



Sujana Universal Industries Limited

Regd. & Corp. Office :
5/A, Vengalrao Nagar,
Hyderabad - 500 038, Telangana.
CIN : L29309TG1986PLC006714

T +91 40 2381 5573 / 4
F +91 40 2381 5571
E info.suil@sujana.com
www.sujana.com

Date: 20th October, 2018

To

The Department of Corporate Services – CRD, BSE Limited. P.J.Towers, Dalai Street, MUMBAI – 400 001. Scrip Code: 517224	National Stock Exchange of India Ltd, 5 th Floor, Exchange Plaza, Bandra (E), MUMBAI – 400 051 Scrip Symbol: SUJANAUNI
--	--

Dear Sir/Madam,

Sub: Annual Report for the Financial Year 2017-18 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 2017-18 for your information and record.

Kindly acknowledge the same.

Thanking you.

Yours faithfully,

For SUJANA UNIVERSAL INDUSTRIES LIMITED

G SRINIVASA RAJU
MANAGING DIRECTOR

Encl: as above.



**29th ANNUAL
REPORT**
2017 - 2018

SUJANA UNIVERSAL INDUSTRIES LIMITED

BOARD OF DIRECTORS

<i>NON-EXECUTIVE CHAIRMAN</i>	: Dr. K.Srinivasa Rao*
<i>MANAGING DIRECTOR</i>	: Shri G. Srinivasa Raju
<i>WHOLE TIME DIRECTOR</i>	: Shri S. Hanumantha Rao
<i>DIRECTORS</i>	: Smt. G Uma Devi*
	Shri V. Venkatakrishnan#
	*Independent, Non-Executive Directors
	#Nominee from IDBI Bank

MANAGEMENT COMMITTEE

: Shri G. Srinivasa Raju
Shri S. Hanumantha Rao
Shri G. Uma Devi

AUDIT COMMITTEE

: Dr. K. Srinivasa Rao
Shri S. Hanumantha Rao
Smt. Uma Devi

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

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

NOMINATION AND REMUNERATION COMMITTEE

: Smt G.Uma Devi
Dr. K. Srinivasa Rao

RISK MANAGEMENT COMMITTEE

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

SHARE TRANSFER COMMITTEE

: Shri G. Srinivasa Raju
Smt. G Uma Devi

SHAREHOLDERS' GRIEVANCES COMMITTEE

: Shri G. Srinivasa Raju
Smt. G Uma Devi

CHIEF FINANCIAL OFFICER

: Shri S.Rengaraj

STATUTORY AUDITORS

: M/s. J. Singh & Associates
Chartered Accountants.

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** : 5/A, Vengal Rao Nagar
Hyderabad, Telangana- 500 038
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 29th Annual General Meeting of the Members of Sujana Universal Industries Limited will be held on Saturday, the 29th day of September, 2018 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 consolidated financial statements of the Company for the financial year ended March 31, 2018, including the audited Balance Sheets as at March 31, 2018, 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.

SPECIAL BUSINESS:

3. **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 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. G. Uma Devi (DIN: 07958472), who was appointed as an Additional Director (Independent) of the Company by the Board of Directors w.e.f. October 13th, 2017 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 G. Uma Devi 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 October 13th, 2017 to October 12th, 2022."

4. **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 Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and other applicable provisions if any, consent of members of the Company be and is hereby accorded for continuation of Directorship of Dr. K Srinivasa Rao (DIN: 02257745) , who was re-appointed as Independent Director of the Company for a period of 5 years at the 25th Annual General Meeting of the Company held on September 30, 2014 till conclusion of 30th Annual General Meeting and who has attained the age of 75 years for remaining period of his existing term of Directorship as Independent Director of the Company."

"RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be deemed proper and expedient to give effect to this Resolution."

5. **To ratify the remuneration of the Cost Auditors for the financial year ending March 31st , 2019 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 modifications(s) or re-enactment thereof, for the time being in force), the remuneration of Rs. 20,000/- (Rupees Twenty Thousand Only) plus reimbursement of actual expenses, to be paid to M/s. BVR and Associates (Member Ship No: 000453) Cost Auditors of the Company, for

SUJANA UNIVERSAL INDUSTRIES LIMITED

the financial year 2018-19, as approved by the Board of Directors of the Company, be and is hereby ratified.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution:

"RESOLVED THAT in addition to the special resolution passed by the Members of the Company in their 25th Annual General Meeting held on 30th day of September, 2014 and pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and the provisions of the Memorandum and Articles of Association of the Company and all other applicable rules, regulations, guidelines and other provisions of law, and also subject to all necessary approvals, consents, permissions and sanctions from the concerned authorities/bodies including Company's Secured Lenders and other persons holding encumbrance/charge, and subject to such terms and conditions as may be imposed by any of them, the consent and approval of the members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute from time to time to exercise its powers including the power conferred by this resolution) to transfer, sell, assign, deliver or otherwise dispose-off, from time to time, in one or more tranches, the whole or substantially the whole of the asset(s)/undertaking(s) of the Company and/or of its subsidiaries together with all tangible and

intangible assets (including its investment in subsidiary companies), liabilities, contracts, books, ledgers, records, pertaining to accounts, finances, information technology, insurance policies, rights, government or regulatory licenses and permits, employees and all other rights and claims of the Company pertaining to the said asset(s)/undertaking(s), on a slump sale basis or by any other mode as a going concern or otherwise, to any related or unrelated person(s)/ body(ies)/entity(ies)/ company(ies), for such consideration(s) whether in cash or otherwise and on such terms and conditions and in such manner as the Board may in its absolute discretion decide or as it may deem fit."

RESOLVED FURTHER THAT the Board be and is hereby authorised and empowered to make efforts to identify the potential buyer(s) either in India or abroad, to negotiate with them regarding the above transaction and authorized to do and perform or cause to be done all such acts, deeds, matters and things, as may be required or deemed necessary or incidental thereto, and to settle, approve, ratify and finalise all issues that may arise in this regard, without further referring to the Members of the Company, including without limitation, finalising and executing any agreements, writings, papers, memoranda, deed(s) of assignment/ conveyance, undertaking and/ or such other document(s) as may be necessary or expedient in their own discretion, and to delegate all or any of the powers or authorities herein conferred to any Director(s) or other official(s) of the Company, or to engage any advisor, consultant, agent or intermediary, as may be deemed necessary and to do all necessary and incidental acts to give effect to this resolution."

"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 any one or more Directors of the Company and to delegate such powers to any Officers of the Company as it may consider necessary or expedient or to engage any advisor, consultant, agent or intermediary, as may be deemed necessary to give effect to this resolution."

7. 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 (“Act”) and the rules, circulars, orders and notifications issued there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V of the Companies Act (including any statutory modification(s) or re-enactment thereof, for time being in force), subject to all guidelines for managerial remuneration issued by the Central Government from time to time, and approval of Central Government, required if any, and such other consents and approvals as may be required, and as recommended by the Nomination and Remuneration Committee, consent of the members be and is hereby accorded for reappointment of Shri G. Srinivasa Raju (DIN: 00132249), as the Managing Director a Whole time Key Managerial Personnel (KMP), of the Company, with substantial powers of management to be exercised by him, subject to the superintendence, control and direction of the Board of Directors of the Company, for a period of 03 (three) Years, effective from 30th May, 2018 till 29th May, 2021 on the existing remuneration of Rs. 48,00,000 (Forty Eight Lakhs Only) per annum (including perquisites except car and telephone provided by the Company). The remuneration, if any payable taking together with the remuneration received by Shri G. Srinivasa Raju for being Managing Director & Key Managerial Person of M/s. Sujana Towers Limited, shall not exceed the limits as prescribed in the Schedule V of the Companies Act, 2013.”

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

Company, within the overall limit as provided in the provisions of the Companies Act, 2013.”

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

“RESOLVED FURTHER THAT the remuneration specified above for Shri G. Srinivasa Raju, Managing Director may, subject to overall ceiling specified above and subject to Schedule V of the Companies Act be modified, during the tenure of office as Managing Director, as may be agreed by the Board of Directors and Shri G. Srinivasa Raju.”

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

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

BY ORDER OF THE BOARD

G. Srinivasa Raju
Managing Director
(DIN: 00132249)

Place: Hyderabad
Date : 29th August, 2018

SUJANA UNIVERSAL INDUSTRIES LIMITED

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
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 27, 2018 (One Day only).
9. Details under SEBI (Listing Obligations & 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.
10. 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.
11. 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.
12. 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.
13. 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.

14. 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).
15. 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.
16. 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.
17. Electronic copy of the Annual Report for 2017-18 (including Notice of the 29th 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 2017-18 is being sent in the permitted mode.
18. 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.
19. Members may also note that the Notice of the 29th Annual General Meeting and the Annual Report for 2017-18 will also be available on the Company's website 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.
20. 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
21. 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.
22. 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

SUJANA UNIVERSAL INDUSTRIES LIMITED

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 29th 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).

- 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 25th September, 2018 (9:00 A.M.) and ends on 28th September, 2018 (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 Saturday, 22nd September, 2018, 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 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:
- **How do I vote electronically using NSDL e-Voting system?**
The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:
Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>
Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

4. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:
- a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c. How to retrieve your 'initial password'?
- i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the

.pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

- ii. If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
- a) Click on "Forgot User Details/ Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b) Physical User Reset Password? (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

- After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
- After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
- Select "EVEN" of company for which you wish to cast your vote.
- Now you are ready for e-Voting as the Voting page opens.

SUJANA UNIVERSAL INDUSTRIES LIMITED

5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. 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. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to yravfcs@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. 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 download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

BY ORDER OF THE BOARD

G. Srinivasa Raju
Managing Director
(DIN: 00132249)

Place: Hyderabad
Date: 29th August, 2018

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. 3 to 7 of the accompanying Notice:

Item No: 3

Smt G. Uma Devi has been appointed as Additional (Independent) Director of the Company on 13th October, 2017, pursuant to Regulation 17(1)(a) of Listing Regulations, 2015 read with Section 149 of the Companies Act, 2013 and who hold office upto the conclusion of the forthcoming annual general meeting of the Company.

The Company has received notice in writing from a member under Section 160 of the Companies Act, 2013 proposing the candidature of Smt. G. Uma Devi as an Independent Director of the Company.

It was proposed to appoint Smt G. Uma Devi as Independent Director under Section 149, 152 of the Act and Regulation 17 of the Listing Regulations 2015 to hold office for 5 (five) consecutive years.

The Company has received declarations from Smt G. Uma Devi that she meets with criteria of Independence as prescribed both under sub-section (6) of Section 149, 164 (not disqualified from being appointed as Directors) of the Act and under Regulation 17 of the Listing Regulations 2015.

The Board of Directors of your Company, after reviewing the provisions of the Act, are of the opinion that Smt G. Uma Devi fulfills the conditions specified in the Act and the Rules made thereunder to be eligible to be appointed as Independent Director pursuant to the provisions of Section 149 of the Act and Regulation 17 of the Listing Regulations.

Disclosures required under Regulation 36(3) of SEBI (LODR) Regulations, 2015 and Secretarial Standard-2 of ICSI is set out as the annexure to this Notice.

Except Smt. G. Umadevi, none of the other Directors/Key Managerial Personnel of

the Company/his relatives is, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board recommends the Ordinary Resolution set out in Item Nos.3 of the Notice for approval of members of the Company.

Item No. 4

Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified on June 7, 2018 prescribes that no listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five years unless a special resolution is passed to that effect.

Dr.K.Srinivasa Rao, age 84 years, was reappointed as an Independent Directors of the Company at the 24th Annual General Meeting of the Company held on 30th September, 2014 for a period of five years.

Dr. K. Srinivasa Rao, is an Independent, Non-Executive Director of the Company. He is Chairman of Audit Committee of the Company. He brings an independent judgement on the Board's discussions especially on issues related to strategy, operational performance and risk management.

He started his career in July, 1957 as a Probationary Officer in State Bank of India, he was the Superintendent, Foreign Exchange Department, Bangalore Branch. He worked in various capacities such as Accountant, Officer-in-charge, Branch Manager, Deputy Chief Accountant, Chief Manager, General Manager, Finance Director etc., of State Bank of India at various branches across India. He retired from SBI as Chief General Manager in 1994.

In view of the said provision of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and considering the experience and knowledge of Dr.K.Srinivasa Rao, it is proposed to recommended the continuation of Directorship of dr.K.Srinivasa Rao, as Independent Directors for the remaining period of his term (upto 29.09.2019).

Except Dr. K. Srinivasa Rao, 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 Special Resolution set out at Item No.4 of the Notice for approval by the shareholders.

Item No. 5

The Board of Directors, on recommendation of the Audit Committee, at their meeting held on May 30th , 2018, has approved the appointment and remuneration of the M/s. BVR and Associates, (Member Ship No: 000453) 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, 2019 on a remuneration of Rs. 20,000/- (Rupees Twenty Thousand Only) plus reimbursement of actual expenses.

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.5 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31stMarch, 2019.

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

The Board recommends the Ordinary Resolution set out at Item No.5 of the Notice for approval by the shareholders.

Item No. 6

Your Company "M/s Sujana Universal Industries Limited" (Hereinafter referred to as "SUIL") have availed Loans from various banks, financial Institutions and other lenders, both domestic and overseas, pursuant to the respective financing documents entered into with them.

The Company has been facing financial crunch based on factors which influenced the performance of the Company as mentioned

SUJANA UNIVERSAL INDUSTRIES LIMITED

below:

- Slow down in Global economy impacted all sectors in general and Steel sector in particular was very badly hit.
Political unrest in Andhra Pradesh in the form of Telangana agitation badly affected the working of units of SUIL, as majority of manufacturing facilities were located in united A.P.
- During the same period, severe Power cuts in Andhra Pradesh hampered the production process, forcing the Company to buy private power at high cost. This had seriously impacted the production quantities.
- Due to the above factors, the credit cycle to customers has been stretched and there were delays in realization from debtors, which resulted in mismatch of cash flow. These high receivables have impacted the short term liquidity of the company. This has restricted the company's ability to meet its commitment through internal source of funds.
- Further shortfall in sanction of WC limits against assessed limits also contributed to financial concerns.

In view of the above, it is thought fit to request the Lenders to consider One Time Settlement of the dues and settle the dues by sale of assets to any potential buyer(s) at a consideration as may be determined by the Independent Valuers and decided by the Board subject to the approval of members of the Company. As per provisions of Section 180(1)(a) of the Companies Act, 2013, the Company cannot, except with the consent of the shareholders by way of special resolution, sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company or where the company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings.

Also, in terms of Regulation 24 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations),

the Company shall not dispose of shares in its material subsidiary resulting in reduction of its shareholding (either on its own or together with other subsidiaries) to less than 50% or cease the exercise of control over the subsidiary without passing a special resolution in its general meeting. Further, Regulation 24(6) of SEBI Listing Regulations, provides that no company shall sale, dispose of assets amounting to more than 20% of the assets of the material subsidiary on an aggregate basis during a financial year without passing a special resolution in its general meeting.

The Company proposes to transfer, sell, assign, deliver or otherwise dispose-off, from time to time, in one or more tranches, the whole or substantially the whole of the asset(s)/ undertaking(s) of the Company and/ or its subsidiaries as set out in the resolution at Item No. 6 and requires approval of the members of the Company by way of 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 this resolution.

The Board of Directors accordingly recommends the Special Resolution set out at Item No. 6 of the accompanying Notice for the approval of the Members.

Item No.7

Shri G. Srinivasa Raju, aged 55 years, holds Bachelor's Degree in Mechanical Engineering from Chaitanya Bharathi Institute of Technology, Hyderabad. He also holds a Master Degree in Engineering from Roorkee University. Shri G. Srinivasa Raju has about 32 plus years of professional experience in manufacturing sector and immense knowledge in the steel & related products business.

Brief resume of Shri G. Srinivasa Raju, nature of his expertise in specific functional areas, names of companies in which he holds directorships and memberships /chairmanships of Board Committees, shareholding and relationships amongst directors inter-se as stipulated under Regulation 17 of Listing Agreement entered

with the Stock Exchanges has been provided and forming part of the Annual Report of the Company.

On the recommendation of the Nomination and Remuneration Committee of the Board, the Board of Directors of the Company ("Board") at its meeting dated 30th May, 2018 re-appointed Shri G. Srinivasa Raju as the Managing Director of the Company for a period of 3 (three) Years with effect from 30th May, 2018.

It is now proposed to seek the Shareholders' approval for appointment of Shri G. Srinivasa Raju as Managing Director, liable to retire by rotation and a Key Managerial Personnel, in terms of the applicable provisions of the Companies Act, 2013 ("Act") with effect from 30th May, 2018 for a period of three years, on the existing terms and conditions set out hereunder:

During the current financial year your Company has achieved a net loss of Rs.105.14 crores. In case of losses or inadequacy of profits in any financial year during his tenure as Managing

Director of the Company the remuneration payable to him shall be in accordance with the limits prescribed in Section II of Part II of Schedule V of the Companies Act, 2013 as amended from time to time subject to the compliance thereof but in any event shall not exceed the limit of remuneration payable when the profits of the Company are adequate.

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

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

I. GENERAL INFORMATION

1. Nature of Industry:

The Company is in the area of manufacturing and Company is currently operating in various areas/verticals/products related to Steel & its related products, Appliances, Light Engineering Components (LEC) and International Trading

of steel & related products, applications include automobiles 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 vide Corporate Identity Number L29309AP1986PLC006714 and has obtained its Commencement of Business 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:

Particulars	2017-18 (12 months) (Rs in lakhs)	2016-17 (12 months) (Rs in lakhs)
Total Revenue	5752.15	161108.81
Total Expenses	15317.35	180469.12
Profit After Tax	(10514.40)	(16352.53)
Dividend Rate	--	--

4. Export performance and net foreign exchange collaborations:

Particulars	2017-18 (12 months) (Rs in lakhs)	2016-17 (12 months) (Rs in lakhs)
Export FOB Value	3436.54	32401.94
Earnings in Foreign Exchange	3436.54	32401.94

5. Foreign investments or collaborators, if any:

Investments in Subsidiaries as on 31.03.2018 are Rs. 242.64 crores

Loans & Advances to Subsidiaries as on 31.03.2018 are Rs. 74.87 crores

II. INFORMATION ABOUT THE APPOINTEE

1. Background details:

Shri G. Srinivasa Raju is a Promoter-Director of

SUJANA UNIVERSAL INDUSTRIES LIMITED

Company aged 52 years and holds Bachelor's Degree in Mechanical Engineering from Chaitanya Bharathi Institute of Technology, Hyderabad.

He also holds a Master Degree in Engineering from Roorkee University. He has contributed to the Company with his rich and vast industrial experience, including the management of granite units. His wide exposure to the steel products industry has helped the Company to diversify in many new products and achieve quality and standard products, his knowledge of deep understanding of all the aspects of business administration has helped the Company in many ways.

2. Past Remuneration:

S. No.	Year	Amount (Per Month in Lakhs)
1	2015 (Appointed w.e.f:12.08.2015)	400000
2	2016	400000
3	2017	-
4	2018	400000

3. Job profile and his suitability:

Managing Director shall devote his whole time and attention to the business of the Company and carry out such duties as may be entrusted to him by the Board of Directors from time to time and separately communicated to him and such powers as may be assigned to him, subject to superintendence, control and directions of the Board in connection with and in the best interests of the business of the Company and the business of any one or more of its associated companies and/or joint venture companies and/or subsidiaries. This includes performing duties as assigned by the Board from time to time by serving on the boards of such associated companies and/or joint venture companies and/or subsidiaries or any other executive body or any committee of such a company for which he may be allowed to receive remuneration as may be determined by the Board of such associated companies and/or joint venture companies and/or subsidiaries, subject to compliance with the applicable provisions of the prevailing laws and regulations.

Shri G. Srinivasa Raju is a Promoter of the Company and being assigned the role and responsibilities of Managing Director of the Company with his rich and vast industrial experience in management of granite units, steel production, appliance marketing, and bearing design has helped the company in various ways, his deep understanding of the aspects of business administration has also added advantage to the Company for the internal management and control. His wide exposure to the steel products industry has helped the Company to diversify in many new products and achieve new contracts. Taking into account the value added by Shri G. Srinivasa Raju to the Company, the Board feels he is the best suitable for the post of Managing Director.

4. Remuneration:

The remuneration was approved by the Remuneration Committee of the Company and Board of the Company is Rs.48,00,000 (Forty Eight Lakhs Only) per annum, inclusive of all perquisites and allowances but excluding Car Service provided by the Company and Telephone facility. The remuneration is continued as that of the previous terms.

5. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin).

Shri G. Srinivasa Raju has held key positions in the Company ever since his appointment as Managing Director in the year 2005. His vast experience in the domestic appliances, bearing design, and steel industry has helped the Company strategically, resulting in the Company to expand rapidly and benefit from key opportunities in the Indian and overseas steel industry. His skill set and his experience places him in a correspondingly equal position to major steel companies in India. Considering the general industry and the specific company profile, the proposed remuneration is in line with the industry levels and that of comparatively placed companies in India.

6. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any Shri G. Srinivasa Raju being one for the promoters of the Company is associated with the Company from its inception and does not hold any stake in the Company.

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

III. OTHER INFORMATION

1. Reason of inadequate profits:

Your company has incurred a net loss of Rs.105.14 crores for the financial year ended 31st March 2018.

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 measureable 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.

Shri G. Srinivasa Raju (DIN: 00132249) being an appointee is interested in the resolutions set out at Item No. 07 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 any way concerned or interested, financially or otherwise in this resolution.

BY ORDER OF THE BOARD

G. Srinivasa Raju
Managing Director
(DIN: 00132249)

Place: Hyderabad
Date: 29th August, 2018

SUJANA UNIVERSAL INDUSTRIES LIMITED

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

(In pursuance of Regulation 36(3) of the Listing Regulations, 2015)

Name of Director	Smt G.Uma Devi	Shri G.Srinivasa Raju
Director Identification Number	07958472	00132249
Date of Birth	21.07.1973	20.10.1963
Date of Appointment	13.10.2017	13-08-2010
Expertise	She is having vast experience in Human Resource and Business Development activities in Multinational organizations. She worked with leading Multinational Pharmaceutical Company Dr. Reddy's Laboratories Ltd. During her career with Dr. Reddy's she had an opportunity to understand and solve the worker's union problems by designing various employee welfare schemes and instrumental in implementing in order to achieve healthy and profitable environment. She is a Social Worker and she was a Member of Central Board of Film Certification (CBFC).	He is the Managing Director of the Company. He has a rich and varied industrial experience, which also includes the management of granite units. Mr. G. Srinivasa Raju has wide exposure to the steel products industry; he also possesses a deep understanding of all the aspects of business administration. Mr. G. Srinivasa Raju has joined as one of the promoters in the year 1995.
Qualifications	Masters Degree in Social Work from Andhra Loyola College, Vijayawada, Andhra Pradesh	Post graduate in mechanical engineering with specialization in Machine designs from Roorkee University
Directorship held in other public companies (excluding foreign companies)	<ol style="list-style-type: none"> Splendid Metal Products Limited Neueon Towers Limited 	<ol style="list-style-type: none"> Splendid Metal Products Limited Sujana Holdings Limited Neueon Towers Limited Sujana Projects Limited Sujana Energy Limited Sujana Capital Services Limited Sujana Power (India) Limited
Membership / Chairmanship of Committees of other public companies (includes only Audit Committees and Shareholders' Grievances Committee) C = Chairman, M = Member	<p>Audit Committee:</p> <ol style="list-style-type: none"> Sujana Universal Industries Limited (M). 	<p>Shareholders' Grievances Committee:</p> <ol style="list-style-type: none"> Neueon Towers Limited (M) Splendid Metal Products Limited (M).
Shareholdings in the Company	Nil	Nil
Relationship between directors inter-se	Nil	Nil

BY ORDER OF THE BOARD

G. Srinivasa Raju

Managing Director
(DIN: 00132249)

Place: Hyderabad
Date: 29th August, 2018

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 2018.

Company's Performance

Your Company has achieved a turnover of Rs. 5,534.71 lakhs for the year ended 31st March, 2018, as against the turnover of Rs. 1,61,096.29 lakhs for the previous year ended 31st March, 2017, the highlights of the financial results are as follows:

Rs. in Lakhs

Particulars	2017-2018	2016-2017
Profit Before Depreciation & Interest	(7692.29)	(166.43)
Financial Costs	55.60	17,159.64
Depreciation	1817.31	2,034.24
Profit Before Tax	(9565.20)	(1,9360.31)
Provision for Tax		
- Current Tax	-	-
- Deferred Tax	(949.20)	(3007.78)
Profit After Tax	(10514.40)	(16352.53)
Balance of profit brought forward from earlier years	4312.86	21,126.38
Add: Excess Provision for IT written off	17511.35	461.01
Profit available for appropriation	(3234.55)	4312.86
Appropriations:		
Proposed Dividend:		
- Equity	-	-
- Preference	-	-
- Dividend Tax	-	-
Balance of Profit	(3234.55)	4312.86

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.
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, 2018 it has recorded a turnover of Rs. 5534.71 lakhs.
LEC Division	The LEC division is mainly includes bearing and bearing components.
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.

SUJANA UNIVERSAL INDUSTRIES LIMITED

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
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. 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. 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.

There are overdues payable to the lenders as mentioned in the Auditors' Report. The Company has approached lenders for resolution of financial problems by way of SDR route and the same could not yield positive results and presently, OTS proposal by the prospective strategic investors, is put forth before the lenders. If this is accepted by the lenders, your Company is hopeful of reviving its operations in full swing.

However, a Special Resolution under Section 180(1)(a) of the Companies Act, 2013 for approving the Sale / Disposal of Asset(s)/Undertakings of the Company and/or its subsidiaries has been set out in the Notice calling for the ensuing Annual General Meeting to be held on 29.09.2018 for the purpose of clearing the dues of the lenders under One Time Settlement as may be agreed by the Lenders.

Share Capital

The paid up Equity Share Capital as on 31st March, 2018 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, 2018, 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, 2018.

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 years there were very cordial and extremely good industrial relations at all levels.

Meetings

During the year under review, Four (04) Board Meetings were held on May 30th, 2017, August 14th, 2017, November 14th, 2017 and February 14th, 2018. The maximum time gap between any two consecutive meetings was within the period prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015..

Directors

During the year under review, Smt. G Uma Devi was appointed as additional Director w. e. f: 13th October, 2017 under section 149 of the Act..

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.

The Resolutions proposing their re-appointment/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 164 (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 S.Rengaraj : Chief Financial Officer

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, 2018 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.

SUJANA UNIVERSAL INDUSTRIES LIMITED

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.

Statutory Auditors:

Members of the Company at the Annual General Meeting ('AGM') held on 29th September, 2017, approved the appointment of M/s. J.Singh & Associates, Chartered Accountants (Membership No.042023), as Statutory Auditors of the Company to hold office from the conclusion of 28th Annual General Meeting of the Company till the conclusion of the 33rd Annual General Meeting of the Company. M/s. J.Singh & Associates has audited the book of accounts of the Company for the Financial Year ended March 31, 2018 and have issued the Auditors' Report thereon.

In terms of the provisions relating to statutory auditors forming part of the Companies Amendment Act, 2017, notified on May 7, 2018, ratification of appointment of Statutory Auditors at every AGM is no more a legal requirement. Accordingly, the Notice convening the ensuing AGM does not carry any resolution on ratification of appointment of

Statutory Auditors. However, M/s. J.Singh & Associates has confirmed that they are eligible to continue as Statutory Auditors of the Company to audit the books of accounts of the Company for the Financial Year ending March 31, 2019 and accordingly M/s. J.Singh & Associates will continue to be the Statutory Auditors of the Company for Financial Year ending March 31, 2019.

Explanations to any qualification in Auditors Report

a. The Company has defaulted in repayment of dues to Banks/Financial Institutions during the current financial year. All loans outstanding were classified as NPA by the banks during the preceding financial years. Provision for interest (excluding penal interest) amounting to Rs. 177.78 Cr. and Rs. 13.00 Cr. on its Working Capital Loan and Term Loan respectively has not been made in the books by the Company, as those Loan Accounts were classified as NPA by the Lending Banks and Financial Institutions. The loss of the Company has been understated by Rs. 190.78 Cr. in view of non provision of Interest amount. If the accrued interest on outstanding bank facilities debited to P&L account then the company will incur loss of Rs.295.92 Cr.

As on 31.3.2018, the outstanding secured loans stand at Rs. 1022.83 cr., and the Company is pursuing with the lenders a viable restructuring package. As almost all the Banks/Financial Institutions, the lenders have classified our loan accounts as NPA's and in view of the Company's efforts with the lenders for settlement of dues in the form of OTS/Resolution of debts by takeover by strategic investors, the Company has not provided in the books of account unpaid interest amounting to Rs.190.78 cr., for the current financial year 2017-18.

b. The Company is not regular in payment of undisputed statutory dues during the current financial year amounting to Rs. 8.01cr which includes Income Tax, Corporate Dividend Tax, TDS, VAT, Service Tax, Provident Fund, Employees State Insurance and Professional Tax.

Due to the slowdown in the realizations of receivables and the cash crunch faced by the Company the undisputed statutory liability of Rs.8.01 cr., could not be met on time.

c. Since the Company has not obtained any technical/market/commercial evaluation for the inventory, we are unable to comment on the realizable value of the same, which may be lower than the amount at which it has been reflected in the balance sheet.

In absence of technical and costing evaluation of current and noncurrent assets, impact of impairments, if any, on their economic value, we can't comment on the realizable value of same.

The valuation of inventories is as per the policy, valued at cost or market value whichever lower. The Company has not obtained any technical/market or commercial reports for the same as it has been the policy of the Company to value the stocks at cost or market value whichever is lower.

d. The trade receivables amounting to Rs. 335.68 Cr could not be verified as confirmation of balances have not been received. The company has written off debtors amounting to Rs.7.89 Cr in the current financial year. The realisability of trade receivables amounting to Rs. 335.68 Cr is in doubt and company has not made any provision for Bad and Doubtful debts in respect of these receivables.

The parties from whom trade receivables amounting to Rs.335.68 crores are receivable, have already been addressed by letters to confirm the amounts due as on 31.3.2018. However, their confirmations have been pending to be received and the Company has been following up with the Debtors.

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 2018-19 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 M/s. RPR & Associates, Practising Company Secretaries

SUJANA UNIVERSAL INDUSTRIES LIMITED

(CP No.5360) to undertake the Secretarial Audit of the Company. The secretarial audit report issued by M/s. RPR & Associates,, Practicing Company Secretaries for the financial year ending 31st March, 2018 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

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

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 net loss 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.

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, 2018 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 requirements of applicable SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 regarding Corporate Governance, Management Discussion and Analysis, a report on the Corporate Governance practice 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

Place: Hyderabad
Date: 29th August, 2018

G. Srinivasa Raju
Managing Director
(DIN:00132249)

S. Hanumantha Rao
Whole Time Director
(DIN:00118801)

SUJANA UNIVERSAL INDUSTRIES LIMITED

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	01.04.2017 to 31.03.2018	01.04.2017 to 31.03.2018	01.04.2017 to 31.03.2018	01.04.2017 to 31.03.2018	01.01.2017 to 31.12.2017
4. Reporting currency and Exchange	65.14	65.14	65.14	65.14	63.84
5. Share Capital	9,379.67	6,407.24	41.75	17,796.88	0.07
6. Reserves & Surplus	6,023.60	1,217.15	(3,469.27)	2,638.66	(4,421.61)
7. Total Assets	15,818.35	13,887.54	23,733.67	50,355.02	14,223.68
8. Total Liabilities	415.08	6,263.15	27,161.19	29,922.09	14,551.77
9. Investments	1,416.24	-	1,302.80	17,777.41	-
10. Turnover	1,913.28	36,836.47	2,058.01	-	-
11. Profit before taxation	2.53	52.45	(733.71)	(17.15)	(1,103.37)
12. Provision for taxation	(1.29)	5.15	-	-	-
13. Profit after taxation	3.82	47.30	(733.71)	(17.15)	(1,103.37)
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
(DIN: 00132249)

S. Hanumantha Rao
Whole Time Director
(DIN: 00118801)

Place: Hyderabad
Date: 29th August, 2018

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:
Splendid Metal Products Limited	Group Company	Sales & Purchases of Materials	Ongoing	Based on transfer pricing guidelines	Not applicable	Not Applicable
Neueon 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
(DIN: 00132249)

S. Hanumantha Rao
Whole Time Director
(DIN: 00118801)

Place: Hyderabad

Date: 29th August, 2018

SUJANA UNIVERSAL INDUSTRIES LIMITED

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

1. **A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes:**
The Board of Directors, on recommendation of the Corporate Social Responsibility (CSR) Committee framed a Corporate Social Responsibility Policy which is posted in the Investors section of the Company's website www.sujana.com. 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. Nil
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

Place: Hyderabad
Date: 29th August, 2018

G. Srinivasa Raju
Managing Director
(DIN: 00132249)

S. Hanumantha Rao
Whole Time Director
(DIN: 00118801)

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, 2018 and of the loss of the Company for the financial year ended 31st March, 2018.
- 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

Place: Hyderabad
Date: 29th August, 2018

G. Srinivasa Raju
Managing Director
(DIN: 00132249)

S. Hanumantha Rao
Whole Time Director
(DIN: 00118801)

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

5/A, Vengal Rao Nagar, Hyderabad – 500 038.

We 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 us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the Financial Year ended on 31st March, 2018 (i.e 1st April, 2017 to 31st March, 2018) generally 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. We 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, 2018 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'):-
 1. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 2. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 3. 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;
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;

SUJANA UNIVERSAL INDUSTRIES LIMITED

- b. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - c. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - d. 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. We 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.

4. 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 Andhra Pradesh. The Company has preferred appeal OSA 13 of 2015 against the said admission of C.P.174 of 2013. In OSA 13 of 2015, the Hon'ble High Court on 28.08.2016 has dismissed as infructuous. C.P No.169 of 2014 and C.P.174 of 2013 are still pending for disposal. The Company is also exploring the process of settlement.

We 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 in advance as required, 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.

We 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.

For RPR& Associates
Company Secretaries

Y Ravi Prasada Reddy
Proprietor
CP No. 5360
Membership No. 5783

Place: Hyderabad
Date: May 30th, 2018

Note: This Report is to be read with our letter of even date which is annexed as Annexure and forms part of this report.

ANNEXURE

To,
The Members of
M/s. Sujana Universal Industries Limited
Plot No. 5/A, Vengal Rao Nagar,
Hyderabad – 500 038.

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices followed by us provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the Management representations about the compliance of laws, rules and regulations and happening of events etc.,
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For RPR& Associates
Company Secretaries

Y Ravi Prasada Reddy
Proprietor
CP No. 5360
Membership No. 5783

Place: Hyderabad
Date: May 30th, 2018

SUJANA UNIVERSAL INDUSTRIES LIMITED

Annexure V

EXTRACT OF ANNUAL RETURN

as on the financial year ended 31.03.2018

[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	5/A, Vengal Rao Nagar, Hyderabad, Telangana - 500 038, 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, Ugland 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)

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

i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	-	-	-	-	-	-	-	0.00%	0.00%
b) Central Govt	-	-	-	-	-	-	-	0.00%	0.00%
c) State Govt(s)	-	-	-	-	-	-	-	0.00%	0.00%
d) Bodies Corp.	4,48,98,335	-	4,48,98,335	26.59%	4,48,98,335	-	4,48,98,335	26.59%	0.00%
e) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (1)	4,48,98,335	-	4,48,98,335	26.59%	4,48,98,335	-	4,48,98,335	26.59%	0.00%
(2) Foreign									
a) NRI Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Other Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (2)	-	-	-	0.00%	-	-	-	0.00%	0.00%
TOTAL (A)	4,48,98,335	-	4,48,98,335	26.59%	4,48,98,335	-	4,48,98,335	26.59%	0.00%
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	1,800	1,800	0.00%	-	1,800	1,800	0.00%	0.00%
b) Banks / FI	-	100	56,537	0.03%	-	100	100	0.00%	-0.03%
c) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Insurance Companies	-	-	-	0.00%	-	-	-	0.00%	0.00%
g) FIIs	-	-	-	0.00%	-	-	-	0.00%	0.00%
h) Foreign Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
i) Others (specify)	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub-total (B)(1):-	-	1,900	58,337	0.02%	-	1,900	1,900	0.00%	-0.02%
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	66,99,182	99,600	67,98,782	4.03%	56,48,583	99,600	57,48,183	3.40%	
ii) Overseas	-	-	-	0.00%	0	0	-	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	3,58,97,410	13,66,386	3,72,63,796	22.07%	39,39,759	13,61,686	4,07,61,445	24.14%	
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	7,27,05,675	-	7,27,05,675	24.15%	72,63,361	-	7,26,33,613	43.02%	

SUJANA UNIVERSAL INDUSTRIES LIMITED

c) Others (specify)	-	-	-	0.00%	0	0	-	0.00%	0.00%
Non Resident Indians	59,16,984	-	59,16,984	3.50%	3976145	0	39,76,145	2.35%	-1.15%
Overseas Corporate Bodies	-	-	-	0.00%	0	0	-	0.00%	0.00%
Foreign Nationals	-	-	-	0.00%	0	0	-	0.00%	0.00%
Clearing Members	12,40,600	-	12,40,600	0.73%	821451	0	8,21,451	0.49%	-0.25%
Trusts	15,000	-	15,000	0.01%	0	-	-	0.00%	-100.00%
Foreign Bodies - D R	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub-total (B)(2):-	4,97,69,176	14,65,986	5,12,35,162	30.35%	12,24,79,551	14,61,286	12,39,40,837	73.41%	43.06%
Total Public (B)	4,97,69,176	14,67,886	5,12,37,062	30.35%	12,24,79,551	14,63,186	12,39,42,737	73.41%	43.06%
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	9,46,67,511	14,67,886	9,61,35,397	56.94%	16,73,77,886	14,63,186	16,88,41,072	100.00%	

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	
Sujana Finance & Trading (P) Limited	4,48,98,335	26.59%	0.0%	4,48,98,335	0.00%	26.59%	0.00%
TOTAL	4,48,98,335	26.59%	0.00%	4,48,98,335	0.00%	26.59%	0.00%

iii) Change in Promoters' Shareholding (please specify, if there is no change)

Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares	No. of shares	% of total shares
At the beginning of the year	01/04/2017		44,898,335	26.59%		
Changes during the year		Transfer	-	0.00%	44,898,335	26.59%
At the end of the year	31/03/2018		-		44,898,335	26.59%

(iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):

S. No.	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	SANTOSH SITARAM GOENKA						
	At the beginning of the year	01.04.2017		2,343,628	1.39%		
	Changes during the year	22.12.2017	Transfer	(1,004,326)		-	0.00%
		29.12.2017	Transfer	(202,734)			
		05.01.2018	Transfer	(211,415)			
		12.01.2018	Transfer	(925,153)	-		
	At the end of the year	31/03/2018				-	0.00%

2	Suvarna Kumari Agrawal						
	At the beginning of the year	01.04.2017		2,258,118	1.34%		
	Changes during the year	07.04.2017	Transfer	(758,118)			
		14.04.2017	Transfer	(791,921)			
		21.04.2017	Transfer	(708,079)			
	At the end of the year	31/03/2018				-	0.00%
3	ASHISH CHOUDHARY						
	At the beginning of the year	01.04.2017		1,500,000	0.89%		
	Changes during the year	Nil					
	At the end of the year	31/03/2018				1,500,000	0.89%
4	KARTHIKEYAN						
	At the beginning of the year	01.04.2017		-	0.00%		
	Changes during the year	14.04.2017	Transfer	676,848			
		21.04.2017	Transfer	696,758			
		18.08.2017	Transfer	1,900			
		25.08.2017	Transfer	500			
		15.09.2017	Transfer	130,629			
		27.09.2017	Transfer	700			
		27.10.2017	Transfer	1			
		10.11.2017	Transfer	(63,834)			
		08.12.2017	Transfer	60,838			
		19.01.2018	Transfer	(60,000)			
		23.02.2018	Transfer	1			
	At the end of the year	31.03.2018				1,444,341	0.86%
5	PRADEEP LOBO						
	At the beginning of the year	01.04.2017		1,282,078	0.76%		
		02.03.2017	Transfer	(34,283)			
		09.03.2017	Transfer	(815,211)			
		16.03.2018	Transfer	(432,584)			
	At the end of the year	31/03/2018	Transfer				0.00%
6	T GOPI RAJU						
	At the beginning of the year	01.04.2017		1,195,771	0.71%		
	Changes during the year	05.05.2017	Transfer	(60,000)			
		12.05.2017	Transfer	(135,331)			
		19.05.2017	Transfer	(10,000)			
		07.07.2017	Transfer	(15,000)			
		28.07.2017	Transfer	(25,000)			
		12.01.2018	Transfer	(140,440)			
		19.01.2018	Transfer	(147,205)			
	At the end of the year	31.03.2018				662,795	0.39%
7	NEIL JEROME DSILVA						
	At the beginning of the year	01.04.2017		1,153,579	0.68%		
	Changes during the year	Nil		-			
	At the end of the year	31.03.2018				1,153,579	0.68%

SUJANA UNIVERSAL INDUSTRIES LIMITED

8	ANIL KUMAR MISRA						
	At the beginning of the year	01.04.2017		1,126,905	0.67%		
	Changes during the year						
		07.04.2017		35,129			
		14.04.2017		279,809			
		21.04.2017		12,889			
		05.05.2017		5,700			
		19.05.2017		93,475			
		26.05.2017		53,957			
		02.06.2017		5,208			
		09.06.2017		46,296			
		16.06.2017		29,561			
		23.06.2017		67,444			
		30.06.2017		77,605			
		07.07.2017		53,365			
		28.07.2017		(541,921)			
		04.08.2017		(302,170)			
		11.08.2017		(353,200)			
		18.08.2017		(167,000)			
		25.08.2017		(39,770)			
		01.09.2017		(297,700)			
		08.09.2017		(140,582)			
		22.09.2017		(19,500)			
		13.10.2017		(13,201)			
		20.10.2017		(12,299)			
	At the end of the year	31/03/2018				1,126,905	0.67%
9	SHARWAN SINGH GULERIA						
	At the beginning of the year	01.04.2017		200,000	0.12%		
	Changes during the year	14.04.2017	Transfer	30,000			
		28.04.2017	Transfer	28,000			
		07.07.2017	Transfer	21,000			
		14.07.2017	Transfer	11,000			
		04.08.2017	Transfer	15,000			
		10.11.2017	Transfer	510,940			
		02.03.2018	Transfer	155,000			
	At the end of the year	31/03/2018				970,940	0.58%
10	MICHAEL DSOUZA						
	At the beginning of the year	01.04.2017		837,500	0.50%		
	Changes during the year	03.11.2017	Transfer	(100,000)		-	
		02.03.2018	Transfer	(165,100)			
		09.03.2018		(572,400)			
	At the end of the year	31/03/2018				-	0.00%

(v) Shareholding of Directors and Key Managerial Personnel:

S. No.	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	P.Kodanda Rami Reddy-cs						
	At the beginning of the year	1/4/2017		-	0.00%	-	0.00%
	Changes during the year	Nil		-		-	
	At the end of the year	31/03/2018				-	0.00%
2	G.Srinivasa Raju-Managing Director						
	At the beginning of the year	1/4/2017		-	0.00%		
	Changes during the year	Nil					
	At the end of the year	31/03/2018		-			0.00%
3	S.Hanumantha Rao-Director						
	At the beginning of the year	1/4/2017		-	0.00%	-	0.00%
	Changes during the year	Nil					
	At the end of the year	31/03/2018				-	0.00%
4	Dr.V.Malakonda Reddy-Independent Director						
	At the beginning of the year	1/4/2017		Nil	0.00%	Nil	0.00%
	Changes during the year	Nil					0.00%
	At the end of the year	31/03/2018				Nil	0.00%
5	Dr.K.Srinivasa Rao-Independent Director						
	At the beginning of the year	1/4/2017		Nil	0.00%	Nil	0.00%
	Changes during the year	Nil					
	At the end of the year	31/03/2018			0.00%	Nil	0.00%
6	V. Venkatakrishnanan (IDBI Nominee)						
	At the beginning of the year	1/4/2017		Nil	0.00%	Nil	0.00%
	Changes during the year	Nil					
	At the end of the year	31/03/2018				Nil	0.00%
7	G. Umadevi - Independent Director						
	At the beginning of the year	1/4/2017		Nil	0.00%	Nil	0.00%
	Changes during the year	Nil					
	At the end of the year	31/03/2018				Nil	0.00%
8	S. Rengaraj - CFO						
	At the beginning of the year	1/4/2017		Nil	0.00%	Nil	0.00%
	Changes during the year	Nil					
	At the end of the year	31/03/2018				Nil	0.00%

**Smt A. Syamala Reddy resigned W.e.f. 29.06.2017

**Shri B.Manoharan resigned w.e.f. 30.06.2017

SUJANA UNIVERSAL INDUSTRIES LIMITED

V. INDEBTEDNESS

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

Rs. in lakhs

	Secured Loans excluding deposits	Unsecured Loans	Depo- sits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	87,488.76	-	-	87,488.76
ii) Interest due but not paid	22,931.75	-	-	22,931.75
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	110,420.51	-	-	110,420.51
Change in Indebtedness during the financial year				
Addition	2,160.90	-	-	2,160.90
Reduction	1.13	-	-	1.13
Interest	260.75	-	-	-
Net Change	1,899.02			2,159.77
Indebtedness at the end of the financial year				
i) Principal Amount	89,648.53	-	-	89,648.53
ii) Interest due but not paid	22,671.00	-	-	22,671.00
iii) Interest accrued but not due	-	-	-	-
TOTAL (i+ii+iii)	112,319.53	-	-	112,319.53

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	-	10.80
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2	Stock Options	-	-
3	Sweat Equity	-	-
4	Commission		
	- as % of profit	-	-
	- others, specify...	-	-
5	Others, please specify	-	-
	Total (A)	-	10.80
	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
I - Independent Directors		
1	Dr. K Srinivasa Rao	80,000
2	Shri. Venkatakrishnan	10,000
3	Dr. V Malakonda Reddy	80,000
4	Smt. G.Uma Devi	20,000
5	Shri Ch. Srinivasu	10,000
	Total (1)	2,00,000

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. P. Kodanda Rami Reddy, Company Secretary	Mr. S. Rengaraj	Total Amount
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4,99,920	6,13,615	12,34,140	23,47,675
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Options	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total (C)	4,99,920	6,13,615	12,34,140	23,47,675
	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

G. Srinivasa Raju
Managing Director
(DIN: 00132249)

S. Hanumantha Rao
Whole Time Director
(DIN: 00118801)

Place: Hyderabad
Date: 29th August, 2018

SUJANA UNIVERSAL INDUSTRIES LIMITED

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		
	a) Technology imported		
	b) Year of import	:	Not Applicable
	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		2017-18	2016-17
a.	Foreign exchange earnings	3436.54	32,401.94
b.	CIF value of imports	3424.80	32,235.30

BY ORDER OF THE BOARD

Place: Hyderabad
Date: 29th August, 2018

G. Srinivasa Raju
Managing Director
(DIN: 00132249)

S. Hanumantha Rao
Whole Time Director
(DIN: 00118801)

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 2017-18, percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year 2017-18.

S. No.	Name of KMP (Designation)	Remuneration for FY 2017-18 (Rs. in lacs)	Ratio of remuneration to the median remuneration of the employees	% increase in remuneration in the FY 2017-18
01	Mr. G Srinivasa Raju (Managing Director)	-	-	Nil
02	Mr. S Hanumantha Rao (Whole Time Director)	10.80	2.25	Nil
03	Mr. S. Rengaraj (Chief Financial Officer)	12.34	2.57	Nil
04	Mr. P. Kodanda Rami Reddy (Company Secretary)	6.14	1.28	Nil
05	B. Manoharan (Chief Financial Officer)	5.00	1.04	Nil

Notes:

- a) None of the other directors expect above disclosed draws any remuneration in the Company.
 - b) The median remuneration of employees of the Company during the financial year 2017-18 was Rs. 4.80 lakhs against the median remuneration of Rs. 2.13 lakhs of the previous year.
 - c) The number of permanent employees on the rolls of Company as on 31st March 2018 is 21
 - d) Mr. S. Rengaraj appointed as CFO of the Company w.e.f. 14.08.2017.
2. The relationship between average increase in remuneration and company performance:
The average increase in remuneration during the financial year 2017-18 is Nil. The total employees cost for the financial year ended 31st March, 2018 is Rs. 252 lakhs against Rs. 435.67 lakhs for the financial year ended 31st March 2017. The total net revenue of the company for financial year ended 31st March 2018 is Rs. 5,534.72 lakhs as against Rs. 161096.29 lakhs for the financial year ended 31st March 2017. The total employees cost as a percentage of net total revenue was 0.006% (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	2017-18	2016-17
Aggregate Remuneration of KMP in Financial Year	34.27	82.09
Revenue	5,534.72	1,61,096.29
Remuneration of KMP (as % of revenue)	0.62	0.05

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:

SUJANA UNIVERSAL INDUSTRIES LIMITED

Sl. No.	Description	Rs. in lakhs
1	Market Capitalisation	
	Mcap at 31st March 2018	1181.87
	Mcap at 31st March 2017	2279.35
	Variation in Mcap in FY 2018 (%)	
2	Price Earnings Ratio (PE Ratio) – (Mkt Price / EPS)	
	PE at 31st March 2018	NA
	PE at 31st March 2017	NA
	Variation in PE in FY 2018 (%)	NA
3	% Increase/Decrease from last Public Offer	
	FPO price per share (Rights issue to the existing shareholders on 15.01.1993)	Rs.17.50
	Market price as at 31 March, 2018	Rs. 0.70
	% decrease from last FPO	96%

Note: Since that EPS is negative for the FY ended 31st March 2018/2017 is negative, PE at 31st March 2018/2017 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				S. Rengaraj Chief Financial Officer
		Mr. G Srinivasa Raju Managing Director	Mr. S Hanumantha Rao Executive Director	Mr. B Manoharan Chief Financial Officer	Mr. P. Kodanda Rami Reddy Company Secretary	
		1	Remuneration in FY 2018	-	10.80	
2	Revenue in FY 2018	5,534.72				
3	Remuneration as % of revenue	-	0.29	0.09	0.11	0.22

7. 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: 29th August, 2018

G. Srinivasa Raju
Managing Director
(DIN: 00132249)

S. Hanumantha Rao
Whole Time Director
(DIN: 00118801)

Annexure VIII**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Pursuant to Regulation 34 read with 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.

INDUSTRY STRUCTURE AND DEVELOPMENTS**Introduction**

India was the world's third-largest steel producer in 2017. The growth in the Indian steel sector has been driven by domestic availability of raw materials such as iron ore and cost-effective labour. Consequently, the steel sector has been a major contributor to India's manufacturing output.

The Indian steel industry is very modern with state-of-the-art steel mills. It has always strived for continuous modernisation and up-gradation of older plants and higher energy efficiency levels.

Indian steel industries are classified into three categories such as major producers, main producers and secondary producers.

MARKET SIZE

India's finished steel consumption grew at a CAGR of 5.69 per cent during FY08-FY18 to reach 90.68 MT.

India's crude steel and finished steel production increased to 102.34 MT and 104.98 MT in 2017-18, respectively.

In 2017-18, the country's finished steel exports increased 17 per cent year-on-year to 9.62 million tonnes (MT), as compared to 8.24 MT in 2016-17. Exports and imports of finished steel stood at 0.99 MT and 1.22 MT, during Apr-May 2018.

Government Initiatives

Some of the other recent government initiatives in this sector are as follows:

- Government of India's focus on infrastructure and restarting road projects is aiding the boost in demand for steel. Also, further likely acceleration in rural economy and infrastructure is expected to lead to growth in demand for steel.
- The Union Cabinet, Government of India has approved the National Steel Policy (NSP) 2017, as it seeks to create a globally competitive steel industry in India. NSP 2017 targets 300 million tonnes (MT) steel-making capacity and 160 kgs per capita steel consumption by 2030.
- The Ministry of Steel is facilitating setting up of an industry driven Steel Research and Technology Mission of India (SRTMI) in association with the public and private sector steel companies to spearhead research and development activities in the iron and steel industry at an initial corpus of Rs 200 crore (US\$ 30 million).

ROAD AHEAD

India is expected to overtake Japan to become the world's second largest steel producer soon, and has

SUJANA UNIVERSAL INDUSTRIES LIMITED

envisaged achieving 300 MT of annual steel production capacity by 2030. Steel consumption is expected to grow 5.7 per cent year-on-year to 92.1 MT in 2018. The new steel policy, that has been approved by the Union Cabinet in May 2017, is expected to boost India's steel production.*Huge scope for growth is offered by India's comparatively low per capita steel consumption and the expected rise in consumption due to increased infrastructure construction and the thriving automobile and railways sectors.

Exchange Rate Used: INR 1 = US\$ 0.0155 as on March 30, 2018.

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.

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
- 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.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

The operating performance of the Company has been discussed in Directors Report under the head 'Financial Highlights' & 'Operations and Overall Performance' in the current period.

There are overdues payable to the lenders as mentioned in the Auditors' Report. The Company has approached lenders for resolution of financial problems by way of SDR route and the same could not yield positive results and presently, OTS proposal by the prospective strategic investors, is put forth before the lenders. If this is accepted by the lenders, your Company is hopeful of reviving its operations in full swing.

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.

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: 29th August, 2018

G. Srinivasa Raju
Managing Director
(DIN: 00132249)

S. Hanumantha Rao
Whole Time Director
(DIN: 00118801)

Annexure IX

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 comprises of Seven (06) Directors as on 31.03.2018, having rich experience and specialized skills in their respective fields, out of which Four (04) are Non-Executive Directors. The Company has Three (03) Independent Directors and one of them as Independent Non-Executive Chairman. One of them is the Nominee Director. 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 Nominee Director.

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

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, Four (04) Board Meetings were held on 30th May, 2017, 14th August, 2017, 14th November, 2017, and, 14th February, 2018. 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	4	Yes
2.	Shri G. Srinivasa Raju	Executive Director	Managing Director	3	Yes
3.	Shri S. Hanumantha Rao	Executive Director	Whole Time Director	4	Yes
4.	Dr. K. Srinivasa Rao	Independent & Non-Executive Director	Director	4	No
5.	Smt G. Uma Devi ¹	Independent & Non-Executive Director	Director	2	NA
6.	Shri Venkatakrisnan ²	Nominee Director	Director	1	No

1. Smt G. Uma Devi, Independent & Non-Executive Director, appointed in the the Board w.e.f : October 13th, 2017.
2. Shri Venkatakrisnan, nominated by the IDBI Bank Limited in place of Shri C. Srinivasu with effect from 11.12.2017.

SUJANA UNIVERSAL INDUSTRIES LIMITED

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	-	2	-	1
2	Shri G. Srinivasa Raju	-	13	1	2
3	Dr. K. Srinivasa Rao	-	1	1	1
4	Shri S. Hanumantha Rao	-	8	1	4
5	Smt G. Umadevi	-	2	-	-
6	Shri Venkatakrishnan	-	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 29th September, 2017:

1. Resignation of Smt A.Syamala Reddy, Independent & Non-Executive Director of the Company w.e.f June 29th, 2017.
2. Smt G.Uma Devi, Independent & Non-Executive Director, appointed in the the Board w.e.f: October 13th, 2017.
3. Shri Venkatakrishnan, nominated by the IDBI Bank Limited in place of Shri C.Srinivasu with effect from 11.12.2017.
4. Dr. V. Malakonda Reddy, resigned as Director and Non-Executive chairman of the Board with effect from May 30th, 2018.

Independent Directors Meeting:

The Independent Directors met on March 30th, 2018 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.

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 30th May, 2017, 14th August, 2017, 14th November, 2017 and 14th February, 2018. 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 Three (3) members, out of which Three (2) 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	4
3.	Smt G.Uma Devi	Member	Nil
4.	Dr.V.Malakonda Reddy*	Member	4

*Dr. V. Malakonda Reddy, resigned as Director and Non-Executive chairman of the Board with effect from May 30th, 2018.

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 29th , 2017:

Smt G. Uma Devi, appointed as member of the Audit Committee with effect from 30.05.2018.

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.	Smt G.Uma Devi**	Member

SUJANA UNIVERSAL INDUSTRIES LIMITED

*Dr.V.Malakonda Reddy, resigned as Director and Non-Executive chairman of the Board with effect from May 30th, 2018.

** Smt G.Uma Devi, appointed as member of the Nomination and Remuneration of the Committee with effect from 14.11.2017.

No Remuneration Committee meeting was held during the period.

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	Nil	-	-	-	Nil
Shri S. Hanumantha Rao	10,80,000/-	-	-	-	10,80,000/-

Sitting Fee details:

Sl. No.	Name of the Director	Sitting fee paid During the year 2017-18
1	Dr. K. Srinivasa Rao	Rs.80,000/-
2	Shri C. Srinivasu (Nominee from IDBI Limited)	Rs.10,000/-
3	Dr. V. Malakonda Reddy	Rs.80,000/-
4	Smt G. Uma Devi	Rs.20,000/-
5	Shri Venkatakrishnan	Rs.10,000/-

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, 2018:

The following table sets out the shareholdings of the Directors in the Company as at 31st March, 2018:

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

The Composition comprises two (2) members as follows:

Sl.No.	Name of the Director	Designation
1.	Smt. G. Umadevi	Member
2.	Shri G. Srinivasa Raju	Member

The Committee was not required to meet during the year. Smt. G. Umadevi appointed member of the Shareholders Grievance Committee in place of Dr. V. Malakonda Reddy w.e.f. 30.05.2018. Shri G.Srinivasa Raju, Managing Director of your Company is empowered as Compliance officer.

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

Number of Shareholders Complaints received during the Financial Year 2017-18	Nil
Number of complaints not solved to the satisfaction of the shareholders	Nil
Number of pending Complaints	Nil

4. Share Transfer Committee:

The Share Transfer Committee comprises Shri G. Srinivasa Raju and Smt. G. Umadevi, 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 the Share Transfer Committee meeting met 2 (Two) times.

5. Management Committee:

The Management Committee comprises Shri G. Srinivasa Raju, Shri S. Hanumantha Rao and Smt. G. Umadevi. 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 5 (Five) 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.

SUJANA UNIVERSAL INDUSTRIES LIMITED

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	28th A.G.M.	29th September, 2017	"Katriya Hotel & Towers, 8, Rajbhavan Road, Somajiguda, Hyderabad-500 082	10.00 A.M.
1	27th A.G.M.	30th September, 2016	"Katriya Hotel & Towers, 8, Rajbhavan Road, Somajiguda, Hyderabad-500 082	10.00 A.M.
1.	26th A.G.M.	30th September, 2015	"Katriya Hotel & Towers, 8, Rajbhavan Road, Somajiguda, Hyderabad-500 082	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.	2016-17	Nil
2.	2015-16	<ol style="list-style-type: none"> 1. To appoint Smt.A.Syamala Reddy as an Independent Director. 2. The appointment of Shri. S.Hanumantha Rao as an Executive Director and Key Managerial Personnel of the Company. 3. To issue the Cumulative Redeemable Preference Shares (CRPS) 4. To approve and confirm the Strategic Debt Restructuring Scheme (SDR)/outside SDR formulated by Reserve Bank of India. 5. To ratify the remuneration of the Cost Auditors for the financial year ending 31st March, 2017.
3.	2014-15	<ol style="list-style-type: none"> 1. To appoint Smt.B. Sandhyasri as an Independent Director. 2. To Re-appoint Shri G.Srinivasa Raju, as Managing Director & Key Managerial Person of the Company. 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. 4. To ratify the remuneration of the Cost Auditors for the financial year ending 31st March, 2016..

Details of special resolutions passed by the members of the Company through postal ballot : Nil

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. 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 2017-18.

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.

- a. 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.
- b. None of the executive directors is holding any shares in the Company, nor any non-executive director holds shares.

SUJANA UNIVERSAL INDUSTRIES LIMITED

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 S.Rengarajan, 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 2017-18..

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:

- a. Publication of Quarterly Financial Results in daily newspapers and the same will be updated in the Company's Website at www.sujana.com.
- b. Furnishing the Quarterly Financial Results to Stock Exchanges in which Company's shares is listed.
- c. Sending Balance Sheet, Statement of Profit and Loss, Directors' Report & Auditors' Report to Shareholders through Post, Courier and Email.

d. Company's Corporate Website:

The Company's website 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	29th September, 2018
2.	Time	10:00 A.M
3.	Venue	"Hotel Katriya", # 8, Rajbhavan Road, Somajiguda, Hyd - 082.
4.	Financial Year	2017-18 (Consisting of 12 months)
5.	Book Closure Date	27th September, 2018 (one day only).
6.	Dividend Payment Date	Not Applicable
7.	Listing on Stock Exchanges	1. BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001, Maharashtra, India 2. National Stock Exchange of India Ltd Exchange Plaza, Bandra-Kurla Complex, Bandra(E), Mumbai - 400 051, Maharashtra, India
8.	Payment of Listing Fees	The Company has paid annual listing fees to each of the above Stock Exchanges for the financial years 2017-18.
9.	Stock Code	BSE Script Code : 517224
		NSE Script Symbol : SUJANAUNI
		Demat ISIN : INE216G01011
		CIN : L29309TG1986PLC006714

SUJANA UNIVERSAL INDUSTRIES LIMITED

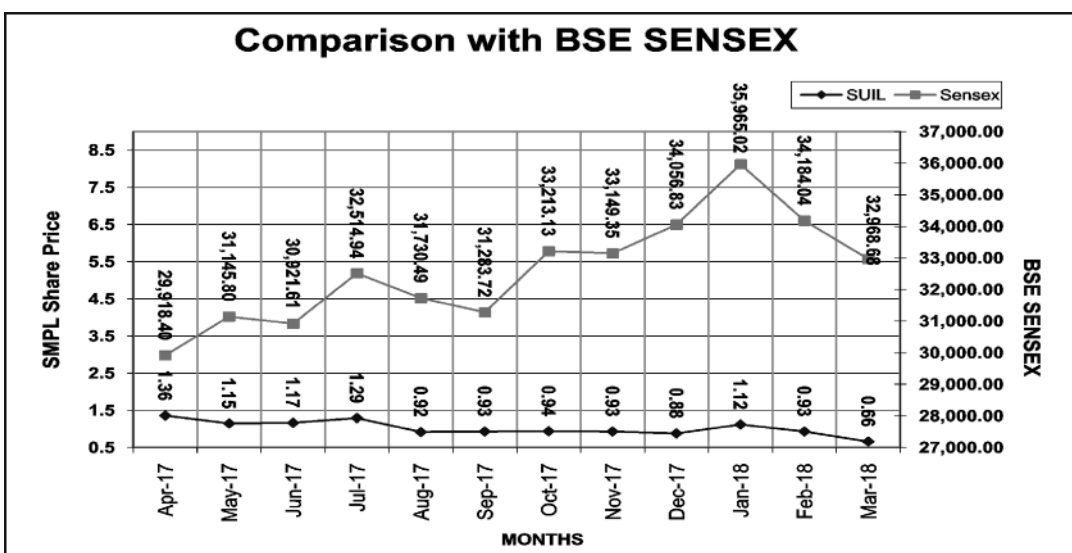
10	Companies Website	www.sujana.com
11	E-Voting Facility	www.evoting.nsdl.com Open Date: September 25th , 2018 @ 9:00 A.M. Closing Date: September 28th, 2018 @ 5:00 P.M. cut-off date is September 22nd, 2018
12	Share Transfer System	Your Company has appointed M/s. Bigshare Services Private Limited for 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 2017-18 and performance in comparison to the Broad-based indices such as BSE- Sensex is provided hereunder.

a. BSE

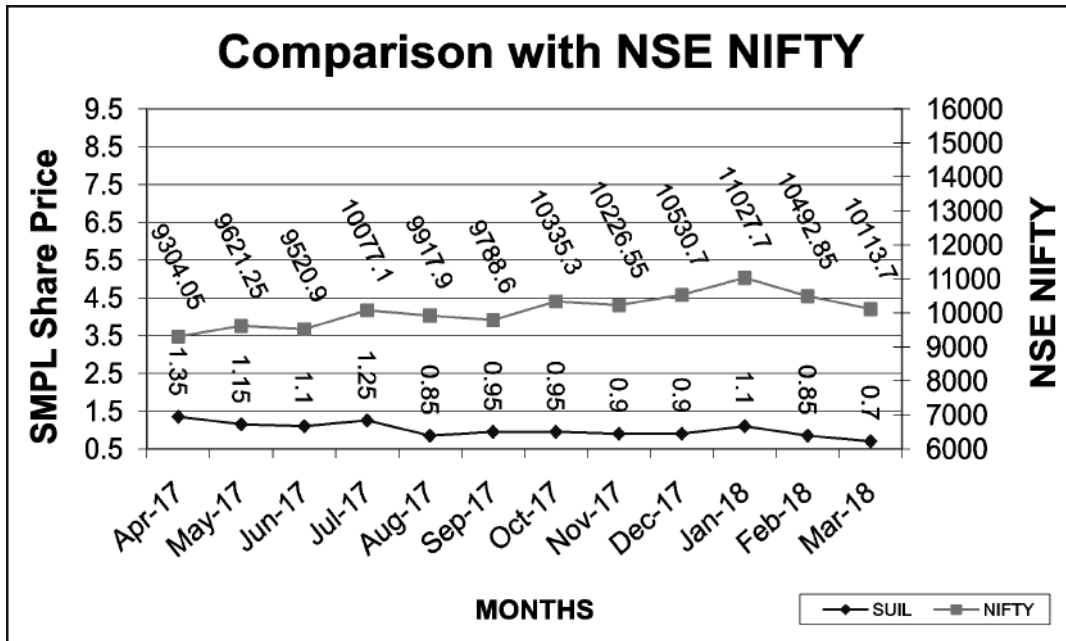
Month	High Price	Low Price	Close Price	BSE-Sensex
April 2017	1.4	1.3	1.35	29,918.40
May 2017	1.2	1.1	1.15	31,145.80
June 2017	1.1	0.95	1.1	30,921.61
July 2017	1.3	1.2	1.25	32,514.94
August 2017	0.95	0.85	0.85	31,730.49
September 2017	0.95	0.9	0.95	31,283.72
October 2017	0.95	0.9	0.95	33,213.13
November 2017	0.95	0.9	0.9	33,149.35
December 2017	0.95	0.85	0.9	34,056.83
January 2018	1.1	1.05	1.1	35,965.02
February 2018	0.9	0.85	0.85	34,184.04
March 2018	0.7	0.6	0.7	32,968.68



The monthly high and low stock prices during the financial year 2017-18 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	NSE- Nifty Closing
April 2017	1.4	1.3	1.35	9304.05
May 2017	1.2	1.1	1.15	9621.25
June 2017	1.1	0.95	1.1	9520.9
July 2017	1.3	1.2	1.25	10077.1
August 2017	0.95	0.85	0.85	9917.9
September 2017	0.95	0.9	0.95	9788.6
October 2017	0.95	0.9	0.95	10335.3
November 2017	0.95	0.9	0.9	10226.55
December 2017	0.95	0.85	0.9	10530.7
January 2018	1.1	1.05	1.1	11027.7
February 2018	0.9	0.85	0.85	10492.85
March 2018	0.7	0.6	0.7	10113.7



SUJANA UNIVERSAL INDUSTRIES LIMITED

2. Dematerialization of Shares:

99.13 % of the Company's Paid - up capital has been dematerialized upto 31st March, 2018. The details are as follows:

Particulars	Number of Shares	% of share capital
NSDL	114858594	68.02
CDSL	52519292	31.11
Physical	1463186	0.87
Total	168841072	100.00

100% of the promoters shareholding is in DEMAT form.

3. Distribution of Shareholding:

As on 31st March, 2018 the Distribution of Shareholding was as follows:

Range (Rs.)	No. of Shares	% of shareholding	No. of Shareholders	% of Shareholders
1. Upto - 5,000	3657698	2.17	16437	57.83
2. 5,001 - 10,000	3683754	2.18	4079	14.35
3. 10,001 - 20,000	3907642	2.31	2339	8.23
4. 20,001 - 30,000	3036555	1.80	1134	3.99
5. 30,001 - 40,000	2034295	1.20	550	1.93
6. 40,001 - 50,000	4346500	2.57	891	3.14
7. 50,001-1,00,000	10020703	5.94	1240	4.36
8. 1,00,001 and above	138153925	81.83	1754	6.17
Total	168841072	100	28424	100

4. Shareholding pattern as on 31st March, 2018:

S. No.	Category	No. of Share Holders	No. of Shares	% to Equity
1	Promoters and their Relatives	1	44898335	26.59
2	Bodies Corporate	281	5748183	3.40
3	Public	28139	118194454	70.01
4	Foreign Bodies Corporate	0	0	0
5	Financial Institutions/banks	1	100	0.00
6	Custodians against Depository receipts	0	0	0
	Total	28422	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 No. 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. 5/A, Vengal Rao Nagar, Hyderabad – 500 038, 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 2017-18, 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: 29th August, 2018

G. SRINIVASA RAJU
Managing Director
(DIN: 00132249)

SUJANA UNIVERSAL INDUSTRIES LIMITED

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.

G. Srinivasa Raju
Managing Director
(DIN: 00132249)

S. Rengaraj
Chief Financial Officer

Place: Hyderabad
Date: 29th August, 2018

Certificate on Corporate Governance

To
 The Members of
 Sujana Universal Industries Limited,

I have examined the compliance of conditions of Corporate Governance by M/s. Sujana Universal Industries Limited (“the Company”), for the financial year ended March 31, 2018, as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [“SEBI (LODR) Regulations, 2015”].

The compliance of conditions of corporate governance is the responsibility of the Management. My 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 my opinion and to the best of my knowledge and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations.

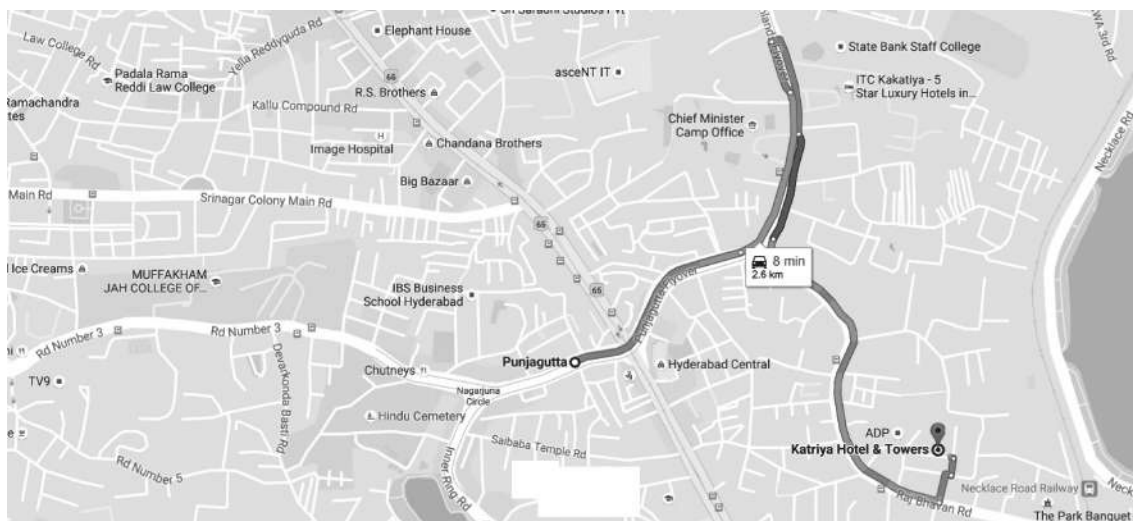
I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For RPR & Associates
 Company Secretaries

Y Ravi Prasada Reddy
 Proprietor
 CP No. 5360
 Membership No. 5783

Place: Hyderabad
 Date: 29th August, 2018

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



SUJANA UNIVERSAL INDUSTRIES LIMITED

INDEPENDENT AUDITORS' REPORT

To the Members of
SUJANA UNIVERSAL INDUSTRIES LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying Standalone Ind AS Financial Statements of **Sujana Universal Industries Limited ("the Company")**, which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including other comprehensive income), the statement of Cash Flows and the statement of changes in equity for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind-AS 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 Ind AS Financial Statements that give a true and fair view of the state of affairs, financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules issued there under.

This responsibility 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; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS 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 Ind AS 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.

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 Ind AS Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Standalone Ind AS Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Ind AS 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 Ind AS 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 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 Standalone Ind AS 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 Ind AS Financial Statements:

Basis for Qualified Opinion:

- a) The Company has defaulted in repayment of dues to Banks/Financial Institutions during the current financial year. All loans outstanding were classified as NPA by the banks during the preceding financial

years. Provision for interest (excluding penal interest) amounting to Rs. 177.78 Cr. and Rs. 13.00 Cr. on its Working Capital Loan and Term Loan respectively has not been made in the books by the Company, as those Loan Accounts were classified as NPA by the Lending Banks and Financial Institutions. The loss of the Company has been understated by Rs. 190.78 Cr. in view of non provision of Interest amount. If the accrued interest on outstanding bank facilities debited to P&L account then the company will incur loss of Rs.295.92 Cr.

- b) The Company is not regular in payment of undisputed statutory dues during the current financial year amounting to Rs. 8.01cr which includes Income Tax, Corporate Dividend Tax, TDS, VAT , Service Tax, Provident Fund, Employees State Insurance and Professional Tax.
- c) Since the Company has not obtained any technical/market/commercial evaluation for the inventory, we are unable to comment on the realizable value of the same, which may be lower than the amount at which it has been reflected in the balance sheet.
- d) In absence of technical and costing evaluation of current and noncurrent assets, impact of impairments, if any, on their economic value, we can't comment on the realizable value of same.
- e) The trade receivables amounting to Rs. 335.68 Cr could not be verified as confirmation of balances have not been received. The company has written off debtors amounting to Rs.7.89 Cr in the current financial year. The realisability of trade receivables amounting to Rs. 335.68 Cr is in doubt and company has not made any provision for Bad and Doubtful debts in respect of these receivables.

Qualified Opinion:

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the Basis for Qualified Opinion paragraph above, the aforesaid Standalone Ind AS 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 including the Ind AS, of the financial position of the Company as at 31st March 2018, and its financial performance including other comprehensive income, its cash flows and changes in equity for the year ended on that date.

Emphasis of Matters:

- a) Note No. 2.36(b) 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 one of its subsidiary – Hestia Holdings Limited for which the Company has given a Corporate Guarantee.
- b) Note No.2.36 (C) to the financial statements which describes the uncertainty related to the outcome of the Bank Debt recalled by the Standard Bank which has financed one of its step down subsidiary – Selene Holdings Limited for which the Company has given a Corporate Guarantee.
- c) Note No. 2.08 forming part of financial statements regarding the Loan and advances to the extent of Rs. 50.38 cr are long overdue and the company considers them as good and recoverable.

Our opinion is not qualified in respect of the above matters

Report on Other Legal and Regulatory Requirements

- 1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters Specified in paragraphs 3 and 4 of the Order.
- 2. As required by section 143(3) of the Act, we further 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 purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) the Balance Sheet, Statement of Profit and Loss including Other Comprehensive Income, the

SUJANA UNIVERSAL INDUSTRIES LIMITED

Statement of Cash Flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;

- d) in our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with relevant rule issued there under.
- e) On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, 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 B'; and
- g) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has not disclosed the impact of pending litigations which would impact its financial position in notes to financial statements.
 - ii. The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There are no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.

For J. Singh & Associates.,
Chartered Accountants
(Firm's RegnNo.110266W)

Chhaviraj Joshi
Partner
Mem. No. 119379

Date: 30-05-2018
Place: Hyderabad

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

Annexure referred to in Independent Auditors Report to the Members of Sujana Universal Industries Limited on the Standalone Ind AS Financial Statements for the year ended 31st March 2018, we report that:

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, fixed assets have been physically verified by the management at regular intervals; as informed to us no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable.
- (c) According to the information and explanations given to us and on the basis of our examination of records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (d) The Company has sold substantial part of Plant and Machinery purchased by it during the year 2006 to 2013 at Rs. 0.11 crores as scrap. Written Down Value of Plant and Machinery on the date of sale is 71.39 crores. Company has incurred a loss of Rs. 71.27 crores on sale of Plant and Machinery which is debited to Profit and Loss account.
- (e) During the current financial year the company has capitalized Rs. 51.50 cr and transferred the amount from Capital Work in Progress to Plant and Machinery account.
- ii. The physical verification of inventory has been conducted at reasonable intervals by the management during the year and no material discrepancies were noticed on such verification.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, and Limited Liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said order are not applicable to the company.
- iv. The Company has not granted any loans or made any Investments, or provided any guarantee or security to the parties, covered under section 185 and 186 of the Act. Therefore, the provisions of clause 3(iv) of the said order are not applicable to the company.
- v. The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013 and rules framed there under to the extent notified.
- vi. We have broadly verified the books of accounts and records maintained by the company in respect of products where, pursuant to the rules made by the central government of India, the maintenance of cost records has been specified under the sub-section (1) of section 148 of the Companies Act 2013, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made detailed examinations of the records with a view to determine whether they are accurate or complete
- vii. (a) According to the information and explanations given to us and based on the records of the company examined by us, the company is not regular in depositing the undisputed statutory dues, including Provident Fund, Employees State Insurance, Income Tax, Custom Duty, Excise Duty and other material statutory dues, as applicable, with the appropriate authorities in India ;
- (b) There were undisputed amounts payable amounting Rs. 7.86 cr in respect of Income Tax , Corporate Dividend Tax , VAT, Provident Fund, ESI , Service Tax, TDS, and Professional Tax, in arrears as at 31st March 2018 for a period of more than 6 months from the date they became payable.

Nature of Dues	Amount in Cr
Income Tax payable	6.80
Corporate Dividend Tax	0.15
VAT	0.33

SUJANA UNIVERSAL INDUSTRIES LIMITED

Professional Tax	0.01
Provident Fund	0.38
ESI	0.01
TDS	0.08
Excise Duty & Service Tax	0.10

- (c) Details of dues of Income Tax, Sales Tax, Customs duty and excise duty and Value Added Tax which has not been deposited as at March 31, 2018 on account of dispute are given below.

Disputed Statutory Liability as on 31.03.2018			Forum where dispute is pending
Name of the Statute	Amount in Crores	Period to which the amount relates	
Income Tax Act 1961	14.30	2010-11	CIT (Appeals)
TNGST Act , 1959	3.38	2000-01	Hon'ble High Court of Tamilnadu
TNGST Act , 1959	23.45	2004-05	Hon'ble High Court of Tamilnadu
TNGST Act , 1959	46.29	2005-06	Hon'ble High Court of Tamilnadu
TNGST Act , 1959	27.32	2006-07	Hon'ble High Court of Tamilnadu
TNGST Act , 1959	32.35	2007-08	Hon'ble High Court of Tamilnadu
TNGST Act , 1959	3.84	2008-09	Hon'ble High Court of Tamilnadu
TNGST Act , 1959	11.10	2009-10	Hon'ble High Court of Tamilnadu
TNGST Act , 1959	28.48	2010-11	Hon'ble High Court of Tamilnadu
TNGST Act , 1959	186.17	2011-12	Hon'ble High Court of Tamilnadu
TNGST Act , 1959	218.77	2012-13	Hon'ble High Court of Tamilnadu
TNGST Act , 1959	48.76	2013-14	Hon'ble High Court of Tamilnadu
Customs & Excise	3.17	2000-01	CESTAT, Bangalore and Chennai
Customs & Excise	2.64	1995-96	CESTAT, Chennai
Customs & Excise	1.52	2007-08 2008-09	CESTAT, Bangalore
Customs & Excise	0.37	2008-09	Add. Commissioner of Customs & Excise , Hyderabad –I
Workmen Compensation	0.05	2007-08	Interim Stay granted by Hon'ble High Court as against the order passed by the Hon'ble Labour Commissioner

- viii. The company has defaulted in the repayment of loans taken from banks and financial institutions during the current financial year and no interest provision was made by the company on working capital loan amounting to Rs. 177.78 Cr and term loan amounting to Rs. 13.00 Cr., Details of defaults are given below:

Details of over dues to Banks / Financial Institutions as on 31.03.2018

Rs. in Lakhs

Name of the Bank	Nature of default	Amount of Default	Period of Default
Term Loans			
IDBI Bank Ltd	Principle	5,152.63	January 2015 to March 2018
	Interest	2,015.75	March 2015 to March 2018
Redemption of Preference Share Capital			
IDBI Bank Ltd	CRP Shares	2,179.72	January 2015 to March 2018
	Dividend	200.99	January 2015 to March 2018

Working Capital Loans			
A) Cash Credits			
Bank of Baroda	Monthly Interest	1,201.94	February 2015 to March 2018
Bank of India	Monthly Interest	5,466.85	October 2015 to March 2018
Central Bank of India	Monthly Interest	3,642.37	September 2015 to March 2018
IDBI Bank Ltd	Monthly Interest	1,101.14	April 2015 to March 2018
Indian Overseas Bank	Monthly Interest	6,408.92	September 2015 to March 2018
Oriental Bank of Commerce	Monthly Interest	2,231.12	May 2015 to March 2018
UCO Bank	Monthly Interest	3,898.83	April 2015 to March 2018
		23,951.17	
B) Letter of Credits			
Bank of India	LC devolvement	6,250.00	October 2015 to March 2018
Central Bank of India	LC devolvement	10,000.00	October 2015 to March 2018
Indian Overseas Bank	LC devolvement	12,000.00	May 2015 to March 2018
UCO Bank	LC devolvement	8,000.00	June 2015 to March 2018
		36,250.00	
Grand Total		69,549.27	

- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans during the year. Accordingly, the provisions of this clause are not applicable to the Company.
- x. According to the information and explanations given to us, no material fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our Audit.
- xi. The Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandate by the provisions of section 197 read with schedule V to the Companies Act 2013.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it; the Provisions of clause 3(xii) of the order are not applicable to the company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of section 188 of the Act. The details of such related party transactions have been disclosed in the Ind AS Financial Statements as required under Indian Accounting standard (Ind AS) 24, related party disclosures specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.
- xiv. The Company has not made any preferential allotment of private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of The Reserve Bank of India Act 1934. Accordingly, the provisions of clause 3(xvi) of the order are not applicable to the Company.

For J. Singh & Associates.,
Chartered Accountants
(Firm's RegnNo.110266W)

Chhaviraj Joshi
Partner
Mem. No. 119379

Date: 30-05-2018
Place: Hyderabad

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

Report on the Internal Financial Controls over Financial Reporting under clause (i) of the Sub-section 3 of the 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 31st march 2018 in conjunction with our audit of IND AS Financial Statements of the company for the year ended 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 (ICAI). 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.

Auditor's 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 Guidance note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an Audit of Internal Financial Controls, both applicable to an audit of Internal Financial Controls and both issued by the ICAI. These standards and guidance note require that we comply with ethical requirements and plan and performed 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 Auditor's Judgment, including the assessment of the risk of material misstatement of the IND AS 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 and the company's internal financial control 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 Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes these policies and procedures that (1) pertain to the maintenance of records that, in reasonable detailed, 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 Ind AS Financial Statements in accordance with generally accepted principles, and that receipts and expenditures are being made only in accordance with authorization of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or

timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Ind AS Financial Statements.

Inherent Limitation of Internal Financial Controls over Financial Reporting

Because of the inherent limitation 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, the company have adequate internal financial controls system with respect to inventory over financial reporting and such internal financial controls over financial reporting were not operating effectively as at March 31st, 2018, 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.

For J. Singh & Associates.,
Chartered Accountants
(Firm's RegnNo.110266W)

Chhaviraj Joshi
Partner
Mem. No. 119379

Date: 30-05-2018
Place: Hyderabad

SUJANA UNIVERSAL INDUSTRIES LIMITED

Standalone Balance Sheet as at 31st March, 2018

Rupees in lakhs

Particulars	Note No	As at 31st March	
		2018	2017
A ASSETS			
1 Non- Current Assets			
(a) Property, Plant and Equipment	2.01	9,491.14	13,293.18
(b) Capital Work-in-Progress		-	5,260.34
(c) Financial Assets			
(i) Investments	2.02	24,264.03	24,264.03
(ii) Other financial assets	2.03	230.62	230.62
(d) Deferred tax asset	2.13	96.52	1,045.72
(e) Other non-current assets	2.04	7,487.40	4,274.46
		41,569.71	48,368.35
2 Current Assets			
(a) Inventories	2.05	945.97	1,439.93
(b) Financial Assets			
(i) Trade receivables	2.06	96,964.41	1,11,713.38
(ii) Cash and cash equivalents	2.07	266.57	278.91
(c) Other current assets	2.08	5,648.78	10,050.18
		1,03,825.73	1,23,482.40
TOTAL		1,45,395.44	1,71,850.75
B EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share Capital	2.09	16,884.11	16,884.11
(b) Other Equity	2.10	-3,234.55	24,658.92
		13,649.55	41,543.04
LIABILITIES			
2 Non- Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	2.11	-	406.03
(b) Provisions	2.12	186.96	178.20
(c) Deferred tax liabilities (Net)	2.13	-	-
(d) Other non-current liabilities	2.13	-	-
		186.96	584.23
3 Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	2.14	1,01,775.81	96,698.19
(ii) Trade payables	2.15	11,905.00	16,841.54
(iii) Other financial liabilities	2.16	10,442.09	9,943.38
(b) Provisions	2.12	-	4.89
(c) Other current liabilities	2.17	7,436.03	6,235.48
		1,31,558.93	1,29,723.48
Total Equity and Liabilities		1,45,395.44	1,71,850.75

See accompanying notes forming part of the financial statements

In terms of our report attached

For J. Singh & Associates

Chartered Accountants

FRN No: 110266W

Chhviraj Joshi

Mem.No : 119379

Place: Hyderabad

Date : 30th May, 2018

For and on behalf of the Board of Directors

G. Srinivasa Raju

Managing Director

(DIN: 00132249)

S. Rangaraj

Chief Financial Officer

Place: Hyderabad

Date : 30th May, 2018

S. Hanumantha Rao

Whole Time Director

(DIN: 00118801)

Statement of Profit and Loss for the year ended 31st March, 2018

Rs. in Lakhs

Particulars	Note No	For year ended 31.03.2018	For the Year ended 31.03.2017
I Revenue			
Revenue from Operations	2.18	5,534.72	1,61,096.29
Other Income	2.19	217.43	12.52
Total Revenue		5,752.15	1,61,108.81
II Expenses			
Cost of Materials Consumed	2.20	37.76	66.20
Purchase of Stock-in-Trade		4,404.01	1,54,139.07
Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	2.21	454.04	4,893.03
Employee Benefit Expenses	2.22	251.89	435.67
Finance Costs	2.23	55.60	17,159.64
Depreciation and Amortization Expenses	2.01	1,817.31	2,034.24
Other Expenses	2.24	8,296.74	1,741.27
Total Expenses		15,317.35	1,80,469.12
III Profit Before Tax (I - II)		(9,565.20)	(19,360.31)
IV Exceptional Items		-	-
V Profit Before Tax (III - IV)		(9,565.20)	(19,360.31)
VI Tax Expense:			
Current tax		-	-
Deferred tax		949.20	(3,007.78)
VII Profit for the Year (V - VI)		(10,514.40)	(16,352.53)
VIII Other comprehensive Income (Net of Taxes)		-	-
IX Total comprehensive Income for the Year (VII+VIII)		(10,514.40)	(16,352.53)
X Earnings Per Equity Share of Rs.10 each			
Basic		(6.23)	(9.69)
Diluted		(6.23)	(9.69)

See accompanying notes forming part of the financial statements

In terms of our report attached

For J. Singh & Associates
Chartered Accountants
FRN No: 110266W

Chhaviraj Joshi
Mem.No : 119379
Place: Hyderabad
Date : 30th May, 2018

For and on behalf of the Board of Directors

G. Srinivasa Raju
Managing Director
(DIN: 00132249)

S. Rangaraj
Chief Financial Officer
Place: Hyderabad
Date : 30th May, 2018

S. Hanumantha Rao
Whole Time Director
(DIN: 00118801)

SUJANA UNIVERSAL INDUSTRIES LIMITED

Cash Flow Statement

Rupees in lakhs

Particulars	For the year ended 31st March	
	2018	2017
A Cash flows from Operating activities		
Net Profit / (Loss) Before Tax for the year	(9,565.20)	(19,360.31)
Adjustments for		
Depreciation	1,817.31	2,034.24
Finance Costs	55.60	17,159.64
Interest & other income	(30.77)	(1.59)
Un-earned Foreign (Gain)/Loss	-	629.83
Provision for Gratuity	-	68.79
Provision for Leave Encashment	-	6.80
Provision for doubtful debts	-	688.34
Loss / (Profit) on Sale of Fixed Assets	7,127.90	-
Exceptional Items	(17,379.08)	-
Operating Profit Before Working Capital Changes	(17,974.24)	1,225.74
Movements in Working Capital		
Adjustments for (increase) / decrease in operating assets:		
Inventories	493.96	4,967.76
Trade Receivables	14,748.97	(13,713.69)
Loans & Advances	-	(3,139.24)
Other Financial Assets	(3,212.94)	2.83
Other Assets	4,401.40	7,421.53
Adjustments for increase / (decrease) in operating liabilities:		
Trade Payables	(4,936.54)	268.73
Provisions	4.70	8.34
Financial Liabilities	(9.14)	(260.72)
Other Liabilities	1,200.55	2,807.09
Cash Generated from Operations	(5,283.28)	(411.63)
Less: Taxes paid	102.12	-
Cash from Operating Activities (A)	(5,181.16)	(411.63)
B Cash flows from Investing activities		
Purchase of Fixed Assets	117.17	(1.51)
Proceeds from Sale of fixed assets	-	-
Interest Received	30.77	1.59
Cash from Investment Activities (B)	147.94	0.08
C Cash flows from Financing activities		
Proceeds from Borrowings	5,076.49	2,385.91
Interest & Financial Charges Paid	(55.60)	(2,087.39)
Net Cash from financing activities (C)	5,020.89	298.52
Net Increase in cash and cash equivalent (A+B+C)	(12.33)	(113.03)
Cash and Cash Equivalents at the beginning of the year	278.91	391.94
Cash and Cash Equivalent at the end of the year	266.58	278.91

See accompanying notes forming part of the financial statements

In terms of our report attached

For J. Singh & Associates

Chartered Accountants

FRN No: 110266W

Chhviraj Joshi

Mem.No : 119379

Place: Hyderabad

Date : 30th May, 2018

For and on behalf of the Board of Directors

G. Srinivasa Raju

Managing Director

(DIN: 00132249)

S. Rangaraj

Chief Financial Officer

Place: Hyderabad

Date : 30th May, 2018

S. Hanumantha Rao

Whole Time Director

(DIN: 00118801)

NOTES TO ACCOUNTS FOR THE YEAR ENDED MARCH 31st 2018**1.01 General Information**

Sujana Universal Industries Limited (SUIL) was incorporated in 22 August 1986 under the name of Sujana Domestic Appliances Limited. The name of the company was changed to Sujana Industries Limited and subsequently again the name was changed to Sujana Universal Industries Limited. The Company was promoted by Sri Y.S. Chowdary his associates and relatives.

The company was incorporated with an object to manufacture Domestic Appliances like all varieties of Fans and other appliances and from time to time SUIL has diversified into Engineering Products like Ball & Tapper Roll Bearings, Light Engineering Products and Steel Products.

1.02 First time adoption of Indian Accounting Standards (Ind-AS)

All companies (listed or unlisted) having net worth of Rs 5,000 Million or more are required to adopt Ind AS. Accordingly, the company has adopted Ind-AS, in accordance with Notification dated February 16, 2015 issued by Ministry of Corporate Affairs, Government of India, with effect from April 01, 2016 with a transition date on April 01, 2015.

1.03 Basis of preparation of Financial Statements

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind-AS) as notified by Ministry of Corporate Affairs, Government of India vide Notification dated February 16, 2015. Accounting policies have been applied consistently to all periods presented in these financial statements. The Financial Statements are prepared under historical cost convention from the books of accounts maintained under accrual basis except for certain financial instruments which are measured at fair value and in accordance with the Indian Accounting Standards prescribed under the Companies Act, 2013

These financial statements are presented in Indian rupees, the national currency of India, which is the functional currency of the Company. All amounts included in the financial statements are reported in Indian rupees (in Rupees) except number of equity shares and per share data, unless otherwise stated.

1.04 Use of estimates and judgment

The preparation of financial statements requires judgments, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialized.

1.05 Commitments

Capital Commitments: Estimated amount of contracts including foreign currency contracts net of advances remaining to be executed on capital account and not provided for is Rs. Nil (Previous Year : Nil).

Commitment related to Investment Properties: Estimated amount of contracts including foreign currency contracts net of advances remaining to be executed on account of external projects and not provided for is Rs. Nil (Previous Year Rs. : Nil).

Other Commitments: Estimated amount of contracts including foreign currency contracts net of advances remaining to be executed on account of external projects and not provided for is Rs. Nil (Previous Year Rs : Nil).

1.06 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. The Company recognizes revenues on sale of products, net of discounts, sales incentives, rebates granted, returns, sales taxes and duties when the products are delivered to customer or when delivered to a carrier for export sale, which is when significant risks and rewards of ownership pass to the customer. Sale of products is presented gross of manufacturing taxes like GST wherever applicable. Revenue from sale of by-products are included in revenue.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that

SUJANA UNIVERSAL INDUSTRIES LIMITED

exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

1.07 Foreign Currency Transactions

The functional currency of the Company is determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is Indian National Rupee (INR).

The transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in Statement of Profit and Loss in the period.

1.08 Borrowing Costs

The Company capitalises borrowing costs that are directly attributable to the acquisition, construction or production of qualifying asset as a part of the cost of the asset.

The Company recognizes other borrowing costs as an expense in the period in which it incurs them. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

1.09 Inventories

Raw materials are valued at cost or net realizable value, whichever is lower. Cost is ascertained based on weighted average cost method.

Finished goods produced and purchased are valued at cost or net realisable value, whichever is lower.

Excise duty in respect of finished goods produced and awaiting dispatch is included in valuation of the Inventory.

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

1.10 Employee Benefits

- i. Provision for gratuity, leave encashment/availed and long service benefits i.e. service award, compassionate gratuity and employees' family benefit scheme is made on the basis of actuarial valuation using the projected unit credit method. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to Statement of Profit or Loss.
- ii. Provision for post-retirement medical benefit is made on defined contribution basis.
- iii. Provident fund contribution is made to Provident Fund Trust on accrual basis.
- iv. Payment of Ex-gratia and Notice pay on Voluntary Retirement are charged to revenue in the year incurred.
- v. Superannuation plan, a defined contribution scheme is administered by Bajaj Allianz Life Insurance Company. The Company makes contributions based on a specified percentage of each eligible employee's salary.

1.11 Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of

the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

1.12 Taxes on Income

Income tax expense represents the sum of the tax currently payable and deferred tax.

1.13 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit or loss and other comprehensive income/statement of profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

1.14 Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

1.15 Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

However the Company is in Losses. So, there is no current tax for the current Financial Year.

1.16 Investments

Investments in Subsidiaries, Wholly Owned Subsidiaries, Associates and Joint Ventures are shown at cost. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss.

1.17 Property, plant and equipment

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly

SUJANA UNIVERSAL INDUSTRIES LIMITED

attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred. Major shut-down and over-haul expenditure is capitalized as the activities undertaken improves the economic benefits expected to arise from the asset.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss.

Property, plant and equipment except freehold land held for use in the production, supply or administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any.

The Company has elected to continue with the carrying value for all of its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS i.e. 1 April, 2015, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

Depreciation commences when the assets are ready for their intended use. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of following categories of assets located in India, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement anticipated technological changes, manufacturers warranties and maintenance support, etc.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on estimate of their specific useful lives.

Freehold land and leasehold land where the lease is convertible to free hold land under lease agreements at future dates at no additional cost, are not depreciated.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

1.18 Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

1.19 Earnings per Share

Basic earnings per share are computed by dividing the profit/ (loss) after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares including the treasury shares held by the Company to satisfy the exercise of the share options by the employees.

1.20 Impairment

The Company applies the expected creditloss model for recognising impairment loss on financial assets measured at amortized cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash short falls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument. The Company measures the loss allowance for a financial instrument at an amount equal to the life time expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the life time cash short falls that will result if default occurs within the 12 months after the reporting date and thus, are not cash short falls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at life time expected creditloss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

1.21 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

a. Contingent Liabilities

Contingent liabilities are not recognized but disclosed in Notes to the Accounts when the company has possible obligation due to past events and existence of the obligation depends upon occurrence or non-occurrence of future events not wholly within the control of the company.

Contingent liabilities are assessed continuously to determine whether outflow of economic resources have become probable. If the outflow becomes probable then relative provision is recognized in the financial statements.

Where an entity is jointly and severally liable for an obligation, the part of the obligation that is expected to be met by other parties is treated as a contingent liability. The entity recognizes a provision for the part of the obligation for which an outflow of resources embodying economic benefits is probable, except in the extremely rare circumstances where no reliable estimate can be made.

Contingent Liabilities are disclosed in the General Notes forming part of the accounts

b. Contingent Assets

Contingent Assets are not recognised in the financial statements. Such contingent assets are assessed continuously and are disclosed in Notes when the inflow of economic benefits becomes probable. If it is virtually certain, that inflow of economic benefits will arise then such assets and the relative income will be recognised in the financial statements.

1.22 Leases

Assets held under lease, in which a significant portion of the risks and rewards of ownership are transferred to lessee are classified as finance leases. Other leases are classified as operating leases. The company normally enters into operating leases which are accounted for as under:-

- (i) Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease.
- (ii) Where the company is a lessee, operating lease payments are recognized as an expense on a straight-line basis over the lease term. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

Statement of Changes in Equity (SOCIE)

	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016		
	No. of Shares	Rs.	No. of Shares	Rs.	No. of Shares	Rs.	
(A) Equity share capital							
Balance at the beginning of the reporting period	16,88,41,072	16,884.11	16,88,41,072	16,884.11	16,88,41,072	16,884.11	
Change in equity Share capital during the year	-	-	-	-	-	-	
Balance at the end of the reporting period	16,88,41,072	16,884.11	16,88,41,072	16,884.11	16,88,41,072	16,884.11	
(B) Other equity							
			Reserves & Surplus				
	Capital Reserve	Capital Redemption Reserve	Securities Premium Reserve	General Reserve	Foreign Exchange Reserve	Retained earnings	Total Other Equity
Balance as at April 1, 2016	20.00	1,218.10	18,658.23	449.73	-	21,126.39	41,472.46
Profit/(loss) for the year	-	-	-	-	-	(16,352.52)	(16,352.52)
Other comprehensive income for the year, net of taxes	-	-	-	-	-	-	-
Others	-	-	-	-	-	(461.01)	(461.01)
Total comprehensive income for the year	-	-	-	-	-	(16,813.53)	(16,813.53)
Dividend (including tax on dividend)	-	-	-	-	-	-	-
Balance as at March 31, 2017	20.00	1,218.10	18,658.23	449.73	-	4,312.86	24,658.92
Balance as at April 1, 2017	20.00	1,218.10	18,658.23	449.73	-	4,312.86	24,658.92
Profit for the year	-	-	-	-	-	(10,514.40)	(10,514.40)
Other comprehensive income for the year, net of taxes	-	-	-	-	-	-	-
Others	-	-	-	-	132.27	(17,511.35)	(17,379.08)
Total comprehensive income for the year	-	-	-	-	132.27	(28,025.75)	(27,893.48)
Dividend (including tax on dividend)	-	-	-	-	-	-	-
Balance as at March 31, 2018	20.00	1,218.10	18,658.23	449.73	132.27	(23,712.89)	(3,234.55)

See accompanying notes forming part of the financial statements

In terms of our report attached

For J. Singh & Associates

Chartered Accountants

FRN No: 110266W

Chhaviraj Joshi

Mem.No : 119379

Place: Hyderabad

Date : 30th May, 2018

For and on behalf of the Board of Directors

G. Srinivasa Raju

Managing Director

(DIN: 00132249)

S. Rangaraj

Chief Financial Officer

Place: Hyderabad

Date : 30th May, 2018

S. Hanumantha Rao

Whole Time Director

(DIN: 00118801)

Rupees in lakhs

2.01 Property, Plant and Equipment

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 01.04.2017	Additions	Deletions	As on 31.03.2018	As on 01.04.2017	for the year	on deletions	As on 31.03.2018	As on 31.03.2017	
A) Tangible Assets										
Land	81.16	-	-	81.16	-	-	-	81.16	81.16	
Buildings	1,182.99	-	-	1,182.99	742.01	37.20	-	403.78	440.98	
Plant & Machinery	40,204.15	4,534.18	12,299.55	32,438.78	27,754.50	1,694.87	5,161.32	8,150.73	12,449.65	
Electrical Equipment's / Installations	654.57	736.79	-	1,391.36	582.08	27.71	-	781.57	72.49	
Office Equipment's	354.03	-	-	354.03	352.80	0.85	-	353.65	1.22	
Testing Equipment's	0.10	-	-	0.10	0.10	-	-	0.10	-	
Furniture & Fixtures	120.29	-	-	120.29	100.41	3.96	-	15.93	19.88	
Vehicles	720.57	-	461.96	258.61	492.79	52.72	344.49	57.59	227.78	
Miscellaneous Equipment's	3.52	-	-	3.52	3.52	-	-	-	-	
	43,321.39	5,270.97	12,761.51	35,830.85	30,028.21	1,817.31	5,505.81	9,491.14	13,293.18	
Less: Revaluation Reserve						-				
Total of Tangible Assets	43,321.39	5,270.97	12,761.51	35,830.85	30,028.21	1,817.31	5,505.81	9,491.14	13,293.18	
B) Intangible Assets										
ERP / Software	391.45	-	-	391.45	391.45	-	-	391.45	-	
Total (A+B)	43,712.84	5,270.97	12,761.51	36,222.30	30,419.66	1,817.31	5,505.81	9,491.14	13,293.18	
Previous year	43,711.33	1.51	-	43,712.84	28,385.42	2,034.24	-	13,293.18	15,325.91	

Notes:

During the year ending March 2018 the Company had disposed off the Moulds of no use in process after ascertained the usefulness & life span. There by the Company had incurred a loss of Rs.71 Cr., on sale of moulds.

SUJANA UNIVERSAL INDUSTRIES LIMITED

Rupees in lakhs

	As at 31st March 2018	As at 31st March 2017
2.02 Non-Current Investments		
Investments in Equity Instruments		
In Wholly Owned 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 (105,80,000 equity shares of 1 USD each fully paid up)	4,566.42	4,566.42
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	6,766.62
Total	<u>24,264.03</u>	<u>24,264.03</u>
2.03 Other Financial Assets		
Deposits with Government Authorities & Others	230.62	230.62
Total	<u>230.62</u>	<u>230.62</u>
2.04 Other non-current assets		
Loans and Advances to Subsidiaries	7,487.40	4,274.46
Other Loans & Advances	-	-
Total	<u>7,487.40</u>	<u>4,274.46</u>
2.05 Inventories		
(at lower of cost or net realizable value)		
Raw Materials	-	37.76
Work in Process	-	2.87
Finished Goods	-	0.21
Stock in Trade	887.45	1,338.41
Stores and Spares	58.52	60.68
Total	<u>945.97</u>	<u>1,439.93</u>
2.06 Trade Receivables		
a) Unsecured & Considered Good	96,964.41	1,11,713.38
b) Doubtful	-	688.34
Less: Provision for doubtful debts	-	688.34
Total	<u>96,964.41</u>	<u>1,11,713.38</u>
2.07 Cash and Cash Equivalent		
Cash on Hand	9.64	23.75
Bank Balances in Current Accounts	256.93	255.16
Total	<u>266.57</u>	<u>278.91</u>
Notes:		
Margin Money Deposits represents margin money kept with various banks for issue of Letter of Credits.		
2.08 Other Current Assets		
Advance to Staff	3.79	14.18
Advance for Expenses & Others	1.46	46.18
TDS Receivable	50.09	63.29
Pre-paid Expenses	-	13.42
VAT Receivable	76.52	156.91
Advances to Suppliers & Others	5,037.93	9,276.06
Excise Duty Receivable	0.07	1.22
MAT Credit Receivable	478.92	478.92
Total	<u>5,648.78</u>	<u>10,050.18</u>

Rupees in lakhs

2.09 Equity Share Capital**(i) The authorised, issued, subscribed and fully paid-up share capital**

Particulars	As at March 31, 2018		As at March 31, 2017	
	No. of shares	Rs.	No. of shares	Rs.
Authorised:				
Equity shares of ₹10 each with voting rights	175,000,000	17,500.00	175,000,000	17,500.00
1% Cumulative Redeemable Preference Shares of Rs.100/- each	2,500,000	250.00	2,500,000	250.00
Issued, Subscribed and Fully Paid:				
Equity shares of ₹10 each with voting rights	168,841,072	16,884.11	168,841,072	16,884.11
Total	168,841,072	16,884.11	168,841,072	16,884.11

The equity shares of the Company having par value of ₹ 10 per share, rank pari passu in all respects including entitlement to dividend. Repayment of the capital in the event of winding up of the Company will inter alia be subject to the provisions of the Articles of Association of the Company and as may be determined by the Company in General Meeting prior to such winding up.

(ii) Details of shares held by each share holder holding more than 5% shares

Name of shareholder	As at March 31, 2018		As at March 31, 2017	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares of ₹10 each with voting rights				
i) Yalamanchili Finance & Trading Pvt Ltd	-	-	-	-
ii) Sujana Finance & Trading Pvt. Ltd	44,898,335	26.59%	44,898,335	26.59%
Total	44,898,335	26.59%	44,898,335	26.59%

(iii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

	As at March 31, 2018		As at March 31, 2017	
	Number of shares	Rs.	Number of shares	Rs.
Equity shares				
Opening balance	168,841,072	16,884.11	168,841,072	16,884.11
Issued during the year	-	-	-	-
Closing balance	168,841,072	16,884.11	168,841,072	16,884.11

SUJANA UNIVERSAL INDUSTRIES LIMITED

Rupees in lakhs

	As at 31st Mar 2018	As at 31st Mar 2017
2.10 Other Equity		
a) Capital Reserves		
Opening Balance	20.00	20.00
Add: Additions During the Year	-	-
	20.00	20.00
b) Capital Redemption Reserve		
Opening Balance	1,218.10	1,218.10
Add: Additions During the Year	-	-
	1,218.10	1,218.10
c) Securities Premium Reserves		
Opening Balance	18,658.23	18,658.23
Add: Additions During the Year	-	-
	18,658.23	18,658.23
d) Foreign Exchange Reserve		
Opening Balance	-	-
Less: Depreciation on Revalued Assets	132.27	-
	132.27	-
e) General Reserves		
Opening Balance	449.73	449.73
Less: Transferred to Capital Redemption Reserve	-	-
	449.73	449.73
f) Retained Earnings		
Opening Balance	4,312.86	21,126.39
Less: Prior Period Adjustments	17,511.35	461.01
	(13,198.49)	20,665.38
Less: Loss for the year	(10,514.40)	(16,352.52)
	(23,712.89)	4,312.86
Total (a+b+c+d+e+f)	(3,234.55)	24,658.92
2.11 Non-Current Borrowings		
Secured		
a) Term Loans from Banks (Refer to Note 1)		
i) Term Loan (TL)	-	-
ii) Working Capital Term Loan (WCTL)	-	-
iii) Funded Interest Term Loan (FITL)	-	-
b) Vehicle Loans (Refer to Note 2)	-	-
c) 1% Cumulative Redeemable Preference Shares (CRPS) of Rs.100/- each (Refer Note 3)	-	406.03
	-	406.03
Un-Secured		
Loans from Others	-	-
	-	-
Total	-	406.03

Rupees in lakhs

	As at 31st Mar 2018	As at 31st Mar 2017
Notes:		
1) (a)	The term loans installments fallen due are classified a current liability (Ref. Note No. 2.16).	
(b)	Term loans availed from IDBI Bank Ltd are payable in 25 monthly equal installments commenced from July 1, 2014 and ending on July 1, 2016 and carrying interest rate BBR + 650 basic points.	
(c)	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 Splendid Metal Products Ltd.(formerly Sujana Metal Products Ltd.,).	
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;	
3)	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.	
2.12 Provisions		
Non-current		
Employee Benefit obligation	186.96	178.20
	186.96	178.20
Current		
Other Provisions		
Dividends on CRPS	-	4.06
Tax on dividend to CRPS	-	0.83
	-	4.89
Total	186.96	183.09
2.13 Deferred Tax Liability / (Asset) (Net)		
Opening Balance	-1045.72	1962.07
Add: Deferred Tax Assets in relation to		
(i) Difference in depreciation & amortisation for accounting and income tax purposes	-500.91	-556.43
(ii) Provision for employee benefits	-4.70	-21.26
	-505.61	-577.69
Less: Deferred Tax Liability on account of differences in Opening Balance		
(iii) Disallowance under Section 43B of Income Tax Act, 1961	-	-2430.10
Deferred Tax Liability / (Asset) (Net)	-96.52	-1045.72
Other Long-Term Liabilities		
- Payable to Subsidiaries	-	-
- Payable to Others	-	-
Total	-	-
2.14 Current Borrowings		
Secured		
From Consortium Banks	95,114.82	93,214.67
From Other Banks	6,660.99	3,483.52
Total	101,775.81	96,698.19

Notes:

- 1) Cash Credits of banks are secured by way of pari pasu 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 Splendid Metal Products Ltd (formerly Sujana Metal Products Ltd.,).

SUJANA UNIVERSAL INDUSTRIES LIMITED

Rupees in lakhs

2) Cash Credits (CC) outstanding with various banks

Name of the Bank	Outstanding as at 31st March	
	2018	2017
1) Bank of Baroda	5,515.03	3,613.95
2) Bank of India	25,645.62	25,645.62
3) Central Bank of India	8,037.11	8,038.03
4) IDBI Bank Ltd	3,601.14	3,601.14
5) Indian Overseas Bank	25,669.32	25,669.26
6) Oriental Bank of Commerce	12,231.12	12,231.19
7) UCO Bank	14,415.48	14,415.48
Total	95,114.82	93,214.67

Notes:

- During the Financial Year 2017-18 the Company has not made any provision for Interests on term loans and working capital loans as the accounts are NPA and also keeping in view of the pending restructuring proposal. Had the interest of Rs.190.78 cr, been charged to the profit & loss a/c for the financial year 2017-18, the loss would have been Rs.281.38 cr,
- The Borrowings from other Banks represents the Loan from Export-Import Bank of India, Mumbai arisen due to invocation of Stand by Letter of Credit(SBLC) provided to EXIM Bank of India, London on behalf of PAC Ventures Pte Limited, Singapore (a Wholly Owned Subsidiary of the Company) for sanction of Loan Facility to meet working capital needs. Out of USD 13 millions of SBLC, the Exim Bank of India, London had invoked USD 9 millions.

2.15 Trade Payables

i) Acceptance (Refer to Note 1 & 2)	10,000.00	10,000.00
ii) Trade Payables	1,905.00	6,841.54
Total	11,905.00	16,841.54

Note :

- 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 Splendid Metal Products Ltd (formerly Sujana Metal Products Ltd.,)
- Letter of Credits (acceptances) outstanding with various banks

Name of the Bank	Outstanding as on 31st March			
	2018		2017	
	Total	Devolved	Total	Devolved
1) Bank of India #	6,249.26	6,249.26	6,249.26	6,249.26
2) Central Bank of India	10,000.00	10,000.00	10,000.00	10,000.00
3) UCO Bank #	8,000.00	8,000.00	8,000.00	8,000.00
4) Indian Overseas Bank #	14,144.74	14,144.74	14,144.74	14,144.74
Total	38,394.00	38,394.00	38,394.00	38,394.00

#The Banks has debited the devolved LC amount to Cash Credit (CC) Account except Central Bank of India.

Rupees in lakhs

	As at 31st Mar 2018	As at 31st Mar 2017
2.16 Other Financial Liabilities		
Current Maturities of Long Term Debt (Secured)		
Vehicle Loans	-	1.13
Term Loans	7,168.38	7,168.38
Auditors Fees Payable	24.35	34.55
CRPS Dividend Payable	200.99	196.93
Dividend Distribution Tax Payable	14.50	13.68
CRPS Installments Payable	2,216.05	1,810.02
Rent Payable	28.62	24.57
Cost Audit Fees Payable	3.14	3.14
Income Tax Payable	680.46	579.16
Statutory Liabilities	105.60	111.82
Total	10,442.09	9,943.38
2.17 Other Current Liabilities		
Loans and advances from related parties	-	6.49
Sundry Creditors for Services & Others	6,728.10	1,122.74
Advances from Customers	707.93	5,106.25
Total	7,436.03	6,235.48
	Year Ended 31st March 2017	Year Ended 31st March 2016
2.18 Revenue from Operations		
From Sale of Products (Gross)		
- Domestic	2,098.64	1,28,772.09
- Exports	3,436.54	32,401.94
Less: Excise Duty	(0.46)	(77.74)
Total	5,534.72	1,61,096.29
2.19 Other Income		
Interest Income	30.77	1.59
Forex Gain	56.92	-
Miscellaneous Income	129.74	10.93
Total	217.43	12.52
2.20 Cost of Material Consumed		
Opening Stock of Raw material	37.76	103.58
Add: Purchases	-	-
Add: Carriage Inward & Other Incidental Expenses	-	0.38
	37.76	103.96
Less: Closing Stock	-	37.76
Total	37.76	66.20

SUJANA UNIVERSAL INDUSTRIES LIMITED

Rupees in lakhs

	Year Ended 31st March 2018	Year Ended 31st March 2017
2.21 Changes in Inventories		
a) Opening Stock		
Stock-in-Trade	1,338.41	6,223.89
Finished Goods	0.21	2.91
Work-in-Progress	2.87	7.72
	1,341.49	6,234.52
b) Closing Stock		
Stock-in-Trade	887.45	1,338.41
Finished Goods	-	0.21
Work-in-Progress	-	2.87
	887.45	1,341.49
(Increase) / Decrease (a - b)	454.04	4,893.03
2.22 Employee Benefits Expense		
Salaries and Wages	214.85	347.24
Contribution to Provident and Other Funds	34.28	82.99
Staff Welfare Expenses	2.76	5.44
Total	251.89	435.67
2.23 Finance Costs		
Interest Expenses	-	15,269.94
Other Borrowing Costs	55.60	1,884.81
Preference Dividend (Gross)	-	4.89
Total	55.60	17,159.64
2.24 Other Expenses		
Consumption of Stores and Spare Parts (Refer Note 1)	2.16	11.42
Power and Fuel	32.98	31.80
Rent	13.50	21.99
Repairs to Buildings	0.75	3.68
Repairs to Machinery	-	2.53
Insurance	13.69	4.00
Rates and Taxes, excluding taxes on income	16.84	4.13
Professional & Consultancy Charges	35.15	78.22
Travelling & Conveyance	71.45	108.57
Carriage Outwards	0.24	42.18
Business Development Expenses	4.59	6.62
Postage, Telegrams & Telephone Expenses	4.44	4.66
Printing & Stationery	6.55	1.82
Provision for doubtful debts	-	688.34
Bad Debts written off	789.39	-

Audit Fee	-	-
- Audit Fee	17.45	19.61
- Cost Audit Fee	-	1.73
Office Maintenance	18.41	34.82
Factory Maintenance	1.31	3.30
Foreign Exchange Fluctuations	66.52	629.83
Loss on Sale of Fixed Assets	7,127.90	-
Miscellaneous expenses	73.42	42.02
Total	8,296.74	1,741.27

Notes :

1) Consumption of Stores and Spare Parts		
Opening Stock	60.68	69.59
Add: Purchases	-	2.51
	60.68	72.10
Less: Closing Stock	58.52	60.68
Total	2.16	11.42

2.25 Property, Plant and equipment and Capital work-in-progress

Rs. In Lakhs

Carrying amount of:	As at 31 March, 2018	As at 31 March, 2017
Land	81.16	81.16
Buildings	403.79	440.98
Plant & Machinery	8,150.73	12,449.65
Electrical Equipment's/Installations	781.57	72.49
Office Equipment's	0.37	1.22
Furniture & Fixtures	15.93	-19.98
Vehicles	57.59	227.78
Total	9,491.14	13,293.18
Capital work-in-progress	-	5,260.34
Total	-	5,260.34

SUJANA UNIVERSAL INDUSTRIES LIMITED

Rs. In Lakhs

	Land	Buildings	Plant & Machinery	Electrical Equipment's/ Installations	Office Equipment's	Testing Equipment's	Furniture & Fixtures	Vehicles	Miscellaneous Equipment's	Total
Cost or Deemed cost										
Balance as at 1 April, 2016	81.16	1182.99	40204.16	654.57	352.52	0.10	120.29	720.57	3.52	43319.88
Additions during the year	0.00	0.00	0.00	0.00	1.51	0.00	0.00	0.00	0.00	1.51
Assets disposed/written off during the year	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Balance as at 31 March, 2017	81.16	1182.99	40204.16	654.57	354.03	0.10	120.29	720.57	3.52	43321.39
Additions during the year	0.00	0.00	4534.18	736.79	0.00	0.00	0.00	0.00	0.00	5270.97
Assets disposed/written off during the year	0.00	0.00	12299.55	0.00	0.00	0.00	0.00	461.96	0.00	12761.51
Balance as at 31 March, 2018	81.16	1182.99	32438.78	1391.36	354.03	0.10	120.29	258.61	3.52	35830.85
Accumulated depreciation										
Accumulated depreciation as at 1 April, 2016	0.00	704.81	25859.00	554.37	350.88	0.10	96.45	424.83	3.52	27993.96
Charge for the year	0.00	37.20	1895.50	27.71	1.92	0.00	3.96	67.95	0.00	2034.24
Depreciation on assets adjusted against retained earning during the year	-	-	-	-	-	-	-	-	-	-
Depreciation on assets disposed/ written off during the year	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation as at 31 March, 2017	0.00	742.01	27754.50	582.08	352.80	0.10	100.41	492.78	3.52	30028.42
Charge for the year	0.00	37.20	1694.87	27.71	0.85	0.00	3.96	52.72	0.00	1817.31
Depreciation on assets adjusted against retained earning during the year	-	-	5161.32	-	-	-	-	344.49	-	5505.81
Depreciation on assets disposed/ written off during the year	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Accumulated depreciation as at 31 March, 2018	0.00	779.20	24288.05	609.79	353.66	0.10	104.37	201.02	3.52	26339.70
Carrying amount										
Balance as at 1 April, 2016	81.16	478.18	14345.16	100.20	1.64	0.00	23.84	295.74	0.00	15325.91
Balance as at 31 March, 2017	81.16	440.98	12449.65	72.49	1.23	0.00	19.88	227.79	0.00	13293.18
Balance as at 31 March, 2018	81.16	403.79	8150.73	781.57	0.37	0.00	15.93	57.59	0.00	9491.14

Notes : All the above property, plant and equipment are owned by the Company

2.26 Financial Instruments- Fair Values and Risk Management

The following tables show the carrying amounts and fair values of financial assets and financial liabilities by categories. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(Amount in Rs as of March 31, 2018)

Particulars	cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:					
Investments in Equity Instruments	-	-	-	-	-
Cash & Cash Equivalents (Ref Note No. 2.07)	266.57	-	-	266.57	-
Trade Receivable (Ref Note No. 2.06)	96964.41	-	-	96964.41	-
Loans & Advances (Ref Note No. 2.04)	7487.40	-	-	7487.40	-
Liabilities:					
Trade Payables (Ref Note No. 2.15)	11905.00	-	-	11905.00	-
Borrowings (Ref Note No. 2.14)	101775.81	-	-	101775.81	-
Other Financial Liabilities (Ref Note No. 2.11 & 2.16)	10442.09	-	-	10442.09	-

The carrying amounts are considered to be the same as their fair values, due to their short-term nature

(Amount in Rs as of March 31, 2017)

Particulars	Cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:					
Investments in Equity Instruments	-	-	-	-	-
Cash & Cash Equivalents (Ref Note No. 2.07)	278.91	-	-	278.91	-
Trade Receivables (Ref Note No. 2.06)	111713.38	-	-	111713.38	-
Loans & Advances (Ref Note No. 2.04)	4274.46	-	-	4274.46	-
Liabilities:					
Trade Payable (Ref Note No. 2.15)	16841.54	-	-	16841.54	-
Borrowings (Ref Note No. 2.14)	96698.19	-	-	96698.19	-
Other Financial Liabilities (Ref Note No. 2.11 & 2.16)	10349.41	-	-	10349.41	-

The carrying amounts are considered to be the same as their fair values, due to their short-term nature

2.27 Financial risk management

The company's activities expose it to the following financial risks:

- Market risk
- Credit risk and
- Liquidity risk

The company has not arranged funds that have any interest rate risk.

a) Market risk

i) Foreign Exchange Risk

Foreign currency risk is also known as Exchange Currency Risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. Foreign currency risk in the Company is attributable to Company's operating activities and financing activities. In the operating activities, the Company's exchange rate risk primarily arises when revenue / costs are generated in a

SUJANA UNIVERSAL INDUSTRIES LIMITED

currency that is different from the reporting currency (transaction risk). The Company manages the Net exposure on a rolling 12 month basis and hedges the exposures based on a duly approved policy by the Board. The information is monitored by the Audit committee and the Board of Directors on a quarterly basis. This foreign currency risk exposure of the Company is mainly in U.S. Dollar (USD).

b) Credit Risk

Credit risk refers to the risk of default on its obligation by a counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Accordingly, credit risk from trade receivables has been separately evaluated from all other financial assets in the following paragraphs.

Trade Receivables

Trade receivables are typically unsecured and are derived from revenue earned from customers. Impairment on trade receivables is recognized based on expected credit loss in accordance with provisions of Ind AS 109. The company's historical experience from customer, present economic condition, present performance of the customers and future outlook for the industry etc. are taken into account for the purposes of expected credit loss.

Age wise Receivables		
Particulars	As at	
	31st March 2018	31st March 2017
Within the Credit Period		
01-30 days past due	-	-
31-60 days past due	-	1215.64
61-90 days Past due	-	90.62
more than 90 days past due	96964.41	110407.12
Total	96964.41	111713.38

Trade receivables are generally considered credit impaired after three years past due (except government dues), unless the amount is considered receivable, when recoverability is considered doubtful based on the recovery analysis performed by the company for individual trade receivables. The company considers that all the above financial assets that are not impaired and past due for each reporting dates under review are of good credit quality.

With regard to trade receivable on certain transactions, the company has equivalent trade payables to associate suppliers which are payable on realization of trade receivables. Such trade receivables are considered not impaired though past due.

Other financial assets

There are no impairment provisions as at each reporting date against financial assets. We consider all the financial assets as at the reporting dates to be of good credit quality.

c. Liquidity Risk

The liquidity needs are monitored on the basis of monthly and yearly projections. The company's principal sources of liquidity are cash and cash equivalents, cash generated from operations and availability of funding through an adequate amount of committed credit facilities to meet obligations when due.

Due to the dynamic nature of underlying businesses, the company maintains flexibility in funding by maintaining availability under committed credit lines.

Short term liquidity requirements consists mainly of sundry creditors, expense payable, employee dues arising during the normal course of business as of each reporting date. The company maintains sufficient balance in cash and cash equivalents to meet short term liquidity requirements.

The company assesses long term liquidity requirements on a periodical basis and manages them through internal accruals and committed credit lines.

2.28 Related Party Transactions.

I) List of Related Parties and Relationships.

Name of the Party	Country	Relationship
A) Subsidiaries		
Pac Ventures Pte. Limited	Singapore	
Sujana Holdings Limited	UAE	
Nuance Holdings Limited	Hong Kong	Subsidiary
Sun Trading Limited	Cayman Island	
Hestia Holdings Limited	Mauritius	
Selene Holdings Limited	Mauritius	
Empire Gulf FZE	UAE	Step down subsidiary
Sun Global Trading Pte. Limited	Singapore	
B) Key Managerial Personnel		
Mr. G. Srinivasa Raju		Managing Director
Mr. S. Hanumantha Rao		Executive Director
Mr. S. Rengaraj		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	Mr. Venkata Krishnan	Ms. Uma Devi	Mr. K Srinivasa Rao
Splendid Metal Products Ltd	Director	Director	Nominee Director	Director	Director
Vundella Investments Pvt Ltd	-	-	-	-	-
Frontier Design Syndicate Pvt Ltd	-	-	-	-	-
Neueon 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 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	
	2017-18	2016-17	2017-18	2016-17
Sale of goods				
Splendid Metal Products Ltd	-	-	177.57	4,276.04
Neueon Towers Limited	-	-	-	7.75
			177.57	4,283.79
Purchase of goods				
Splendid Metal Products Ltd	-	-	-	10,179.17
Neueon Towers Limited	-	-	-	2.49
			-	10,181.66
Other Income				
Neueon Towers Limited				1.08
	-	-	-	1.08
Other Expenses				
Splendid Metal Products Ltd	-	-	-	9.00
	-	-	-	9.00
Remuneration				
Mr. G Srinivasa Raju	-	-	-	48.00
Mr. S Hanumantha Rao	-	-	10.80	3.60
Mr. B Manoharan	-	-	5.00	14.22
Mr. Rengaraj	-	-	12.34	-
Mr. P Kodanda Rami Reddy	-	-	6.14	4.90
	-	-	34.28	70.72
Loans & Advances				
Pac Ventures Pte. Ltd	7487.40	1,135.22	-	-
Sun Trading Ltd	-	-	-	-
Nuance Holdings Ltd	-	(6.62)	-	-
	7487.40	1,128.60	-	-
Guarantees given (USD in Millions)				
Pac Ventures Pte. Ltd	US \$ 4.00	US \$ 8.00	-	-

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:

Name of the Company	Relationship	Amount outstanding As on 31.03.2018	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	7487.40	7487.40	---

2.29 Retirement Benefits

Gratuity and Leave Encashment

Rs. in Lakhs

	Gratuity		Leave Encashment	
	2017-18	2016-17	2017-18	2016-17
(i) Reconciliation of Opening and Closing balances of the present value of the defined benefit obligation:				
Obligations at the beginning of the year	148.31	134.48	30.48	27.95
Service cost for the year	3.97	15.83	2.75	2.53
Interest cost	11.42	10.49	2.35	2.18
Benefits settled/paid	-57.96	-55.35	-0.39	-3.79
Actuarial (gain) / loss	-42.06	42.86	-28.48	1.61

	Obligations at the end of the year	63.69	148.31	6.71	30.48
(ii)	Change in Plan Assets				
	Plan assets at fair value at the beginning of the year	2.50	4.30	-	-
	Adjustment	-	-0.22	-	-
	Expected return on plan assets	0.19	0.17	-	-
	Expenses	-	-0.36	-	-
	Contributions	-	0.09	-	-
	Benefits settled / paid	-0.19	-1.48	-	-
	Plan assets at fair value at the end of the year	2.50	2.50	-	-
(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	63.69	148.31	6.71	30.48
	Fair value of the plan assets at the end of the year	2.50	2.50	-	-
	Amount recognised in the Balance Sheet	61.19	145.81	6.71	30.48
(iv)	Expenses recognized in the Statement of Profit & Loss				
	Service cost for the year	3.97	15.83	2.75	2.53
	Adjustment	-	-0.22	-	-
	Interest cost	11.42	10.49	2.35	2.18
	Expected return on plan assets	-0.19	-0.17	-	-
	Actuarial (gain) / loss	-	43.22	-28.87	1.61
	Net Cost	15.20	69.15	-23.77	6.32
(v)	Assumptions				
	Discount rate (Note 1)	7.70	7.35	8.00	7.35
	Estimated rate of return on plan assets (Note 2)	-	-	-	-
	Rate of escalation in salary per annum (Note 3)	6.00	6.00	6.00	6.00
	Expected average remaining working live of employees	11 years	11 years	11 years	11 years
	Retirement age	58 years	58 years	58 years	58 years

Notes:

- The discount rate of 7.70% per annum has been used as at 31-03-2018 for the purposes of the Ind. AS 19 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 as decided by the fund managers.
 - 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.

2.30 Auditor's Remuneration

Rs. in lakhs

Particulars	2017-18	2016-17
Statutory Auditors	15.00	17.25
Other Auditors	2.45	1.73
Total	17.45	18.98

2.31 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.

SUJANA UNIVERSAL INDUSTRIES LIMITED

- a) 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".
- b) 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		2017-18	2016-17	2017-18	2016-17
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17				
A Revenue										
a) External	0.00	0.00	2.17	0.00	5532.55	161096.29	0.00	0.00	5534.72	161096.29
b) Internal	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c) Total	0.00	0.00	2.17	0.00	5532.55	161096.29	0.00	0.00	5534.72	161096.29
B Results										
Segment Result Before Tax	-487.63	-497.48	-171.20	-188.76	-8906.38	-18674.06	0.00	0.00	-9565.20	-19360.30
Less: Taxes	0.00	0.00	0.00	0.00	-949.20	3007.78	0.00	0.00	-949.20	-3007.78
Profit After Taxes	-487.63	-497.48	-171.20	188.76	-9855.58	-15666.28	0.00	0.00	-10514.41	-16352.52
C Assets										
a) Segment Assets	1339.99	1865.78	362.09	508.47	111232.54	140228.42	0.00	0.00	112934.62	142602.67
b) Unallocable Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	32460.97	29248.02
c) Total	1339.99	1865.78	362.09	508.47	111232.54	140228.42	0.00	0.00	145395.58	171850.69
D Liabilities										
a) Segment Liabilities	63.79	183.18	75.47	83.74	131606.70	130040.74	0.00	0.00	131745.96	130307.66
b) Unallocable Liabilities										
c) Total	63.79	183.18	75.47	83.74	131606.70	130040.74	0.00	0.00	131745.96	130307.66
E Others										
a) Depreciation	484.61	484.88	139.33	139.32	1193.37	1410.04	0.00	0.00	1817.31	2034.24
b) Capital Expenditure	-	-	-	-	-	-	-	-	-	-
c) Non-Cash Expenses	-	-	-	-	-	-	-	-	-	-

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		2017-18	2016-17	
A	Revenue by Geographical Market			
-	In India	2098.18	1,28,694.35	
-	Outside India	3436.54	32,401.94	
-	Total	5534.72	1,61,096.29	
B	Additions to Fixed Assets and Intangible Assets			
-	In India	5270.97	1.51	
-	Outside India	-	-	
-	Total	5270.97	1.51	
C	Carrying Amount of Segment Assets			
-	In India	114472.59	140019.69	
-	Outside India	33922.85	31831.00	
-	Total	145395.44	1,71,850.69	

2.32 Earnings Per Share (EPS)

Basic and Diluted Earnings Per Share in Rs.		Rs. in lakhs	
Particulars	2017-18	2016-17	
Net Profit After Tax	-10514.40	-16352.52	
Net Profit attributable to Equity shareholder	-10514.40	-16352.52	
Weighted average number of equity shares for Basic EPS	168841072	168841072	
Weighted average number of equity shares for Diluted EPS	168841072	168841072	
Nominal Value of Ordinary Share	10.00	10.00	
Basic Earnings per Ordinary Share	-6.23	-9.69	
Diluted Earnings per Ordinary Share	-6.23	-9.69	

2.33 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.

2.34 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.

2.35 During the quarter ending March 2018, the Company had made reversal of an amount of Rs.172.71 Cr., being the disputed Rebates and Discounts claimed earlier from certain suppliers as the same are in disputes since 2015-16. The same amount has been charged to prior period adjustments and directly deducted from the balance in Profit & Loss a/c under Reserves and Surplus without taking into Profit & Loss a/c.

2.36 Contingent Liabilities

Particulars			2017-18	2016-17
1.	Bank Guarantees			
a)	Bank of Baroda: Guarantee executed in favour of Commissioner Central Excise	Rs. Lacs	8.00	8.00
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 & millions	20.00	20.00
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 & millions	23.00	23.00
2.	Standby Letter of Credit (SBLC)			
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 of SUIL	US & millions	4.00	13.00
3.	Claims against the Company not acknowledged as debt			
a)	Sales Tax	Rs. Lacs	63000.44	63000.44
b)	Customs & Central Excise	Rs. Lacs	732.32	732.32
c)	Income Tax	Rs. Lacs	1430.38	1509.81
d)	Workmen Compensation	Rs. Lacs	4.65	4.65

SUJANA UNIVERSAL INDUSTRIES LIMITED

(*) The Mauritius Commercial Bank (MCB) has preferred a SUIT against the Company in connection with the Corporate Guarantee furnished by SUIL on behalf of Hestia Holdings Limited for availing working capital facilities, a wholly owned subsidiary of the Company and obtained a decree against the Company from High Court U.K. Further MCB has filed an execution petition with the City Civil Courts, Hyderabad for recovery of Decree amount which is subjudice and the Company is exploring the amicable settlement with the MCB.

(#) Company petitions (C.P.174/2013 & C.P.169) 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 Selene Holdings Ltd, Mauritius a step down subsidiary of SUIL (Subsidiary is Nuance Holdings Limited). The petitions were admitted by the High Court of Judicature of Hyderabad of the State of Telangana and Andhra Pradesh. However the Company has filed necessary counter in the Hon'ble Court for defending it's contention which is under subjudice. However the Company is exploring amicable 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.

2.37 Foreign Exchange Earnings and outgo

Rs. in Lakhs

Particulars	2017-18	2016-17
Merchandise Exports	3,436.54	32,401.94
Merchandise Imports	3,424.80	32,235.30

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

2.39 Figures have been rounded off to nearest rupee.

In terms of our report attached

For and on behalf of the Board of Directors

For J. Singh & Associates

Chartered Accountants

FRN No: 110266W

Chhaviraj Joshi

Mem.No : 119379

Place: Hyderabad

Date : 30th May, 2018

G. Srinivasa Raju

Managing Director

(DIN: 00132249)

S. Rangaraj

Chief Financial Officer

Place: Hyderabad

Date : 30th May, 2018

S. Hanumantha Rao

Whole Time Director

(DIN: 00118801)

Consolidated Accounts for the Year Ended 31st March 2018

Consisting of (a) annual audited accounts of your Company for the year ended 31st March 2018 (b) un-audited financial statements of Pac Ventures Pte Ltd, for the year ended 31st March 2018 (c) un-audited consolidated financial statements of Nuance Holdings Ltd for the year ended 31st March 2018 (d) un-audited consolidated financial statements of Sujana Holdings Ltd for the year ended 31st March 2018 (e) un-audited financial statements Hestia Holdings Ltd for the year ended 31st December 2017 and (f) un-audited consolidated financial statements of Sun Trading Ltd for the year ended 31st March 2018.

SUJANA UNIVERSAL INDUSTRIES LIMITED

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 Ind AS 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, 2018, the Consolidated Statement of Profit and Loss (including other comprehensive income) and Consolidated Cash Flow Statement and the Statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated financial statements').

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ('the Act') that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014. 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; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of Holding Company, as aforesaid.

Auditor's Responsibility

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

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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS 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 consolidated Ind AS 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 accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Basis for Qualified Opinion:

- a) The Holding Company has defaulted in repayment of dues to Banks/Financial Institutions during the current financial year. All loans outstanding were classified as NPA by the banks during the preceding financial years. Provision for interest (excluding penal interest) amounting to Rs. 177.78 Cr. and Rs. 13.00 Cr. on its Working Capital Loan and Term Loan respectively has not been made in the books by the Holding Company, as those

Loan Accounts were classified as NPA by the Lending Banks and Financial Institutions. The loss of the Company has been understated by Rs. 190.78 Cr. in view of non provision of Interest amount. If the accrued interest on outstanding bank facilities debited to P&L account then the company will incur loss of Rs.295.92 Cr.

- b) The Holding Company is not regular in payment of undisputed statutory dues during the current financial year amounting to Rs. 8.01cr which includes Income Tax, Corporate Dividend Tax, TDS, VAT, Service Tax, Provident Fund, Employees State Insurance and Professional Tax.
- c) Since the Company has not obtained any technical/market/commercial evaluation for the inventory, we are unable to comment on the realizable value of the same, which may be lower than the amount at which it has been reflected in the balance sheet.
- d) In absence of technical and costing evaluation of current and noncurrent assets, impact of impairments, if any, on their economic value, we can't comment on the realizable value of same.
- e) The trade receivables of holding company amounting to Rs. 335.68 Cr could not be verified as confirmation of balances has not been received. The holding company has written off debtors amounting to Rs.7.89 Cr in the current financial year. The realisability of trade receivables of holding company amounting to Rs. 335.68 Cr is in doubt and company has not made any provision for Bad and Doubtful debts in respect of these receivables.

Qualified Opinion:

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the Basis for Qualified Opinion paragraph above, the aforesaid Consolidated Ind AS 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 including the Ind AS, of the consolidated financial position of the Company as at 31st March 2018, and its consolidated financial performance including other comprehensive income, its consolidated cash flows and changes in equity 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 No. 2.36(b) 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 one of its subsidiaries – Hestia Holdings Limited for which the Company has given a Corporate Guarantee.
- b) Note No.2.36 (C) to the financial statements which describes the uncertainty related to the outcome of the Bank Debt recalled by the Standard Bank which has financed one of its steps down subsidiary – Selene Holdings Limited for which Sujana Universal Industries Limited has given a Corporate Guarantee.
- c) Note No. 2.08 forming part of financial statements regarding the Loan and advances to the extent of Rs. 60.89cr are long overdue and the company considers them as good and recoverable.
- d) Financial statements of Hestia Holdings Limited and Selene Holdings Limited 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, indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as 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.

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 purpose of our audit of the aforesaid consolidated Ind AS financial statements;

SUJANA UNIVERSAL INDUSTRIES LIMITED

- b) in our opinion proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept by the Company so far as appears from our examination of those books;
- c) the Consolidated Balance Sheet, the consolidated Statement of Profit and Loss including other comprehensive income, and the consolidated Cash Flow Statement and the Statement of changes in equity dealt with by this Report are in agreement with the books of account maintained for the purpose of our audit of the aforesaid consolidated Ind AS financial statements;
- d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014.
- e) On the basis of written representations received from the directors of the Holding Company as on March 31, 2018, and taken on record by the Board of Directors of the Holding Company, none of the directors is disqualified as on March 31, 2018, 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 group and the operating effectiveness of such controls, refer to our separate report in 'Annexure A', which is based on the auditors' report 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 other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated Ind AS financial statement has not disclosed the pending litigations which could have impact on its financial position of the group in its consolidated financial statements as of March 31, 2018.
 - 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 and the subsidiary companies incorporated in India.

Other Matter

1. We did not audit the financial statements/consolidated financial statements of all the 5 subsidiaries whose financial statements/consolidated financial statements reflect total assets before elimination of Rs. 128007.87 lakhs as at 31.03.2018 and the total revenue of Rs. 40807.76 lakhs for the year then ended which are considered in preparation of the Statement. These un-audited financial statements/consolidated financial statements and other financial information have been certified by the management and furnished to us, and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the un-audited financial statement /consolidated financial statements certified by the management. Our Opinion on the statement is not modified in respect of the above matter with respect to our reliance on the financial statements certified by the management

For J. Singh & Associates.,

Chartered Accountants
(Firm's Regn No. 110266W)

Chhaviraj Joshi

Partner

Mem. No. 119379

Date: 30-05-2018

Place: Hyderabad

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')

In conjunction with our Audit of the consolidated Ind AS financial statements of the company as of and for the year ended 31st March 2018, we have audited the internal financial controls over financial reporting of **Sujana Universal Industries Limited ('the Holding company')** as of the 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 (ICAI). 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 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 Guidance note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the standards on Auditing deed to be prescribed under section 143(10) of the Act to the extent applicable to an Audit of Internal Financial Controls, both applicable to an audit of Internal Financial Controls and both issued by the ICAI. These standards and guidance note require that we comply with ethical requirements and plan and performed 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 Auditor's Judgment, including the assessment of the risk of material misstatement of the Consolidated Ind AS 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 and the company's internal financial control 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 these policies and procedures that (1) pertain to the maintenance of records that, in reasonable detailed, 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 authorization of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 limitation 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 deducted. 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 control system over financial reporting and such internal financial controls reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of the internal control stated in the guidance note.

For J. Singh & Associates,
Chartered Accountants
(Firm's RegnNo.110266W)
Chhaviraj Joshi
Partner
Mem. No. 119379

Date: 30-05-2018
Place: Hyderabad

SUJANA UNIVERSAL INDUSTRIES LIMITED

Consolidated Balance Sheet as at 31st March, 2018

Rupees in lakhs

Particulars	Note No.	As at 31st March	
		2018	2017
A ASSETS			
1 Non- Current Assets			
(a) Property, Plant and Equipment	2.01	9,491.69	13,303.71
(b) Capital Work-in-Progress		-	5,260.34
(c) Financial Assets			
(i) Investments		-	-
(i) Other financial assets		-	-
(d) Deferred tax asset (net)	2.11	96.53	1,045.73
(e) Other non-current assets	2.02	44,931.95	230.62
		54,520.17	19,840.40
2 Current Assets			
(a) Inventories	2.03	945.97	1,439.93
(b) Financial Assets			
(i) Trade receivables	2.04	170,487.60	239,974.93
(ii) Cash and cash equivalents	2.05	306.45	335.47
(c) Other current assets	2.06	8,732.47	55,454.62
		180,472.49	297,204.95
Total		234,992.66	317,045.35
B EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share Capital	2.07	16,884.11	16,884.11
(b) Other Equity	2.08	8,049.33	37,468.87
		24,933.44	54,352.99
LIABILITIES			
2 Non- Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	2.09	-	5,664.95
(b) Provisions	2.10	186.96	178.20
(c) Deferred tax liabilities (Net)	2.11	-	-
(d) Other non-current liabilities		-	-
		186.96	5,843.15
3 Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	2.12	134,194.69	125,427.34
(ii) Trade payables	2.13	29,107.35	81,556.09
(iii) Other financial liabilities	2.14	10,823.79	10,344.56
(c) Provisions	2.10	1.31	17.03
(d) Other current liabilities	2.15	35,745.11	39,504.20
		209,872.25	256,849.22
Total		234,992.65	317,045.35

In terms of our report attached

For J. Singh & Associates

Chartered Accountants

FRN No: 110266W

Chhviraj Joshi

Mem.No : 119379

Place: Hyderabad

Date : 30th May, 2018

For and on behalf of the Board of Directors

G. Srinivasa Raju

Managing Director

(DIN: 00132249)

S. Rangaraj

Chief Financial Officer

Place: Hyderabad

Date : 30th May, 2018

S. Hanumantha Rao

Whole Time Director

(DIN: 00118801)

Consolidated Statement of Profit and Loss

Rupees in lakhs

Particulars	Note No.	As at 31st March	
		2018	2017
I. Revenue			
Revenue from Operations	2.16	46,342.48	2,37,172.97
Other Income	2.17	217.43	15.84
Total Revenue		46,559.91	2,37,188.81
II Expenses			
Cost of Materials Consumed	2.18	37.76	66.20
Purchase of Stock-in-Trade		44,388.52	2,29,259.80
Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	2.19	454.04	4,893.03
Employee Benefit Expense	2.20	251.89	447.24
Finance Costs	2.21	2,632.86	19,523.46
Depreciation and Amortization Expense	2.01	1,817.42	2,034.70
Other Expenses	2.22	8,341.87	1,832.45
Total Expenses		57,924.36	2,58,056.86
III Profit Before Tax (I - II)		(11,364.45)	(20,868.05)
IV Exceptional Items		-	-
V Profit Before Tax (III - IV)		(11,364.45)	(20,868.05)
VI Tax Expense:			
Current tax		3.86	12.14
Deferred tax		949.20	(3,007.78)
VII Profit for the year (V - VI)		(12,317.51)	(17,872.41)
VIII Total other comprehensive income (Net of taxes)		-	-
IX Total comprehensive income for the Year (VII + VIII)		(12,317.51)	(17,872.41)
X Earnings per Equity Share of Rs. 10 each			
a) Basic		(7.30)	(10.59)
b) Diluted		(7.30)	(10.59)

See accompanying notes forming part of the financial statements

In terms of our report attached

For J. Singh & Associates

Chartered Accountants

FRN No: 110266W

Chhviraj Joshi

Mem.No : 119379

Place: Hyderabad

Date : 30th May, 2018

For and on behalf of the Board of Directors

G. Srinivasa Raju

Managing Director

(DIN: 00132249)

S. Rangaraj

Chief Financial Officer

Place: Hyderabad

Date : 30th May, 2018

S. Hanumantha Rao

Whole Time Director

(DIN: 00118801)

SUJANA UNIVERSAL INDUSTRIES LIMITED

Consolidated Cash Flow Statement

Rupees in lakhs

Particulars	For the year ended 31st March	
	2018	2017
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / (Loss) Before Tax	(11,364.45)	(20,868.05)
Adjustments for		
Depreciation	1,817.42	2,034.70
Financial Expenses	2,632.86	19,523.46
Interest & other income	(30.77)	(1.59)
Un-earned Foreign (Gain)/Loss	-	629.83
Provision for Gratuity	-	68.79
Provision for Leave Encashment	-	6.80
Provision for doubtful debts	-	688.34
Profit on sale of fixed assets	7,127.90	-
Exceptional Items	(17,511.35)	-
Operating Profit Before Working Capital Changes	(17,328.39)	2,082.28
Movements in Working Capital		
Adjustments for (increase) / decrease in operating assets:		
Inventories	493.96	4,967.76
Trade Receivables	69,487.33	63,631.89
Other Financial Assets	-	2.83
Other Assests	2,138.39	17,979.51
Adjustments for increase / (decrease) in operating liabilities:		
Trade Payables	(52,448.74)	(70,055.59)
Provisions	8.76	(0.93)
Financial Laibilities	5.62	36.38
Other Liabilities	(3,770.51)	(4,289.88)
Cash Generated from Operations	(1,413.58)	14,354.25
Direct Taxes Paid	53.19	(5.22)
Cash from Operating Activities (A)	(1,360.39)	14,349.03
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	137.69	(1.51)
Sale proceeds of fixed assets	-	-
Foreign Exchange Translation adjustment (on consolidation)	277.05	(2,649.34)
Interest Received	30.77	1.59
Cash from Investment Activities(B)	445.51	(2,649.26)
CASH FLOW FROM FINANCIAL ACTIVITIES		
Proceeds from Borrowings	1,880.63	(1,851.26)
Changes in Shareholders current equity	-	(7,375.01)
Repayment of CRPS Installments	-	-
Interest & Financial Charges paid	(994.77)	(2,579.84)
Net Cash from Financing Activities (C)	885.86	(11,806.11)
Net Increase in Cash and Cash Equivalent (A+B+C)	(29.02)	(106.34)
Cash and Cash Equivalent at the beginning of the year	335.47	441.81
Cash and Cash Equivalent at the end of the year	306.45	335.47

See accompanying notes forming part of the financial statements

In terms of our report attached

For J. Singh & Associates

Chartered Accountants

FRN No: 110266W

Chhviraj Joshi

Mem.No : 119379

Place: Hyderabad

Date : 30th May, 2018

For and on behalf of the Board of Directors

G. Srinivasa Raju

Managing Director

(DIN: 00132249)

S. Rangaraj

Chief Financial Officer

Place: Hyderabad

Date : 30th May, 2018

S. Hanumantha Rao

Whole Time Director

(DIN: 00118801)

NOTES TO ACCOUNTS FOR THE YEAR ENDED MARCH 31st 2018**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".
- 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.

SUJANA UNIVERSAL INDUSTRIES LIMITED

- 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.

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.

Statement of Changes in Equity (SOCIE)

	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016		
	No. of Shares	Rs.	No. of Shares	Rs.	No. of Shares	Rs.	
(A) Equity share capital							
Balance at the beginning of the reporting period		16,884.11		16,884.11	16,88,41,072	16,884.11	
Change in equity Share capital during the year	-	-	-	-	-	-	
Balance at the end of the reporting period	16,88,41,072	16,884.11	16,88,41,072	16,884.11	16,88,41,072	16,884.11	
(B) Other equity							
			Reserves & Surplus				
	Capital Reserve	Capital Redemption Reserve	Securities Premium Reserve	General Reserve	Retained earnings	Foreign Currency Translation Reserve	Total Other Equity
Balance as at April 1, 2016	20.00	1,218.10	18,658.23	449.73	32,141.03	13,339.57	65,826.65
Profit/(loss) for the year	-	-	-	-	(17,872.41)	-	(17,872.41)
Other comprehensive income for the year, net of taxes	-	-	-	-	-	-	-
Others	-	-	-	-	(7,836.03)	(2,649.34)	(10,485.37)
Total comprehensive income for the year	-	-	-	-	(25,708.44)	(2,649.34)	(28,357.78)
Dividend (including tax on dividend)	-	-	-	-	-	-	-
Balance as at March 31, 2017	20.00	1,218.10	18,658.23	449.73	6,432.59	10,690.23	37,468.87
Balance as at April 1, 2017	20.00	1,218.10	18,658.23	449.73	6,432.59	10,690.23	37,468.897
Profit/(loss) for the year	-	-	-	-	(12,317.51)	-	(12,317.51)
Other comprehensive income for the year, net of taxes	-	-	-	-	-	-	-
Others	-	-	-	-	(17,511.35)	409.32	(17,102.03)
Total comprehensive income for the year	-	-	-	-	(29,828.86)	409.32	(29,419.54)
Dividend (including tax on dividend)	-	-	-	-	-	-	-
Balance as at March 31, 2018	20.00	1,218.10	18,658.23	449.73	(23,396.27)	11,099.55	8,049.35

See accompanying notes forming part of the financial statements

In terms of our report attached

For J. Singh & Associates

Chartered Accountants

FRN No: 110266W

Chhaviraj Joshi

Mem.No : 119379

Place: Hyderabad

Date : 30th May, 2018

For and on behalf of the Board of Directors

G. Srinivasa Raju

Managing Director

(DIN: 00132249)

S. Hanumantha Rao

Whole Time Director

(DIN: 00118801)

S. Rangaraj

Chief Financial Officer

Place: Hyderabad

Date : 30th May, 2018

Rs. in Lakhs

2.01 Consolidated Property, Plant & Equipment

Particulars	Gross Block				Depreciation			Net Block	
	As on 01.04.2017	Additions	Deletions	As on 31.03.2018	As on 01.04.2017	For the Year	On Deletions	As on 31.03.2018	As on 31.03.2017
A) Tangible Assets									
Land	81.16	-	-	81.16	-	-	-	81.16	81.16
Buildings	1,182.99	-	-	1,182.99	742.01	37.20	-	403.78	440.98
Plant & Machinery	40,204.16	4,534.18	12,299.55	32,438.79	27,754.66	1,694.87	5,161.32	8,150.58	12,449.50
Electrical Equipments / Installations	654.57	736.79	-	1,391.36	582.08	27.71	-	609.79	72.49
Office Equipments	403.76	-	9.89	393.87	379.21	0.96	-	380.17	24.55
Testing Equipments	0.10	-	-	0.10	0.10	-	-	0.10	-
Furniture & Fixtures	131.97	-	-	131.97	119.46	3.96	-	8.55	12.51
Vehicles	706.90	-	461.96	244.94	484.38	52.72	344.49	52.33	222.52
Miscellaneous Equipments	3.52	-	-	3.52	3.52	-	-	3.52	-
Less: Revaluation Reserve	43,369.13	5,270.97	12,771.40	35,868.70	30,065.42	1,817.42	5,505.81	9,491.69	13,303.71
Total of Tangible Assets	43,369.13	5,270.97	12,771.40	35,868.70	30,065.42	1,817.42	5,505.81	9,491.69	13,303.71
B) Intangible Assets									
ERP / Softwares	391.45	-	-	391.45	391.45	-	-	391.45	-
Total (A+B)	43,760.58	5,270.97	12,771.40	36,260.15	30,456.87	1,817.42	5,505.81	9,491.69	13,303.71
Previous Year	43,759.07	1.51	-	43,760.58	28,422.18	2,034.70	-	13,303.71	15,336.90

1. During the year ending March 2018 the Company had disposed off the Moulds of no use in process after ascertained the usefulness & life span. There by the Company had incurred a loss of Rs. 71 Cr., on sale of moulds.

SUJANA UNIVERSAL INDUSTRIES LIMITED

Rupees in lakhs

	As at 31st Mar 2018	As at 31st Mar 2017
2.02 Other Financial Assets		
Deposits with Government Authorities & Others	-	230.62
	-	230.62
Other Non-Current Assets		
Loans and Advances to Subsidiaries	-	-
Other Loans and Advances	44,931.95	-
	44,931.95	230.62
2.03 Inventories		
(at lower of cost or net realizable value)		
Raw Materials	-	37.76
Work in Process	-	2.87
Finished Goods	-	0.21
Stock in Trade	887.45	1,338.41
Stores and Spares	58.52	60.68
Total	945.97	1,439.93
2.04 Trade Receivables		
a) Unsecured & Considered Good	1,70,487.60	2,39,974.93
b) Doubtful	-	688.34
Less: Provision for doubtful debts	-	688.34
Total	1,70,487.60	2,39,974.93
2.05 Cash and Cash Equivalents		
Cash on Hand	9.70	23.82
Bank Balances in Current Accounts	296.75	311.65
	306.45	335.47
Notes:		
Margin Money Deposits represents margin money kept with various banks for issue of Letter of Credits.		
2.06 Other Current Assets		
Advance to Staff	3.79	14.18
Advance for Expenses & Others	8.97	2,864.29
TDS Receivable	50.09	63.29
Pre-paid Expenses	-	13.42
VAT Receivable	76.52	156.91
Advances to Suppliers & Others	6,089.34	48,845.07
Excise Duty Receivable	0.07	1.22
Rental Advance	-	8.43
MAT Credit Receivable	484.20	478.92
Loans & Advance from related Parties	2,019.49	3,008.89
Total	8,732.47	55,454.62

Rupees in lakhs

2.07 Equity Share Capital**(i) The authorised, issued, subscribed and fully paid-up share capital**

Particulars	As at March 31, 2018		As at March 31, 2017	
	No. of shares	Rs.	No. of shares	Rs.
Authorised:				
Equity shares of ₹10 each with voting rights	17,50,00,000	17,500.00	17,50,00,000	17,500.00
1% Cumulative Redeemable Preference Shares of Rs.100/- each	25,00,000	250.00	25,00,000	250.00
Issued, Subscribed and Fully Paid:				
Equity shares of ₹10 each with voting rights	16,88,41,072	16,884.11	16,88,41,072	16,884.11
Total	16,88,41,072	16,884.11	16,88,41,072	16,884.11

The equity shares of the Company having par value of ₹ 10 per share, rank pari passu in all respects including entitlement to dividend. Repayment of the capital in the event of winding up of the Company will inter alia be subject to the provisions of the Articles of Association of the Company and as may be determined by the Company in General Meeting prior to such winding up.

: : : : : : : :

(ii) Details of shares held by each share holder holding more than 5% shares

Name of shareholder	As at 31 March, 2018		As at 31 March, 2017	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares of ₹10 each with voting rights				
i) Yalamanchili Finance & Trading Pvt Ltd	-	-	-	-
ii) Sujana Finance & Trading Pvt. Ltd	4,48,98,335	26.59%	4,48,98,335	26.59%
Total	4,48,98,335	26.59%	4,48,98,335	26.59%

(iii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

	As at March 31, 2018		As at March 31, 2017	
	Number of shares	Rs.	Number of shares	Rs.
Equity shares				
Opening balance	16,88,41,072	16,884.11	16,88,41,072	16,884.11
Issued during the year	-	-	-	-
Closing balance	16,88,41,072	16,884.11	16,88,41,072	16,884.11

SUJANA UNIVERSAL INDUSTRIES LIMITED

Rupees in lakhs

	As at 31st Mar 2018	As at 31st Mar 2017
2.08 Other Equity		
a) Capital Reserves		
Opening Balance	20.00	20.00
Add: Additions During the Year	-	-
	20.00	20.00
b) Capital Redemption Reserve		
Opening Balance	1,218.10	1,218.10
Add: Additions During the Year	-	-
	1,218.10	1,218.10
c) Securities Premium Reserves		
Opening Balance	18,658.23	18,658.23
Add: Additions During the Year	-	-
	18,658.23	18,658.23
d) Foreign Exchange Reserves		
Opening Balance	-	-
Less: Foreign Exchange Reserve for the year	132.27	-
	132.27	-
e) General Reserves		
Opening Balance	449.73	449.73
Less: Transferred to Capital Redemption Reserve	-	-
	449.73	449.73
f) Retained Earnings		
Opening Balance	6,432.58	32,141.03
Less: Prior Period Adjustments	17,511.35	461.02
Less: Shareholders current equity	-	7,375.01
	(11,078.76)	24,305.00
Less: Loss for the year	(12,317.51)	(17,872.41)
Add: Other Comprehensive Income	-	-
	(23,396.28)	6,432.58
g) Foreign Currency Translation Reserve	10,967.28	10,690.23
Total (a+b+c+d+e+f+g)	8,049.33	37,468.87
2.09 Non-Current Borrowings		
Secured		
a) Term Loans from Banks (Refer to Note 1)		
i) Term Loan (TL)	-	-
ii) Working Capital Term Loan (WCTL)	-	-
iii) Funded Interest Term Loan (FITL)	-	-
b) Exim Bank	-	5,247.50
c) Vehicle Loans (Refer to Note 2)	-	-
d) 1% Cumulative Redeemable Preference Shares (CRPS) of Rs.100/- each (Refer Note 3)	-	406.03
	-	5,653.53
Un-Secured		
Loans from Others	-	11.42
	-	11.42
Total	-	5,664.95

Rupees in lakhs

	As at 31st Mar 2018	As at 31st Mar 2017
Notes:		
1) (a)	The term loans installments which are fallen due are classified as current liability (Ref. Note No. 2.14).	
(b)	Term loans availed from IDBI Bank Ltd are payable in 25 monthly equal installments commenced from July 1, 2014 and ending on July 1, 2016 and carrying interest rate BBR + 650 basic points.	
(c)	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.	
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.	
3)	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.	
2.10 Provisions		
Non-current		
Employee Benefit obligation	186.96	178.20
	186.96	178.20
Current		
Provision for Income Tax	1.31	12.14
Other Provisions		
Dividends on CRPS	-	4.06
Tax on dividend to CRPS	-	0.83
	1.31	17.03
Total	188.27	195.23
2.11 Deferred Tax Liability / (Net)		
Opening Balance	(1,045.73)	1,962.06
Add: Deferred Tax Assets in relation to		
(i) Difference in depreciation & amortisation for accounting and income tax purposes	(500.91)	(556.43)
(ii) Provision for employee benefits	(4.70)	(21.26)
	(505.61)	(577.69)
Less: Deferred Tax Liability on account of differences in Opening Balance	1,454.81	-
(iii) Disallowance under Section 43B of Income Tax Act, 1961	-	(2,430.10)
Deferred Tax Liability / (Asset) (Net)	(96.53)	(1,045.73)
2.12 Current Borrowings		
Secured		
From Consortium Banks	95,114.82	93,214.67
From Other Banks	39,079.87	32,212.67
Total	1,34,194.69	1,25,427.34
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 Srinivasa Raju, and further secured by the corporate guarantee of M/s. Splendid Metal Products Ltd (SMPL).	

SUJANA UNIVERSAL INDUSTRIES LIMITED

2) Cash Credits (CC) outstanding with various banks Rupees in lakhs

Name of the Bank	Outstanding as at 31st March	
	2018	2017
1) Bank of Baroda	5,515.03	3,613.95
2) Bank of India	25,645.62	25,645.62
3) Central Bank of India	8,037.11	8,038.03
4) IDBI Bank Ltd	3,601.14	3,601.14
5) Indian Overseas Bank	25,669.32	25,669.26
6) Oriental Bank of Commerce	12,231.12	12,231.19
7) UCO Bank	14,415.48	14,415.48
Total	95,114.82	93,214.67

a. During the Financial Year 2017-18 the Company has not made any provision for Interests on term loans and working capital loans as the accounts are NPA and also keeping in view of the pending restructuring proposal. Had the interest of Rs.190.78 cr., been charged to the profit & loss a/c for the financial year 2017-18, the loss would have been Rs.281.38 cr.,

The Borrowings from other Banks represents the Loan from :

- b. (a) Export-Import Bank of India, London/Mumbai of Rs.92.95 Cr.(USD 13 millions) provided to PAC Ventures Pte Limited, Singapore (a Wholly Owned Subsidiary of the SUJIL) for sanction of Loan Facility to meet working capital needs. The Loan was guaranteed by Stand by Letter of Credit (SBLC) furnished by SUJIL.
- (b) An amount of Rs.142.89 Cr., sanctioned by Mauritius Commercial Bank, Mauritius to M/s Hestia Holdings Limited, Mauritius a wholly owned subsidiary of SUJIL towards working capital facility and the loan was guaranteed by the Corporate Guarantee furnished by Sujana Universal Industries Limited.
- (c) An amount of Rs.154.95 Cr., sanctioned by Standard Bank (Mauritius) to M/s Selene Holdings Limited, Mauritius a step down subsidiary of SUJIL towards working capital facility and the loan was guaranteed by the Corporate Guarantee furnished by Sujana Universal Industries Limited.

2.13 Trade Payables

i) Acceptance (Refer to Note 1 & 2)	10,000.00	10,000.00
ii) Trade Payables	19,107.35	71,556.09
Total	29,107.35	81,556.09

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 Splendidi Metal Products Ltd.
- Letter of Credits (acceptances) outstanding with various banks

Name of the Bank	Outstanding as on 31st March			
	2018		2017	
	Total	Devolved	Total	Devolved
1) Bank of India #	6,249.26	6,249.26	6,249.26	6,249.26
2) Central Bank of India	10,000.00	10,000.00	10,000.00	10,000.00
3) UCO Bank #	8,000.00	8,000.00	8,000.00	8,000.00
4) Indian Overseas Bank #	14,144.74	14,144.74	14,144.74	14,144.74
Total	38,394.00	38,394.00	38,394.00	38,394.00

The Banks has debited the devolved LC amount to Cash Credit (CC) Account. Except Central Bank of India.

2.14 Other Financial Liabilities

Current Maturities of Long Term Debt (Secured)

Vehicle Loans	-	1.13
Term Loans	7,168.38	7,168.38
Auditors Fees Payable	49.72	57.90
CRPS Dividend Payable	200.99	196.93
Dividend Distribution Tax Payable	14.50	13.68
CRPS Installments Payable	2,216.05	1,810.02
Rent Payable	28.62	24.57
Cost Audit Fees Payable	3.14	3.14
Income Tax Payable	680.46	612.57
Statutory Liabilities	116.04	111.82
Amount Due to Directors	345.89	344.42
Total	10,823.79	10,344.56

Rupees in lakhs

	Year Ended 31st March 2018	Year Ended 31st March 2017
2.15 Other Current Liabilities		
Loans and advances from related parties	-	1,673.43
Sundry Creditors for Services & Others	35,037.18	1,194.35
Advances from Customers	707.93	36,636.42
Total	35,745.11	39,504.20
2.16 Revenue from Operations		
From Sale of Products (Gross)		
- Domestic	2,098.64	1,28,772.09
- Exports	44,244.30	1,08,478.62
Less: Excise Duty	(0.46)	(77.74)
Total	46,342.48	2,37,172.97
2.17 Other Income		
Interest Income	30.77	1.59
Forex Gain	56.92	-
Miscellaneous Income	129.74	14.25
Total	217.43	15.84
2.18 Cost of Material Consumed		
Opening Stock of Raw material	37.76	103.58
Add: Purchases	-	-
Add: Carriage Inward & Other Incidental Expenses	-	0.38
	37.76	103.96
Less: Closing Stock	-	37.76
Total	37.76	66.20
2.19 Changes in Inventories		
a) Opening Stock		
Stock-in-Trade	1,338.41	6,223.89
Finished Goods	0.21	2.91
Work-in-Progress	2.87	7.72
	1,341.49	6,234.52
b) Closing Stock		
Stock-in-Trade	887.45	1,338.41
Finished Goods	-	0.21
Work-in-Progress	-	2.87
	887.45	1,341.49
(Increase) / Decrease (a - b)	454.04	4,893.03
2.20 Employee Benefits Expense		
Salaries and Wages	214.85	358.00
Contribution to Provident and Other Funds	34.28	83.80
Staff Welfare Expenses	2.76	5.44
Total	251.89	447.24

SUJANA UNIVERSAL INDUSTRIES LIMITED

Rupees in lakhs

	Year Ended 31st March 2018	Year Ended 31st March 2017
2.21 Finance Costs		
Interest Expenses	2,569.06	17,591.90
Other Borrowing Costs	63.80	1,926.67
Preference Dividend (Gross)	-	4.89
Total	2,632.86	19,523.46
2.22 Other Expenses		
Consumption of Stores and Spare Parts	2.16	11.42
Power and Fuel	32.98	31.80
Rent	15.25	51.35
Repairs to Buildings	0.75	3.68
Repairs to Machinery	-	2.53
Insurance	13.69	4.00
Rates and Taxes, excluding taxes on income	16.84	11.27
Professional & Consultancy Charges	43.23	84.86
Travelling & Conveyance	71.45	129.41
Carriage Outwards	0.24	42.18
Business Development Expenses	4.59	6.62
Postage, Telegrams & Telephone Expenses	4.44	4.76
Printing & Stationery	6.55	1.82
Provision for Doubtful debts	-	688.34
Bad Debts written off	789.39	-
Audit Fee		
- Audit Fee	27.80	41.46
- Cost Audit Fee	-	1.73
Office Maintenance	18.41	35.00
Factory Maintenance	1.31	3.30
Foreign Exchange Fluctuations	66.78	629.83
Loss on sale of Fixed Assets	7,127.90	-
Miscellaneous expenses	98.11	47.09
Total	8,341.87	1,832.45

2.23 Property, Plant and equipment and Capital work-in-progress

Rs. In Lakhs

Carrying amount of:	As at 31 March, 2018	As at 31 March, 2017
Land	81.16	81.16
Buildings	403.78	440.98
Plant & Machinery	8,150.58	12,449.50
Electrical Equipment's/Installations	781.57	72.49
Office Equipment's	13.70	24.55
Furniture & Fixtures	8.55	12.51
Vehicles	52.33	222.52
Total	9491.69	13,303.71
Capital work-in-progress	-	5,260.34
Total	-	5,260.34

Rs. In Lakhs

	Land	Buildings	Plant & Machinery	Electrical Equipment's/ Installations	Office Equipment's	Testing Equipment's	Furniture & Fixtures	Vehicles	Miscellaneous Equipment's	Total
Cost or Deemed cost										
Balance as at 1 April, 2016	81.16	1182.99	40204.16	654.57	402.26	0.10	131.97	706.91	3.52	43367.64
Additions during the year	0.00	0.00	0.00	0.00	1.51	0.00	0.00	0.00	0.00	1.51
Assets disposed/written off during the year	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Balance as at 31 March, 2017	81.16	1182.99	40204.16	654.57	403.77	0.10	131.97	706.91	3.52	43369.15
Additions during the year	0.00	0.00	4534.18	736.79	0.00	0.00	0.00	0.00	0.00	5270.97
Assets disposed/written off during the year	0.00	0.00	12299.55	0.00	9.89	0.00	0.00	461.96	0.00	12771.40
Balance as at 31 March, 2018	81.16	1182.99	32438.78	1391.36	393.87	0.10	131.97	244.94	3.52	35868.70

Accumulated depreciation										
Accumulated depreciation as at 1 April, 2016	0.00	704.81	25859.16	554.37	376.85	0.10	115.49	416.43	3.52	28030.73
Charge for the year	0.00	37.20	1895.50	277.1	2.37	0.00	3.97	67.95	0.00	2034.70
Depreciation on assets adjusted against retained earning during the year	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Depreciation on assets disposed/written off during the year	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Accumulated depreciation as at 31 March, 2017	0.00	742.01	27754.66	582.08	379.22	0.10	119.46	484.38	3.52	30065.43
Charge for the year	0.00	37.20	1694.87	277.1	0.96	0.00	3.96	52.72	0.00	1817.42
Depreciation on assets adjusted against retained earning during the year	0.00	0.00	5161.32	0.00	0.00	0.00	0.00	344.49	0.00	5505.81
Depreciation on assets disposed/written off during the year	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Accumulated depreciation as at 31 March, 2018	-	779.21	24288.21	609.79	380.17	0.10	123.42	192.61	3.52	26377.03

Carrying amount										
Balance as at 1 April, 2016	81.16	478.18	14345.00	100.20	25.41	0.00	16.48	290.48	0.00	15336.91
Balance as at 31 March, 2017	81.16	440.98	12449.50	72.49	24.55	0.00	12.51	222.53	0.00	13303.71
Balance as at 31 March, 2018	81.16	403.78	8150.58	781.57	13.70	0.00	8.55	52.33	0.00	9491.67

Notes : All the above property, plant and equipment are owned by the Company

SUJANA UNIVERSAL INDUSTRIES LIMITED

2.24 Financial Instruments- Fair Values and Risk Management

The following tables show the carrying amounts and fair values of financial assets and financial liabilities by categories. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(Amount in Rs as of March 31, 2018)

Particulars	cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:					
Cash & Cash Equivalents (Ref Note No. 2.05)	306.45	-	-	306.45	-
Trade Receivable (Ref Note No. 2.04)	170487.60	-	-	170487.60	-
Liabilities:					
Trade Payables (Ref Note No. 2.13)	29107.35	-	-	29107.35	-
Borrowings (Ref Note No 2.12)	134194.69	-	-	134194.69	-
Other Financial Liabilities (Ref Note No. 2.09 & 2.14)	10823.79	-	-	10823.79	-

The carrying amounts are considered to be the same as their fair values, due to their short-term nature

(Amount in Rs.as of March 31, 2017)

Particulars	cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:			-	-	
Cash & Cash Equivalents (Ref Note No. 2.05)	335.47	-	-	335.47	-
Trade Receivables (Ref Note No. 2.04)	239974.93	-	-	239974.93	-
Liabilities:					
Trade Payables (Ref Note No. 2.13)	81556.09	-	-	81556.09	-
Borrowings (Ref Note No 2.12)	125427.34	-	-	125427.34	-
Other Financial Liabilities (Ref Note No. 2.09 & 2.14)	16009.51	-	-	16009.51	-

The carrying amounts are considered to be the same as their fair values, due to their short-term nature

2.25 Financial risk management

The company's activities expose it to the following financial risks:

- market risk
- credit risk and
- liquidity risk

The company has not arranged funds that have any interest rate risk.

a) Market risk

Foreign Exchange Risk

Foreign currency risk is also known as Exchange Currency Risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. Foreign currency risk in the Company is attributable to Company's operating activities and financing activities. In the operating activities, the Company's exchange rate risk primarily arises when revenue / costs are generated in a currency that is different from the reporting currency (transaction risk). The Company manages the Net exposure on a rolling 12 month basis and hedges the exposures based on a duly approved policy by the Board. The information is monitored by the Audit committee and the Board of Directors on a quarterly basis. This foreign currency risk exposure of the Company is mainly in U.S. Dollar (USD).

b) Credit Risk

Credit risk refers to the risk of default on its obligation by a counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Accordingly, credit risk from trade receivables has been separately evaluated from all other financial assets in the following paragraphs.

Trade Receivables

Trade receivables are typically unsecured and are derived from revenue earned from customers.

Impairment on trade receivables is recognized based on expected credit loss in accordance with provisions of Ind AS 109. The company's historical experience from customer, present economic condition, present performance of the customers and future outlook for the industry etc. are taken into account for the purposes of expected credit loss.

Trade receivables are generally considered credit impaired after three years past due (except government dues), unless the amount is considered receivable, when recoverability is considered doubtful based on the recovery analysis performed by the company for individual trade receivables. The company considers that all the above financial assets that are not impaired and past due for each reporting dates under review are of good credit quality.

With regard to trade receivable on certain transactions, the company has equivalent trade payables to associate suppliers which are payable on realization of trade receivables. Such trade receivables are considered not impaired though past due.

Other financial assets

There are no impairment provisions as at each reporting date against financial assets. We consider all the financial assets as at the reporting dates to be of good credit quality.

c) Liquidity Risk

The liquidity needs are monitored on the basis of monthly and yearly projections. The company's principal sources of liquidity are cash and cash equivalents, cash generated from operations and availability of funding through an adequate amount of committed credit facilities to meet obligations when due.

Due to the dynamic nature of underlying businesses, the company maintains flexibility in funding by maintaining availability under committed credit lines.

Short term liquidity requirements consists mainly of sundry creditors, expense payable, employee dues arising during the normal course of business as of each reporting date. The company maintains sufficient balance in cash and cash equivalents to meet short term liquidity requirements.

The company assesses long term liquidity requirements on a periodical basis and manages them through internal accruals and committed credit lines.

2.26 Related Party Transactions.

i) List of Related Parties and Relationships.

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

SUJANA UNIVERSAL INDUSTRIES LIMITED

B) Key Managerial Personnel		
Mr. G. Srinivasa Raju		Managing Director
Mr. S. Hanumantha Rao		Executive Director
Mr. B. Manoharan		Chief Financial Officer
Mr. P Kodanda Rami Reddy		Company Secretary

ii) List of Companies in which directors are interested

Name of the Company\Director	Mr. G Srinivasa Raju	Mr. S Hanumantha Rao	Mr. Venkata Krishnan	Ms. Uma Devi	Dr. K Srinivasa Rao
Splendid Metal Products Ltd	Director	Director	Director	Nominee Director	-
Vundella Investments Pvt Ltd	-	-	-	-	-
Frontier Design Syndicate Pvt Ltd	-	-	-	-	-
Neueon 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 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	-	-	-	-

iii) Related Party Transactions

Rs. in Lakh

	Subsidiaries		Key Management Personnel	
	2017-18	2016-17	2017-18	2016-17
Sale of goods				
Splendid Metal Products Ltd	-	-	177.57	3273.83
Neueon Towers Ltd	-	-	-	-
Total	-	-		3273.83
Purchase of goods				
Splendid Metal Products Ltd	-	-	-	1222.95
Neueon Towers Ltd	-	-	-	-
Total	-	-		1222.95
Other Income				
Neueon Towers Ltd				
Total	-	-		
Other Expenses				
Splendid Metal Products Ltd				
Total	-	-		

Remuneration				
Mr. G Srinivasa Raju	-	-	-	48.00
Mr. S Hanumantha Rao	-	-	10.80	3.60
Mr. S. Rengaraj			12.34	--
Mr. B. Manoharan	-	-	5.00	14.22
Mr. P Kodanda Rami Reddy	-	-	6.14	4.90
Total	-	-	34.28	70.72
Loans & Advances				
Neueon Towers Limited	2016.28	-	-	-
Alpha Ventures Ltd.	3.18	-	-	-
Total	2019.46	-	-	-
Guarantees given (USD in Millions)				

2.27 Retirement Benefits

Gratuity and Leave Encashment

Rs. in Lakhs

	Gratuity		Leave Encashment	
	2017-18	2016-17	2017-18	2016-17
(i) Reconciliation of Opening and Closing balances of the present value of the defined benefit obligation:				
Obligations at the beginning of the year	148.31	134.48	30.48	27.95
Service cost for the year	3.97	15.83	2.75	2.53
Interest cost	11.42	10.49	2.35	2.18
Benefits settled/paid	-57.96	-55.35	-0.39	-3.79
Actuarial (gain) / loss	-42.06	42.86	-28.48	1.61
Obligations at the end of the year	63.69	148.31	6.71	30.48
(ii) Change in Plan Assets				
Plan assets at fair value at the beginning of the year	2.50	4.30	-	-
Adjustment	-	-0.22	-	-
Expected return on plan assets	0.19	0.17	-	-
Expenses	-	-0.36	-	-
Contributions	-	0.09	-	-
Benefits settled / paid	-0.19	-1.48	-	-
Plan assets at fair value at the end of the year	2.50	2.50	-	-
(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	63.69	148.31	6.71	30.48
Fair value of the plan assets at the end of the year	2.50	2.50	-	-
Amount recognised in the Balance Sheet	61.19	145.81	6.71	30.48
(iv) Expenses recognized in the Statement of Profit & Loss				
Service cost for the year	3.97	15.83	2.75	2.53
Adjustment	-	-0.22	-	-
Interest cost	11.42	10.49	2.35	2.18
Expected return on plan assets	-0.19	-0.17	-	0.00
Actuarial (gain) / loss	0.00	43.22	-28.87	1.61
Net Cost	15.20	69.15	-23.77	6.32
(v) Assumptions				
Discount rate (Note 1)	7.70	7.35	8.00	7.35
Estimated rate of return on plan assets (Note 2)	-	-	-	-
Rate of escalation in salary per annum (Note 3)	6.00	6.00	6.00	6.00
Expected average remaining working live of employees	11 years	11 years	11 years	11 years
Retirement age	58 years	58 years	58 years	58 years

SUJANA UNIVERSAL INDUSTRIES LIMITED

Notes:

- The discount rate of 7.70% per annum has been used as at 31-03-2018 for the purposes of the Ind. AS 19 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 as decided by the fund managers.
 - 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.
- The above Actuarial valuation for Employees Benefits are only for the employees relating to Holding Company and no provision was made for the employee relating to the subsidiaries outside India.

2.28 Auditor's Remuneration

Rs. in lakhs

Particulars	2017-18	2016-17
Statutory Auditors	25.35	41.46
Other Auditors	2.45	1.73
Total	27.80	43.19

2.29 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".

(i) Primary Business Segment Information

Rs. In lakhs

Particulars	Business Segments						Eliminations		Total	
	LEC		Appliance		Steel		2017-18	2016-17	2017-18	2016-17
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17				
A Revenue										
a) External	0.00	0.00	2.17	0.00	46340.31	237172.97	0.00	0.00	46342.47	237172.97
b) Internal	0.00	0.00		0.00		0.00	0.00	0.00	0.00	0.00
c) Total	0.00	0.00	2.17	0.00	46340.31	237172.97	0.00	0.00	46342.47	237172.97
B Results										
Segment Result Before Tax	-487.63	-497.48	-171.20	-188.76	10705.63	-20181.80	0.00	0.00	-11364.46	-20868.04
Less: Taxes					-953.06				-953.06	-2995.64
Profit After Taxes	-487.63	-497.48	-171.20	188.76	-11658.69	-20181.80	0.00	0.00	-12317.52	-17872.40
C Assets										
a) Segment Assets	1339.99	1865.78	362.09	508.47	232806.34	314192.19	0.00	0.00	234508.42	316566.44
b) Unallocable Assets					484.20				484.20	478.91
c) Total	1339.99	1865.78	362.09	508.47	234992.54	314192.19	0.00	0.00	234992.62	317045.35
D Liabilities										
a) Segment Liabilities	63.79	183.18	75.47	83.74	209919.92	262425.45	0.00	0.00	210059.18	262692.37
b) Unallocable Liabilities										
c) Total	63.79	183.18	75.47	83.74	209919.92	262425.45	0.00	0.00	131745.96	262692.37

E	Others										
	a) Depreciation	484.61	484.88	139.33	139.32	1193.48	1410.50	0.00	0.00	1817.42	2034.70
	b) Capital Expenditure	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	c) Non-Cash Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	other than Depreciation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

(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

Rs. in Lakhs

Particulars		2017-18	2016-17
A	Revenue by Geographical Market		
	In India	2,098.18	1,28,694.35
	Outside India	44,244.30	1,08,478.62
	Total	46,342.48	2,37,172.97
B	Additions to Fixed Assets and Intangible Assets		
	In India	5,270.97	1.51
	Outside India	-	-
	Total	5,257.97	1.51
C	Carrying Amount of Segment Assets		
	In India	1,14,472.59	1,43,081.58
	Outside India	1,20,520.03	1,73,963.77
	Total	2,34,992.62	3,17,045.35

2.30 Earnings Per Share (EPS)

Basic and Diluted Earnings Per Share in Rs.

Rs. in lakhs

Particulars	2017-18	2016-17
Net Profit After Tax	-12317.51	-17872.40
Net Profit attributable to Equity shareholder	-12317.51	-17872.40
Weighted average number of equity shares for Basic EPS	168841072	168841072
Weighted average number of equity shares for Diluted EPS	168841072	168841072
Nominal Value of Ordinary Share	10.00	10.00
Basic Earnings per Ordinary Share	-7.30	-10.59
Diluted Earnings per Ordinary Share	-7.30	-10.59

2.31 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.

2.32 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.

2.33 During the quarter ending March 2018, the Holding Company had made reversal of an amount of Rs. 172.71 Cr., being the disputed Rebates and Discounts claimed earlier from certain suppliers as the same are in disputes since 2015-16. The same amount has been charged to prior period adjustments and directly deducted from the balance in Profit & Loss a/c under Reserves and Surplus without taking into Profit & Loss a/c of Holding Company.

SUJANA UNIVERSAL INDUSTRIES LIMITED

2.34 Contingent Liabilities relating to Holding Company

Particulars			2017-18	2016-17
1.	Bank Guarantees			
a)	Bank of Baroda: Guarantee executed in favour of Commissioner Central Excise	Rs. Lacs	8.00	8.00
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 & millions	20.00	20.00
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 & millions	23.00	23.00
2.	Standby Letter of Credit (SBLC)			
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 of SUIL	US & millions	4.00	13.00
3.	Claims against the Company not acknowledged as debt			
a)	Sales Tax	Rs. Lacs	63000.44	63000.44
b)	Customs & Central Excise	Rs. Lacs	732.32	732.32
c)	Income Tax	Rs. Lacs	2100.84	1509.81
d)	Workmen Compensation	Rs. Lacs	4.65	4.65

(*) The Mauritius Commercial Bank (MCB) has preferred a SUIT against the Company in connection with the Corporate Guarantee furnished by SUIL on behalf of Hestia Holdings Limited for availing working capital facilities, a wholly owned subsidiary of the Company and obtained a decree against the Company from High Court U.K. Further MCB has filed an execution petition with the City Civil Courts, Hyderabad for recovery of Decree amount which is subjudice and the Company is exploring the amicable settlement with the MCB.

(#) Company petitions (C.P.174/2013 & C.P.169) 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 Selene Holdings Ltd, Mauritius a step down subsidiary of SUIL (Subsidiary is Nuance Holdings Limited). The petitions were admitted by the High Court of Judicature of Hyderabad of 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.

2.35 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.

In terms of our report attached

For and on behalf of the Board of Directors

For J. Singh & Associates

Chartered Accountants

FRN No: 110266W

G. Srinivasa Raju

Managing Director

(DIN: 00132249)

S. Hanumantha Rao

Whole Time Director

(DIN: 00118801)

Chhviraj Joshi

Mem.No : 119379

S. Rangaraj

Chief Financial Officer

Place: Hyderabad

Date : 30th May, 2018

Place: Hyderabad

Date : 30th May, 2018

SUJANA UNIVERSAL INDUSTRIES LIMITED

Plot No. 5/A, Vengalrao Nagar, Hyderabad - 500 038, Telangana, India

CIN: L29309TG1986PLC006714

Member's Folio Number No. of Shares held

ATTENDANCE SLIP (29th 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 29th Annual General Meeting of the Company to be held on Saturday, September 29th, 2018 at Katriya Hotel& Towers, # 8, Raj Bhavan Road, Somajiguda, Hyderabad - 500 082, Telangana at 10.00 a.m.

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

EVEN	User ID	Password
109945		

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. 5/A, Vengalrao Nagar, Hyderabad - 500 038, Telangana, 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 29th Annual General Meeting of the Company, to be held on the Saturday, September 29th , 2018 at 10.00 a.m. at Katriya Hotel

& Towers, #8, Raj Bhavan Road, Somajiguda, Hyderabad-500082, Telangana and at any adjournment thereof in respect of such resolutions as are indicated below :

Item No.	Resolution
Ordinary Business	
1.	Adoption of Audited Standalone Financial Statements and Consolidated Financial Statements for the year ended 31st March, 2018 and the Reports of Directors & Auditors thereon.
2.	Re-appointment of Shri. G Srinivasa Raju, who retires by rotation
Special Business	
3.	Appointment of Smt G.Uma Devi, Independent Director in terms of Section 149 of the Companies Act, 2013.
4.	To continue the Directorship of Dr.K.Srinivasa Rao, as Independent Director for the remaining period of his term upto 29.09.2019.
5.	Ratification of remuneration of the Cost Auditor of the Company.
6.	To approve Sale/Disposal of Asset(s)/ Undertaking(s) of the Company and/or of its subsidiaries by way of Special Resolution under Section 180(1)(a) of the Companies Act,2013.
7.	Re-appointment of Shri G Srinivasa Raju, Managing Director of the Company for a period not exceeding three years.

Signed this day of September, 2018.

Signature of shareholder

Signature of Proxy holder(s)

Affix Re.1 Revenue Stamp

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 29th 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. 5/A, Vengalrao Nagar, Hyderabad - 500 038, Telangana, 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
	Ordinary Business			
1.	Adoption of Audited Standalone Financial Statements and Consolidated Financial Statements for the year ended 31st March, 2018 and the Reports of Directors & Auditors thereon.			
2.	Re-appointment of Shri. G Srinivasa Raju, who retires by rotation			
	Special Business			
3.	Appointment of Smt G.Uma Devi, Independent Director in terms of Section 149 of the Companies Act, 2013.			
4.	To continue the Directorship of Dr.K.Srinivasa Rao, as Independent Directors for the remaining period of his term upto 29.09.2019.			
5.	Ratification of remuneration of the Cost Auditor of the Company.			
6.	To approve Sale/Disposal of Asset(s)/ Undertaking(s) of the Company and/or of its subsidiaries by way of Special Resolution under Section 180(1)(a) of the Companies Act, 2013.			
7.	Re-appointment of Shri G Srinivasa Raju, Managing Director of the Company for a period not exceeding three years.			

Place:

Date:

(Signature of the shareholder)

INSTRUCTIONS

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

INTENTIONALLY KEPT BLANK

PRINTED MATTER
By Registered Post / Speed Post / Courier

If undelivered, please return to:



Sujana Universal Industries Limited

Registered Office : # 5/A, Vengal Rao Nagar, Hyderabad - 500 038, Telangana.

Phone: 23351882 / 23351887 Website: www.sujana.com