or adverse remarks made by the Statutory Auditors which requires explanation or comments from the Board.

## **Cost Auditors**

M/s. BVR & Associates, Cost Accountants, (Membership Number: M/16851) Hyderabad were re-appointed as Cost Auditors of the Company for the Year 2016-17 as per the provisions of the Companies Act, 2013 and the rules made there under.

The Cost Auditor 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, 2016 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. The Company has adequate effluent Treatment Plants to prevent pollution. The Company is continuously endeavoring to improve the health and quality of life in the communities surrounding its industrial complexes.

**Particulars of Employees**

The information required pursuant to the provisions 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 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).

**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 identified the high Performers and rewarded them appropriately, which has helped to achieve better employee engagement. Competency based training program has been devised for High - Potential employees with focus on their Individual Development Plan & helping them to become future leaders.

**Dividend**

As per the terms of issue of Cumulative Redeemable Preference Shares (CRPS) vide letter No: 2587/SASF/CBO and 5937/SASF(SUIL) dated 28th June, 2005 and 29th October, 2005 respectively, your Company is required to pay the dividend of Rs. 12.18 lakhs (Previous year Rs. 20.30 lakhs) which represents 1% on 12,18,098 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. 2.48 lakhs (Previous year Rs. 3.95 lakhs).

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.

Your Company has always emphasized on achieving operational excellence and continues to focus on customer satisfaction and delight. Backed by strong fundamentals and robust plans your Company is fully prepared to face current challenges and benefit from expected medium and long term growth in Indian economy.

**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.

## **SUJANA UNIVERSAL INDUSTRIES LIMITED**

### **Material Changes and Commitments**

There is no material change and commitment has occurred, affecting the financial position of the Company, between the end of the financial year of the Company i.e. 31st March, 2016 and the date of this report.

### **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.**

The two Company Petitions i.e. C.P. 174/2013 and C.P. 169/2014 u/s 433 of the Companies Act, 1956 filed by Standard Bank (Mauritius) Limited (SBML) (in connection with the corporate guarantee furnished by the Company on behalf of its step down subsidiary Selene Holdings Limited, Mauritius) and Mauritius Commercial Limited (MCB) (in connection with the corporate guarantee furnished by the Company on behalf of its subsidiary Hestia Holdings Limited, Mauritius) respectively were admitted by the Hon'ble High Court of Judicature at Hyderabad for the State of Telangana and The State of Andhra Pradesh. The Company has preferred appeal OSA 13 of 2015 against the said admission of C.P.174 of 2013 and C.P.No.169 of 2014 which are still pending for disposal. The Company is also exploring the process of settlement.

Except the above, there are no 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.

### **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 applicable SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding Corporate Governance, Management Discussion and Analysis, a report on the Corporate Governance practices and the Auditors' Certificate on compliance of mandatory requirements thereof 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**  
Whole Time Director

Place: Hyderabad

Date: 27th August, 2016

**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	4	5
2. Nme of the Subsidiary	Sun Trading Ltd	Pac Ventures Pte. Ltd	Nuance Holdings Ltd	Sujana Holdings Ltd	Hestia Holdings Ltd
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01.04.2015 to 31.03.2016	01.04.2015 to 31.03.2016	01.04.2015 to 31.03.2016	01.04.2015 to 31.03.2016	01.01.2015 to 31.12.2015
4. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	66.18	66.18	66.18	66.18	66.20
5. Share Capital	9,529.24	6,509.41	42.42	18,080.67	0.07
6. Reserves & Surplus	5,705.34	900.33	654.69	9.66	(2,435.88)
7. Total Assets	40,527.81	22,846.26	47,762.49	15,509.17	13,854.20
8. Total Liabilities	25,341.66	15,436.52	47,329.22	14.75	16,290.02
9. Investments	1,438.83	8,019.85	1,323.57	2,597.24	-
10. Turnover	1,46,224.77	71,644.40	7,505.84	-	-
11. Profit before taxation	978.56	79.86	18.01	(9.19)	(859.94)
12. Provision for taxation	-	2.98	3.56	-	-
13. Profit after taxation	978.56	76.88	14.45	(9.19)	(859.94)
14. Proposed Dividend	-	-	-	-	-
15. % of shareholding	100	100	100	100	100

**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**  
Whole Time Director

Place: Hyderabad

Date: 27th August, 2016



# SUJANA UNIVERSAL INDUSTRIES LIMITED

## 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:**

Name of the Related Party	Nature of relationship	Nature of transactions	Duration of transactions	Salient terms of transactions if any.	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
Sujana Metal Products Limited	Group Company	Sales & Purchases of Materials	Ongoing	Based on transfer pricing guidelines	Not applicable	Not Applicable
Sujana Towers Ltd	Group Company	Sales & Purchases of materials	Ongoing	Based on transfer pricing guidelines	Not applicable	Not Applicable

BY ORDER OF THE BOARD

**G. Srinivasa Raju**  
Managing Director

**S. Hanumantha Rao**  
Whole Time Director

Place: Hyderabad

Date: 27th August, 2016

**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:**

- a. S. Hanumantha Rao (Executive Director)
- b. G. Srinivasa Raju (Managing Director)
- c. Dr. K. Srinivasa Rao (Independent Director)

- 3. Average net profit of the Company for last three financial years: Rs (494.78) lakhs**

- 4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above): Nil**

- 5. The Company is required to spend : Nil**

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

- a. Total amount spent for the financial year: Nil
- b. Amount unspent, if any: Nil
- c. Manner in which the amount spent during the financial year is detailed below: NA

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

- 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**  
Whole Time Director

Place: Hyderabad

Date: 27th August, 2016

**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, all the applicable Accounting Standards 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 as at March 31, 2016 and of the loss of the Company for the financial year ended 31st March, 2016.
- 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 have been prepared on a going concern basis.
- V. Those proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- VI. Proper systems are devised to ensure compliance with the provisions of all applicable laws and that systems were adequate and operating effectively.

BY ORDER OF THE BOARD

**G. Srinivasa Raju**  
Managing Director

**S. Hanumantha Rao**  
Whole Time Director

Place: Hyderabad  
Date: 27th August, 2016

**Annexure IV  
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]

To,

The Members

**M/ s. Sujana Universal Industries Limited**

18, Nagarjuna Hills, Punjagutta

Hyderabad – 500 082

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

Based on my 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 my opinion, the company has, during the audit period covering the Financial Year ended on 31st March, 2016 (i.e 1st April, 2015 to 31st March, 2016) 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, 2016 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, 2015;
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;

## **SUJANA UNIVERSAL INDUSTRIES LIMITED**

- 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 operations are under General Sector, there is no specific Industrial Law.
  4. I have also examined compliance with the applicable clauses/regulations of the following:
    - (i) Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI)
    - (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Uniform Listing Agreements entered into with BSE Limited and National Stock Exchange of India Limited;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

5. The two Company Petitions i.e. C.P. 174/2013 and C.P. 169/2014 u/s 433 of the Companies Act, 1956 filed by Standard Bank (Mauritius) Limited (SBML) (in connection with the corporate guarantee furnished by the Company on behalf of its step down subsidiary Selene Holdings Limited, Mauritius) and Mauritius Commercial Limited (MCB) (in connection with the corporate guarantee furnished by the Company on behalf of its subsidiary Hestia Holdings Limited, Mauritius) respectively were admitted by the Hon'ble High Court of Judicature at Hyderabad for the State of Telangana and The State of Andhra Pradesh. The Company has preferred appeal OSA 13 of 2015 against the said admission of C.P.174 of 2013 and C.P No.169 of 2014 which are still pending for disposal. The Company is also exploring the process of settlement.

### **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.

Place : Hyderabad  
Date : 30th May, 2016

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

## Annexure V

**EXTRACT OF ANNUAL RETURN**

as on the financial year ended 31.03.2016

[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	L29309TG1986PLC006714
Registration Date	22/08/1986
Name of the Company	SUJANA UNIVERSAL INDUSTRIES LIMITED
Category/Sub-Category of the Company	Company having Share Capital
Address of the Registered office and contact details	8-2-248/1/7/18, Plot No.18, Nagarjuna Hills, Panjagutta, Hyderabad, Telangana-500082, India
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. Bigshare Services Private Limited 306, Right Wing, 3rd Floor, Amrutha Ville, Opp: Yashoda Hospital, Raj Bhavan Road, Somajiguda, Hyderabad - 500 082, Phone No. 040-2337 4967

**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	Iron & Steel Products	241	99.95%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

Sl. No.	Name and Address of the Company	CIN/GIN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Pac Ventures Pte. Ltd 10 Anson Road, # 06-22, International Plaza, Singapore 079903.	200618483C	Subsidiary	100%	2(87)(ii)
2	Nuance Holding Ltd 1206, Prosperity Millennia Plaza, 663 Kings Road, North Point, Hong Kong	1094806	Subsidiary	100%	2(87)(ii)
3	Sujana Holding Ltd LOB 15, Off.No.117, PO Box: 17870 Jebel Ali Free Zone, Dubai, United Arab Emirates	OF2935	Subsidiary	100%	2(87)(ii)
4	Sun Trading Ltd Office of the Maples Corporate Services Ltd. PO Box 309, Uglan House, Grand Cayman, KY 1-1104	MC-214473	Subsidiary	100%	2(87)(ii)
5	Hestia Holdings Ltd 7th Floor, Wing A, Cyber Tower 1, Ebene Cyber City, Ebene, Mauritius	083738, C2/GBL	Subsidiary	100%	2(87)(ii)



# SUJANA UNIVERSAL INDUSTRIES LIMITED

## 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 (01.04.2015)				No. of Shares held at the end of the year (31.03.2016)				% 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	11,59,100	-	11,59,100	0.68	-	-	-	-	0.68
(b)	Central Government/ State Government(s)		-	-	-	-	-	-	-	-
(c)	Bodies Corporate	437,39,235	-	437,39,235	25.64	448,98,335	-	448,98,335	26.59	(0.96)
(d)	Financial Institutions/ Banks		-	-	-	-	-	-	-	-
(e)	Any Other (specify)		-	-	-	-	-	-	-	-
	<b>Sub-Total (A)(1)</b>	<b>448,98,335</b>	<b>-</b>	<b>448,98,335</b>	<b>26.32</b>	<b>448,98,335</b>	<b>-</b>	<b>448,98,335</b>	<b>26.59</b>	<b>(0.28)</b>
<b>2</b>	<b>Foreign</b>									-
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)		-	-	-	-	-	-	-	-
(b)	Bodies Corporate		-	-	-	-	-	-	-	-
(c)	Institutions		-	-	-	-	-	-	-	-
(d)	Qualified Foreign Investor		-	-	-	-	-	-	-	-
(e)	Any Other (Specify)		-	-	-	-	-	-	-	-
	Sub-Total (A)(2)	-	-	-	-	-	-	-	-	-
	Total Shareholding of Promoter and Promoter Group (A) = (A (1)+(A)(2)	448,98,335	-	448,98,335	26.32	448,98,335	-	448,98,335	26.59	(0.28)
<b>(B)</b>	<b>Public Shareholding</b>				-				-	-
<b>1</b>	<b>Institutions</b>				-				-	-
(a)	Mutual Funds/ UTI	0	1,800	1,800	0.00	0	1,800	1,800	0.00	(0.00)
(b)	Financial Institutions/ Banks	29,92,326	100	29,92,426	1.75	56,437	100	56,537	0.03	1.72
(c)	Central Government/ State Government(s)		-	-	-	-	-	-	-	-
(d)	Venture Capital Funds		-	-	-	-	-	-	-	-
(e)	Insurance Companies		-	-	-	-	-	-	-	-
(f)	Foreign Institutional Investors		-	-	-	-	-	-	-	-
(g)	Foreign Venture Capital Investors		-	-	-	-	-	-	-	-
(h)	Qualified Foreign Investor		-	-	-	-	-	-	-	-
(i)	Any Other (specify)		-	-	-	-	-	-	-	-
	Sub-Total (B)(1)	2992326	1900	2994226	1.75	56437	1900	58337	0.03	1.72
<b>B 2</b>	<b>Non-Institutions</b>				-				-	-
(a)	Bodies Corporate	7985670	1,00,700	98,62,289	5.78	8539757	99,600	86,39,357	5.12	0.66
(b)	Individuals –				-				-	-
<b>I</b>	Individual shareholders holding nominal share capital up to Rs.2 lakh.	25523378	13,37,686	268,61,064	15.74	34788861	13,28,236	361,17,097	21.39	(5.65)
<b>II</b>	Individual shareholders holding nominal share capital in excess of Rs.2 lakh.	74949994	23,900	749,73,894	43.94	72557532	23,900	725,81,432	42.99	0.95

(c)	Qualified Foreign Investor		-	-	-		-	-	-	-
(d)	Foreign Body Corporate		-	-	-		-	-	-	-
(d1)	Clearing Members	218085	-	2,18,085	0.13	402424	-	4,02,424	0.24	(0.11)
(d2)	NRI	10809098	-	108,09,098	6.34	6129090	-	6129090	3.63	2.71
(d3)	OCB's		-	-			-	-	-	-
(d4)	Trust		-	-	-	15000	-	15,000	-	-
(d5)	GDR		-	-			-	-	-	-
	Sub-Total (B)(2)	119486225	1462286	12,09,48,511	71.93	122432664	1451736	123884400	73.36	(1.43)
	Total Public Shareholding (B) = (B1 +B2)	122478551	14,64,186	12,39,42,737	73.68	122489101	14,53,636	1239,42,737	73.41	0.28
	<b>TOTAL (A) + (B)</b>	<b>1673,76,886</b>	<b>14,64,186</b>	<b>16,88,41,072</b>	<b>100.00</b>	<b>1673,87,436</b>	<b>14,53,636</b>	<b>1688,41,072</b>	<b>100.00</b>	<b>-</b>
(C)	Shares held by Custodians and against which Depository Receipts have been issued.									
	Sub-Total (C)		-	-	-		-	-	-	-
	<b>GRAND TOTAL (A)+(B)+( C)</b>	<b>1673,76,886</b>	<b>14,64,186</b>	<b>16,88,41,072</b>	<b>100.00</b>	<b>1673,87,436</b>	<b>14,53,636</b>	<b>1688,41,072</b>	<b>100.00</b>	<b>-</b>

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	11,59,100	0.68	-	-	0.00	-	-
Sujana Finance & Trading (P) Limited	137,39,235	8.05	-	148,98,335	8.82	-	-
Yalamanchili Finance & Trading (P) Limited	300,00,000	17.58	-	300,00,000	17.77	-	-
<b>TOTAL</b>	<b>448,98,335</b>	<b>26.32</b>	<b>-</b>	<b>448,98,335</b>	<b>26.59</b>	<b>-</b>	<b>-</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	448,98,335	26.59	448,98,335	26.59
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	448,98,335	26.59	448,98,335	26.59

## SUJANA UNIVERSAL INDUSTRIES LIMITED

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

Sl. No.	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the Year (01-04-2015 to 31-03-2016)	
		No. of Shares at the beginning (01-04-2015) / end of the Year (31-03-2016)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Pradeep Lobo	5,162,500	3.03	31.12.2015	(24,300)	Transfer	5,138,200	3.01
				01.01.2016	(451,542)	Transfer	4,686,658	2.75
				08.01.2016	(1,050,972)	Transfer	3,635,686	2.13
				15.01.2016	(1,641,230)	Transfer	1,994,456	1.17
				31.03.2016	-		1,994,456	1.17
2	Bishwanath Prasad Agrawal	3,422,000	2.01	01.04.2015	-	NIL		
				31.03.2016			3,422,000	2.01
3	Sicom Limited	2,992,326	1.75	10.04.2015	(350,000.00)	Transfer	2,642,326	1.55
				17.04.2015	(200,000.00)	Transfer	2,442,326	1.43
				24.04.2015	(113,862.00)	Transfer	2,328,464	1.36
				01.05.2015	(50,000.00)	Transfer	2,278,464	1.34
				08.05.2015	(174,032.00)	Transfer	2,104,432	1.23
				15.05.2015	(100,000.00)	Transfer	2,004,432	1.17
				22.05.2015	(50,000.00)	Transfer	1,954,432	1.15
				26.06.2015	(100,000.00)	Transfer	1,854,432	1.09
				30.06.2015	(50,000.00)	Transfer	1,804,432	1.06
				03.07.2015	(150,000.00)	Transfer	1,654,432	0.97
				10.07.2015	(201,000.00)	Transfer	1,453,432	0.85
				17.07.2015	(103,094.00)	Transfer	1,350,338	0.79
				07.08.2015	(154,082.00)	Transfer	1,196,256	0.70
				17.08.2015	(152,250.00)	Transfer	1,044,006	0.61
				21.08.2015	(510,307.00)	Transfer	533,699	0.31
				28.08.2015	(50,000.00)	Transfer	483,699	0.28
				04.09.2015	(60,697.00)	Transfer	423,002	0.25
				23.10.2015	(22,500.00)	Transfer	400,502	0.23
				04.12.2015	(25,000.00)	Transfer	375,502	0.22
				11.12.2015	(50,000.00)	Transfer	325,502	0.19
		08.01.2016	(160,615.00)	Transfer	164,887	0.10		
		22.01.2016	(25,000.00)	Transfer	139,887	0.08		
		05.02.2016	(8,450.00)	Transfer	131,437	0.08		
		12.02.2016	(75,000.00)	Transfer	56,437	0.03		
		31.03.2016	-		56,437	0.03		

4	Suvarna Kumari Agrawal	2,628,000	1.54	01.04.2015	-	NIL		
				31.03.2016	-		2,628,000	1.54
5	Santosh Sitaram Goenka	1,707,833	1.00	17.04.2015	109802	Transfer	1,817,635	1.07
				08.05.2015	41145	Transfer	1,858,780	1.09
				22.05.2015	3698	Transfer	1,862,478	1.09
				07.08.2015	74463	Transfer	1,936,941	1.14
				27.11.2015	6546	Transfer	1,943,487	1.14
				18.12.2015	271676	Transfer	2,215,163	1.30
				01.01.2016	75070	Transfer	2,290,233	1.34
				29.01.2016	53395	Transfer	2,343,628	1.37
		31.03.2016			2,343,628	1.37		
6	Bharani Kumar Pasala	1,688,500	0.99					
				01.05.2015	(188,500)	Transfer	1,500,000	0.88
				26.06.2015	(100,000)	Transfer	1,400,000	0.82
				23.10.2015	(1,400,000)	Transfer	-	
		31.03.2016			-			
7	Ashish Choudhary	1,500,000	0.88	01.04.2015	-			0.00
				31.03.2016	-		1,500,000	0.88
8	Ramilaben Mohanbhai Pansara	1,160,111	0.68	10.04.2015	100000	Transfer	1,260,111	0.74
				22.05.2015	105000	Transfer	1,365,111	0.80
				05.06.2015	100000	Transfer	1,465,111	0.86
				10.07.2015	30000	Transfer	1,495,111	0.88
				07.08.2015	10	Transfer	1,495,121	0.88
				21.08.2015	40000	Transfer	1,535,121	0.90
				28.08.2015	(35,121)	Transfer	1,500,000	0.88
				31.12.2015	2	Transfer	1,500,002	0.88
				18.03.2016	(10,001)	Transfer	1,490,001	0.87
				25.03.2016	(1,501)	Transfer	1,488,500	0.87
				31.03.2016	(88,500)	Transfer	1,400,000	0.82
		31.03.2016			1,400,000	0.82		
9	T Gopi Raju	1,205,771	0.71	01.04.2015	0	NIL		
				31.03.2016	0		1,205,771	0.71
10	Neil Jerome Dsilva	1,013,579	0.59	15.05.2015	50000	Transfer	1,063,579	0.62
				15.01.2016	90,000	Transfer	1,153,579	0.68
				31.03.2016	0		1,153,579	0.68

## SUJANA UNIVERSAL INDUSTRIES LIMITED

### 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 G. Srinivasa Raju	-	-	-	-
Shri S. Hanumantha Rao	-	-	-	-
Shri K. Srinivasa Rao	-	-	-	-
Shri J. Ramakrishnan	-	-	-	-
Shri V. Malakonda Reddy#	-	-	-	-
Shri Ch. Srinivasu+	-	-	-	-
Smt B. Sandhyasri**	-	-	-	-

\*\*Smt. B. Sandhyasri has resigned. W.e.f. 30.05.2016

### V. INDEBTEDNESS

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

Rs. in lakhs

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	76,172.96	13,092.25	-	89,265.21
ii) Interest due but not paid	77.74	-	-	77.74
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	76,250.70	13,092.25	-	89,342.95
Change in Indebtedness during the financial year				
Addition	11,841.64	-	-	11,841.64
Reduction	(7,696.68)	(13,092.25)	-	(20,788.93)
Net Change	19,538.32	13,092.25	-	32,630.57
Indebtedness at the end of the financial year				
i) Principal Amount	87,924.63	-	-	87,924.63
ii) Interest due but not paid	7,864.39	-	-	7,864.39
iii) Interest accrued but not due	-	-	-	-
TOTAL (i+ii+iii)	95,789.02	-	-	95,789.02

**VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sl. No.	Particulars of Remuneration	Shri G Srinivasa Raju	Shir S Hanumantha Rao
		Rs. in lakhs	Rs. in lakhs
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	46.20	3.45
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1.80	0.15
	(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)	48.00	3.60
	Ceiling as per the Act	The overall ceiling is as per limits stipulated in Schedule V/Section 197 of the Companies Act, 2013.	

**B. Remuneration to other Directors:**

Amount in Rs.

Sl.No	Particulars	Sitting Fee
<b>I - Independent Directors</b>		
1	Dr. K Srinivasa Rao	90,000
2	Shri. J Ramakrishnan	90,000
3	Shri. Ch Srinivasu	30,000
4	Dr. V Malakonda Reddy	90,000
5	Smt. B Sandhyasri	30,000
	Total (B)	330,000



## SUJANA UNIVERSAL INDUSTRIES LIMITED

### C REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Amount in Rs.

Sl. No.	Particulars of Remuneration	Mr. B Manoharan Chief Financial Officer	Mr. M Naresh Kumar Company Secretary	Total Amount
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,434,279	536,536	1,970,815
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	56,232	16,082	72,314
	(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 (C)	1,490,511	552,618	2,043,129
	Ceiling as per the Act	The overall ceiling is as per limits stipulated in Schedule V/Section 197 of the Companies Act, 2013.		

### VII PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

	Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A	COMPANY					
	Penalty			None		
	Punishment					
	Compounding					
B	DIRECTORS					
	Penalty			None		
	Punishment					
	Compounding					
C	OTHER OFFICERS IN DEFAULT					
	Penalty			None		
	Punishment					
	Compounding					

BY ORDER OF THE BOARD

Place: Hyderabad  
Date: 27th August, 2016

**G. Srinivasa Raju**  
Managing Director

**S. Hanumantha Rao**  
Whole Time Director

## 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**

The company continues to work to strengthen its energy conservation efforts by implementing energy saving strategies from time to time.

Fuel and electricity consumption in different stages of production process were monitored regularly and suitable corrective actions were taken wherever possible.

Conventional lighting system was replaced by energy efficient lighting system at all places wherever possible.

The capital investment on energy conservation equipments during the year Nil.

**B) Technology absorption**

1	Efforts made towards technology absorption.	:	Not Applicable
2	The benefits derived like product improvement, cost reduction, product development or import substitution	:	Not Applicable
3	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year		: Not Applicable
	a) Technology imported		
	b) Year of import		
	c) Whether the technology been fully absorbed		
	d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof		

**C) Foreign exchange earnings and Outgo:**

Rs. in lakhs

Foreign exchange earnings and Outgo		2015-16	2014-15
a.	Foreign exchange earnings	32,417.45	3,259.67
b.	CIF value of imports	32,353.46	3,091.80

BY ORDER OF THE BOARD

Place: Hyderabad  
Date: 27th August, 2016

**G. Srinivasa Raju**  
Managing Director

**S. Hanumantha Rao**  
Whole Time Director

# SUJANA UNIVERSAL INDUSTRIES LIMITED

## 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 2015-16, percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year 2015-16.

S. No.	Name of KMP (Designation)	Remuneration for FY 2015-16 (Rs. in lacs)	Ratio of remuneration to the median remuneration of the employees	% increase in remuneration in the FY 2015-16
01	Mr. G Srinivasa Raju (Managing Director)	48.00	22.49	Nil
02	Mr. S Hanumantha Rao (Whole Time Director)	3.60	1.69	Nil
03	Mr. B. Manoharan (Chief Financial Officer)	15.00	7.03	Nil
04	Mr. Naresh Miryala (Company Secretary)	9.36	2.01	Nil

#### Notes:

- None of the other directors expect above disclosed draws any remuneration in the Company.
  - The median remuneration of employees of the Company during the financial year 2015-16 was Rs.2.13 lacs against the median remuneration of Rs. 1.89 lacs of the previous year.
  - The number of permanent employees on the rolls of Company as on 31st March 2016 is 133
  - Mr. Naresh Miryala has resigned w.e.f. 15.09.2015.
2. The relationship between average increase in remuneration and company performance:  
The average increase in remuneration during the financial year 2015-16 is Nil. The total employees cost for the financial year ended 31st March, 2016 is Rs. 439.13 lakhs against Rs. 496.50 lakhs for the financial year ended 31st March 2015. The total net revenue of the company for financial year ended 31st March 2015 is Rs. 315,231.87 lakhs as against Rs. 326,016.19 lakhs for the financial year ended 31st March 2015. The total employees cost as a percentage of net total revenue was 0.1393% (last year 0.1523%). The performance was under pressure due to the challenges faced during the financial year.
3. Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company.

Rs. in lakhs

Particulars	2015-16	2014-15
Aggregate Remuneration of KMP in Financial Year	70.89	72.36
Revenue	315,231.87	326,016.19
Remuneration of KMP (as % of revenue)	0.022	0.022

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 2016	2,144.28
	Mcap at 31st March 2015	2,836.53
	Variation in Mcap in FY 2016 (%)	24
<b>2</b>	<b>Price Earnings Ratio (PE Ratio) – (Mkt Price / EPS)</b>	
	PE at 31st March 2016	NA
	PE at 31st March 2015	NA
	Variation in PE in FY 2016 (%)	NA
<b>3</b>	<b>% Increase/ Decrease from last Public Offer</b>	
	FPO price per share (Rights issue to the existing shareholders on 15.01.1993)	Rs. 17.50
	Market price as at 31 March, 2016	Rs. 1.27
	% decrease from last FPO	92.74%

**Note:** Since that EPS is negative for the FY ended 31st March 2016/2015 is negative, PE at 31st March 2016/2015 is Not Applicable ("NA")

- Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year:  
Not applicable since there was no increase in salaries as compared to the previous year.
- Comparison of the each remuneration of the KMP against the performance of the Company.

Rs. in lakhs

Sl. No	Particulars of Remuneration	KMP			
		Mr. G Srinivasa Raju	Mr. S Hanumantha Rao	Mr. B Manoharan	Mr. M Naresh Kumar
		Managing Director	Executive Director	Chief Financial Officer	Company Secretary
1	Remuneration in FY 2016	48.00	3.60	15.00	9.36
2	Revenue in FY 2016	315,231.87			
3	Remuneration as % of revenue	0.015	0.001	0.005	0.001

- The key parameters for any variable component of remuneration availed by the directors.  
The remuneration to the Managing Director ("MD") and the Executive Director are a fixed pay reflecting short and long-term performance objective of the company, its goals, for attracting and retaining the best talent.  
Remuneration to Independent and Non-executive Directors involve sitting fees for attending meetings of the Board/Committees and commission based on the attendance and contribution towards governance practices and discharging fiduciary duties
- 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:  
Not applicable, since no employees of the Company receives remuneration in excess of the highest paid director i.e., MD and there are no employees falling under rule 5(2).
- Remuneration is as per the Remuneration Policy of the Company

BY ORDER OF THE BOARD

Place: Hyderabad  
Date: 27th August, 2016

**G. Srinivasa Raju**  
Managing Director

**S. Hanumantha Rao**  
Whole Time Director

**Annexure VIII**

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Pursuant to the Regulation 34 read with the Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 your Directors wish to report as follows:

**CAUTIONARY STATEMENT**

Statements made in this report describing the Company's objectives, projections, estimates and expectations may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates; changes in the Government regulations; tax laws and other statutes and incidental factors.

**ECONOMIC OVERVIEW**

Global recovery is facing multiple challenges, and is progressing at a weak pace. The picture emerging across the world is one of financial turbulence and uncertainty.

Among advanced economies, the US demonstrated resilience in FY 2015; and growth in the country is projected to continue at a moderate pace. The recovery in Euro Area during 2015-16 was modest and is projected to continue in the backdrop of a modest fiscal expansion, low energy prices and supportive financial conditions. However, potential growth is expected to remain weak, resulting from low investment, high private and public debt and diminishing skills due to increasing unemployment and an ageing population.

The scenario for emerging markets and developing economies is not consistent. The commodity exports of Russia and Brazil have been severely impacted by a fall in prices and owing to China's rebalancing act, which had a spill-over effect on the overall global trade. The economic performance of many African countries was also discouraging. Resource-intensive countries in Africa suffered a twin blow, caused by a decline in the commodity prices and tighter global financing conditions adversely affecting their markets.

India's GDP grew by 7.6% in FY 2015-16, making it one of the fastest growing major economies in the world. In the fourth quarter, the GDP grew at 7.9% which was a commendable performance. The policy initiatives of the government – albeit fallacious at times, declining fiscal deficit, low interest rates and moderating inflation have helped the Indian economy stay on a sustainable growth path. The growth rate is expected to touch 8% in FY 2016-17 on the back of a favourable monsoon. The government's Make in India campaign is helping India emerge as a hub for global manufacturing giants.

India's long-term growth potential continues to be strong with a focus on faster infrastructure creation, increasing urbanization, improving manufacturing and farm output, expanding the services sector and stronger regulatory framework for banking and financial services. Further, the Government of India's 'Make in India' initiative has encouraged domestic entrepreneurship and attracted more FDI into the country. The concept of Make in India is also expected to boost employment through skill development and make India a vibrant market for manufacturers.

**INDUSTRY STRUCTURE AND DEVELOPMENTS**

The global steel industry is going through tough times. Global crude steel production reached 1,622.8 million tones (Mt) for the year 2015, down by 2.8% compared to that of 2014. Crude steel production declined in almost all regions in 2015. Steel demand in 2016 is likely to

decline owing to slower pace of economic growth across the globe. Exports from China continue to penetrate markets all over the world, exerting downward pressure on the price of hot-rolled coils, which is pushing down prices to levels not seen since the last decade.

Although, global steel demand is expected to decline by 0.8% to 1,488 Mt in 2016, following a contraction of 3.0% in 2015, it is expected to return to growth in 2017, the world steel demand is likely to return to a growth of 0.4% and reach 1,494 Mt.

Steel demand in developed economies is expected to grow by 1.7% in 2016 and 1.1% in 2017 owing to economic volatilities. Steel demand in the US, though dampened by the fall in oil prices and a strong dollar, is expected to brighten

due to an improving job market and a robust housing sector. Steel demand in the US is expected to grow by 3.2% in 2016 and 2.7% in 2017. The EU saw a mild recovery in steel demand with generally improving economic sentiments and investment conditions. However, uncertainties in the political landscape related to the refugee crisis and Brexit raises risks to the improving economic condition. Steel demand in the EU is forecasted to grow by 1.4% in 2016 and a further 1.7% in 2017. Weak exports, low commodity prices, capital outflows and China's rebalancing have worsened the macro scenario for emerging economies.

Steel demand for Russia and Brazil are expected to contract strongly in future. In Turkey, steel demand is expected to grow by 3.3% in 2016 and 3.2% in 2017. Steel demand in the ASEAN 5 (Thailand, Malaysia, Vietnam, Indonesia and the Philippines) is also expected to sustain a growth rate of around 6% due to their infrastructure building activities; and will reach 74.6 Mt in 2017.

Steel demand in the emerging and developing economies excluding China is forecasted to grow by 1.8% and 4.8% in 2016 and 2017, respectively. Steel demand in these economies will touch 457.1 Mt in 2017, about 30% of world steel demand.

During 2015-16, India emerged as the world's third-largest producer of crude steel, producing 89.6 MT crude steel in FY 2015-16 - an increase of 7.7% since last year, up from eighth position in 2003. The country witnessed an unprecedented inflow of cheap imports, which saw a significant increase in the last fiscal.

The industry growth is driven by an availability of raw materials such as iron ore and cost-effective labour. India's prospects are now brightening due to low oil prices, the reform momentum and policies to strengthen infrastructure and manufacturing output. The country's steel demand is projected to increase by 5.4% in both 2016 and 2017, reaching 88.3 Mt in 2017.

Steel demand in India is showing signs of a rebound, after the slowdown of the last two years. India is expected to become the world's second largest producer of crude steel in the next few years, moving up from the third position. Growing investments for infrastructure, rapid growth in the industrial sector, increase in urban population, and strengthening of rural steel market can raise the country's per capita steel consumption considerably

## **RISKS AND CONCERNS**

Your Company is actively, albeit cautiously, looking for growth opportunities and new markets for its products. The Company is exposed to a number of market risks arising from its normal business activities. These risks include changes in raw material prices caused due to market fluctuations and imposition of various government duties – as in the recent times, foreign currency exchange rate, interest rate which may adversely impact the Company's financial assets, liabilities and/or future cash flows. The Company continues to mitigate these risks by careful planning of optimum sales mix, active treasury management, product diversification, innovation and penetration in different markets, both domestic and international. Further cost saving measures across all segments of the Company, would help in improving the margins in an otherwise difficult market.

## **OPPORTUNITIES AND THREATS**

A diversified product portfolio and considerably wide geographical reach, both domestic and international, have helped the Company to significantly de-risk its business and meet the risks with suitable precaution. The Company is focused on enhancing value added products. Improvement in safety performance is of utmost priority, for which the Company has constantly been initiating measures to avert accidents.

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

The Company has in place adequate internal control systems and procedures commensurate with the size and nature of business. Depending on the changing requirements the internal audit department is strengthened. The Company has implemented corporate governance requirement and the audit committee periodically reviews the systems and procedures of the Company.

These procedures are designed to ensure that:

- All assets and resources are acquired economically, used efficiently and are adequately protected;
- Significant financial, managerial and operating information is accurate, reliable and is provided timely; and



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- All internal policies and statutory guidelines are complied with.

The effectiveness of internal control is continuously monitored by the Audit Committee of the Company. The Company has an Audit Committee which regularly reviews the reports submitted. The Audit Committee observations are acted upon by the Management. The Company has implemented the corporate governance requirements and the Audit Committee periodically reviews the systems and procedures of the Company.

### HIGHLIGHTS OF THE FINANCIAL RESULTS:

Financial Performance:

Rs. in Lakhs

Particulars	FY 2015-16	FY 2014-15	FY 2013-14
Total Revenue	315,348.39	3,27,825.04	3,46,574.88
Total Expenses	317,436.43	3,29,606.16	3,47,516.12
Profit After Tax	(1,518.02)	(1,194.38)	(630.33)

### NET WORTH:

The net worth of the Company as on 31<sup>st</sup> March, 2016 is Rs. 59,574.65 lakhs against Rs. 61,919.40 lakhs in 2014-15.

### 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 provisions of the Companies Act, 2013, SEBI Regulations and provisions of Listing Agreements. Compliance Certificates are obtained from various units of the Company and the Board is informed of the same at every Board Meeting.

### MATERIAL DEVELOPMENTS IN HUMAN RESOURCES:

The development of human resources is a key strategic challenge in order to prepare people for future responsibilities in terms of professional skills as well as business skills. Your Company has conducted training programmes to its employees enabling them to improve / upgrade their skills.

Silent Revolution continues unabated: Creating tomorrow's leaders through identification and nurture of potential talent. Company has taken numerous initiatives for leadership development.

### LEGAL PROCEEDINGS

The Company is a defendant in legal proceedings related to its business and operations and these legal proceedings are pending at different levels of adjudication before various courts and tribunals in different jurisdictions. The proceedings may be decided adversely against the Company, or that any new developments may arise, such as a change in Indian law or rulings against the Company by appellate courts or tribunals. This could require the Company to make provisions in its financial statements, which could have a material adverse effect on its financial position and on the Company's business. The Company understands this and has strategically deployed legal resources across geographies to mitigate the risk.

### CORPORATE SOCIAL RESPONSIBILITY

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 alleviation. Sujana Group has integrated the real mechanisms of CSR Accountability, Sustainability, Transparency and Responsibility into its core business strategy. Over the years Sujana is sharing its success and resources with those less privileged in society through Community involvement.

BY ORDER OF THE BOARD

Place: Hyderabad  
Date: 27th August, 2016

**G. Srinivasa Raju**  
Managing Director

**S. Hanumantha Rao**  
Whole Time Director

**Annexure I X****REPORT ON CORPORATE GOVERNANCE**

(Pursuant to Regulation 34 (3) and Schedule V (C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

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

The Company is committed to the highest standards of Corporate Governance. The Company relies on the strong Corporate Governance systems and policies of business for healthy growth, accountability and transparency. Good Corporate Governance framework enables the Board and Management to achieve the goals and objectives effectively for the benefit of the Company and its Shareholders. Good Corporate Governance, for the Company, does not mean only compliance with various related statutory and regulatory requirements. The Company strongly believes that the spirit of Corporate Governance goes beyond the statutory form.

The heart of Company's Corporate Governance policy is the ideology of transparency of systems to enhance the benefits to Shareholders, Customers, Creditors and employees of the Company. In addition to compliance with regulatory requirements, it is believed that the imperative for good Corporate Governance lies not merely in drafting a code of Corporate Governance but in practicing it. The Board of Directors exercises its fiduciary responsibilities in the widest sense of the term. The Company's disclosures always seek to attain the best practices in the industry.

Your Company confirms the compliance of Corporate Governance as contained in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, the details of which are given below:

**II. Board of Directors:****1 Appointment and Tenure:**

The Directors of the Company (except Nominee Directors) are appointed by the shareholders at General Meetings. All Executive Directors are subject to retirement by rotation and at every Annual General Meeting, 1/3rd of such Directors as are liable to retire by rotation, if eligible, generally offer themselves for re-election, in accordance with the provisions of Section 152 of the Companies Act, 2013 and that of the Articles of Association of the Company.

**2. Composition of the Board of Directors & Procedure:**

The Board of Directors along with its Committees provides focus and guidance to the Company's Management as well as directs and monitors the performance of the Company.

The Current Policy is to have an appropriate mix of executive, non-executive and independent directors to maintain the independence of the board and to separate the board functions of governance and management.

The Board of Directors as at 31st March, 2016 comprises of Seven (07) Directors, having rich experience and specialized skills in their respective fields, out of which Five (05) are Non-Executive Directors. The Company has Four (04) Independent Directors including Women Director and one of them as Independent Non-Executive Chairman. The Non-Executive Directors are more than 50% of the total number of Directors with One (01) Managing Director and one (1) Executive Director being the two Executive Directors on the Board of the Company and one (1) Nominee Director.

All the Directors on the Board of the Company have made necessary declarations / disclosures

## SUJANA UNIVERSAL INDUSTRIES LIMITED

regarding their other directorships along with Committee positions held by them in other Companies.

All Independent Directors meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (Hereinafter referred to as the "Listing Regulations,2015").

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

The Board of Directors oversees the overall functioning of the Company. The Board provides and evaluates the strategic direction of the Company, management policies and their effectiveness and ensures that the long-term interests of the stakeholders are being served. 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 Management Committee, Audit Committee, Corporate Social Responsibility, Nomination & Remuneration Committee, Risk Management Committee, Share Transfer Committee and Shareholders/ Investors Grievance Committee. The Board constitutes additional functional committees, from time to time, depending on the business needs.

During the year under review, Five (05) Board Meetings were held on 27th May, 2015, 12th August, 2015, 14th November, 2015, 28th December, 2015 and 12th February, 2016. The maximum time-gap between any two consecutive meetings was within the period prescribed under the Companies Act, 2013. The composition of the Board of Directors, their directorship details and the attendance of each Member at the meetings were as follows:

Sl. No.	Name of the Director	Category	Designation	No. of Board Meetings attended	Attendance of each Director at last A.G.M
1.	Dr. V. Malakonda Reddy	Independent & Non-Executive Director	Chairman	5	Yes
2.	Shri G. Srinivasa Raju	Executive Director	Managing Director	5	Yes
3.	Shri J. Ramakrishnan	Independent & Non-Executive Director	Director	5	Yes
4.	Shri S. Hanumantha Rao	Executive Director	Whole Time Director	4	Yes
5.	Dr. K. Srinivasa Rao	Independent & Non-Executive Director	Director	5	Yes
6.	Smt B. Sandhyasri*	Independent & Non-Executive Director	Director	3	Yes
7.	Shri Ch. Srinivasu	Nominee Director	Director	3	No

\* Smt B. Sandhyasri, Director of the Company resigned from the Board of Directors with effect from 30th May, 2016

\*\*Shri S.Hanumantha Rao, Director of the Company has been designated as Executive Director w.e.f: January 01st, 2016.

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	Dr. V. Malakonda Reddy	-	3	-	1
2	Shri G. Srinivasa Raju	-	12	1	2
3	Shri J. Ramakrishnan	-	1	0	0
4	Dr. K. Srinivasa Rao	-	1	1	1
5	Shri S. Hanumantha Rao	-	9	1	4
6	Smt B. Sandhyasri	-	Nil	-	-
7	Shri Ch. Srinivasu	-	1	-	-

# includes only Audit Committee and Shareholders/Investors Grievance Committee.

\$ includes Private Limited Companies.

### **Change in Composition of Board of Directors since the date of last AGM held on 30th September, 2015:**

Smt. B. Sandhyasri resigned from the Board of Directors with effect from 30th May, 2016. The Board placed on record its appreciation for the outstanding contributions made by Smt. B. Sandhyasri during her tenure and Smt. A. Syamala Reddy appointed as an Additional Director w.e.f. August 27th, 2016.

Shri S. Hanumantha Rao, Director of the Company has been designated as Executive Director w.e.f. January 01st, 2016.

### **Independent Directors Meeting:**

The Independent Directors met on March 30th, 2016 without the presence of Non- Independent Directors and members of the Management. At this meeting, the Independent Directors evaluated the performance of the Non-Independent Directors and the Board of Directors as a whole, evaluated the performance of the Chairman of the Board and discussed aspects relating to the quality, quantity and timeliness of the flow of information between the Company, the Management and the Board.

### **Familiarization programme for Independent Directors:**

The Company has held familiarization programme for the Independent Directors by way of presentations by business heads of the Company from time to time and deliberations held on major developments in legal and regulatory areas, particularly regarding Companies Act, 2013 and Regulation 25(7) of SEBI LODR Regulations.

## **III. Committees of Directors**

### **1. Audit Committee:**

The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of the Listing Regulations, 2015 read with Section 177 of the Companies Act, 2013. The terms of reference, role and powers of the Audit Committee are as mentioned in Regulation 18(3) of the Listing Regulations, 2015 read with Section 177 of the Companies Act, 2013 and includes overseeing of the Company's financial reporting process, reviewing with the management of the financial statements and the adequacy of the internal audit function, internal control and to discuss significant internal audit findings, statutory compliance and issues related to risk management and compliances.

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The main objective of the Audit Committee of your Company is to monitor and effectively 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 Regulation 18 of the Listing Regulations, 2015, Section 177 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;

During the year under review, four (04) Audit Committee Meetings were held on 27th May, 2015, 12th August, 2015, 14th November, 2015 and 12th February, 2016. The quorum for the Audit Committee shall be either two members or one third of the members whichever is higher and minimum of at least two independent directors.

The Audit Committee of your Company comprises Four (4) members, out of which Three (3) are Independent and Non-Executive Directors, One (1) is Executive Director. Shri S. Hanumantha Rao, a director having financial and accounting knowledge.

The composition of the Audit Committee and the attendance of each Member of the Committee at the meetings were as follows:

Sl.No.	Name of the Member	Designation	No. of Meetings attended
1.	Dr. K. Srinivasa Rao	Member & Chairman	4
2.	Shri S. Hanumantha Rao	Member	3
3.	Shri J. Ramakrishnan	Member	4
4.	Dr. V. Malakonda Reddy	Member	4

\*Audit Committee meetings are attended by the Chief Financial Officer, representatives of Statutory Auditors representatives of Cost Auditors and representatives of Internal Auditors. The Company Secretary acts as the Secretary of the Audit Committee.

**Change in Composition of Audit Committee since the date of last AGM held on September 30th, 2015: Nil**

### 2. **Nomination and Remuneration Committee:**

The existing 'Remuneration Committee' has been renamed as 'Nomination and Remuneration Committee' in compliance with Section 178 of the Companies Act, 2013, read with the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 19 of revised the Listing Regulations, 2015.

The Scope of Nomination & Remuneration Committee is to review the remuneration package payable to Executive Director(s) and Executives in the top level Management of the Company and gives its recommendation to the Board and acts in terms of reference of the Board from time to time.

The Nomination & Remuneration Committee comprises of three Independent & Non-Executive Directors:

Sl. No.	Name of the Member	Designation
1.	Dr. V. Malakonda Reddy	Member & Chairman
2.	Dr. K. Srinivasa Rao	Member
3.	Shri J. Ramakrishnan	Member

Dr. V. Malakonda Reddy has been appointed as Member of Nomination and Remuneration Committee during the year and one Remuneration Committee meeting was held on 28.12.2015.

**Remuneration Policy:**

The 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 Nomination and Remuneration Committee to the Board.

**Remuneration Packages paid to Executive Directors during the year:**

Name	Salary P.A. Rs.	Commission/ Incentives P.A. Rs.	Deferred Benefits (Perquisites) P.A. Rs.	Others P.A.	Total P.A. Rs.
Shri G. Srinivasa Raju	48,00,000/-	-	-	-	48,00,000/-
Shri S. Hanumantha Rao	3,45,000/-	-	-	15,000/-	3,60,000/-

**Sitting Fee details:**

Sl. No.	Name of the Director	Sitting fee paid During the year 2015-16
1	Shri J. Ramakrishnan	Rs. 90,000/-
2	Dr. K. Srinivasa Rao	Rs. 90,000/-
3	Shri Ch. Srinivasu (Nominee from IDBI Limited)	Rs. 30,000/-
4	Dr. V. Malakonda Reddy	Rs. 90,000/-
5	Smt. B. Sandhyasri	Rs. 30,000/-

The Company pays sitting fees at the rate of Rs.10,000/- for each meeting of the Board and sub-committees attended by them.

**Shareholding of Directors as on 31st March, 2016:**

The following table sets out the shareholdings of the Directors in the Company as at 31st March, 2016:

Name of the Director	Designation	No. of Shares held of Rs.10/- each
Shri V. Malakonda Reddy	Independent and Non-Executive Chairman	0
Shri G. Srinivasa Raju	Managing Director	0
Shri S. Hanumantha Rao	Executive Director	0
Shri J. Ramakrishnan	Independent and Non-Executive Director	0
Dr. K. Srinivasa Rao	Independent and Non-Executive Director	0
Shri Ch. Srinivasu	IDBI Nominee	0
Smt. Sandhyasri	Independent and Non-Executive Director	0

**3. 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.

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The Composition comprises two (2) members as follows:

Sl.No.	Name of the Director	Designation
1.	Shri J. Ramakrishnan	Member & Chairman
2.	Shri G. Srinivasa Raju	Member

The Committee was not required to meet during the year and there were no changes in composition of Shareholders' Grievance Committee during the year.

Shri P. Kodanda Rami Reddy, Company Secretary of your Company is empowered as Compliance officer.

No. of Shareholders Complaints received so far during the year:

Nature of queries/complaints	Received	Resolved	Un resolved
Non receipt of Annual Report	3	3	0
TOTAL	3	3	0

#### 4. Share Transfer Committee:

The Share Transfer Committee comprises Shri G. Srinivasa Raju and Shri J. Ramakrishnan, being Shri G. Srinivasa Raju, Managing Director of your Company, holds as Chairman of the Committee. The role, terms of reference and the authority and powers of the Share Transfer Committee are in conformity with the provisions of the Companies Act, 2013. During the year under review No Share Transfer Committee meeting was held.

#### 5. Management Committee:

The Management Committee comprises Shri G. Srinivasa Raju, Shri S. Hanumantha Rao and Shri J. Ramakrishnan. 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 and as delegated by the Board from time to time. During the year under review the Management Committee met 19 (Nineteen) times.

#### 6. CSR Committee as per the provisions of Section 135 of Companies Act, 2013:

As per the Section 135 of the Companies Act, 2013, the Company is required to constitute a Committee viz., 'Corporate Social Responsibility (CSR) Committee of the Board of Directors of the Company consisting of three or more Directors, out of which at least one Director should be Independent Director. In this connection, the CSR Committee was constituted by the Board Meeting held on 30th May, 2014 with the following Directors:

1. Shri G. Srinivasa Raju, Managing Director
2. Shri S. Hanumantha Rao, Executive Director
3. Dr. K. Srinivasa Rao, Independent Director

**The terms of reference of CSR Committee shall, inter-alia, include the following:**

- a. 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:
- b. To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company;



- c. To monitor the CSR policy of the Company from time to time;
- d. 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;
- e. The quorum for the CSR Committee Meeting shall be one-third of its total strength (any fraction contained in that one-third be rounded off as one) or two members, whichever is higher;
- f. The Company Secretary to the Company shall act as Secretary to the CSR Committee.

**7. Risk Management Committee pursuant to Regulation 21 of the Listing Regulations, 2015:**

As per the Regulation 21 of the Listing Regulations, 2015, the Company is required to constitute a Committee viz., 'Risk Management Committee of the Board of Directors of the Company consisting of three or more Directors. In this connection the Committee was constituted with the following Directors in the Board Meeting held on 30th May, 2014:

- 1. Shri G. Srinivasa Raju, Managing Director
- 2. Shri S. Hanumantha Rao, Executive Director
- 3. Dr. K. Srinivasa Rao, Independent Director

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

**IV. Annual General Body Meetings (AGMs):**

The last 3 Annual General Meetings (AGM) of the Company details:

Sl. No.	No. of Annual General Meeting	Date of the Annual General Meeting	Location	Time
1	26th A.G.M.	30th September, 2015	"Katriya Hotel & Towers, 8, Rajbhavan Road, Somajiguda, Hyderabad-500 082	10.00 A.M.
1.	25th A.G.M.	30th September, 2014	"Kohinoor" Taj Deccan, Road No.1, Banjara Hills, Hyderabad-500 034	10.00 A.M.
2.	24th A.G.M.	30th September, 2013	Hotel Sitara Residency, Beside Chandana Brothers, Ameerpet, Hyderabad - 500 016	10.00 A.M.

All special resolutions moved at the last three Annual General Meetings were passed by show of hands by the shareholders present at the meeting. The details of Special Resolution(s) passed at the last three Annual General Meetings are as follows:

S.No	AGM for the year	Details of Special Resolution passed
1.	2014-15	<ul style="list-style-type: none"> <li>1. To appoint Smt.B. Sandhyasri as an Independent Director.</li> <li>2. To Re-appoint Shri G.Srinivasa Raju, as Managing Director &amp; Key Managerial Person of the Company.</li> <li>3. 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.</li> <li>4. To ratify the remuneration of the Cost Auditors for the financial year ending 31st March, 2016.</li> </ul>

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2.	2013-14	1. To approve the Borrowing Limits along with guarantee or counter-guarantee. 2. To mortgage and/or charge any of its movable and/or immovable properties wherever situated both present and future.
3.	2012-13	1. To enhance the remuneration of Shri G. Srinivasa Raju, Managing Director of the Company from Rs.20,50,000/- (Rupees Twenty Lakhs Fifty Thousand Only) per annum to Rs.48,00,000/- (Forty Eight Lakhs Only) per annum. 2. Special Resolution under Section 293(1)(a) of the Companies Act, 1956 to lease or transfer the whole, or substantially the whole of the undertaking(s) of the Company.

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

No special resolution is proposed to be conducted through postal ballot.

### V. Disclosures:

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

There were no materially significant related party transactions during the year having potential conflict with the interest of the Company at large. The Company has formulated the Policy on Materiality of Related party transactions to decide the materiality for the related party transaction and to deal with related party transaction. The said Policy has been posted on the website of the Company [www.sujana.com](http://www.sujana.com). All transactions were carried out on an arms-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 last three (3) years.

#### 3. **Management Discussion and Analysis Report:**

Management Discussion and Analysis Report form part of this Annual Report and is in accordance with the requirements as laid down in Listing Regulations, 2015.

#### 4. **Code of Conduct:**

The Company has adopted a Code of Conduct as required under Listing Regulations, 2015 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, 2015 (duly Amended). The Board Members and Senior Personnel have affirmed the compliance with the Code for the financial year 2015-16.

#### 5. **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 the Companies Act, 2013. Significant Accounting policies are provided elsewhere in the Annual Report.

- 6. Disclosure under Regulation 53(f) read with Schedule V of Listing Regulations,2015.**
- 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.
  - None of the executive directors is holding any shares in the Company, nor any non-executive director holds shares .
- 7. Shareholders Information:**
- Appointment/Re-appointment of Directors: The brief resume of Directors retiring by rotation and Whole-time 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.
- 8. CEO & CFO Certification:**
- Shri G. Srinivasa Raju, Managing Director and Shri B. Manoharan, CFO of the Company have given annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of Listing Regulations,2015. The Managing Director and the Chief Financial Officer also give quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2)(a) of Listing Regulations, 2015.
- 9. 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 2015-16
- 10. Adoption of non mandatory requirements:**
- Besides mandatory requirements under Listing Regulations your Company has voluntarily constituted a Remuneration Committee to consider and recommend the remuneration of Executive Directors.
- Following is the status of the compliances with Non-mandatory requirements.
- During the year under review there is no audit qualification on the Company's financial statements.
  - The Chairman of the Board as a Non-executive Chairman and his position is separate from that of the Managing Director and CEO of the Company.
  - The Internal Auditor reports to the Audit Committee of the Company.
- 11.** It is confirm that no personnel has been denied access to the Audit Committee
- 12. Means of Communication:**
- Publication of Quarterly Financial Results in daily newspapers Andhra Prabha (Telugu), Financial Express (English) and the same will be updated in the Company's Website at [www.sujana.com](http://www.sujana.com).
  - Furnishing the Quarterly Financial Results to Stock Exchanges in which Company's shares is listed.
  - Sending Balance Sheet, Statement of Profit and Loss, Directors' Report & Auditors' Report to Shareholders through Post, Courier and Email.

## SUJANA UNIVERSAL INDUSTRIES LIMITED

**d. Company's Corporate Website:**

The Company's website: [www.sujana.com](http://www.sujana.com) is a comprehensive reference on Sujana Universal Industries 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.

**e. NSE Electronic Application Processing System (NEAPS):**

NEAPS is a web based application designed by NSE for corporate companies. The Shareholding pattern, Corporate Governance Report and Financial Results are also filed electronically on NEAPS.

All the complaints received through scores (SEBI Complaint Redress System) are resolved by the Company.

**f. BSE online (Listing.bseindia.com):**

It is a web based application designed by BSE for corporate companies. The Shareholding pattern, Corporate Governance Report and Financial Results are also filed electronically as pdf attachments.

**g. 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.

**h. 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. All complaints received through SCORES are resolved in a timely manner by the Company, similar to other complaints.

**i. Chairman's Communiqué:**

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

### VI. General Shareholder Information:

1.	Date	30th September, 2016
2.	Time	10:00 A.M
3.	Venue	"Hotel Katriya", #8, Rajbhavan Road, Somajiguda, Hyderabad - 500 082.
4.	Financial Year	2015-16 (Consisting of 12 months)
5.	Book Closure Date	29th September, 2016 (one day only).
6.	Dividend Payment Date	Not Applicable

7	Listing on Stock Exchanges	<p><b>1. BSE Limited</b> PhirozeJeejeebhoy Towers, Dalal Street, Mumbai - 400 001, Maharashtra, India</p> <p><b>2. National Stock Exchange of India Ltd</b> Exchange Plaza, Bandra-Kurla Complex, Bandra(E), Mumbai - 400 051, Maharashtra, India</p>
8	Payment of Listing Fees	The Company has paid annual listing fees to each of the above Stock Exchanges for the financial years 2015-16.
9	Stock Code	BSE Script Code : 517224
		NSE Script Symbol : SUJANAUNI
		Demat ISIN : INE216G01011
		CIN : L29309TG1986PLC006714
10	Companies Website	www.sujana.com
11	E-Voting Facility	www.evoting.nsdl.com Open Date: September 26th , 2016@ 9:00 A.M. Closing Date: September 29th, 2016@ 5:00 P.M. cut-off date is September 23rd , 2016
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 transfer within a period of 10 to 15 days from the date of receipt, subject to the documents being valid and complete in all respects. Pursuant to Regulation 40 of SEBI LODR Regulations, certificates, on half-yearly basis, have been given by a Practicing Company Secretary duly certifying compliance of shares transfer formalities

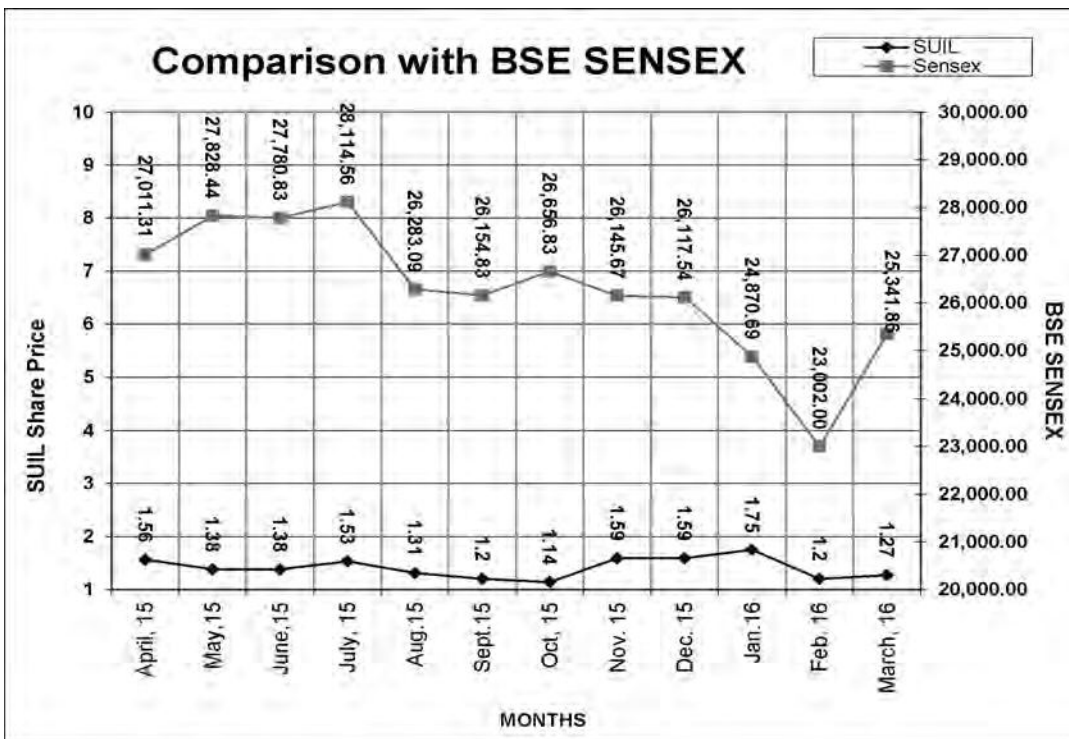
### 1. Market Price Data:

The monthly high and low stock prices during the financial year 2015-16 and performance in comparison to the Broad-based indices such as BSE- Sensex is provided hereunder

#### a. BSE

Month	High Price	Low Price	Close Price	No. of Shares	BSE-Sensex
Apr-15	2.01	1.45	1.56	2531808	22417.80
May-15	1.64	1.3	1.38	1226986	24217.34
Jun-15	1.53	1.15	1.38	1663553	25413.78
Jul-15	1.6	1.25	1.53	1233484	25894.97
Aug-15	1.84	1.08	1.31	1655654	26638.11
Sep-15	1.53	1.12	1.2	717838	26630.51
Oct-15	1.4	1.02	1.14	1837694	27865.83
Nov-15	1.59	1.02	1.59	2329445	28693.99
Dec-15	1.85	1.27	1.59	3785836	27499.42
Jan-16	2.44	1.66	1.75	6846442	29182.95
Feb-16	1.9	1.18	1.2	1463039	29361.50
Mar-16	1.44	1.2	1.27	1407313	27957.49

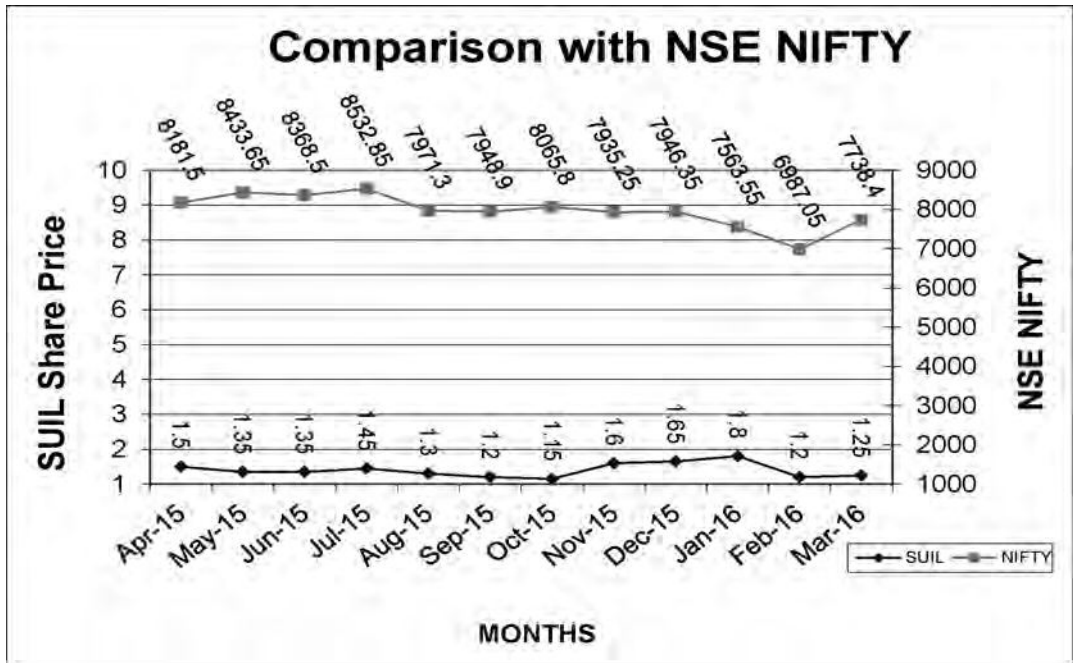
## SUJANA UNIVERSAL INDUSTRIES LIMITED



The monthly high and low stock prices during the financial year 2015-16 and performance in comparison to the Broad-based indices such as NSE-Nifty is provided hereunder.

### b. NSE

Date	High Price	Low Price	Close Price	No. of Shares Traded	NSE- Nifty Closing
Apr-2015	1.65	1.45	1.5	190401	8181.5
May-2015	1.45	1.3	1.35	9621	8433.65
Jun-2015	1.4	1.2	1.35	641820	8368.5
Jul-2015	1.5	1.4	1.45	90725	8532.85
Aug-2015	1.4	1.25	1.3	220873	7971.3
Sep-2015	1.25	1.2	1.2	424201	7948.9
Oct-2015	1.15	1.1	1.15	69072	8065.8
Nov-2015	1.6	1.35	1.6	2179636	7935.25
Dec-2015	1.75	1.6	1.65	209467	7946.35
Jan-2016	1.8	1.7	1.8	185206	7563.55
Feb-2016	1.25	1.2	1.2	254188	6987.05
Mar-2016	1.3	1.25	1.25	746225	7738.4



**2. Dematerialization of Shares:**

99.14 % of the Company’s Paid - up capital has been dematerialized upto 31st March, 2016. The details are as follows:

Particulars	Number of Shares	% of share capital
NSDL	8,99,11,871	53.25
CDSL	7,74,75,565	45.89
Physical	14,53,636	0.86
Total	16,88,41,072	100.00

100% of the promoters shareholding is in DEMAT form.

**3. Distribution of Shareholding:**

As on 31st March, 2016 the Distribution of Shareholding was as follows:

Range (Rs.)	No. of Shares	% of shareholding	No. of Shareholders	% of Shareholders
up to 5,000	19816925	11.74	25229	90.68
5001 - 10000	8528929	5.05	1071	3.85
10001 - 20000	9435037	5.59	638	2.29
20001 - 30000	6996250	4.14	275	0.99
30001 - 40000	4441853	2.63	127	0.46
40001 - 50000	4749830	2.81	101	0.36
50001 - 100000	14560487	8.62	203	0.73
100001 and above	100311761	59.41	177	0.64
Total	168841072	100.00	27821	100.00



## SUJANA UNIVERSAL INDUSTRIES LIMITED

### 4. Shareholding pattern as on 31st March, 2016:

S. No.	Category	No. of Share Holders	No. of Shares	% to Equity
1	Promoters and their Relatives	2	44898335	26.59
2	Bodies Corporate	373	8639357	5.12
3	Public	27445	115246843	68.26
4	Foreign Bodies Corporate	0	0	0
5	Financial Institutions/Banks	2	56537	0.03
6	Custodians against Depository receipts	0	0	0
	Total	27822	168841072	100.00

### 5. Plant Locations:

1	LEC Division	Plot Nos. 10, 11 & 12, Survey No. 172, Bollaram Village, Jinnaram Mandal, Medak District, Telangana.
2	Domestic Appliances Division	Plot No. 1B, Survey No.308, Sri Venkateswara Co-operative Industrial Estate, Jeedimetla, Hyderabad – 500 055, Telangana.
3	Steel Products Division	Plot Nos. 128/A, Bollaram Village, Jinnaram Mandal, Medak District, Telangana.
4	Infrastructure Division	No. 18, Nagarjuna Hills, Panjagutta, Hyderabad – 500 082, Telangana.

### 6. Address for Correspondence:

Registered & Corporate Office:	Secretarial Department	Registrars and Share Transfer Agents
Plot No. 18, Nagarjuna Hills, Panjagutta, Hyderabad – 500 082, Telangana. Email: info.suil@sujana.com	Plot No. 18, Nagarjuna Hills, Panjagutta, Hyderabad – 500 082, Telangana. Email: info.suil@sujana.com	Bigshare Services Private Limited, 306, Right Wing, 3rd Floor, Amruta Ville, Opp: Yashoda Hospital, Raj Bhavan Road, Somajiguda, Hyderabad – 500 082. Phone No.: 040-23374967. Email: bsshyd@bigshareonline.com

### DECLARATION ON COMPLIANCE WITH CODE OF BUSINESS CONDUCT AND ETHICS IN TERMS OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.

I hereby declare that the Company has obtained affirmation from all the members of the Board and Senior Management Personnel that they have complied with the Code of Business Conduct & Ethics for Board Members/Senior Management Personnel in respect of the financial year 2015-16, pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I further declare that the said Code of Conduct have been posted on the website of the Company in accordance with the Listing Regulations, 2015.

Place: Hyderabad  
Date: 27th August, 2016

**G. SRI NI VASA RAJU**  
Managing Director

**CERTIFICATE UNDER REGULATION 17(8) OF SEBI  
(LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS REGULATIONS, 2015)**

- A. We have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief:
- (1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) These statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by our company during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of our company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any.
- D. We have indicated to the auditors and the Audit committee
- (1) Significant changes in internal control over financial reporting during the year;
  - (2) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (3) Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

Place: Hyderabad  
Date: 27th August, 2016

**G. Srinivasa Raju**  
Managing Director

**B. Manoharan**  
Chief Financial Officer

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**Auditors' Certificate on Corporate Governance**

To  
The Members of Sujana Universal Industries Limited,  
We have examined the compliance of conditions of Corporate Governance by M/s. Sujana Universal Industries Limited ("the Company"), for the year ended March 31, 2016, as stipulated in Clause 49 of the Listing Agreement ("Listing Agreement") of the Company with the stock exchanges for the period April 1, 2015 to November 30, 2015 and as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as referred to in Regulation 15(2) of the Listing Regulations, for the period December 1, 2015 to March 31, 2016.

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

In our opinion and to the best of my knowledge and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement/Listing Regulations, as applicable.

We 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.

Place: Hyderabad  
Dated: 27th August, 2016

for **M/ s. T. RAGHAVENDRA & ASSOCIATES**  
CHARTERED ACCOUNTANTS  
T. RAGHAVENDRA

# **SUJANA UNIVERSAL INDUSTRIES LIMITED**

## **I NDEPENDENT AUDI TORS' REPORT**

To the Members of SUJANA UNIVERSAL INDUSTRIES LIMITED

### **Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of **Sujana Universal Industries Limited ('the Company')**, which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the 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, as applicable. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 these standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these 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 there under and the Order under Section 143(11) of the Act. 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 standalone financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone 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 standalone 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 March 31, 2016, and its loss and its cash flows for the year ended on that date.

### **Emphasis of Matters**

We draw attention to the following matters in the Notes to the financial statements:

- a) Note 2.13 and 2.15 forming part of the financial statements regarding the Trade Receivables to the extent of Rs.169.57 and 2,488.43 lakhs of advances are long overdue and the company considers them as good and recoverable and estimates that provision for doubtful debts is not necessary.
- b) Note 2.32 to the financial statements which, describes the uncertainty related to the outcome of the lawsuit filed against the Company by the Mauritius Commercial Bank which has financed to one of its subsidiary – Hestia Holdings Limited for which the Company has given a Corporate Guarantee.
- c) Note 2.32 to the financial statements which, describes the uncertainty related to the outcome of the Bank Debt recalled by the Standard Bank which has financed to one of its step down subsidiary – Selene Holdings Limited for which the Company has given a Corporate Guarantee.

Our opinion is not modified in respect of these matters.

**Report on Other Legal and Regulatory Requirements**

1. 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 relating to preparation of the standalone financial statements 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 maintained for the purpose of preparation of these standalone financial statements.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, as applicable.
  - (e) On the basis of the written representations received from the Directors as on March 31, 2016, taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2016 from being appointed as a Director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure A'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - (g) With respect to the other matters to be included in the Independent Auditors' 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) The Company has not disclosed the impact of pending litigations on its financial position in its standalone financial statements.
    - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii) There have been no amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government in terms of Section 143(11) of the Act, we give in 'Annexure B' a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For T. Raghavendra & Associates**  
Chartered Accountants  
(Firm Regn No: 003329S)

**T. Raghavendra**  
Proprietor  
Mem No. 023806

Date: 30-05-2016  
Place: Hyderabad

## **SUJANA UNIVERSAL INDUSTRIES LIMITED**

### **ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

#### **Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

We have audited the internal financial controls over financial reporting of **Sujana Universal Industries Limited ('the Company')** as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended and as on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (the 'Guidance Note'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Standards on Auditing prescribed under Section 143(10) of the Act and the Guidance Note, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial

control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

**For T. Raghavendra & Associates**  
Chartered Accountants  
(Firm Regn No: 003329S)

**T. Raghavendra**  
Proprietor  
Mem No. 023806

Date: 30-05-2016  
Place: Hyderabad

## **SUJANA UNIVERSAL INDUSTRIES LIMITED**

### **ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

**Report on Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013 ('the Act') of Sujana Universal Industries Limited ('the Company')**

1. In respect of the Company's fixed assets:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us and the records examined by us and based on the examination of the conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.
2. As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
3. The Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
5. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2016 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
6. The Maintenance of Cost Records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have relied on the Cost audit report submitted by the Cost Auditors of the Company and according to the said report the Company has complied with the Companies (Cost Records and Audit) Rules, 2014.
7. According to the information and explanations given to us, in respect of statutory dues:
  - a. The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Value Added Tax, duty of Customs, duty of Excise, Cess and other material statutory dues applicable to it with the appropriate authorities.
  - b. There are no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Value Added Tax, duty of Customs, duty of Excise, Cess and other material statutory dues in arrears as at March 31, 2016 for a period of more than six months from the date they became payable except as detailed below:



Nature of dues	Amount in Rs.
Tax Deducted at Source (TDS)	1,54,694
Professional Tax (PT)	21,900
Sales Tax Deferment	88,800
Income Tax (Corporate Dividend Tax)	11,19,770

- (c) Details of dues of Income Tax, Sales Tax, Customs & Excise Duty and Value Added Tax which have not been deposited as at March 31, 2016 on account of dispute are given below:

Disputed Statutory dues as on 31.03.2016			Forum where dispute is pending
Name of the Statute	Amount Rs. in Lakhs	Period to which the amount relates (FY)	
Income Tax Act, 1961	542.35	2005-06	DCIT
Income Tax Act, 1961	1,509.81	2010-11	CIT (Appeals)
TNGST Act, 1959	338.40	2000-01	Hon'ble High Court of Chennai
TNGST Act, 1959	2,344.55	2004-05	Hon'ble High Court of Chennai
TNGST Act, 1959	4,629.36	2005-06	Hon'ble High Court of Chennai
TNGST Act, 1959	2,732.34	2006-07	Hon'ble High Court of Chennai
TNVAT Act, 2006	3,235.21	2007-08	Hon'ble High Court of Chennai
TNVAT Act, 2006	393.79	2008-09	Hon'ble High Court of Chennai
TNVAT Act, 2006	1,109.53	2009-10	Hon'ble High Court of Chennai
TNVAT Act, 2006	2,847.91	2010-11	Hon'ble High Court of Chennai
TNVAT Act, 2006	18,616.51	2011-12	Hon'ble High Court of Chennai
TNVAT Act, 2006	21,877.04	2012-13	Hon'ble High Court of Chennai
TNVAT Act, 2006	4,875.80	2013-14	Hon'ble High Court of Chennai
Customs & Excise	316.61	2000-01	CESTAT, Bangalore & Chennai
Customs & Excise	263.75	1995-96	CESTAT, Chennai
Customs & Excise	151.96	2007-08 2008-09	CESTAT, Bangalore
Customs & Excise	37.15	2008-09	Add. Commissioner of Customs & Excise, Hyderabad - I
Workmen Compensation	4.65	2007-08	Interim Stay granted by Hon'ble High Court as against the order passed by the Hon'ble Labour Commissioner.

8. In our opinion and according to the information and explanations given to us, the Company has defaulted in the repayment of loans or borrowings to banks. The details of the default are given below:

Details of over dues to Banks / Financial Institutions as on 31.03.2016				Rs. in Lakhs
Name of the Bank	Nature of default	Amount of Default	Period of Default	
Term Loans				
IDBI Bank Ltd	Principle & Interest on Term Loans	4,349.68	January 2015 to March 2016	

## SUJANA UNIVERSAL INDUSTRIES LIMITED

Redemption of Preference Share Capital			
IDBI Bank Ltd		969.59	January 2015 to March 2016
Working Capital Loans			
A) Cash Credits			
Bank of Baroda	Monthly Interest	792.13	Feb. 2015 to March 2016
Bank of India	Monthly Interest	1,604.18	Oct. 2015 to March 2016
Central Bank of India	Monthly Interest	401.97	Sept. 2015 to March 2016
IDBI Bank Ltd	Monthly Interest	490.99	April 2015 to March 2016
Indian Overseas Bank	Monthly Interest	2,320.46	Sept 2015 to March 2016
Oriental Bank of Commerce	Monthly Interest	760.38	May 2015 to March 2016
UCO Bank	Monthly Interest	1,548.75	April 2015 to March 2016
B) Letter of Credits			
Bank of India	LC devolvement	6,250.00	Oct. 2015 to March 2016
Central Bank of India	LC devolvement	10,780.55	Oct. 2015 to March 2016
Indian Overseas Bank	LC devolvement	14,144.74	May 2015 to March 2016
UCO Bank	LC devolvement	8,000.00	June 2015 to March 2016

9. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable.
10. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
11. In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
12. The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
13. In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
14. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3(xiv) of the Order is not applicable to the Company.
15. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its Directors and hence provisions of Section 192 of the Act are not applicable.
16. The Company is not required to be registered under Section 45-I of the Reserve Bank of India Act, 1934.

**For T. Raghavendra & Associates**  
Chartered Accountants  
(Firm Regn No: 003329S)

**T. Raghavendra**  
Proprietor  
Mem No. 023806

Date: 30-05-2016  
Place: Hyderabad

## Balance Sheet as at 31st March, 2016

Rs. in Lakhs

Particulars	Note No	As at 31.03.2016	As at 31.03.2015
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
(a) Share Capital	2.01	18,102.21	18,914.28
(b) Reserves and Surplus	2.02	41,472.44	43,005.12
<b>Non-Current Liabilities</b>			
(a) Long-Term Borrowings	2.03	246.48	14,912.62
(b) Deferred Tax Liabilities (Net)	2.04	1,962.07	2,532.09
(c) Long-Term Provisions	2.05	161.74	156.14
<b>Current Liabilities</b>			
(a) Short-Term Borrowings	2.06	72,693.72	48,312.07
(b) Trade Payables	2.07	16,767.90	46,596.83
(c) Other Current Liabilities	2.08	18,386.92	38,010.39
(d) Short-Term Provisions	2.09	14.66	23.59
<b>Total</b>		<b>1,69,808.14</b>	<b>2,12,463.13</b>
<b>II ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Fixed assets			
(i) Tangible Assets	2.24	15,325.92	17,417.94
(ii) Capital Work-in-progress (CWIP)		5,260.34	-
(b) Non-Current Investments	2.10	24,264.03	14,367.07
(c) Long Term Loans and Advances	2.11	1,368.67	10,507.44
<b>Current Assets</b>			
(a) Inventories	2.12	6,407.69	12,807.70
(b) Trade Receivables	2.13	99,317.86	1,49,482.93
(c) Cash and Cash Equivalents	2.14	391.94	2,537.80
(d) Short-Term Loans and Advances	2.15	17,471.69	5,342.25
<b>Total</b>		<b>1,69,808.14</b>	<b>2,12,463.13</b>

As per our report of even date

For and on behalf of the Board

**For T Raghavendra & Associates**  
Chartered Accountants  
FRN:003329S

**G Srinivasa Raju**  
Managing Director

**S Hanumantha Rao**  
Whole Time Director

**T Raghavendra**  
Mem. No.023806

**B Manoharan**  
Chief Financial Officer

Place: Hyderabad  
Date: 30.05.2016

# SUJANA UNIVERSAL INDUSTRIES LIMITED

## Statement of Profit and Loss for the year ended 31st March, 2016

Rs. in Lakhs

Particulars	Note No	For year ended 31.03.2016	For the Year ended 31.03.2015
<b>I Revenue</b>			
Revenue from Operations	2.16	3,15,231.87	3,26,016.19
Other Income	2.17	116.52	1,808.85
<b>Total Revenue</b>		<b>3,15,348.39</b>	<b>3,27,825.04</b>
<b>II Expenses</b>			
Cost of Materials Consumed	2.18	1,404.44	3,708.15
Purchase of Stock-in-Trade		2,93,650.13	3,14,596.22
Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	2.19	3,514.11	(5,942.98)
Employee Benefit Expenses	2.20	439.13	496.50
Finance Costs	2.21	13,245.84	10,963.89
Depreciation and Amortization Expenses	2.24	2,048.25	2,130.80
Other Expenses	2.22	3,134.52	3,653.58
<b>Total Expenses</b>		<b>3,17,436.43</b>	<b>3,29,606.16</b>
III Profit Before Exceptional Items and Tax (I - II)		(2,088.04)	(1,781.12)
IV Exceptional Items	2.23	-	0.02
V Profit Before Extraordinary items and tax (III - IV)		(2,088.04)	(1,781.14)
<b>VI Profit Before Tax (III - IV)</b>		<b>(2,088.04)</b>	<b>(1,781.14)</b>
VII Tax Expense:			
Current tax		-	-
Deferred tax		(570.02)	(586.76)
<b>VIII Profit for the Year (V - VI)</b>		<b>(1,518.02)</b>	<b>(1,194.38)</b>
Earnings Per Equity Share of Rs.10 each			
Basic		(0.91)	(0.72)
Diluted		(0.91)	(0.72)

As per our report of even date

**For T Raghavendra & Associates**  
Chartered Accountants  
FRN:003329S

**T Raghavendra**  
Mem. No.023806

Place: Hyderabad  
Date: 30.05.2016

For and on behalf of the Board

**G Srinivasa Raju**  
Managing Director

**S Hanumantha Rao**  
Whole Time Director

**B Manoharan**  
Chief Financial Officer

## Cash Flow Statement for the year ended 31st March, 2016

Rs.in Lakhs

Particulars	31.03.2016	31.03.2015
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit / (Loss) Before Tax	(2,088.04)	(1,781.14)
<b>Adjustments for</b>		
Depreciation	2,048.25	2,130.80
Finance Costs	13,245.84	10,963.89
Interest & other income	(87.05)	(20.59)
Un-earned Foreign Gain	(2,181.82)	(1,769.88)
Provision for Gratuity	23.78	10.65
Provision for Leave Encashment	(10.14)	19.13
Loss / (Profit) on Sale of Fixed Assets	19.64	(1.84)
Exceptional Items	-	0.02
<b>Operating Profit Before Working Capital Changes</b>	<b>10,970.46</b>	<b>9,551.04</b>
Changes in Working Capital		
Changes in Inventories	6,400.01	(8,596.85)
Changes in Trade Receivables	46,202.24	12,900.90
Changes in Loans & Advances	(12,887.62)	3,732.10
Changes in Trade Payables	(17,307.70)	4,988.30
Changes in Other Liabilities	(41,992.21)	(15,672.19)
Cash Generated from Operations	(8,614.82)	6,903.30
Less: Taxes paid	-	(73.25)
<b>Cash from Operating Activities (A)</b>	<b>(8,614.82)</b>	<b>6,830.05</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(0.84)	(20.14)
Proceeds from Sale of fixed assets	-	1.84
Interest Received	99.59	162.39
<b>Cash flow from Investment Activities (B)</b>	<b>98.75</b>	<b>144.09</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from Borrowings	11,751.66	7,587.41
Repayment of 1% CRPS Installments	-	(256.48)
Interest & Financial Charges Paid	(5,381.45)	(14,171.54)
<b>Net Cash from financing activities (C)</b>	<b>6,370.21</b>	<b>(6,840.61)</b>
<b>Net Increase in cash and cash equivalent (A+ B+ C)</b>	<b>(2,145.86)</b>	<b>133.53</b>
Cash and Cash Equivalents at the beginning of the year	2,537.80	2,404.27
<b>Cash and Cash Equivalent at the eand of the year</b>	<b>391.94</b>	<b>2,537.80</b>

## Notes:

- Cash Flow Statement has been prepared under the Indirect Method as set out in the Accounting Standard (AS) 3 on Cash Flow Statements.
- Cash and cash equivalents comprise cash at bank and in hand and margin money deposits with banks.
- Previous year's figures have been regrouped and reclassified to conform to those of the current year.

As per our report of even date

For and on behalf of the Board

**For T Raghavendra & Associates****G Srinivasa Raju****S Hanumantha Rao**

Chartered Accountants

Managing Director

Whole Time Director

FRN:003329S

**T Raghavendra****B Manoharan**  
Chief Financial Officer

Mem. No.023806

Place: Hyderabad

Date: 30.05.2016

## Notes forming part of Financial Statements

### 1. SIGNIFICANT ACCOUNTING POLICIES

#### 1.01 Basis of Preparation of Financial Statements

The financial statements have been prepared and presented in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis except interest on margin money deposits. The GAPP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and the guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard required a change in the accounting policy hitherto in use. The financial statements are presented in Indian Rupees (Rs. in Lakhs).

#### 1.02 Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

#### 1.03 Fixed Assets

##### Tangible Assets

- a) Tangible assets are carried at cost of acquisition less accumulated depreciation and impairment, if any. The cost of tangible fixed asset comprises the purchase price (net of rebates and discounts) and any other directly attributable costs of bringing the assets to working condition for their intended use. Borrowing costs directly attributable to acquisition of those fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalized.
- b) Subsequent expenditure related to an item of Tangible Asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.
- c) Advances paid towards acquisition of fixed assets outstanding at each balance sheet date and the cost of fixed assets not ready for their intended use before such date are disclosed as capital work-in-progress.

##### Intangible Assets

Intangible Assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and impairment, if any.

#### 1.04 Depreciation and Amortisation

- a) Depreciation on Tangible Fixed Assets is provided to the extent of depreciable amount using the Straight Line Method (SLM) over the useful lives of the assets as prescribed under part C of Schedule II to the Companies Act, 2013.
- b) Depreciation is calculated on a pro-rata basis for the assets purchased /sold during the year.
- c) Intangible assets are amortized over their respective individual estimated useful life on a straight line basis.

#### 1.05 Investments

- a) Investments are classified as current or long-term in accordance with Accounting Standard 13 on "Accounting for Investments".

- b) Current Investments are stated at lower of cost or fair value. Long Term Investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary.
- c) The investments in fully owned subsidiaries are carried out at the cost of acquisition as the same are long term investments.

**1.06 Revenue Recognition**

- a) 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.
- b) Revenue from sale of goods is recognized on 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.
- c) Sales are net of sales returns and trade discounts. Export turnover includes related export benefits. Excise duty and VAT are recovered is presented as a reduction from Gross turnover.
- d) Interest revenue on fixed deposits is recognized on accrual basis.

**1.07 Inventories**

Inventories are valued at the lower of Cost or Net Realizable Value. Cost of inventories comprise all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is arrived at,

- a) In case of raw materials and other trading products on weighted average cost method.
- b) In case of stores and spares on weighted average cost method.
- c) In case of work in process and finished goods, includes material cost, labour, manufacturing overheads.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion to make the sell.

**1.08 Employee Benefits**

- a) Short-term employee benefits  
All employee benefits falling due wholly within twelve months of rendering the services are classified as short term employee benefits. The benefits like salaries, wages, short term compensated absences etc. and the expected cost of bonus, ex-gratia are recognised in the period in which the employee renders the related service.
- b) Post-employed benefits
  - i) Long-term employee benefits (benefits which are payable after the end of twelve months from the end of the period in which the employees render service) and post-employment benefits (benefits which are payable after completion of employment) are measured on a discounted basis by the Projected Unit Credit Method on the basis of annual third party actuarial valuations.
  - ii) 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.
  - iii) The gratuity benefit obligations recognized in the Balance Sheet represents the present value of the obligations as reduced by the fair value of plan assets. Any asset resulting from this calculation is limited to the discounted value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.



## **SUJANA UNIVERSAL INDUSTRIES LIMITED**

### **1.09 Foreign Currency Transactions**

- a) Foreign currency transactions are recorded in the reporting currency at the exchange rates prevailing on the date of the transaction.
- b) Exchange differences arising on the settlement of monetary items on reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.
- c) Non-monetary items such as investments are carried at historical cost using the exchange rates on the date of the transaction.
- d) Closing monetary foreign current assets and current liabilities have been re-instated in the reporting currency at the exchange rate prevailing on balance sheet date, in accordance with Accounting Standard 11 on "The Effects of changes in Foreign Exchange Rates". The difference arising on these transactions being charged/revenue to the Statement of Profit and Loss.

### **1.10 Taxes on Income**

- a) Income taxes are accounted for in accordance with Accounting Standard 22 on "Accounting for Taxes on Income".
- b) Taxes comprise both current and deferred tax. Current tax is measured at the amount expected to be paid/recovered from the revenue authorities, using the applicable tax rates and laws.
- c) Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal tax after the tax holiday period. Accordingly, it is recognized as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably.
- d) The tax effect of the timing differences that result between taxable income and accounting income and are capable of reversal in one or more subsequent periods are recorded as a deferred tax asset or deferred tax liability.
- e) Deferred tax assets and liabilities are recognized for future tax consequences attributable to timing differences. They are measured using the substantively enacted tax rates and tax regulations.
- f) The carrying amount of deferred tax assets at each balance sheet date is reduced to the extent that it is no longer reasonably certain that sufficient future taxable income will be available against which the deferred tax asset can be realized.
- g) Tax on distributed profits payable in accordance with the provisions of Section 115O of the Income Tax Act, 1961 is in accordance with the Guidance Note on "Accounting for Corporate Dividend Tax" regarded as a tax on distribution of profits and is not considered in determination of profits for the year.

### **1.11 Earnings per Share**

- a) The Company reports basic and diluted Earnings Per Share (EPS/DEPS) in accordance with Accounting Standard 20 on "Earnings Per Share". Basic EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year.
- b) Diluted EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares from the exercise of convertible share warrants of un-issued share capital, except where the results are anti-dilutive.

**1.12 Leases**

- a) Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets acquired on or after 1st April 2001 are capitalized at the fair value or the present value of minimum lease payments at the inception of the lease, whichever is lower.
- b) Lease income from assets given on operating lease is recognized as income in the statement of Profit & Loss. Lease payments for assets taken on operating lease are recognized as expense in the Statement of Profit and Loss.

**1.13 Segment Reporting**

Disclosure is made as per the requirements of the Standard. Details have furnished under Note No.2.28 of Notes to Accounts.

**1.14 Impairment of Assets**

- a) The Company assesses at each balance sheet date whether there is any indication that any assets forming part of its cash generating units may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs to is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss.
- b) If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is re-assessed and the asset is reflected at the re-assessed recoverable amount subject to a maximum of depreciated historical cost.

**1.15 Provision for Doubtful Debts / Advances**

- a) Provision for doubtful debts/ advances is made when there is uncertainty of realization of debts which are long outstanding. All debts which are over and above one year are provided in full unless there is certainty of its recovery.
- b) In addition to the above, provision is also made in respect of dues in respect of which suits are filed. Writing off doubtful debts/advances are made when the un-realizability is established.

**1.16 Provisions, Contingent Liabilities and Contingent Assets**

- a) Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.
- b) Contingent Liabilities are not recognised but are disclosed in the notes.
- c) Contingent Assets are neither recognised nor disclosed in the financial statements.

**1.17 Cash Flow statement**

Cash Flow Statement has been prepared using the "Indirect Method" as per the Accounting Standard 3 on "Cash Flow Statements"

**1.18 Borrowing cost**

- a) Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use.
- b) All other borrowing costs are charged to profit and loss account.

**1.19 Related party disclosure**

Disclosure is made as per the requirements of the Standard and as per the clarifications issued by the Institute of Chartered Accountants of India.

**1.20 Interim Financial Reporting**

Quarterly financial results are published in accordance with the requirement of Listing Agreement with Stock Exchanges. The recognition and measurement principle as laid down in the Standard have been followed in the preparation of these results.

# SUJANA UNIVERSAL INDUSTRIES LIMITED

Rs. in Lakhs

	As at 31.03.2016	As at 31.03.2015
<b>2.01 Share Capital</b>		
<b>a) Authorised Share Capital</b>		
17,50,00,000 Equity Shares of Rs. 10/- each	17,500.00	17,500.00
25,00,000 1% Cumulative Redeemable Preference Shares of Rs.100/- each	2,500.00	2,500.00
<b>Total</b>	<b>20,000.00</b>	<b>20,000.00</b>
<b>b) Issued, Subscribed &amp; Fully Paid Up Share Capital</b>		
16,88,41,072 Equity Shares of Rs. 10/- each	16,884.11	16,884.11
12,18,098 1% Cumulative Redeemable Preference Shares of Rs.100/- each	1,218.10	2,030.17
<b>Total</b>	<b>18,102.21</b>	<b>18,914.28</b>

## Notes :

- i) The Company has allotted 24,36,200 of 1% Cumulative Redeemable Preference Shares (CRPS) of Rs.100/ each on 1st March 2006 aggregating to Rs.2436.20 lakhs, and redeemable in 12 quarterly installments co-terminus with the principal repayment. Accordingly the repayment of CRPS started from October 2014.
- ii) Reconciliation of the number of shares outstanding at the beginning and end of the reporting period:

Rs. in Lakhs

Particulars	2015-16		2014-15	
	No. of Shares	Amount	No. of Shares	Amount
a) Equity Shares				
Shares outstanding at the beginning of the year	1688,41,072	16,884.11	1688,41,072	16,884.11
Add: Shares issued during the year	-	-	-	-
Less: Shares redeemed/ bought back during the year	-	-	-	-
Shares Outstanding at the end of the year	1688,41,072	16,884.11	1688,41,072	16,884.11
b) Preference Shares				
Shares outstanding at the beginning of the year	20,30,166	2,030.17	24,36,200	2,436.20
Add: Shares issued during the year	-	-	-	-
Less: Shares redeemed during the year	8,12,068	812.07	4,06,034	406.03
Shares outstanding at the end of the year	12,18,098	1,218.10	20,30,166	2,030.17

- iii) Details of shareholders holding more than 5% in the company:

Name of the Shareholder	2015-16		2014-15	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
i) Yalamanchili Finance & Trading Pvt Ltd	300,00,000	17.77	300,00,000	17.77
ii) Sujana Finance & Trading Pvt. Ltd	148,98,335	8.82	137,39,235	8.14

Rs. in Lakhs

	As at 31.03.2016	As at 31.03.2015
<b>2.02 Reserves and Surplus</b>		
<b>a) Capital Reserves</b>		
Opening Balance	20.00	20.00
Add: Additions During the Year	-	-
	<u>20.00</u>	<u>20.00</u>
<b>b) Capital Redemption Reserve</b>		
Opening Balance	406.03	-
Add: Additions During the Year	812.07	406.03
	<u>1,218.10</u>	<u>406.03</u>
<b>c) Securities Premium Reserves</b>		
Opening Balance	18,658.23	18,658.23
Add: Additions During the Year	-	-
	<u>18,658.23</u>	<u>18,658.23</u>
<b>d) Revaluation Reserves</b>		
Opening Balance	-	2.50
Less: Depreciation on Revalued Assets	-	2.50
	<u>-</u>	<u>-</u>
<b>e) General Reserves</b>		
Opening Balance	1,261.80	1,667.83
Less: Transferred to Capital Redemption Reserve	812.07	406.03
	<u>449.73</u>	<u>1,261.80</u>
<b>f) Surplus</b>		
Opening Balance	22,659.06	23,032.47
Less: Loss for the year	(1,518.02)	(1,194.38)
Add: Provisions no longer required written off	-	844.56
	<u>21,141.04</u>	<u>22,682.65</u>
Less: Provision for		
- Proposed Dividend on CRPS	12.18	20.30
- Dividend Distribution Tax	2.48	3.29
	<u>21,126.38</u>	<u>22,659.06</u>
<b>Total (a+ b+ c+ d+ e+ f)</b>	<u>41,472.44</u>	<u>43,005.12</u>
<b>2.03 Long-Term Borrowings</b>		
<b>Secured</b>		
a) Term Loans from Banks (Refer to Note.1)		
i) Term Loan (TL)	-	576.80
ii) Working Capital Term Loan (WCTL)	144.88	724.41
iii) Funded Interest Term Loan (FITL)	90.83	454.16
b) Vehicle Loans (Refer Note. 2)	10.77	65.00
	<u>246.48</u>	<u>1,820.37</u>
<b>Un-Secured</b>		
Loans from Others	-	13,092.25
	<u>-</u>	<u>13,092.25</u>
<b>Total</b>	<u>246.48</u>	<u>14,912.62</u>

## SUJANA UNIVERSAL INDUSTRIES LIMITED

### Notes:

- 1) (a) Term loans availed from IDBI Bank Ltd are payable in 25 monthly installments commenced from July 1, 2014 and ending on July 1, 2016 and carrying interest rate BBR + 650 basic points.
- (b) The term loans are secured by way of first charge on the entire fixed assets of the Company, both present and future, ranking pari passu with the charges already created in favour of existing term lender and second charge on all the current assets of the Company, both present and future, and further secured by the guarantees of the Promoter Directors, namely Y S Chowdary and G Srinivasa Raju, in their personal capacities and corporate guarantee of M/s Sujana Metal Products Ltd.
- c) The term loans installments which are falling due within next 12 months are classified as current liability.
- 2) Vehicle loans availed from various banks and secured by way of charge of respective vehicles financed. Vehicles loan installments which are fallen due within 12 months are classified as current liability. There are no overdues;

### 2.04 Deferred Tax Liability (Net)

Opening Balance	<b>2,532.09</b>	3,118.84
Add: Deferred Tax Assets		
(i) Difference in depreciation & amortisation for accounting and income tax purposes	<b>(538.65)</b>	(576.63)
(ii) Provision for employee benefits	<b>(7.35)</b>	(10.12)
(iii) Disallowance under Section 43B of Income Tax Act, 1961	<b>(24.02)</b>	-
Deferred Tax Liability (Net)	<b>1,962.07</b>	2,532.09

### 2.05 Other Long-Term Liabilities

Provision for Employee Benefits	<b>161.74</b>	156.14
<b>Total</b>	<b>161.74</b>	156.14

### 2.06 Short Term Borrowings

#### i) Secured

From Banks

- Cash Credits (Refer Note. 1 & 2)	<b>72,693.72</b>	48,312.07
<b>Total</b>	<b>72,693.72</b>	48,312.07

### Notes:

- 1) Cash Credits of banks are secured by way of pari passu first charge on the current assets and pari passu second charge on fixed assets both present and future and secured by the personal guarantees of the Promoter Directors, namely Y S Chowdary and G Srinivas Raju, and further secured by the corporate guarantee of M/s Sujana Metal Products Ltd (SMPL).

2) Cash Credits (CC) outstanding with various banks Rs. in Lakhs

Name of the Bank	Outstanding as on	
	31.03.2016	31.03.2015
1) Bank of Baroda	4,521.22	4,481.11
2) Bank of India	20,178.73	18,299.79
3) Central Bank of India	4,465.66	4,430.57
4) IDBI Bank Ltd	2,990.99	2,497.66
5) Indian Overseas Bank	19,260.34	5,002.15
6) Oriental Bank of Commerce	10,760.38	9,981.21
7) UCO Bank	10,516.40	3,619.58
<b>Total</b>	<b>72,693.72</b>	<b>48,312.07</b>

**2.07 Trade Payables**

i) Acceptance (Refer Note. 1 & 2)	10,000.00	22,540.01
ii) Trade Payables	6,767.90	24,056.82
<b>Total</b>	<b>16,767.90</b>	<b>46,596.83</b>

**Notes:**

- Acceptance refers to LC acceptances from banks are secured by way of pari passu first charge on the current assets and pari passu second charge on fixed assets both present and future and secured by the personal guarantees of the Promoter Directors, as mentioned above and further secured by the corporate guarantee of M/s Sujana Metal Products Ltd.
- Letter of Credits (acceptances) outstanding with various Banks.

Name of the Bank	Outstanding as on			
	31.3.2016		31.3.2015	
	Total	Devolved	Total	Devolved
1) Bank of India #	6,249.26	6,249.26	6,249.26	3,583.22
2) Central Bank of India	10,000.00	10,000.00	11,873.99	-
3) UCO Bank #	8,000.00	8,000.00	7,999.98	-
4) Indian Overseas Bank #	14,144.74	14,144.74	-	-
<b>Total</b>	<b>38,394.00</b>	<b>38,394.00</b>	<b>26,123.23</b>	<b>3,583.22</b>

# The Banks has debited the devolved LC amount to Cash Credit (CC) Account.

**2.08 Other Current Liabilities**

## Current Maturities of Long Term Debt (Secured)

- Vehicle Loans (Refer Note. 1)	67.51	103.25
- Term Loans (Refer Note. 2)	4,916.91	3,397.26

## Loans and advances from related parties

	6.62	-
--	------	---

## Other Payables

- Auditors Fees Payable	38.60	35.94
- Rent Payable	14.96	41.37
- CRPS Dividend Payable	184.75	164.44
- Dividend Distribution Tax Payable	11.20	11.86
- CRPS Installments Payable	961.62	149.55
- Income Tax Payable	149.07	145.00
- Sundry Creditors for Services & Others	1,297.38	1,986.62
- Advances from Customers	2,786.15	31,822.58
- Interest Payable	7,864.39	77.74
- Cost Audit Fees Payable	4.67	4.59
- Statutory Liabilities	83.09	70.19
<b>Total</b>	<b>18,386.92</b>	<b>38,010.39</b>

**Notes**

- Vehicle loans availed from various banks and secured by way of charge of respective vehicles financed. Installments falling due within next 12 Months are classified as current liability.
- Term Loans Installments falling due within next 12 months are classified as current liability.

## SUJANA UNIVERSAL INDUSTRIES LIMITED

	Rs. in Lakhs	
	As at 31.03.2016	As at 31.03.2015
<b>2.09 Short-Term Provisions</b>		
Dividends on 1% Cumulative Redeemable Preference Shares	12.18	20.30
Dividend Distribution Tax on CRPS dividend	2.48	3.29
<b>Total</b>	<b>14.66</b>	<b>23.59</b>
<b>2.10 Non-Current Investments</b>		
Investments in Subsidiary Companies (Unquoted, Non-trade, at cost)		
i) Hestia Holdings Ltd (1 equity share of 100 USD each fully paid up)	0.04	0.04
ii) Nuance Holdings Ltd (500,000 equity shares of 1 HKD each fully paid up)	26.03	26.03
iii) Pac Ventures Pte Ltd (80,78,000 equity shares of 1 USD each fully paid up)	4,566.42	848.92
iv) Sujana Holdings Ltd (1,000,000 equity shares of 100 AED each fully paid up)	12,904.92	12,904.92
v) Sun Trading Ltd (1,44,00,000 equity shares of 1 USD each fully paid up)	6,766.62	587.16
	<b>24,264.03</b>	<b>14,367.07</b>
<b>2.11 Long Term Loans and Advances</b>		
Unsecured & Considered Good		
Deposits with Government Authorities & Others	233.45	610.48
Loans and Advances to Subsidiaries	1,135.22	9,896.96
<b>Total</b>	<b>1,368.67</b>	<b>10,507.44</b>
<b>2.12 Inventories</b>		
(at lower of cost or net realizable value)		
Raw Materials	103.58	326.77
Work in Process	7.72	19.17
Finished Goods	2.91	129.13
Stock in Trade	6,223.89	9,600.33
Stock in Transit	-	2,631.93
Stores and Spares	69.59	100.37
<b>Total</b>	<b>6,407.69</b>	<b>12,807.70</b>
<b>2.13 Trade Receivables</b>		
Unsecured & Considered Good		
Outstanding Less than Six Months	91,944.49	1,25,875.95
Outstanding More than Six Months	7,373.37	23,606.98
<b>Total</b>	<b>99,317.86</b>	<b>1,49,482.93</b>



Rs. in Lakhs

	As at 31.03.2016	As at 31.03.2015
<b>2.14 Cash and Bank Balances</b>		
Cash and Cash Equivalents		
Cash on Hand	16.04	7.92
Bank Balances in Current Accounts	363.08	347.25
Deposits with banks	12.82	2,182.63
<b>Total</b>	<b>391.94</b>	<b>2,537.80</b>
<b>Notes:</b>		
Margin Money Deposits represents margin money kept with various banks for issue of Letter of Credits		
<b>2.15 Short Term Loans and Advances</b>		
Advance to Staff	27.71	4.90
Advance for Expenses & Others	46.84	165.24
TDS Receivable	63.30	59.24
Pre-paid Expenses	6.97	31.14
VAT Receivable	490.94	772.95
Advances to Suppliers & Others	16,281.33	3,737.86
Excise Duty Receivable	75.68	92.00
MAT Credit Receivable	478.92	478.92
<b>Total</b>	<b>17,471.69</b>	<b>5,342.25</b>

## SUJANA UNIVERSAL INDUSTRIES LIMITED

Rs. in Lakhs

	For the year ended 31.03.2016	For the year ended 31.03.2015
<b>2.16 Revenue from Operations</b>		
From Sale of Products (Gross)		
- Domestic	2,83,082.28	3,23,310.88
- Exports	32,417.45	3,259.67
Less: Excise Duty	(267.86)	(554.36)
<b>Total</b>	<b>3,15,231.87</b>	<b>3,26,016.19</b>
<b>2.17 Other Income</b>		
Interest Income	99.59	111.31
Other Non-operating Income (net of expenses directly attributable to such income)		
Forex Gain (Net)	-	1,769.88
Prior Period Items (Net)	(12.54)	(90.72)
Miscellaneous Income	29.47	18.38
<b>Total</b>	<b>116.52</b>	<b>1,808.85</b>
<b>2.18 Cost of Material Consumed</b>		
Opening Stock of Raw material	326.77	288.60
Add: Purchases	1,146.23	3,672.37
Add: Carriage Inward & Other Incidental Expenses	35.02	73.95
	<b>1,508.02</b>	<b>4,034.92</b>
Less: Closing Stock	103.58	326.77
<b>Total</b>	<b>1,404.44</b>	<b>3,708.15</b>
<b>2.19 Changes in Inventories</b>		
a) Opening Stock		
Stock-in-Trade	9,600.33	3,726.39
Finished Goods	129.13	19.25
Work-in-Progress	19.17	60.01
	<b>9,748.63</b>	<b>3,805.65</b>
b) Closing Stock		
Stock-in-Trade	6,223.89	9,600.33
Finished Goods	2.91	129.13
Work-in-Progress	7.72	19.17
	<b>6,234.52</b>	<b>9,748.63</b>
<b>(Increase) / Decrease ( a - b )</b>	<b>3,514.11</b>	<b>(5,942.98)</b>
<b>2.20 Employee Benefits Expenses</b>		
Salaries and Wages	384.41	448.52
Contribution to Provident and Other Funds	42.03	31.39
Staff Welfare Expenses	12.69	16.59
<b>Total</b>	<b>439.13</b>	<b>496.50</b>

	For the year ended 31.03.2016	For the year ended 31.03.2015
<b>2.21 Finance Costs</b>		
Interest Expenses	11,545.82	8,755.65
Other Borrowing Costs	1,700.02	2,208.24
<b>Total</b>	<b>13,245.84</b>	<b>10,963.89</b>
<b>2.23 Other Expenses</b>		
Consumption of Stores and Spare Parts (Refer Note 1)	274.68	593.64
Power and Fuel	1,024.75	1,918.24
Rent	43.99	150.07
Repairs to Buildings	1.45	0.22
Repairs to Machinery	0.52	17.39
Insurance	39.87	15.95
Rates and Taxes, excluding taxes on income	3.15	17.79
Professional & Consultancy Charges	67.41	108.55
Travelling & Conveyance	116.83	105.51
Carriage Outwards	168.13	292.39
Business Development Expenses	13.05	33.66
CSR Expenditure	-	17.50
Postage, Telegrams & Telephone Expenses	12.26	16.75
Printing & Stationery	7.60	12.61
Job Work Expenses	-	24.10
Audit Fee		
- Audit Fee	17.18	17.10
- Cost Audit Fee	1.72	1.69
Office Maintenance	65.09	112.73
Factory Maintenance	60.38	109.08
Foreign Exchange Fluctuations	1,154.41	-
Miscellaneous expenses	62.05	88.61
<b>Total</b>	<b>3,134.52</b>	<b>3,653.58</b>
<b>Notes :</b>		
1) Consumption of Stores and Spare Parts		
Opening Stock	100.37	116.60
Add: Purchases	243.90	577.41
	<b>344.27</b>	<b>694.01</b>
Less: Closing Stock	69.59	100.37
<b>Total</b>	<b>274.68</b>	<b>593.64</b>
<b>2.23 Exceptional Items</b>	-	0.02

# SUJANA UNIVERSAL INDUSTRIES LIMITED

Rs. in Lakhs

## 2.24 Fixed Assets

Particulars	Gross Block			Depreciation			Net Block	
	As on 01.04.2015	Addi- tions	Delet- ions	As on 31.03.2016	For the year	On Deletions	As on 31.03.2016	As on 31.03.2015
<b>A) Tangible Assets</b>								
Land	81.16	-	-	81.16	-	-	81.16	81.16
Buildings	1,182.99	-	-	1,182.99	37.42	-	478.18	515.60
Plant & Machinery	40,204.15	-	-	40,204.15	1,897.07	-	25,859.00	16,242.22
Electrical Equipment's / Installations	654.57	-	-	654.57	27.75	-	100.20	127.95
Office Equipment's	351.68	0.84	-	352.52	6.40	-	1.64	7.20
Testing Equipment's	0.10	-	-	0.10	-	-	0.10	-
Furniture & Fixtures	120.29	-	-	120.29	4.48	-	23.84	28.32
Vehicles	821.01	-	100.44	720.57	75.12	55.81	295.74	415.49
Miscellaneous Equipment's	3.52	-	-	3.52	-	-	3.52	-
	43,419.47	0.84	100.44	43,319.87	2,048.24	55.81	15,325.92	17,417.94
Less: Revaluation Reserve					-			
Total of Tangible Assets	43,419.47	0.84	100.44	43,319.87	2,048.24	55.81	15,325.92	17,417.94
<b>B) Intangible Assets</b>								
ERP / Software	391.45	-	-	391.45	-	-	391.45	-
<b>Total (A+B)</b>	<b>43,810.92</b>	<b>0.84</b>	<b>100.44</b>	<b>43,711.32</b>	<b>2,048.24</b>	<b>55.81</b>	<b>15,325.92</b>	<b>17,417.94</b>

## 2.25 Related Party Transactions

### I) List of Related Parties and Relationships.

Name of the Party	Country	Relationship
<b>A) Subsidiaries</b>		
Pac Ventures Pte. Limited	Singapore	Subsidiary
Sujana Holdings Limited	UAE	Subsidiary
Nuance Holdings Limited	Hong Kong	Subsidiary
Sun Trading Limited	Cayman Island	Subsidiary
Hestia Holdings Limited	Mauritius	Subsidiary
Selene Holdings Limited	Mauritius	Step down subsidiary
Empire Gulf FZE	UAE	Step down subsidiary
Sun Global Trading Pte. Limited	Singapore	Step down subsidiary

### B) Key Managerial Personnel

Mr. G. Srinivasa Raju	Managing Director
Mr. S. Hanumantha Rao	Whole Time Director
Mr. B Manoharan	Chief Financial Officer

### II) List of Companies in which directors are interested

Name of the Company\Director	Mr. G Srinivasa Raju	Mr. S Hanumantha Rao	Dr. V Malakonda Reddy	Mr. Chintapalli Srinivasu	Smt. Bodapati Sandhyasri	Mr. K Srinivasa Rao	Mr. J Ramakrishnan
Sujana Metal Products Ltd	Director	Director	Director	Nominee Director	Director	Director	Director
Vundella Investments Pvt. Ltd	-	-	Director	-	-	-	-
Frontier Design Syndicate Pvt. Ltd	-	-	Director	-	-	-	-
Sujana Towers Ltd	Director	Director	-	-	Director	-	-
Lakshmi Gayatri Industries Pvt. Ltd	Director	Director	-	-	-	-	-
Sunled Technologies Pvt. Ltd	-	Director	-	-	-	-	-
Glade Steel Pvt Ltd	Director	Shareholder	-	-	-	-	-
Golkonda Finance and Trading Pvt. Ltd	Shareholder	-	-	-	-	-	-
Sujana Capital Services Ltd	Shareholder	-	-	-	-	-	-
Sujana Power (Gangikondan) Ltd	Shareholder	Director	-	-	-	-	-
Sujana Power (Tuticorin) Ltd	Shareholder	Director	-	-	-	-	-
Sujana Energy Ltd	Director	Director	-	-	-	-	-
Sujana Solar Power Pvt. Ltd	-	Director	-	-	-	-	-
Sujana Power (India) Ltd	Director	Director	-	-	-	-	-
Kakatiya Enclaves Pvt. Ltd	Director	-	-	-	-	-	-
Yalamanchili Finance and Trading Pvt. Ltd	Director	-	-	-	-	-	-
Foster Infin and Trading Pvt. Ltd	Director	-	-	-	-	-	-
Sujana Finance and Trading Pvt Ltd	Director	-	-	-	-	-	-
Sujana Holdings Ltd	Director	Director	-	-	-	-	-
Sujana Projects Ltd	Director	Director	-	-	-	-	-
Candid Industries Ltd	Shareholder	-	-	-	-	-	-

## SUJANA UNIVERSAL INDUSTRIES LIMITED

### III) Related Party Transactions

		Subsidiaries		Key Management Personnel	
		2015-16	2014-15	2015-16	2014-15
A	Sale of goods				
	Sujana Metal Products Ltd	-	-	4,276.04	6,995.86
	Sujana Towers Limited	-	-	7.75	7.99
		-	-	4,283.79	7,003.85
B	Purchase of goods				
	Sujana Metal Products Ltd	-	-	10,179.17	5,263.50
	Sujana Towers Limited	-	-	2.49	27.36
		-	-	10,181.66	5,290.86
C	Other Income				
	Sujana Towers Limited			1.08	-
		-	-	1.08	-
D	Other Expenses				
	Sujana Metal Products Ltd			9.00	9.00
		-	-	9.00	9.00
E	Remuneration				
	Mr. G Srinivasa Raju	-	-	48.00	48.00
	Mr. S Hanumantha Rao	-	-	3.60	-
		-	-	51.60	48.00
F	Loans & Advances				
	Pac Ventures Pte. Ltd	1,135.22	10,828.07	-	-
	Sun Trading Ltd	-	9,092.13	-	-
	Nuance Holdings Ltd	(6.62)	-		
		1,128.60	19,920.20	-	-
G	Guarantees given (USD in Millions)				
	Pac Ventures Pte. Ltd	\$ 5.49	\$ 11.83	-	-

### IV) Maximum Amount of Outstanding

Loans and advances in the nature of Loans given to Subsidiaries, and investment in shares of the Company by such parties :

Rs. in Lakhs

Name of the Company	Relationship	Amount outstanding as 31.03.2016	Maximum Amount due at any one time during the year	Investment by the loanee in the shares of parent Company No. of Shares
Pac Ventures Pte. Ltd.	Subsidiary	1,135.22	1,135.22	Nil
Sun Trading Limited	Subsidiary	Nil	6,179.46	Nil

**2.26 Retirement Benefits**

**Gratuity and Leave Encashment**

**Actuarial Valuation Method : Projected Unit Credit Method**

		Rs. in Lakhs			
		Gratuity		Leave Encashment	
		2015-16	2014-15	2015-16	2014-15
(i)	Reconciliation of Opening and Closing balances of the present value of the defined benefit obligation:				
	Obligations at the beginning of the year	116.24	109.74	41.17	27.93
	Service cost for the year	15.00	13.31	(13.22)	13.24
	Interest cost	9.07	10.04	3.21	2.55
	Benefits settled/paid	(5.71)	(4.29)	(3.07)	(5.89)
	Actuarial (gain) / loss	(0.12)	(12.56)	(0.14)	3.34
	Past service cost	-	-	-	-
	Obligations at the end of the year	134.48	116.24	27.95	41.17
(ii)	Change in Plan Assets				
	Plan assets at fair value at the beginning of the year	1.26	1.98	-	-
	Adjustment	-	-	-	-
	Expected return on plan assets	0.16	0.14	-	-
	Actuarial gain / (loss)	-	-	-	-
	Contributions	8.60	3.43	-	-
	Benefits settled / paid	(5.73)	(4.29)	-	-
	Plan assets at fair value at the end of the year	4.29	1.26	-	-
(iii)	Reconciliation of present value of the obligation and the fair value of the plan assets				
	Present value of obligation at the end of the year	134.48	116.24	27.95	41.17
	Fair value of the plan assets at the end of the year	4.29	1.26	-	-
	Amount recognized in the Balance Sheet	130.19	114.98	27.95	41.17
(iv)	Expenses recognized in the Statement of Profit & Loss				
	Service cost for the year	15.00	13.31	(13.22)	13.24
	Interest cost	9.07	10.04	3.21	2.55
	Expected return on plan assets	(0.16)	(0.14)	-	-
	Actuarial (gain) / loss	(0.12)	(12.56)	(0.14)	3.34
	Past service cost	-	-	-	-
	Net Cost	23.79	10.65	(10.15)	19.13
(v)	Assumptions				
	Discount rate (Note 1)	7.80%	7.80%	7.80%	7.80%
	Estimated rate of return on plan assets (Note 2)	9.00%	9.00%	0.00%	0.00%
	Rate of escalation in salary per annum (Note 3)	6.00%	6.00%	6.00%	6.00%
	Expected average remaining working live of employees	15 years	15 years	15 years	15 years
	Retirement age	58 years	58 years	58 years	58 years



## SUJANA UNIVERSAL INDUSTRIES LIMITED

### Notes:

- The discount rate of 7.80% per annum has been used as at 31-03-2016 for the purposes of the AS15 (Revised 2005) calculations. It has been chosen by reference to market yields on government bonds as at the same date.
- In the case of Gratuity, the expected rate of return was assumed to be 9% per annum since the fund has earned interest at this rate as per the certificate issued by Insurance Companies.
  - In the case of Leave Encashment, the expected rate of return assumed to be 0% since there is no fund except provision.
- Salary increase rate of 6% per annum has been assumed keeping in view of the inflation rate on long term basis.

### 2.27 Auditors Remuneration

		Rs. in Lakhs	
Particulars	2015-16	2014-15	
Statutory Auditors	17.18	17.10	
Cost Auditors	1.72	1.69	
<b>Total</b>	<b>18.90</b>	<b>18.79</b>	

### 2.28 Segment Reporting

The Company has identified three reportable segments viz. LEC Division, Appliance Division, Steel Division. Segments have been identified and reported taking into account the nature of products and services, the differing risks and returns and the internal business reporting systems. The accounting policies adopted for segment reporting are in line with the accounting policy of the Company with following additional policies for segment reporting.

- Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Un-allocable".
- Segment assets and liabilities represent net assets and liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Un-allocable".

### Primary Business Segment Information

Particulars	Business Segments						Eliminations		Total	
	LEC		Appliance		Steel		2015-16	2014-15	2015-16	2014-15
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15				
<b>Revenue</b>										
a) External	-	167.71	5.23	3.62	3,15,226.64	3,25,844.86	-	-	3,15,231.87	3,26,016.19
b) Internal	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>167.71</b>	<b>5.23</b>	<b>3.62</b>	<b>3,15,226.64</b>	<b>3,25,844.86</b>	<b>-</b>	<b>-</b>	<b>3,15,231.87</b>	<b>3,26,016.19</b>
<b>Results</b>										
Segment Result Before Tax	(490.58)	(423.65)	(169.53)	(207.13)	(1,427.93)	(1,150.36)	-	-	(2,088.04)	(1,781.14)
Less: Taxes	-	-	-	-	-	-	-	-	(570.02)	(586.76)
Profit After Taxes	(490.58)	(423.65)	(169.53)	(207.13)	(1,427.93)	(1,150.36)	-	-	(1,518.02)	(1,194.38)

Particulars	Business Segments						Eliminations		Total	
	LEC		Appliance		Steel		2015-16	2014-15	2015-16	2014-15
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15				
<b>Assets</b>										
a) Segment Assets	2,350.57	2,839.48	663.76	814.15	1,40,915.64	1,93,963.51	-	-	1,43,929.97	1,97,617.15
b) Un-allocable Assets	-	-	-	-	-	-	-	-	25,878.17	14,845.98
<b>Total</b>	<b>2,350.57</b>	<b>2,839.48</b>	<b>663.76</b>	<b>814.15</b>	<b>1,40,915.64</b>	<b>1,93,963.51</b>	-	-	<b>1,69,808.14</b>	<b>2,12,463.13</b>
<b>Liabilities</b>										
a) Segment Liabilities	128.26	124.40	82.92	128.82	1,10,022.30	1,47,758.42	-	-	1,10,233.48	1,48,011.64
b) Un-allocable Liabilities	-	-	-	-	-	-	-	-	-	2,532.09
<b>Total</b>	<b>128.26</b>	<b>124.40</b>	<b>82.92</b>	<b>128.82</b>	<b>1,10,022.30</b>	<b>1,47,758.42</b>	-	-	<b>1,10,233.48</b>	<b>1,50,543.73</b>
<b>Others</b>										
a) Depreciation	496.67	492.61	139.63	141.43	1,411.95	1,496.76	-	-	2,048.25	2,130.80
b) Capital Expenditure	-	-	-	-	-	-	-	-	-	-
c) Non-Cash Expenses other than depreciation	-	-	-	-	-	-	-	-	-	-

**(ii) Secondary Segments Information : Geographical**

Revenue from geographical segment is based on location of its customers and total carrying amount of assets. The total cost incurred during the year to acquire fixed assets is based on geographical locations of the assets.

**Secondary Segments Information : Geographical**

Rs. in Lakhs

Particulars		2015-16	2014-15
<b>A</b>	<b>Revenue by Geographical Market</b>		
-	In India	<b>2,82,814.42</b>	3,22,756.52
-	Outside India	<b>32,417.45</b>	3,259.67
-	Total	<b>3,15,231.87</b>	3,26,016.19
<b>B</b>	<b>Additions to Fixed Assets and Intangible Assets</b>		
-	In India	<b>0.84</b>	20.14
-	Outside India	-	-
-	Total	<b>0.84</b>	20.14
<b>C</b>	<b>Carrying Amount of Segment Assets</b>		
-	In India	<b>1,44,408.89</b>	1,88,199.10
-	Outside India	<b>25,399.25</b>	24,264.03
-	Total	<b>1,69,808.14</b>	2,12,463.13

**2.29 Earnings Per Share (EPS)**

**Basic and Diluted Earnings Per Share**

Rs. in lakhs

Particulars	2015-16	2014-15
Net Loss After Tax	<b>(1,518.02)</b>	(1,194.38)
Less: Dividend on CRPS	<b>12.18</b>	20.30
Dividend Tax	<b>2.48</b>	3.29
Net Profit attributable to equity shareholder	<b>(1,532.68)</b>	(1,217.97)
Weighted average number of equity shares for Basic EPS	<b>16,88,41,072</b>	16,88,41,072
Weighted average number of equity shares for Diluted EPS	<b>16,88,41,072</b>	16,88,41,072
Nominal Value of ordinary share	<b>Rs. 10.00</b>	Rs. 10.00
Basic earnings per ordinary share	<b>(Rs. 0.91)</b>	(Rs. 0.72)
Diluted earnings per ordinary share	<b>(Rs. 0.91)</b>	(Rs. 0.72)

## SUJANA UNIVERSAL INDUSTRIES LIMITED

**2.30** Balances under Sundry Debtors, Sundry creditors and Loans & Advances and other receivables and payables include long outstanding amounts are subject to confirmations to be received from most of the parties.

**2.31** The Company has not received information / memorandum as required to be filed by the supplier with the notified authority under the MSMED Act, 2006 claiming their status as Micro or Small or Medium Enterprises. Hence, disclosure relating to amounts unpaid as at the yearend together with interest paid or payable under this act has not been given.

### 2.32 Contingent Liabilities

Particulars		2015-16	2014-15
<b>1.</b>	<b>Bank / Corporate Guarantees</b>		
a)	Bank of Baroda: Guarantee executed in favour of Commissioner Central Excise	<b>Rs. 8.00 lakhs</b>	Rs. 8.00 lakhs
b)	Corporate Guarantee provided by the Company to Mauritius Commercial Bank, Mauritius, on behalf of Hestia Holdings Ltd, Mauritius, wholly owned subsidiary to SUIL #	<b>US\$ 20.00 Mn</b>	US\$ 20.00 Mn
c)	Corporate Guarantee provided by the Company to Standard Bank (Mauritius) Limited on behalf of Selene Holdings Ltd, Mauritius, step down subsidiary to SUIL. #	<b>US\$ 23.00 Mn</b>	US\$ 23.00 Mn
d)	Corporate Guarantee provided by the Company to Afrasia Bank Limited, Mauritius, on behalf of Selene Holdings Ltd, Mauritius, step down subsidiary to SUIL	<b>Nil</b>	US\$ 2.50 Mn
e)	Corporate Guarantee provided by the Company to Intra Asia Trading Pte. Ltd, Singapore, on behalf of Nuance Holdings Ltd, Hong Kong, wholly owned subsidiary to SUIL	<b>Nil</b>	US\$ 10.00 Mn
f)	Corporate Guarantee provided by the Company to Intra Asia Trading Pte. Ltd, Singapore, on behalf of Pac Ventures Pte. Ltd, Singapore, wholly owned subsidiary to SUIL	<b>Nil</b>	US\$ 3.00 Mn
g)	Corporate Guarantee provided by the Company to Rhodium Resources Pte. Ltd, Singapore, on behalf of Pac Ventures Pte. Ltd, Singapore, wholly owned subsidiary to SUIL	<b>US\$ 5.49 Mn</b>	US\$ 17.55 Mn
<b>2.</b>	<b>Standby Letter of Credit (SBLC)</b>		
a)	Indian Overseas Bank: SBLC issued in favour of Apies Ventures Pte. Ltd	<b>Nil</b>	US\$ 12.20 Mn
b)	Indian Overseas Bank: SBLC issued in favour of United Industrial Group (Asia) Ltd	<b>Nil</b>	US\$ 10.03 Mn
c)	Exim Bank of India: SBLC issued in favour of Exim Bank of India, London Branch, on behalf of Pac ventures Pte. Ltd, Singapore, wholly owned subsidiary to SUIL	<b>US\$ 13.00 Mn</b>	US\$ 13.00 Mn
<b>3.</b>	<b>Claims against the Company not acknowledged as debt</b>		
a)	Sales Tax	<b>Rs.63000.44 lakhs</b>	Rs. 64697.57 lakhs
b)	Customs & Central Excise	<b>Rs. 769.47 lakhs</b>	Rs. 721.75 lakhs
c)	Income Tax	<b>Rs. 2052.16 lakhs</b>	Rs. 2648.45 lakhs
d)	Workmen Compensation	<b>Rs.4.65 lakhs</b>	Rs.4.65 lakhs

# Company petition (C.P.174/2013) filed by Standard Bank (Mauritius) Limited (SBML) against the Company u/s 433 of the Companies Act, 1956, in connection with the corporate guarantee furnished by the Company on behalf of its step down subsidiary Selene Holdings Ltd, Mauritius and Company petition (C.P. 169/2013) filed by Mauritius Commercial Bank (MCB) against the Company u/s 433 of the Companies Act, 1956, in connection with the corporate guarantee furnished by the Company on behalf of its subsidiary Hestia Holdings Ltd, Mauritius was admitted by the High Court of Judicature of Hyderabad for the State of Telengana and the State of Andhra Pradesh, (High Court). However the Company has filed appeals before the appropriate judicial authority and also exploring the process of settlement.

Except the above, there are no 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.

**2.33 Disclosure of Raw Materials consumed, Goods Purchased & Sold, and Work-in-progress**

a) Details of Raw Material Consumed		Rs. in Lakhs	
Particulars	2015 – 16	2014 – 15	
A) MS Scrap			
Opening Stock	318.11	279.90	
Add: Purchases	136.89	316.95	
	455.00	596.85	
Less: Closing Stock	32.21	318.11	
Material Consumed	422.79	278.74	
B) Pig Iron			
Opening Stock	-	-	
Add: Purchases	525.91	1,235.64	
	525.91	1,235.64	
Less: Closing Stock	-	-	
Material Consumed	525.91	1,235.64	
C) Sponge Iron			
Opening Stock	-	-	
Add: Purchases	385.55	1,892.80	
	385.55	1,892.80	
Less: Closing Stock	-	-	
Material Consumed	385.55	1,892.80	
D) Appliances & Others			
Opening Stock	8.65	8.69	
Add: Purchases	-	6.47	
	8.65	15.16	
Less: Closing Stock	8.37	8.65	
Material Consumed	0.28	6.51	

b) Details of Goods Purchased & Sold		Rs. in Lakhs			
Particulars	Purchases		Sales		
	2015-16	2014-15	2015 – 16	2014 – 15	
A) Steel Products	261,325.61	313,122.22	279,746.45	320,040.71	
B) Fans	5,978.42	252.01	5,996.65	252.27	
C) Other than Steel Products & Fans	28,520.87	1,221.99	29,488.77	1,243.95	
Total	295,824.90	314,596.22	315,231.87	321,536.93	

**2.34 Foreign Exchange Earnings and outgo**

Rs. in Lakhs

Particulars	2015-16	2014-15
Merchandise Exports	32,417.45	3,259.67
Merchandise Imports	31,353.46	3,091.80

**2.35** Previous year's figures have been regrouped and reclassified wherever necessary for comparability and to conform to current period's classification and comparison.

**2.36** Figures have been rounded off to nearest rupee

As per our report of even date

**For T Raghavendra & Associates**  
Chartered Accountants  
FRN:003329S

**T Raghavendra**  
Mem. No.023806  
Place: Hyderabad  
Date: 30.05.2016

For and on behalf of the Board

**G Srinivasa Raju**  
Managing Director

**S Hanumantha Rao**  
Whole Time Director

**B Manoharan**  
Chief Financial Officer

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# **Consolidated Accounts for the Year Ended 31st March 2016**

**Consisting of (a) annual audited accounts of your Company for the year ended 31st March 2016 (b) un-audited financial statements of Pac Ventures Pte Ltd, for the year ended 31st March 2016 (c) un-audited consolidated financial statements of Nuance Holdings Ltd for the year ended 31st March 2016 (d) un-audited consolidated financial statements of Sujana Holdings Ltd for the year ended 31st March 2016 (e) audited financial statements Hestia Holdings Ltd for the year ended 31st December 2015 and (f) un-audited consolidated financial statements of Sun Trading Ltd for the year ended 31st March 2016.**

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**INDEPENDENT AUDITORS' REPORT  
ON CONSOLIDATED FINANCIAL STATEMENTS**

To  
THE MEMBERS OF  
SUJANA UNIVERSAL INDUSTRIES LIMITED

**Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of **Sujana Universal Industries Limited ('the Holding Company')** and its subsidiary companies (the Company and its subsidiary companies together referred as 'the Group'), which comprise the Consolidated Balance Sheet as at March 31, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information ('the consolidated financial statements').

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

The 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, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act as applicable. The respective Board of Directors of the Company and its subsidiary companies are responsible for 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 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 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 these consolidated financial statements by the Board of Directors of the Company.

**Auditor's Responsibility**

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

While conducting the 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 there under.

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 the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, 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 the internal financial controls relevant to the Company's preparation of the consolidated 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 consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors referred to in the 'Other Matter' paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

## **SUJANA UNIVERSAL INDUSTRIES LIMITED**

### **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, 2016 and its consolidated loss and its consolidated cash flows for the year ended on that date.

### **Emphasis of Matter**

We draw attention to the following matters in the Notes to the financial statements:

- a) Note 2.12 and 2.14 forming part of the financial statements regarding the Trade Receivables to the extent of Rs. 14,023.79 and 2,488.44 lakhs of advances are long overdue and the respective companies considers them as good and recoverable and estimates that provision for doubtful debts is not necessary.
- b) Note 2.29 to the financial statements which, describes the uncertainty related to the outcome of the lawsuit filed against Sujana Universal Industries Limited by the Mauritius Commercial Bank which has financed to one of its subsidiary – Hestia Holdings Limited for which the Company has given a Corporate Guarantee.
- c) Note 2.29 to the financial statements which, describes the uncertainty related to the outcome of the Bank Debt recalled by the Standard Bank which has financed to one of its step down subsidiary – Selene Holdings Limited for which the Company has given a Corporate Guarantee.
- d) Note 15 in the financial statements of Hestia Holdings Limited and Note 8 in the financial Statements of Selene Holdings Limited which indicates that the Company has accumulated losses and its net worth has been fully eroded, the Company has incurred a net cash loss during the current and previous year(s) and, the Company's current liabilities exceeded its current assets as at the balance sheet date. These conditions, along with other matters set forth in Note 15, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, the financial statements of the Company have been prepared on a going concern basis for the reasons stated in the said Notes.

Our opinion is not modified in respect of these matters..

### **Other Matters**

We did not audit the financial statements of 3 direct subsidiary companies, whose financial statements reflect total assets of 2,069.32 crores as at March 31, 2016, total revenues of 791.65 crores and net cash inflows amounting to -140.14 crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports 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 these subsidiaries is based solely on the reports of the other auditors.

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 matter with respect to our reliance on the work done and the reports of the other auditors:

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

1. 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 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 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 consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, as applicable.
- e) On the basis of the written representations received from the Directors of the Holding Company as on March 31, 2016, taken on record by the Board of Directors of the Holding Company none of the Directors of the Group companies is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls; refer to our report in "Annexure A", which is based on the Auditors' Reports of the Holding Company. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Holding Company.
- g) With respect to the other matters to be included in the Auditors' 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) The consolidate financial statements have not disclosed the impact of pending litigations on the consolidated financial position of the Group in its consolidated financial statements as of March 31, 2016.
  - ii) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company.

**For T Raghavendra & Associates**

Chartered Accountants  
(Firm Reg. No: 003329S)

**T. Raghavendra**  
Proprietor  
(Mem No. 023806)

Place: Hyderabad  
Date: 30-05-2016

## **SUJANA UNIVERSAL INDUSTRIES LIMITED**

### **ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

#### **Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

We have audited the internal financial controls over financial reporting of Sujana Universal Industries Limited ('the Holding Company') as at March 31, 2016 in conjunction with our audit of the consolidated financial statements of the Holding Company for the year ended and as on that date.

#### **Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Holding Company are responsible for establishing and maintaining internal financial controls based on the respective internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the 'Guidance Note'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit.

We conducted our audit in accordance with the Standards on Auditing prescribed under Section 143(10) of the Act and the Guidance Note, to the extent applicable to an audit of internal financial controls over financial reporting. Those Standards and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies incorporated in foreign countries is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion to the best of our information and according to the explanations given to us, the Holding Company, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note.

**For T Raghavendra & Associates**

Chartered Accountants  
(Firm Reg. No: 003329S)

**T. Raghavendra**  
Proprietor  
(Mem No. 023806)

Place: Hyderabad  
Date: 30-05-2016

# SUJANA UNIVERSAL INDUSTRIES LIMITED

## Consolidated Balance Sheet as at 31st March, 2016

Rs. in Lakhs

Particulars	Note No.	As at 31.03.2016	As at 31.03.2015
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
(a) Share Capital	2.01	18,102.21	18,914.28
(b) Reserves and Surplus	2.02	65,826.65	64,883.48
<b>Non-Current Liabilities</b>			
(a) Long-Term Borrowings	2.03	8,266.33	23,035.40
(b) Deferred Tax Liabilities (Net)	2.04	1,962.06	2,532.08
(c) Long-Term Provisions	2.05	161.74	156.14
<b>Current Liabilities</b>			
(a) Short-Term Borrowings	2.06	97,063.54	71,112.91
(b) Trade Payables	2.07	1,51,806.77	2,70,652.23
(c) Other Current Liabilities	2.08	62,817.84	47,877.51
(d) Short-Term Provisions	2.09	32.18	53.16
<b>Total</b>		<b>4,06,039.32</b>	<b>4,99,217.19</b>
<b>II ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Fixed assets			
(i) Tangible Assets	2.23	15,336.91	17,452.02
(ii) Capital Work-in-Progress		5,260.34	-
(b) Long Term Loans and Advances	2.10	233.45	624.17
<b>Current Assets</b>			
(a) Inventories	2.11	6,407.69	12,807.70
(b) Trade Receivables	2.12	3,04,924.99	4,08,898.48
(c) Cash and Cash Equivalents	2.13	441.81	2,710.39
(d) Short-Term Loans and Advances	2.14	73,434.13	56,724.43
<b>Total</b>		<b>4,06,039.32</b>	<b>4,99,217.19</b>

As per our report of even date

**For T Raghavendra & Associates**  
Chartered Accountants  
FRN:003329S

**T Raghavendra**  
Mem. No.023806

Place: Hyderabad  
Date: 30.05.2016

For and on behalf of the Board

**G Srinivasa Raju**  
Managing Director

**S Hanumantha Rao**  
Whole Time Director

**B Manoharan**  
Chief Financial Officer

## Consolidated Statement of Profit and Loss for the year ended 31st March, 2016

Rs. in Lakhs

Particulars	Note No.	For the year ended 31.03.2016	For the year ended 31.03.2015
<b>I. Revenue</b>			
Revenue from Operations	2.15	5,79,413.66	5,28,022.62
Other Income	2.16	143.15	1,833.50
<b>Total Revenue</b>		<b>5,79,556.81</b>	<b>5,29,856.12</b>
<b>II Expenses</b>			
Cost of Materials Consumed	2.17	1,404.42	3,708.15
Purchase of Stock-in-Trade		5,55,984.78	5,14,893.73
Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	2.18	3,514.11	(5,942.98)
Employee Benefit Expenses	2.19	486.01	660.77
Finance Costs	2.20	15,169.98	12,755.90
Depreciation and Amortization Expenses	2.23	2,051.25	2,144.94
Other Expenses	2.21	3,429.87	3,809.22
<b>Total Expenses</b>		<b>5,82,040.42</b>	<b>5,32,029.73</b>
<b>III Profit Before Exceptional Items and Tax (I - II)</b>		<b>(2,483.61)</b>	<b>(2,173.61)</b>
IV Exceptional Items	2.22	-	0.02
<b>V Profit Before Tax (III - IV)</b>		<b>(2,483.61)</b>	<b>(2,173.63)</b>
VI Tax Expense:			
Current tax		19.76	29.57
Deferred tax		(570.02)	(586.76)
<b>VII Profit for the year (V - VI)</b>		<b>(1,933.35)</b>	<b>(1,616.44)</b>
Earnings per Equity Share of Rs .10 each			
Basic		(1.15)	(0.97)
Diluted		(1.15)	(0.97)

As per our report of even date

For and on behalf of the Board

**For T Raghavendra & Associates**  
Chartered Accountants  
FRN:003329S

**G Srinivasa Raju**  
Managing Director

**S Hanumantha Rao**  
Whole Time Director

**T Raghavendra**  
Mem. No.023806

**B Manoharan**  
Chief Financial Officer

Place: Hyderabad  
Date: 30.05.2016

# SUJANA UNIVERSAL INDUSTRIES LIMITED

## Consolidated Cash Flow Statement for the year ended 31st March, 2016 Rs. in lakhs

Particulars	31.03.2016	31.03.2015
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit / (Loss) Before Tax	(2,483.61)	(2,173.63)
<b>Adjustments for</b>		
Depreciation	2,051.25	2,144.94
Financial Expenses	15,169.98	12,755.90
Interest & other income	(87.06)	(20.59)
Un-earned Foreign Income	(2,181.82)	(1,769.88)
Provision for Gratuity	23.78	10.65
Provision for Leave Encashment	(10.14)	19.13
Profit on sale of fixed assets	22.95	(1.84)
Exceptional Items	-	0.02
<b>Operating Profit Before Working Capital Changes</b>	<u>12,505.33</u>	<u>10,964.70</u>
<b>Changes in Working capital</b>		
Decrease / (Increase) in Inventories	6,400.01	(8,596.85)
(Increase) in Trade Receivables	1,00,010.66	(32,238.29)
(Increase) /Decrease in Loans & Advances	(16,318.98)	(4,878.97)
Increase in Trade Payables	(1,06,324.23)	34,235.21
Increase in Other Liabilities	(8,377.37)	1,842.34
Cash Generated from Operations	(12,104.58)	1,328.14
Direct Taxes Paid	(29.45)	(94.64)
<b>Cash from Operating Activities (A)</b>	<u>(12,134.03)</u>	<u>1,233.50</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(0.84)	(54.60)
Sale proceeds of fixed assets	-	1.84
Foreign Exchange Translation adjustment (on consolidation)	2,891.18	5,368.85
Interest Received	99.59	162.39
<b>Cash from Investment Activities(B)</b>	<u>2,989.93</u>	<u>5,478.48</u>
<b>CASH FLOW FROM FINANCIAL ACTIVITIES</b>		
Proceeds from Borrowings	13,217.71	8,571.39
Repayment of CRPS Installments	-	(256.48)
Interest & Financial Charges paid	(6,342.19)	(15,187.49)
<b>Cash flows from Financing Activities (C)</b>	<u>6,875.52</u>	<u>(6,872.58)</u>
<b>Net Increase in Cash and Cash Equivalent (A+ B+ C)</b>	<u>(2,268.58)</u>	<u>(160.61)</u>
Cash and Cash Equivalent at the beginning of the year	<u>2,710.39</u>	<u>2,871.00</u>
<b>Cash and Cash Equivalent at the end of the year</b>	<u>441.81</u>	<u>2,710.39</u>

### Notes:

- Cash Flow Statement has been prepared under the Indirect Method as set out in the Accounting Standard (AS) 3 on Cash Flow Statements.
- Cash and cash equivalents comprise cash at bank and in hand and margin money deposits with banks.
- Previous year's figures have been regrouped and reclassified to confirm to those of the current year.

As per our report of even date

**For T Raghavendra & Associates**  
Chartered Accountants  
FRN:003329S

**T Raghavendra**  
Mem. No.023806

Place: Hyderabad  
Date: 30.05.2016

For and on behalf of the Board

**G Srinivasa Raju**  
Managing Director

**S Hanumantha Rao**  
Whole Time Director

**B Manoharan**  
Chief Financial Officer

**Notes forming part of Consolidated Financial Statements****1. Significant Accounting Policies****1.1 Basis of Preparation of Financial Statements**

The financial statements have been prepared and presented in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis except interest on margin money deposits. The GAPP comprises mandatory accounting standards as prescribed under section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules 2014 and the guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard required a change in the accounting policy hitherto in use. The financial statements are presented in Indian rupees (Rs. in Lakhs).

**1.2 Principles of Consolidation**

- a) The Consolidated Financial Statements of the Company have been prepared in accordance with Accounting Standard 21 on "Consolidated Financial Statements" read with Accounting Standard 23 on "Accounting for Investments in Associate in Consolidated Financial Statements".
- b) The Consolidated Financial Statements have been prepared based on line by line consolidation by adding together the book values of like items of assets, liabilities, income and expenses as per the accounts of the parent company and its subsidiary companies and intra group transactions have been eliminated.
- c) The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the parent possible, in the same manner as the parent companies individual accounts. In case of foreign subsidiaries the revenue items, assets and liabilities are converted at the rate prevailing as on the date of the balance sheet.
- d) 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 differences arising on consolidation is recognised in foreign exchange translation reserve.
- e) The difference between the cost of investments in subsidiaries, and the Company's share of net assets at the time of acquisition of shares in the subsidiaries is recognised in the financial statements as goodwill or capital reserve as the case may be.

**1.3 Use of Estimates**

The preparation of financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

**1.4 Fixed Assets****Tangible Assets**

- a) Tangible assets are carried at cost of acquisition less accumulated depreciation and impairment, if any. The cost of tangible fixed asset comprises the purchase price (net of rebates and discounts) and any other directly attributable costs of bringing the assets to working condition for their intended use. Borrowing costs directly attributable to acquisition of those fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalized.



## **SUJANA UNIVERSAL INDUSTRIES LIMITED**

- b) Subsequent expenditure related to an item of Tangible Asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.
- c) Advances paid towards acquisition of fixed assets outstanding at each balance sheet date and the cost of fixed assets not ready for their intended use before such date are disclosed as capital work-in-progress.

### **Intangible Assets**

Intangible Assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and impairment, if any.

### **1.5 Depreciation**

- a) Depreciation on Tangible Fixed Assets is provided to the extent of depreciable amount using the Straight Line Method (SLM) over the useful lives of the assets as prescribed under part C of Schedule II to the Companies Act, 2013.
- b) Depreciation is calculated on a pro-rata basis for the assets purchased /sold during the year.
- c) Intangible assets are amortized over their respective individual estimated useful life on a straight line basis.

### **1.6 Investments**

- a) Investments are classified as current or long-term in accordance with Accounting Standard 13 on "Accounting for Investments".
- b) Current Investments are stated at lower of cost or fair value. Long Term Investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary.
- c) The investments in fully owned subsidiaries are carried out at the cost of acquisition as the same are long term investments.

### **1.7 Revenue Recognition**

- a) 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.
- b) Revenue from sale of goods is recognized on 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.
- c) Sales are net of sales returns and trade discounts. Export turnover includes related export benefits. Excise duty and VAT are recovered is presented as a reduction from gross turnover.
- d) Interest revenue on fixed deposits is recognized on accrual basis.

### **1.8 Inventories**

Inventories are valued at the lower of Cost or Net Realizable Value. Cost of inventories comprise all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is arrived at,

- a) In case of raw materials and other trading products on weighted average cost method.

- b) In case of stores and spares on weighted average cost method.
- c) In case of work in process and finished goods, includes material cost, labour, manufacturing overheads.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion to make the sell.

### **1.9 Employee Benefits**

- a) Short-term employee benefits:

All employee benefits falling due wholly within twelve months of rendering the services are classified as short term employee benefits. The benefits like salaries, wages, short term compensated absences etc. and the expected cost of bonus, ex-gratia are recognised in the period in which the employee renders the related service.

- b) Post-employed benefits:

- i) Long-term employee benefits (benefits which are payable after the end of twelve months from the end of the period in which the employees render service) and post-employment benefits (benefits which are payable after completion of employment) are measured on a discounted basis by the Projected Unit Credit Method on the basis of annual third party actuarial valuations.
- ii) 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.
- iii) The gratuity benefit obligations recognized in the Balance Sheet represents the present value of the obligations as reduced by the fair value of plan assets. Any asset resulting from this calculation is limited to the discounted value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

### **1.10 Foreign Currency Transactions**

- a) Foreign currency transactions are recorded in the reporting currency at the exchange rates prevailing on the date of the transaction.
- b) Exchange differences arising on the settlement of monetary items on reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.
- c) Non-monetary items such as investments are carried at historical cost using the exchange rates on the date of the transaction.
- d) Closing monetary foreign current assets and current liabilities have been re-instated in the reporting currency at the exchange rate prevailing on balance sheet date, in accordance with Accounting Standard 11 on "The Effects of changes in Foreign Exchange Rates" The difference arising on these transactions being charged/revenue to the Statement of Profit and Loss

### **1.11 Taxes on Income**

- I) **Indian Entities**

- a) Income taxes are accounted for in accordance with Accounting Standard 22 on "Accounting for Taxes on Income".

## **SUJANA UNIVERSAL INDUSTRIES LIMITED**

- b) Taxes comprise both current and deferred tax. Current tax is measured at the amount expected to be paid/recovered from the revenue authorities, using the applicable tax rates and laws.
- c) Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal tax after the tax holiday period. Accordingly, it is recognized as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably.
- d) The tax effect of the timing differences that result between taxable income and accounting income and are capable of reversal in one or more subsequent periods are recorded as a deferred tax asset or deferred tax liability.
- e) Deferred tax assets and liabilities are recognized for future tax consequences attributable to timing differences. They are measured using the substantively enacted tax rates and tax regulations.
- f) The carrying amount of deferred tax assets at each balance sheet date is reduced to the extent that it is no longer reasonably certain that sufficient future taxable income will be available against which the deferred tax asset can be realized.
- g) Tax on distributed profits payable in accordance with the provisions of Section 115O of the Income Tax Act, 1961 is in accordance with the Guidance Note on "Accounting for Corporate Dividend Tax" regarded as a tax on distribution of profits and is not considered in determination of profits for the year.

### **II) Foreign Entities**

Foreign Companies recognised tax liabilities and assets in accordance with its applicable local laws.

#### **1.12 Earnings per Share**

- a) The Company reports basic and diluted Earnings Per Share (EPS/DEPS) in accordance with Accounting Standard 20 on "Earnings Per Share". Basic EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year.
- b) Diluted EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares from the exercise of convertible share warrants of un-issued share capital, except where the results are anti-dilutive.

#### **1.13 Leases**

- a) Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets acquired on or after 1st April 2001 are capitalized at the fair value or the present value of minimum lease payments at the inception of the lease, whichever is lower.
- b) Lease income from assets given on operating lease is recognized as income in the Statement of Profit and Loss. Lease payments for assets taken on operating lease are recognized as expense in the Statement of Profit and Loss.

#### **1.14 Segment Reporting**

Disclosure is made as per the requirements of the Standard. Details have furnished under Note No.2.27 of Notes to Accounts.

**1.15 Impairment of assets**

- a) The Company assesses at each balance sheet date whether there is any indication that any assets forming part of its cash generating units may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs to is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss.
- b) If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is re-assessed and the asset is reflected at the re-assessed recoverable amount subject to a maximum of depreciated historical cost.

**1.16 Provision for Doubtful Debts / Advances**

- a) Provision for doubtful debts/ advances is made when there is uncertainty of realization of debts which are long outstanding. All debts which are over and above one year are provided in full unless there is certainty of its recovery.
- b) In addition to the above, provision is also made in respect of dues in respect of which suits are filed. Writing off doubtful debts/advances are made when the un-realizability is established.

**1.17 Provisions, Contingent Liabilities and Contingent Assets**

- a) Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.
- b) Contingent Liabilities are not recognised but are disclosed in the notes.
- c) Contingent Assets are neither recognised nor disclosed in the financial statements.

**1.18 Cash Flow statement**

Cash Flow Statement has been prepared using the "Indirect Method" as per the Accounting Standard 3 on "Cash Flow Statements"

**1.19 Borrowing cost**

- a) Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use.
- b) All other borrowing costs are charged to the Statement of Profit and Loss

**1.20 Related party disclosure**

Disclosure is made as per the requirements of the standard and as per the clarifications issued by the Institute of Chartered Accountants of India under Note No. 2.25 of Notes to Accounts.

**1.21 Interim Financial Reporting**

Quarterly financial results are published in accordance with the requirement of listing agreement with stock exchanges. The recognition and measurement principle as laid down in the standard have been followed in the preparation of these results.

**1.22 Consolidation of Financial Statements**

The Consolidated Financial Statements of the Company have been prepared in accordance with Accounting Standard 21 on "Consolidated Financial Statements" read with Accounting Standard 23 on "Accounting for Investments in Associate in Consolidated Financial Statements" notified under Section 133 of the Companies Act, 2013 and relevant provisions thereof.

## SUJANA UNIVERSAL INDUSTRIES LIMITED

Rs. in Lakhs

	As at 31.03.2016	As at 31.03.2015
<b>2.01 Share Capital</b>		
<b>a) Authorised Share Capital</b>		
17,50,00,000 Equity Shares of Rs. 10/- each	17,500.00	17,500.00
25,00,000 1% Cumulative Redeemable Preference Shares of Rs.100/- each	2,500.00	2,500.00
<b>Total</b>	<b>20,000.00</b>	<b>20,000.00</b>
<b>b) Issued, Subscribed &amp; Fully Paid Up Share Capital</b>		
16,88,41,072 Equity Shares of Rs. 10/- each	16,884.11	16,884.11
12,18,098 1% Cumulative Redeemable Preference Shares of Rs.100/- each	1,218.10	2,030.17
<b>Total</b>	<b>18,102.21</b>	<b>18,914.28</b>

### Notes :

- i) The Company has allotted 24,36,200 of 1% Cumulative Redeemable Preference Shares (CRPS) of Rs.100/- each on 1st March 2006 aggregating to Rs.2436.20 lakhs, and redeemable in 12 quarterly installments co-terminus with the principal repayment. Accordingly the repayment of CRPS started from October 2014.
- ii) Reconciliation of the number of shares outstanding at the beginning and end of the reporting period.

Rs. in Lakhs

Particulars	2015-16		2014-2015	
	No. of Shares	Amount	No. of Shares	Amount
a) Equity Shares				
Shares outstanding at the beginning of the year	1688,41,072	16,884.11	1688,41,072	16,884.11
Add: Shares issued during the year	-	-	-	-
Less: Shares redeemed/ bought back during the year	-	-	-	-
Shares Outstanding at the end of the Year	1688,41,072	16,884.11	1688,41,072	16,884.11
b) Preference Shares				
Shares outstanding at the beginning of the year	20,30,166	2,030.17	24,36,200	2,436.20
Add: Shares issued during the year	-	-	-	-
Less: Shares redeemed during the year	8,12,068	812.07	4,06,034	406.03
Shares outstanding at the end of the year	12,18,098	1,218.10	20,30,166	2,030.17

- iii) Details of shareholders holding more than 5% in the company:

Name of the Shareholder	2015-16		2014-15	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
i) Yalamanchili Finance & Trading Pvt Ltd	300,00,000	17.8	300,00,000	17.77
ii) Sujana Finance & Trading Pvt. Ltd	148,98,335	8.8	137,39,235	8.14

Rs. in Lakhs

	As at 31.03.2016	As at 31.03.2015
<b>2.02 Reserves and Surplus</b>		
<b>a) Capital Reserves</b>		
Opening Balance	20.00	20.00
	<u>20.00</u>	<u>20.00</u>
<b>b) Capital Redemption Reserves</b>		
Opening Balance	406.03	-
Add: Transfer from General Reserve	812.07	406.03
	<u>1,218.10</u>	<u>406.03</u>
<b>c) Securities Premium Reserves</b>		
Opening Balance	18,658.23	18,658.23
Add: Additions During the Year	-	-
	<u>18,658.23</u>	<u>18,658.23</u>
<b>d) Revaluation Reserves</b>		
Opening Balance	-	2.50
Less: Depreciation on Revalued Assets	-	2.50
	<u>-</u>	<u>-</u>
<b>e) General Reserves</b>		
Opening Balance	1,261.80	1,667.83
Less: Transferred to Capital Reserve	812.07	406.03
	<u>449.73</u>	<u>1,261.80</u>
<b>f) Surplus</b>		
Opening Balance	34,089.03	34,884.51
Add: Loss for the Year	(1,933.35)	(1,616.45)
Add: Provisions no longer required written off	-	844.56
	<u>32,155.68</u>	<u>34,112.62</u>
Less: Provision for		
- Proposed Dividends on CRPS	12.18	20.30
- Dividend Distribution Tax	2.48	3.29
	<u>32,141.02</u>	<u>34,089.03</u>
<b>g) Foreign Currency Translation Reserve</b>		
Total (a+b+c+d+e+f+g)	<u>65,826.65</u>	<u>64,883.48</u>

## SUJANA UNIVERSAL INDUSTRIES LIMITED

Rs. in Lakhs

	As at 31.03.2016	As at 31.03.2015
<b>2.03 Long-Term Borrowings</b>		
<b>Secured</b>		
a) Term Loans from Banks (Refer to Note.1)		
i) Term Loan (TL)	-	576.80
ii) Working Capital Term Loan (WCTL)	144.88	724.41
iii) Funded Interest Term Loan (FITL)	90.83	454.16
b) Working Capital Loans from Banks (Refer to Note.2)	8,019.85	8,122.78
c) Vehicle Loans (Refer to Note.3)	10.77	65.00
	<b>8,266.33</b>	<b>9,943.15</b>
<b>Un-Secured</b>		
Loans from Others	-	13,092.25
	-	13,092.25
<b>Total</b>	<b>8,266.33</b>	<b>23,035.40</b>
<b>Notes :</b>		
1) (a)	Term loans availed from IDBI Bank Ltd are payable in 25 monthly installments commenced from July 1, 2014 and ending on July 1, 2016 and carrying interest rate BBR + 650 basic points.	
(b)	The term loans are secured by way of first charge on the entire fixed assets of the Company, both present and future, ranking pari passu with the charges already created in favour of existing term lender and second charge on all the current assets of the Company, both present and future, and further secured by the guarantees of the Promoter Directors, namely Y S Chowdary and G Srinivasa Raju, in their personal capacities and corporate guarantee of M/s Sujana Metal Products Ltd.	
(c)	The term loans installments which are falling due within next 12 months are classified as current liability.	
2)	During the financial year 2013-14, the subsidiary company Pac Ventures Pte. Ltd has availed a working capital term loan from Exim Bank of India, London branch, to the tune of USD 13 Million. The loan is secured by SBLC from Sujana Universal Industries Ltd and charge created for "ALL Monies". The loan carries an interest @ 3.2459% and repayable in 13 quarterly equal installments after 2 years moratorium period.	
3)	Vehicle loans availed from various banks and secured by way of charge of respective vehicles financed. Vehicles loan installments which are falling due within next 12 months are classified as current liability.	
<b>2.04 Deferred Tax Liability (Net)</b>		
Opening Balance	2,532.08	3,118.83
Add: Deferred Tax Asset on account of		
(i) Difference in depreciation & amortisation for accounting and income tax purposes	(538.65)	(576.63)
(ii) Provision for employee benefits	(7.35)	(10.12)
(iii) Disallowance under Section 43B of Income Tax Act, 1961	(24.02)	-
Closing Balance	<b>1,962.06</b>	<b>2,532.08</b>
<b>2.05 Other Long-Term Provisions</b>		
Provision for Employee Benefits	161.74	156.14
<b>Total</b>	<b>161.74</b>	<b>156.14</b>

	As at 31.03.2016	As at 31.03.2015
<b>2.06 Short-Terms Borrowings</b>		
<b>Secured</b>		
From Banks		
Working Capital Loans (Refer to Note.1)	<b>97,063.54</b>	71,112.91
<b>Total</b>	<b>97,063.54</b>	71,112.91

**Notes :**

## 1. Working Capital Loans include :

- a) Working Capital Loans availed from banks are inter alia secured by way of pari passu first charge on the current assets and pari passu second charge on fixed assets both present and future and secured by the personal guarantees of Promoter Directors. Further secured by the corporate guarantee of M/s Sujana Metal Products Ltd.
- b) Working Capital Loans from banks include Revolving Trade Finance facility by WOS, Hestia Holdings Ltd, from Mauritius Commercial Bank Ltd, Mauritius for an amount aggregating to USD 15.39 million. This facility is secured by corporate guarantee given by Sujana Universal Industries Ltd to the extent of USD 20 million, and assignment of all receivables of Hestia Holdings Ltd.

The subsidiary company has defaulted in payment under the working capital trade finance facility and hence the Mauritius Commercial Bank filed a suit against the Company during the financial reporting period to repay the entire outstanding amount. The Company disputed the liability on account of non-adherence with the process of trigger of loan/recall of the Facility. As on date the outstanding principle amount payable to the Mauritius Commercial Bank was USD 15.39 million

- c) Working Capital Trade Finance facility availed by Step Down Subsidiary, Selene Holdings Ltd (WOS to Nuance Holdings Ltd), from Standard Bank, Mauritius during the year 2011-12. This facility is secured by corporate guarantee given by Sujana Universal Industries Ltd to the extent of USD 23 million to Standard Bank, and by floating charge on the assets to the extent of facility amount and assignment of receivables, arises from assignment of all receivables of Selene Holdings Ltd.

The Step Down Subsidiary Company, Selene Holdings Ltd has defaulted in repayment of trade finance facility. The Standard Bank, Mauritius had recalled the above said Facility on 30th November 2012 and asked the Company to repay the outstanding amount under the Facility after appropriation of the margin money with the Bank. As on date the outstanding principal amount payable to Standard Bank is USD 18.26 million and interest accrued thereon up to 31st December 2015 is USD 3.17 million which was added to the above said loan.

**2.07 Trade Payables**

i) Acceptance (Refer to Note. 1 & 2)	<b>10,000.00</b>	22,540.01
ii) Trade Payables	<b>1,41,806.77</b>	2,48,112.22
<b>Total</b>	<b>1,51,806.77</b>	2,70,652.23

**Notes:**

- 1) Acceptance refers to LC acceptances from banks are secured by way of pari passu first charge on the current assets and pari pasu second charge on fixed assets both present and future and secured by the personal guarantees of the Promoter Directors, as mentioned above and further secured by the corporate guarantee of M/s. Sujana Metal Products Ltd.



# SUJANA UNIVERSAL INDUSTRIES LIMITED

Rs. in lakhs

**As at**  
**31.03.2016**      **As at**  
**31.03.2015**

2) Letter of Credits (acceptances) outstanding with various banks

Name of the Bank	Outstanding as on			
	31.03.2016		31.03.2015	
	Total	Devolved	Total	Devolved
1) Bank of India #	6,249.26	6,249.26	6,249.26	3,583.22
2) Central Bank of India	10,000.00	10,000.00	11,873.99	-
3) UCO Bank #	8,000.00	8,000.00	7,999.98	-
4) Indian Overseas Bank #	14,144.74	14,144.74	-	-
<b>Total</b>	<b>38,394.00</b>	<b>38,394.00</b>	<b>26,123.23</b>	<b>3,583.22</b>

# The Banks has debited the devolved LC amount to Cash Credit (CC) Account.

## 2.08 Other Current Liabilities

Current Maturities of Long Term Borrowings

- Vehicle Loans (Refer Note. 1)	<b>67.51</b>	103.25
- Term Loans (Refer Note. 2)	<b>4,916.91</b>	3,397.26
Loans and Advances from Related Parties	<b>5,537.15</b>	5,218.20

Other Payables

- Auditors Fees Payable	<b>63.52</b>	61.42
- Rent Payable	<b>14.96</b>	41.37
- CRPS Dividend Payable	<b>184.75</b>	164.44
- Dividend Distribution Tax Payable	<b>11.20</b>	11.86
- CRPS Installments Payable	<b>961.62</b>	149.55
- Income Tax Payable	<b>149.07</b>	145.00
- Sundry Creditors for Services & Others	<b>1,300.63</b>	1,705.48
- Advances from Customers	<b>38,819.96</b>	34,559.56
- Capital Creditors	-	315.75
- Interest Payable	<b>10,351.39</b>	1,615.78
- Cost Audit Fees Payable	<b>4.67</b>	4.59
- Statutory Liabilities	<b>83.09</b>	70.19
- Amount Due to Directors	<b>351.41</b>	313.81

**Total**

**62,817.84**      **47,877.51**

### Notes :

- 1) Vehicle loans availed from various banks and secured by way of charge of respective vehicles financed. Installments falling due within next 12 Months are classified as current liability.
- 2) Term Loans Installments falling the due within next 12 months are classified as current liability.

## 2.09 Short-Term Provisions

Provision for Income Tax	<b>17.52</b>	29.57
Proposed Dividends on CRPS	<b>12.18</b>	20.30
Dividend Distribution Tax	<b>2.48</b>	3.29
<b>Total</b>	<b><u>32.18</u></b>	<b><u>53.16</u></b>

## 2.10 Long Term Loans and Advances

Unsecured & Considered Good		
Deposits with Government Authorities & Others	<b>233.45</b>	624.17
<b>Total</b>	<b><u>233.45</u></b>	<b><u>624.17</u></b>

	As at 31.03.2016	As at 31.03.2015
<b>2.11 Inventories</b>		
(at lower of cost or net realizable value)		
Raw Materials	103.58	326.77
Work in Progress	7.72	19.17
Finished Goods	2.91	129.13
Stock in Trade	6,223.89	9,600.33
Stock in Transit	-	2,631.93
Stores and Spares	69.59	100.37
<b>Total</b>	<b>6,407.69</b>	<b>12,807.70</b>
<b>2.12 Trade Receivables</b>		
Unsecured & Considered Good		
Outstanding Less than Six Months	2,08,867.81	2,83,476.71
Outstanding More than Six Months	96,057.18	1,25,421.77
	<b>3,04,924.99</b>	<b>4,08,898.48</b>
Less: Provision for doubtful debts	-	-
<b>Total</b>	<b>3,04,924.99</b>	<b>4,08,898.48</b>
<b>2.13 Cash and Bank Balances</b>		
Cash and Cash Equivalents		
Cash on Hand	16.04	7.92
Bank Balances in Current Accounts	412.95	519.84
Margin Money Deposits	12.82	2,182.63
<b>Total</b>	<b>441.81</b>	<b>2,710.39</b>
<b>Notes :</b>		
Margin Money Deposits represents margin money kept with various banks for issue of Letter of Credits.		
<b>2.14 Short Term Loans and Advances</b>		
Advance to Staff	27.71	4.90
Advance for Expenses & Others	46.84	165.28
TDS Receivable	63.30	59.24
Pre-paid Expenses	6.97	51.22
VAT Receivable	490.94	772.95
Advances to Suppliers	70,160.14	52,020.92
Excise Duty Receivable	75.68	92.00
Rental Advance	8.60	-
MAT Credit Receivable	478.92	478.92
Loans & Advance from related Parties	2,075.03	3,078.99
<b>Total</b>	<b>73,434.13</b>	<b>56,724.42</b>

## SUJANA UNIVERSAL INDUSTRIES LIMITED

Rs. in Lakhs

	For the year ended 31.03.2016	For the year ended 31.03.2015
<b>2.15 Revenue from Operations</b>		
From Sale of Products (Gross)		
- Domestic	2,83,082.28	3,23,310.88
- Exports	2,96,599.24	2,05,266.10
Less: Excise Duty	(267.86)	(554.36)
<b>Total</b>	<b>5,79,413.66</b>	<b>5,28,022.62</b>
<b>2.16 Other Income</b>		
Interest Income	99.59	111.31
Other Non-operating Income (net of expenses directly attributable to such income)		
Forex Gain (Net)	-	1,769.65
Prior Period Items (Net)	(12.53)	(90.72)
Miscellaneous Income	56.09	43.26
<b>Total</b>	<b>143.15</b>	<b>1,883.50</b>
<b>2.17 Cost of Material Consumed</b>		
Opening Stock of RM	326.77	288.60
Add: Purchases	1,146.23	3,672.37
Add: Carriage Inward	35.00	73.95
	<b>1,508.00</b>	<b>4,034.92</b>
Less: Closing Stock	103.58	326.77
<b>Total</b>	<b>1,404.42</b>	<b>3,708.15</b>
<b>2.18 Changes in Inventories</b>		
a) Opening Stock		
Stock-in-Trade	9,600.33	3,726.39
Finished Goods	129.13	19.25
Work-in-Progress	19.17	60.01
	<b>9,748.63</b>	<b>3,805.65</b>
b) Closing Stock		
Stock-in-Trade	6,223.89	9,600.33
Finished Goods	2.91	129.13
Work-in-Progress	7.72	19.17
	<b>6,234.52</b>	<b>9,748.63</b>
(Increase) / Decrease ( a - b )	<b>3,514.11</b>	<b>(5,942.98)</b>

	For the year ended 31.03.2016	For the year ended 31.03.2015
<b>2.19 Employee Benefits Expense</b>		
Salaries and Wages	426.14	612.79
Contribution to Provident and Other Funds	47.18	31.39
Staff Welfare Expenses	12.69	16.59
<b>Total</b>	<b>486.01</b>	<b>660.77</b>
<b>2.20 Finance Costs</b>		
Interest Expenses	13,428.91	10,543.93
Other Borrowing Costs	1,741.07	2,211.97
<b>Total</b>	<b>15,169.98</b>	<b>12,755.90</b>
<b>2.21 Other Expenses</b>		
Consumption of Stores and Spare Parts	274.68	593.64
Power and Fuel	1,024.75	1,918.78
Rent	71.83	186.66
Repairs to Buildings	1.45	0.22
Repairs to Machinery	0.52	17.39
Insurance	40.01	18.59
Rates and Taxes, excluding taxes on income	10.14	24.44
Professional & Consultancy Charges	271.01	147.13
Travelling & Conveyance	123.06	108.34
Carriage Outwards	168.13	292.39
Business Development Expenses	13.61	33.66
CSR Expenditure	-	17.50
Postage, Telegrams & Telephone Expenses	18.39	26.97
Printing & Stationery	8.16	14.98
Job Work Expenses	-	24.10
Audit Fee		
- Audit Fee	41.34	48.18
- Cost Audit Fee	1.72	1.69
Office Maintenance	76.89	127.87
Factory Maintenance	60.38	109.08
Foreign Exchange Fluctuations	1,154.68	-
Miscellaneous expenses	69.12	97.61
<b>Total</b>	<b>3,429.87</b>	<b>3,809.22</b>
<b>2.22 Exceptional Items</b>	-	0.02

**2.23 Consolidated Fixed Assets**

Particulars	Gross Block			Depreciation			Net Block	
	As on 01.04.2015	Additions	Dele- tions	As on 31.03.2016	For the Year	On Deletions	As on 31.03.2016	As on 31.03.2015
<b>A) Tangible Assets</b>								
Land	81.16	-	-	81.16	-	-	81.16	81.16
Buildings	1,182.99	-	-	1,182.99	37.42	-	478.18	515.60
Plant & Machinery	40,204.16	-	-	40,204.16	1,897.07	-	14,345.00	16,242.06
Electrical Equipments / Installations	654.57	-	-	654.57	27.75	-	100.20	127.96
Office Equipments	401.42	0.84	-	402.26	7.89	-	25.41	32.45
Testing Equipments	0.10	-	-	0.10	-	-	0.10	-
Furniture & Fixtures	131.97	-	-	131.97	6.00	-	16.48	22.48
Vehicles	833.04	-	126.13	706.91	75.12	61.42	290.48	430.31
Miscellaneous Equipments	3.52	-	-	3.52	-	-	-	-
	<b>43,492.93</b>	<b>0.84</b>	<b>126.13</b>	<b>43,367.64</b>	<b>2,051.25</b>	<b>61.42</b>	<b>15,336.91</b>	<b>17,452.02</b>
Less: Revaluation Reserve					-			
<b>Total of Tangible Assets</b>	43,492.93	0.84	126.13	43,367.64	2,051.25	61.42	15,336.91	17,452.02
<b>B) Intangible Assets</b>								
ERP / Softwares	391.45	-	-	391.45	-	-	-	-
<b>Total (A+ B)</b>	<b>43,884.38</b>	<b>0.84</b>	<b>126.13</b>	<b>43,759.09</b>	<b>2,051.25</b>	<b>61.42</b>	<b>15,336.91</b>	<b>17,452.02</b>

## 2.24 Subsidiaries Consolidation

The Financial Statements of subsidiaries used in the consolidation are drawn up to the same reporting date as that of the Holding Company i.e., March 31, 2016 except for Hestia Holdings Ltd which ends on December 31, 2015.

The list of Subsidiary Companies which are included in the consolidation and the parent company's holding therein are as under:

Name of the Subsidiary	Country of Incorporation	% of Holding	Subsidiary of
Hestia Holdings Ltd	Mauritius	100%	Sujana Universal Industries Ltd
Nuance Holdings Ltd	Hong Kong	100%	Sujana Universal Industries Ltd
Pac Ventures Pte. Ltd	Singapore	100%	Sujana Universal Industries Ltd
Sujana Holdings Ltd	UAE, Dubai	100%	Sujana Universal Industries Ltd
Sun Trading Ltd	Cayman Islands	100%	Sujana Universal Industries Ltd
Empire Gulf FZE	UAE, Dubai	100%	Sujana Holdings Ltd
Selene Holdings Ltd	Mauritius	100%	Nuance Holdings Ltd
Sun Global Trading Pte. Ltd	Singapore	100%	Sun Trading Ltd

## 2.25 Related Party Disclosure

### 1. Subsidiaries

Name of the Subsidiary	Country of Incorporation	% of Holding as at 31.03.2016
<b>Subsidiaries held directly</b>		
Pac Ventures Pte. Limited	Singapore	100
Sujana Holdings Limited	UAE, Dubai	100
Nuance Holdings Limited	Hong Kong	100
Sun Trading Limited	Cayman Island	100
Hestia Holdings Limited	Mauritius	100
<b>Subsidiaries held indirectly</b>		
Selene Holdings Limited	Mauritius	100
Empire Gulf FZE	UAE, Dubai	100
Sun Global Trading Pte. Limited	Singapore	100

### 2. Key Managerial Personnel

Mr. G. Srinivasa Raju	Managing Director
Mr. S. Hanumantha Rao	Whole Time Director
Mr. B. Manoharan	Chief Financial Officer

## SUJANA UNIVERSAL INDUSTRIES LIMITED

### 3. Related Party Transactions

Rs. in Lakhs

Particulars		Key Management Personnel	
		2015-16	2014-15
A	Sales		
	Sujana Metal Products Ltd	4,276.04	6,995.86
	Sujana Towers Limited	7.75	7.99
B	Purchases		
	Sujana Metal Products Ltd	10,179.17	5,263.50
	Sujana Towers Limited	2.49	27.36
C	Other Income		
	Sujana Towers Limited	1.08	-
D	Other Expenses		
	Sujana Metal Products Ltd	9.00	9.00
E	Remuneration		
	Mr. G Srinivasa Raju	48.00	48.00
	Mr. S Hanumantha Rao	3.60	-
F	Corporate Guarantees given (USD in Millions)		
	Pac Ventures Pte. Ltd	\$ 5.49	\$ 11.83

### 4. Maximum Amount of Outstanding

Loans and advances in the nature of Loans given to Subsidiaries, and investment in shares of the Company by such parties :

Rs. in Lakhs

Name of the Company	Relationship	Amount outstanding as 31.03.2016	Maximum Amount due at any one time during the year	Investment by the loanee in the shares of parent Company No. of Shares
Pac Ventures Pte. Ltd.	Subsidiary	1,135.22	1,135.22	Nil
Sun Trading Limited	Subsidiary	Nil	6,179.46	Nil

## 2.26 Retirement Benefits

### Gratuity and Leave Encashment

Actuarial Valuation Method : Projected Unit Credit Method

Rs. in Lakhs

		Gratuity		Leave Encashment	
		2015-16	2014-15	2015-16	2014-15
(i)	Reconciliation of Opening and Closing balances of the present value of the defined benefit obligation:				
	Obligations at the beginning of the year	116.24	109.74	41.17	27.93
	Service cost for the year	15.00	13.31	(13.22)	13.24
	Interest cost	9.07	10.04	3.21	2.55
	Benefits settled/paid	(5.71)	(4.29)	(3.07)	(5.89)
	Actuarial (gain) / loss	(0.12)	(12.56)	(0.14)	3.34
	Past service cost	-	-	-	-
	Obligations at the end of the year	134.48	116.24	27.95	41.17

(ii)	Change in Plan Assets				
	Plan assets at fair value at the beginning of the year	1.26	1.98	-	-
	Adjustment	-	-	-	-
	Expected return on plan assets	0.16	0.14	-	-
	Actuarial gain / (loss)	-	-	-	-
	Contributions	8.60	3.43	-	-
	Benefits settled / paid	(5.73)	(4.29)	-	-
	Plan assets at fair value at the end of the year	4.29	1.26	-	-
(iii)	Reconciliation of present value of the obligation and the fair value of the plan assets				
	Present value of obligation at the end of the year	134.48	116.24	27.95	41.17
	Fair value of the plan assets at the end of the year	4.29	1.26	-	-
	Amount recognized in the Balance Sheet	130.19	114.98	27.95	41.17
(iv)	Expenses recognized in the Statement of Profit & Loss				
	Service cost for the year	15.00	13.31	(13.22)	13.24
	Interest cost	9.07	10.04	3.21	2.55
	Expected return on plan assets	(0.16)	(0.14)	-	-
	Actuarial (gain) / loss	(0.12)	(12.56)	(0.14)	3.34
	Past service cost	-	-	-	-
	Net Cost	23.79	10.65	(10.15)	19.13
(v)	Assumptions				
	Discount rate (Note 1)	7.80%	7.80%	7.80%	7.80%
	Estimated rate of return on plan assets (Note 2)	9.00%	9.00%	0.00%	0.00%
	Rate of escalation in salary per annum (Note 3)	6.00%	6.00%	6.00%	6.00%
	Expected average remaining working live of employees	15 years	15 years	15 years	15 years
	Retirement age	58 years	58 years	58 years	58 years

**Notes:**

1. The discount rate of 7.80% per annum has been used as at 31-03-2016 for the purposes of the AS15 (Revised 2005) calculations. It has been chosen by reference to market yields on government bonds as at the same date.
2.
  - a) In the case of Gratuity, the expected rate of return was assumed to be 9% per annum since the fund has earned interest at this rate as per the certificate issued by Insurance Companies.
  - b) In the case of Leave Encashment, the expected rate of return assumed to be 0% since there is no fund except provision.
3. Salary increase rate of 6% per annum has been assumed keeping in view of the inflation rate on long term basis.

**2.27 Segment Reporting**

The Company has identified three reportable segments viz. LEC Division, Appliance Division, Steel Division. Segments have been identified and reported taking into account the nature of products and



## SUJANA UNIVERSAL INDUSTRIES LIMITED

services, the differing risks and returns and the internal business reporting systems. The accounting policies adopted for segment reporting are in line with the accounting policy of the Company with following additional policies for segment reporting.

- Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Un-allocable".
- Segment assets and liabilities represent net assets and liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Un-allocable".

### Primary Business Segment Information

Rs. in Lakhs

Particulars	Business Segments			Eliminations	Total	
	LEC	Appliance	Steel		2015-16	2014-15
	2015-16	2015-16	2015-16	2015-16	2015-16	2014-15
<b>A Revenue</b>						
a) External	-	5.23	5,79,408.43	-	5,79,413.66	5,28,022.62
b) Internal	-	-	-	-	-	-
<b>c) Total</b>	<b>-</b>	<b>5.23</b>	<b>5,79,408.43</b>	<b>-</b>	<b>5,79,413.66</b>	<b>5,28,022.62</b>
<b>B Results</b>						
Segment Result Before Tax	(490.58)	(169.53)	(1,823.50)	-	(2,483.61)	(2,173.63)
Less: Taxes					(550.26)	(557.19)
<b>Profit After Taxes</b>	<b>(490.58)</b>	<b>(169.53)</b>	<b>(1,823.50)</b>	<b>-</b>	<b>(1,933.35)</b>	<b>(1,616.44)</b>
<b>C Assets</b>						
a) Segment Assets	2,350.57	663.76	4,02,546.08	-	4,05,560.41	4,98,259.28
b) Unallocable Assets					478.91	478.91
<b>c) Total</b>	<b>2,350.57</b>	<b>663.76</b>	<b>4,02,546.08</b>	<b>-</b>	<b>4,06,039.32</b>	<b>4,98,738.19</b>
<b>D Liabilities</b>						
a) Segment Liabilities	128.26	82.92	3,21,899.27	-	3,22,110.45	4,12,887.35
b) Unallocable Liabilities					-	2,532.09
<b>c) Total</b>	<b>128.26</b>	<b>82.92</b>	<b>3,21,899.27</b>	<b>-</b>	<b>3,22,110.45</b>	<b>4,15,419.44</b>
<b>E Others</b>						
a) Depreciation	496.67	139.63	1,414.96	-	2,051.26	2,144.94
b) Capital Expenditure	-	-	-	-	-	-
c) Non-Cash Expenses other than Depreciation	-	-	-	-	-	-

### (ii) Secondary Segments Information: Geographical

Revenue from geographical segment is based on location of its customers and total carrying amount of assets. The total cost incurred during the year to acquire fixed assets is based on geographical locations of the assets.

### Secondary Segments Information : Geographical

Rs. in Lakhs

Particulars		2015-16	2014-15
A	Revenue by Geographical Market		
	In India	<b>2,82,814.42</b>	3,22,756.52
	Outside India	<b>2,96,599.24</b>	2,05,266.10
	<b>Total</b>	<b>5,79,413.66</b>	<b>5,28,022.62</b>

B	Additions to Fixed Assets and Intangible Assets		
	In India	0.84	20.14
	Outside India	-	34.46
	Total	0.84	54.60
C	Carrying Amount of Segment Assets		
	In India	1,44,408.89	1,88,199.10
	Outside India	2,61,630.43	3,10,539.19
	Total	4,06,039.32	4,98,738.29

## 2.28 Earnings Per Share (EPS)

### Basic and Diluted Earnings Per Share in Rs.

Rs. in Lakhs

Particulars	2015-16	2014-15
Net Profit After Tax	(1,933.35)	Rs. (1,616.44)
Less: Dividend on CRPS	12.18	20.30
Dividend Tax	2.48	3.29
Net Profit attributable to Equity shareholder	(1,948.01)	(1,640.04)
Weighted average number of equity shares for Basic EPS	16,88,41,072	16,88,41,072
Weighted average number of equity shares for Diluted EPS	16,88,41,072	16,88,41,072
Nominal Value of Ordinary Share	Rs. 10.00	Rs. 10.00
Basic Earnings per Ordinary Share	Rs. (1.15)	Rs. (0.97)
Diluted Earnings per Ordinary Share	Rs. (1.15)	Rs. (0.97)

## 2.29 Contingent Liabilities

Particulars	2015-16	2014-15
1. Bank / Corporate Guarantees		
a) Bank of Baroda: Guarantee executed in favour of Commissioner Central Excise	Rs. 8.00 lakhs	Rs. 8.00 lakhs
b) Corporate Guarantee provided by the Company to Mauritius Commercial Bank, Mauritius, on behalf of Hestia Holdings Ltd, Mauritius, wholly owned subsidiary to SUIL. #	US\$ 20.00 Mn	US\$ 20.00 Mn
c) Corporate Guarantee provided by the Company to Standard Bank (Mauritius) Limited on behalf of Selene Holdings Ltd, Mauritius, step down subsidiary to SUIL. #	US\$ 23.00 Mn	US\$ 23.00 Mn
d) Corporate Guarantee provided by the Company to Afrasia Bank Limited, Mauritius, on behalf of Selene Holdings Ltd, Mauritius, step down subsidiary to SUIL	Nil	US\$ 2.50 Mn
e) Corporate Guarantee provided by the Company to Intra Asia Trading Pte. Ltd, Singapore, on behalf of Nuanca Holdings Ltd, Hong Kong, wholly owned subsidiary to SUIL	Nil	US \$ 10.00 Mn
f) Corporate Guarantee provided by the Company to Intra Asia Trading Pte. Ltd, Singapore, on behalf of Pac Ventures Pte. Ltd, Singapore, wholly owned subsidiary to SUIL	Nil	US\$ 3.00 Mn

## SUJANA UNIVERSAL INDUSTRIES LIMITED

g)	Corporate Guarantee provided by the Company to Rhodium Resources Pte. Ltd, Singapore, on behalf of Pac Ventures Pte. Ltd, Singapore, wholly owned subsidiary to SUIL	US\$ 5.49 Mn	US\$ 17.55 Mn
2.	Standby Letter of Credit (SBLC)		
a)	Indian Overseas Bank: SBLC issued in favour of Apies Ventures Pte. Ltd	Nil	US\$ 12.20 Mn
b)	Indian Overseas Bank: SBLC issued in favour of United Industrial Group (Asia) Ltd	Nil	US\$ 10.03 Mn
c)	Exim Bank of India: SBLC issued in favour of Exim Bank of India, London Branch, on behalf of Pac ventures Pte. Ltd, Singapore, wholly owned subsidiary to SUIL	US\$ 13.00 Mn	US\$ 13.00 Mn
3.	Claims against the Company not acknowledged as debt		
a)	Sales Tax	Rs. 63000.44 lakhs	Rs. 64697.57 lakhs
b)	Customs & Central Excise	Rs. 769.47 lakhs	Rs. 721.75 lakhs
c)	Income Tax	Rs. 2052.16 lakhs	Rs. 2648.45 lakhs
d)	Workmen Compensation	Rs. 4.65 lakhs	Rs. 4.65 lakhs

# Company petition (C.P.174/2013) filed by Standard Bank (Mauritius) Limited (SBML) against the Company u/s 433 of the Companies Act, 1956, in connection with the corporate guarantee furnished by the Company on behalf of its step down subsidiary Selene Holdings Ltd, Mauritius and Company petition (C.P. 169/2013) filed by Mauritius Commercial Bank (MCB) against the Company u/s 433 of the Companies Act, 1956, in connection with the corporate guarantee furnished by the Company on behalf of its subsidiary Hestia Holdings Ltd, Mauritius was admitted by the High Court of Judicature of Hyderabad for the State of Telangana and the State of Andhra Pradesh, (High Court). However the Company has filed appeals before the appropriate judicial authority and also exploring the process of settlement.

Except the above, there are no 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.

**2.30** Previous year's figures have been regrouped and reclassified wherever necessary to conform to current period's classification and comparison.

**2.31** Figures have been rounded off to nearest rupee.

As per our report of even date

For and on behalf of the Board

**For T Raghavendra & Associates**  
Chartered Accountants  
FRN:003329S

**G Srinivasa Raju**  
Managing Director

**S Hanumantha Rao**  
Whole Time Director

**T Raghavendra**  
Mem. No.023806

**B Manoharan**  
Chief Financial Officer

Place: Hyderabad  
Date: 30.05.2016

**SUJANA UNI VERSAL I NDUSTR I ES L I M I T E D**

Plot No.18, Nagarjuna Hills, Panjagutta, Hyderabad-500 082, Telangana, India

**CIN: L29309TG1986PLC006714**

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

**ATTENDANCE SLIP  
(27th 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 27th Annual General Meeting of the Company held on Friday, the 30th day of September, 2016 At 10:00 a.m. at Katriya Hotel & Towers, # 8, Rajbhavan Road, Somajiguda, Hyderabad - 500 082, Telangana, India.

To be signed at the time of handing over this slip Member's/Proxy's Signature

EVEN	User ID	Password
<b>105498</b>		

**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	L29309TG1986PLC006714
Name of the Company	Sujana Universal Industries Limited
Registered office	Plot No. 18, Nagarjuna Hills, Panjagutta, Hyderabad, Telangana – 500 082, India

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 27th Annual General Meeting of the Company to be held on Friday, the 30th day of September, 2016 At 10:00 a.m. at Katriya Hotel & Towers, # 8, Rajbhavan Road, Somajiguda, Hyderabad - 500 082, Telangana, India and at any adjournment thereof in respect of such resolutions as are indicated below :

Item No.	Resolution
<b>Ordinary Business</b>	
1.	Adoption of the Audited Standalone and consolidated Financial statements of the Company for the financial year ended March 31, 2016 and Reports of Directors and Auditors thereon.
2.	Re-appointment of Shri G.Srinivasa Raju, who retires by rotation.
3.	Ratification of appointment of M/s T.Raghavendra & Associates, Chartered Accountants, Hyderabad, as Statutory Auditors of the Company.
<b>Special Business</b>	
4.	To consider and appoint Smt. A.Syamala Reddy (DIN:02224082) as an Independent Director in terms of Section 149 of the Companies Act, 2013.
5.	Appointment of Shri S.Hanumantha Rao, as an Executive Director and Key Managerial Personnel (KMP) of the Company.
6.	To increase Authorised Share Capital of the Company from Rs.200 crores to Rs.1000 crores
7.	To consider and approve the issue of Cumulative Redeemable preference shares (CRPS)
8.	To approve and confirm the Strategic Debt Restructuring Scheme(SDR) / outside SDR formulated by the Reserve Bank of India
9.	To ratify the remuneration of the cost auditors for the financial year ending March 31st, 2017.

Signed this ..... day of September, 2016.

Signature of shareholder .....

Signature of Proxy holder(s) .....

Affix Re.1 Revenue Stamp
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**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 27th Annual General Meeting.
3. 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]

CIN : L29309TG1986PLC006714  
Name of the Company : Sujana Universal Industries Limited  
Registered Office : Plot No. 18, Nagarjuna Hills, Panjagutta, Hyderabad, Telangana – 500 082, India

#### 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.	Adoption of the Audited Standalone and consolidated Financial statements of the Company for the financial year ended March 31, 2016 and Reports of Directors and Auditors thereon.			
2.	Re-appointment of Shri G.Srinivasa Raju, who retires by rotation.			
3.	Ratification of appointment of M/s T.Raghavendra & Associates, Chartered Accountants, Hyderabad, as Statutory Auditors of the Company.			
<b>Special Business</b>				
4.	To consider and appoint Smt. A.Syamala Reddy (DIN: 02224082) as an Independent Director in terms of Section 149 of the Companies Act, 2013.			
5.	Appointment of Shri S. Hanumantha Rao, as an Executive Director and Key Managerial Personnel (KMP) of the Company.			
6.	To increase Authorised Share Capital of the Company from Rs. 200 crores to Rs. 1000 crores			
7.	To consider and approve the issue of Cumulative Redeemable preference shares (CRPS)			
8.	To approve and confirm the Strategic Debt Restructuring Scheme(SDR) / outside SDR formulated by the Reserve Bank of India			
9.	To ratify the remuneration of the cost auditors for the financial year ending March 31st, 2017.			

Place:

Date:

(Signature of the shareholder)

#### INSTRUCTIONS

- 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.
- The vote should be cast either in favour or against by putting the tick(✓) 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.
- 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.
- Any cutting/overwriting on this Ballot paper should be signed by the shareholder/proxy holder.
- 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.
- The decision of Scrutinizer on the validity of the Ballot paper and any other related matter shall be final.
- 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.
- 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 three (3) days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges.

INTENTIONALLY KEPT BLANK

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If undelivered, please return to:



**Sujana Universal Industries Limited**

#18, Nagarjuna Hills, Panjagutta, Hyderabad - 500 082.

Phone: 23351882 / 23351887 Website: [www.sujana.com](http://www.sujana.com)