

Surana Telecom And Power Limited



5MW
Solar Power Plant at
Charanka, Gujarat

22nd Annual Report 2010-2011

SURANA GROUP



BOARD OF DIRECTORS

Dr. R N Sreenath
Nirmal Kumar Jain
D Venkatasubbiah
Narender Surana
Devendra Surana
Sanjay Kumar Sanghi

- Director
- Director
- Director
- Director
- Director
- Wholetime Director

CHIEF FINANCIAL OFFICER

R Lakshman Raju

COMPANY SECRETARY

Pavani Akilla

BANKERS

State Bank of India
Corporation Bank
Development Credit Bank Limited
HDFC Bank Limited

STATUTORY AUDITORS

Sekhar & Co.,
Chartered Accountants
133/4, R. P. Road,
Secunderabad - 500 003.

INTERNAL AUDITORS

Luharuka & Associates
Chartered Accountants
5-4-187/3&4, Soham Mansion,
2nd Floor, Above Bank of Baroda
M G Road, Secunderabad - 500 003.

REGISTRARS & TRANSFER AGENTS

KARVY COMPUTERSHARE PRIVATE LIMITED.
Plot No. 17-24,
Vittalrao Nagar,
Madhapur, Hyderabad- 500 081
Tel No.040-44655000
Fax No.040-23420814, Toll Free No.1800-3454-001
E-mail : einward.ris@karvy.com
Web Site : www.karvy.com
Regd.Office : Karvy House 46, Avenue 4,
Street No.1, Banjara Hills, Hyderabad - 500 034

REGISTERED OFFICE

5th Floor, Surya Towers,
Sardar Patel Road,
Secunderabad - 500 003.
India - 500 003
Tel: + 91 40 27845119, 27841198, 44665700
Fax: + 91 40 27818868
E-mail: surana@surana.com
Investors : cs@surana.com,
investorservices_stl@surana.com
Website: www.surana.com, www.suranatele.com

STATUTORY COMMITTEES**AUDIT COMMITTEE**

Nirmal Kumar Jain - Chairman
D Venkatasubbiah - Member
Dr. R N Sreenath - Member

SHAREHOLDERS' GRIEVANCE COMMITTEE

D Venkatasubbiah - Chairman
Narender Surana - Member
Devendra Surana - Member

REMUNERATION COMMITTEE

Shri Nirmal Kumar Jain - Chairman
Dr. R.N.Sreenath - Member
D Venkatasubbiah - Member

WORKS**Solar Power Project (Under Commissioning)**

Gujarat Solar Park,
Charanka Village
Santalpur Taluk
Patan District, Gujarat

Aluminum Wire Rods

Plot No. 215/D, Phase II,
I.D.A., Cherlapally
Hyderabad - 500 051

Optic Fibre Cable Plant

Plot No.214,
Phase II, IDA Cherlapally
Ghatkesar (M)
Ranga Reddy District

Non- Conventional Energy (Wind)

Kapatgudda, Gadag District,
Karnataka,
India

Contents

◆	Notice _____	3 - 5
◆	Director's Report _____	6 - 9
◆	Report on Corporate Governance _____	10 - 22
◆	Management Discussion and Analysis _____	23 - 26
◆	Auditors' Report _____	27 - 29
◆	Balance Sheet _____	30
◆	Profit & Loss Account _____	31
◆	Cash Flow Statement _____	32 - 33
◆	Schedules forming part of the Accounts _____	34 - 41
◆	Significant Accounting Policies _____	42 - 44
◆	Notes on Accounts _____	44 - 51
◆	Segmental Reporting _____	52 - 53

CONSOLIDATED FINANCIAL STATEMENTS

◆	Auditor's Report _____	54
◆	Balance Sheet _____	55
◆	Profit & Loss Account _____	56
◆	Cash Flow Statement _____	57 - 58
◆	Schedules forming part of the Accounts _____	59 - 67
◆	Significant Accounting Policies _____	68
◆	Notes on Accounts _____	69 - 76
◆	Segmental Reporting _____	77-78
◆	Statement pursuant to Section 212 of Companies Act, 1956 _____	79
◆	Balance Sheet Abstract _____	80
◆	Green Initiative in Corporate Governance: Go Paper Less	
◆	ECS, ATTENDANCE SLIP AND PROXY FORM	



NOTICE OF 22nd ANNUAL GENERAL MEETING

NOTICE is hereby given that the 22nd Annual General Meeting of the members of **SURANA TELECOM AND POWER LIMITED**, will be held on 21st day September, 2011 at 4.30 pm at Kamat Lingapur Hotel, 1-10-44/2, Chikoti Gardens, Begumpet, Hyderabad-500 016, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended 31st March, 2011 along with the Auditors' Report & Directors' Report thereon.
2. To declare Dividend for the year ended 31st March, 2011.
3. To appoint a Director in place of Shri Narender Surana, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Devendra Surana, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors and to fix their remuneration 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 M/s. Sekhar & Co., Chartered Accountants, (Registration No. 003695S), be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors."

By Order of the Board
for **SURANA TELECOM AND POWER LIMITED**

Place : Secunderabad
Date : 06.08.2011

PAVANI AKILLA
COMPANY SECRETARY

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING A PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 16.09.2011 to 21.09.2011 (both days inclusive).
3. Dividend on shares @ 10% as recommended by the Board of Directors, if declared by the Company at the meeting, will be paid subject to the provisions of Section 205A of the Companies Act, 1956, to those shareholders whose names appear on the Register of Members of the Company as on 16.09.2011 or to their mandates, to the extent eligible, and also to the beneficial owners of equity shares held in electronic form on the same date as per the details furnished by the Depositories for this purpose.
4. The Securities and Exchange Board of India (SEBI) and the Department of Company Affairs have made it mandatory for all the listed companies to offer Electronic Clearing Service (ECS) facilities for payment of dividend, wherever applicable. This facility offers various benefits like timely credit of dividend to the shareholders' account, elimination of loss of instruments in transit or fraudulent encashment etc. Currently, the facility is available at locations specified by RBI. In case of shareholders staying at locations not currently covered by ECS, the bank account details will be used for sufficing along with the name of the shareholder on the Dividend Warrant. In view of the above:



- i. Shareholders holding shares in Physical Form and desirous of availing the facility are requested to complete the ECS Form attached to this Annual Report and forward the same to the Company at its registered address.
 - ii. Shareholders holding shares in Dematerialised Form are requested to provide the Bank details to their Depository participants for incorporation in their records. The Depository in turn would also forward the required information to the Company.
5. Pursuant to the provisions of Section 205A (5) of the Companies Act, 1956, Dividends for the Financial Year ended 31st March, 2004 and thereafter, which remain unclaimed for a period of seven years, will be transferred to the Investor Education and Protection Fund established by the Central Government pursuant to Section 205 (c) of the Companies Act, 1956,
- Information in respect of the due date for transfer of such unclaimed dividend to the said fund is given below:
- | For the Financial Year | Date of Declaration | Due for Transfer on |
|------------------------|---------------------|---------------------|
| 2003-04 | 28.09.2004 | 01.11.2011 |
| 2004-05 | 01.07.2005 | 30.06.2012 |
| 2005-06 | 07.08.2006 | 06.09.2013 |
| 2006-07 | 27.09.2007 | 26.10.2014 |
| 2007-08 | 17.09.2008 | 16.10.2015 |
| 2008-09 | 29.09.2009 | 28.10.2016 |
| 2009-10 | 24.09.2010 | 23.10.2017 |
- Members who have not encashed the Dividend Warrant(s) so far for the financial year ended 31st March, 2004 or any subsequent financial years are requested to make their claim to the Company at its Registered Office. It may also be noted that once the Unclaimed Dividend is transferred to the Investor Education and Protection Fund, no claim shall lie in respect thereof.
6. The Company's Equity shares are listed at Bombay Stock Exchange Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001 and National Stock Exchange of India Limited, Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra- Kurla Complex, Bandra (E), Mumbai - 400 051 and the Company has paid the Listing Fees to the said Stock Exchanges.
 7. Members / Proxies are requested to bring their copies of Annual Report with them for the Annual General Meeting and the attendance slip duly filled in for attending the Meeting. No copies of the Annual Report will be distributed at the meeting.
 8. Members holding shares in physical form, may write to the Company's Registrars & Transfer Agents for any change in their address and bank mandates, members having shares in electronic form may inform the same to their depository participants immediately so as to enable the Company to despatch dividend warrants at their correct addresses.
 9. The Ministry of Corporate Affairs ("MCA") has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by companies and has issued a circular on April 21, 2011 stating that the service of document by a Company can be made through electronic mode. In view of the circular issued by MCA the Company proposes to henceforth deliver document like the Notice calling the Annual General Meeting /Extra Ordinary General Meeting /Auditors /Report of the Directors etc., in electronic form to the email address provided by the shareholders.
 10. Shareholders are requested to furnish their e-mail id's to enable the Company forward all the requisite information in electronic mode. In case of the shareholders holding shares in demat form the email IDs of the shareholders registered with DP and made available to the Company shall be the registered email ID unless communication is received to the contrary.
 11. Shareholders requiring a printed copy of the Annual Report should forward their request to the Company.



12. The Securities Exchange Board of India has notified that the shareholder/transferee of shares (including joint holders) holding shares in physical form are required to furnish a certified copy of their PAN Card to the Company RTA while transacting in the securities market including transfer, transmission or any other Corporate Action.

Accordingly, all the shareholders/transferee of shares (including joint holders) are requested to furnish a certified copy of their PAN card to the Company's RTA while transacting in the securities market including transfer, transmission or any other Corporate Action.

13. Members are requested to send all communication relating to shares to the Company's Share Transfer Agents (Physical and Electronic) at KARVY COMPUTERSHARE PRIVATE LIMITED, Plot No. 17-24, Vittalrao Nagar, Madhapur, Hyderabad- 500 081. Further, kindly note that members holding shares in physical

form and intending to transfer their shares have to furnish the PAN particulars of transferee along with the share transfer deeds for effecting the physical share transfer.

14. Please note that, any queries pertaining to accounts related aspects, in order to give proper clarification should reach the Company Secretary at Registered Office of the Company at least 48 hours before Annual General Meeting.

By Order of the Board
for **SURANA TELECOM AND POWER LIMITED**

Place : Secunderabad
Date : 06.08.2011

PAVANI AKILLA
COMPANY SECRETARY



DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the **22nd Annual Report** and the Audited Statement of Accounts of the Company for the Financial Year ended 31st March, 2011.

FINANCIAL RESULTS

The financial performance of the Company for the year ended 31.03.2011 is summarized below. (Rs. in Lakhs)

	Consolidated Results		Standalone Results	
	2011	2010	2011	2010
Sales and other Income	7,711.82	5,121.12	7,711.82	5,121.12
Profit before Depreciation and Interest	495.75	558.04	496.14	558.50
DEDUCT :				
Depreciation	211.06	241.25	211.06	241.26
Interest	148.51	185.88	148.51	185.88
Profit for the year	136.18	130.91	136.57	131.36
Prior Period Adjustment	(2.51)	(2.41)	(2.51)	(2.41)
Profit before Taxation	133.67	128.50	134.06	128.95
Provision for Taxation : Income Tax	25.00	18.00	25.00	18.00
Fringe Benefit Tax				
Deferred Tax	(9.04)	(3.98)	(9.04)	(3.98)
Profit after Tax	117.71	114.48	118.10	114.93
Surplus brought forward from previous year	2,194.93	2,401.75	2,195.38	2,401.75
Balance available for appropriation	2,312.64	2,516.23	2,313.48	2,516.68
APPROPRIATION:				
Dividend	104.02	104.02	104.02	104.02
Tax on Dividend	17.28	17.28	17.28	17.28
Transfer to General Reserves	50.00	200.00	50.00	200.00
Balance c/f to Balance Sheet	2,141.34	2,194.93	2,142.18	2,195.38
TOTAL	2,312.64	2,516.23	2,313.48	2,516.68

OPERATIONS

During the year under review, the Income from Operations is Rs. 6244.52 lakhs as against Rs. 4764.71 lakhs for the corresponding previous year, indicating a growth of 31.06%. The profit before Tax stood at Rs.134.06 lakhs as against Rs. 128.95 lakhs for the previous year, indicating a growth of 3.96%. The Profit After Tax stood at Rs. 118.10 lakhs as against Rs. 114.93 lakhs for the corresponding period, indicating a growth of 2.76%. The basic Earnings Per Share for the year ended 31.03.2011 is Rs. 0.57 as against Rs. 0.55 for the corresponding previous year ended 31.03.2010.

CONSOLIDATED FINANCIAL STATEMENTS

The Ministry of Corporate Affairs, New Delhi, vide Circular no. 5/12/2007 CL-III dated 08.02.2011 granted general exemption under Section 212(8) of the Companies Act, 1956 in relation to providing information on the Subsidiary Companies. Accordingly, the accounts of the Subsidiary Company and the detailed related information will be made available to the investors of the Company and its subsidiaries on request and are also available for inspection at Registered Office of the Company.



SOLAR POWER PROJECT

During the year under review, the Company was allotted 5 MW Power Capacity under Solar Power Policy, 2009 by M/s Gujarat Energy Development Agency (GEDA), Government of Gujarat. Subsequently on 01.12.2010, the Company entered into Power Purchase Agreement with Gujarat Urja Vikas Nigam Limited. M/s Gujarat Power Corporation Limited which is appointed as Licensor for facilitating the setting up of power projects within the state of Gujarat, handed over the possession of 1,00,000 sq. mtrs (approx) of land situated at Gujarat Solar Park, Charanka Village, Santalpur Taluk, Patan District, Gujarat. The Company entered into Engineering Procurement Construction Contract (EPC) with AEG Power Solutions (P) Limited, for the Development of the Project. The other steps for implementation of the project were also undertaken so as to ensure the commissioning of the project by November, 2011.

JV COMPANY IN BANGLADESH

During the year under review, the Company floated a JV Company by name "Radiant Alliance Limited" in Bangladesh with M/s EC Distribution Limited (ECDL), Bangladesh for the purpose of establishing and operating a Solar PV Module manufacturing plant in Bangladesh with an installed capacity of 10 MW.

SALE/LEASE OF COMPANY'S UNDERTAKINGS

During the year under review, the approval of members by way of Postal Ballot was obtained on 21.12.2010 pursuant to the provisions of Section 293(1)(a) and 192 A of the Companies Act, 1956 read with Companies (Passing of Resolution by Postal Ballot) Rules, for the purpose of lease /sale/disposal of Jelly Filled Telecom Cables situated at Plot No.13 to 15, Pilerne Industrial Estate, Panajim, Goa and/or Power Cable Division situated at Plot No. 215/A, Phase II, IDA, Cherlapally, Hyderabad - 500 051 and/or Optic Fibre Plant situated at Plot No. 214, Phase II, IDA, Cherlapally, Hyderabad - 500 051.

Accordingly, the Company closed its JFTC operations at Goa and transferred leasehold rights on the said land property and disposed of the plant and machinery. Further the Power Cable Division situated at Plot No. 215/A, Phase II, IDA, Cherlapally, Hyderabad-500 051 was leased out w.e.f. 01.04.2011.

DIVIDEND

Your Directors are pleased to recommend a Dividend @ 10% amounting to Rs 1.04 crores for the year ended 31st March 2011. This will entitle an out flow of Rs 1.21 crores including dividend tax

RESERVES

During the year the Company has transferred an amount of Rs 50 lakhs to General Reserves Account.

FIXED DEPOSITS

The Company had not accepted any deposits and consequently no deposits had matured / become due for re-payment as on 31st March, 2011.

DIRECTORS

During the year under review, Shri G. M. Surana, Promoter, Non-Executive Director and Chairman of the Company resigned w.e.f 7th March, 2011 after having served for more than two decades as Chairman. As a founder promoter of the Company, who joined the Board in 1989, he played a key role in the phenomenal growth and success of the Company.

Shri M. V. Jeshwanth Rao, Independent Director of the Company expired on 12th September 2010. The Board while expressing profound grief places on record its deep sense of appreciation for the contribution made by Shri M. V. Jeshwanth Rao during his tenure as Director of the Company.

In order to comply with Section 256 of the Companies Act 1956 and Articles of Association of the Company Shri Narender Surana and Shri Devendra Surana, Directors of the Company will retire by rotation at the ensuing Annual General meeting and being eligible, offers themselves for re-appointment.

The brief particulars of the Directors seeking appointment / re-appointment at this Annual General Meeting is being annexed to the Annual Report.

AUDITORS

M/s. Sekhar & Company, Chartered Accountants, Auditors of the Company retires at the ensuing Annual General Meeting and are eligible for re-appointment. The Company is in receipt of confirmation from M/s Sekhar & Company that in the event of their re-appointment as Statutory Auditors of the Company at the ensuing Annual General Meeting, such re-appointment will be in accordance with the limits specified in Sub-section (1B) of Section 224 of the Companies Act, 1956.

PARTICULARS OF EMPLOYEES

During the period under review, none of the employees who were under employment for whole of the year or part of the year, were in receipt of remuneration exceeding Rs.60,00,000 per annum or



Rs.5,00,000 per month as set out in Section 217 (2A) of the Companies Act, 1956.

INSURANCE

The Properties and Assets of your Company are adequately insured.

ISO 9001-2000 CERTIFICATION

Your Company continues to hold ISO 9001-2000 Certification by meeting all the requirements of Certification from time to time.

DIRECTORS' RESPONSIBILITY STATEMENT AS REQUIRED UNDER SECTION 217(2AA) OF THE COMPANIES ACT, 1956

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed:

- (i) That in the preparation of the accounts for the financial year ended 31st March, 2011, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the State of Affairs of the Company at the end of the Financial Year and of the Profit or Loss of the Company for the year under review;
- (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, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) That the Directors have prepared the Accounts for the financial year ended 31st March, 2011 on a 'going concern' basis.

Auditors Observations:

The Auditors observation reported in point No. 4(vi) of the Auditors Report is not a qualification and it is self explanatory in nature and hence not commented upon.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report, pursuant to Clause 49 of the Listing Agreement, forms part of this Report and is annexed hereto.

CORPORATE GOVERNANCE

The Company has implemented the procedures and adopted practices in conformity with the Code of Corporate Governance enunciated in Clause 49 of the Listing Agreement with the Stock Exchanges.

A separate report on Corporate Governance is annexed herewith, as a part of the Annual Report along with the Auditor's Certificate on its compliance.

CONSERVATION OF ENERGY, FOREIGN EXCHANGE ETC

Information on Conservation of Energy, Research and Development, Technology Absorption, Foreign Exchange Earnings and Outgo required to be disclosed under Section 217(1)(e) of the Companies Act, 1956, read with Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1998, are provided in the Annexure forming part of this Report.

APPRECIATION

Your Directors wish to place on record their appreciation to employees at all levels for their hard work, dedication and commitment. The enthusiasm and unstinting efforts of the employees have enabled the Company to remain at the forefront of the industry, despite increased competition from several existing and new players.

ACKNOWLEDGEMENTS

The Board desires to place on record its sincere appreciation for the support and co-operation that the Company received from the suppliers, customers, strategic partners, Bankers, Auditors, Registrar and Transfer Agents and all others associated with the Company. The Company has always looked upon them as partners in its progress and has happily shared with them rewards of growth. It will be the Company's endeavor to build and nurture strong links with trade based on mutuality, respect and co-operation with each other.

For and on behalf of the Board of Directors

Place : Secunderabad
Date : 06.08.2011

Narender Surana
Chairman



ANNEXURE - I TO THE DIRECTORS' REPORT

I. INFORMATION UNDER SECTION 217(1)(e) OF THE COMPANIES ACT, 1956, READ WITH COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988.

FORM – A

A. CONSERVATION OF ENERGY :

- (i) Proper energy conservation measures have been taken up by the Company.
- (ii) The Company has not made any additional investments and has not proposed any amount for reduction of consumption of energy.
- (iii) There is no impact of the measures at (i) and (ii) above for reduction of energy consumption and consequent impact on the cost of production of goods.
- (iv) Disclosure under Form A is not applicable to the Company.

B. TECHNOLOGY ABSORPTION :

Efforts made in technology absorption as per FORM B

FORM – B

(Disclosure of particulars with respect to technology Absorption)

A) Research and Development (R & D) :

1.	Specific areas in which R & D carried out by the Company:	Nil
2.	Benefits derived as a result of the above R & D for the Company:	Nil
3.	Future plan of action:	Nil
4.	Expenditure on R & D:	As no significant amount has been spent, the same is not being shown separately.

B) Technology absorption, adaptation and innovation :

The Company is making all efforts for improving productivity, product quality and reducing consumption of scarce raw materials and fuels.

Total Foreign Exchange earned and used :

Earned : Rs. 3700.02 lakhs

Used : Rs. 21.17 lakhs

C) Foreign Exchange Earnings and Outgo :

Activities relating to exports and initiatives taken to increase export products, services and export plans:

for and on behalf of the Board of Directors

Place : Secunderabad

Date : 06.08.2011

Narender Surana

Chairman



REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on Corporate Governance:

Corporate Governance is more a way of Business life than a mere legal compulsion. Your Company believes that, though its primary focus is on the core objective of earning profits, the corporate governance goes beyond being a regulatory requirement, actually it builds a long-term value to stakeholders, contemplates that corporate actions which balance the interests of all stakeholders and satisfy the tests of transparency, accountability, fairness and social responsibility and it must serve the underlying goal of enhancing the shareholder value over a sustained period of time.

2. Board of Directors (Board):

a) The Board of Directors of the Company as on 31st March, 2011 consists of:

- 3 Independent Non-executive Directors;
- 3 Executive Directors;

b) Attendance Record for 2010-11:

SL. No	Name of Director	Category	Meetings attended	Attendance at last AGM on 24.09.2010	Remarks
1	G Mangilal Surana	Non-executive	7	Present	Resigned w.e.f. 07.03.2011
2	Dr R.N. Sreenath	Independent Non-executive	5	Present	-
3	M V Jeswanth Rao	Independent Non-executive	4	-	Deceased on 12.09.2010
4	D Venkatasubbiah	Independent Non-executive	4	Present	-
5	Nirmal Kumar Jain	Independent Non-executive	4	Present	-
6	O Swaminatha Reddy	Independent Non-executive	3	-	Resigned w.e.f. 08.08.2010
7	R Surender Reddy	Independent Non-executive	2	-	Resigned w.e.f. 08.08.2010
8	S R Vijayakar	Independent Non-executive	3	-	Resigned w.e.f. 08.08.2010
9	Narender Surana	Executive	5	Present	-
10	Devendra Surana	Executive	7	Present	-
11	Sanjay Kumar Sanghi	Executive	3	Present	-
12	S Balasubramanian	Executive	-	-	Resigned w.e.f. 08.08.2010



c) Number of other Directorships, Committee Membership(s) & Chairmanship(s) as on 31st March, 2011:

Sl. No.	Name of the Director	Other Directorships	Other Committee Membership	Other Committee Chairmanship
1	Narender Surana	27	2	None
2	Devendra Surana	29	2	None
3	Sanjay Kumar Sanghi	2	-	None
4	D Venkatasubbiah	2	1	None
5	Dr. R N Sreenath	5	-	None
6	Nirmal Kumar Jain	-	-	None

d) Number of Board Meetings held and the date on which held:

A total of 7 Board Meetings were held during the year as against the minimum requirement of 4 meetings. The maximum gap between any two Board Meetings was not more than four months at any time.

The dates on which the Board meetings were held are:

14.05.2010	07.08.2010	07.08.2010	07.09.2010
24.09.2010	11.11.2010	10.02.2011	

e) Pecuniary relationship or transactions of Non-Executive Director:

Apart from receiving sitting fees for attending the Board and Audit Committee Meetings, the Non-Executive Independent Directors do not have any other material pecuniary relationship or transactions with the Company, its promoters or its Management, which in the opinion of the Board may affect independence of judgment of such Directors.

3. Audit Committee:

a) Composition, Name of Members and Chairperson:

Shri G.M.Surana resigned w.e.f 07.03.2011, and therefore Shri D.Venkatasubbiah was inducted on the Committee as a Member of the Committee. Hence, as on 31.03.2011, the Company's Audit Committee comprises of the following Directors all of whom are Independent Directors:

1.	Shri Nirmal Kumar Jain	Chairman
2.	Dr. R N Sreenath	Member
3.	Shri D Venkatasubbiah	Member

Pavani Akilla, Company Secretary, is acting as Secretary to the Audit Committee.

b) Terms of reference:

The terms of reference stipulated by the Board to the Audit Committee includes review of the following:

- Management Discussion and Analysis of financial condition and results of operations;
- Statement of significant related party transactions submitted by Management;
- Management letters / letters of internal control weaknesses issued by the Statutory Auditors;



- Internal Audit reports relating to internal control weaknesses;
- The appointment, removal and terms of remuneration of the Chief Internal Auditor;
- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the Statutory Auditor and the fixation of Audit fees.
- Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
- The annual financial statements before submission to the Board for approval, with particular reference to following with the Management:
 - i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Clause (2AA) of Section 217 of the Companies Act, 1956.
 - ii. Changes, if any, in accounting policies and practices and reasons for the same.
 - iii. Major accounting entries involving estimates based on the exercise of judgment by Management.
 - iv. Significant adjustments made in the financial statements arising out of Audit findings.
 - v. Compliance with listing and other legal requirements relating to financial statements.
 - vi. Disclosure of any related party transactions.
 - vii. Qualifications in the draft Audit Report.
- Reviewing, with the Management, the quarterly financial statements before submission to the Board for approval.
- Reviewing, with the Management, performance of Statutory and Internal Auditors, adequacy of the internal control systems.
- Reviewing the adequacy of internal Audit function, if any, including the structure of the Internal Audit Department, staffing and seniority of the official heading the Department, reporting structure coverage and frequency of internal audit.
- Discussion with Internal Auditors, any significant findings and follow up thereon.
- Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Discussion with Statutory Auditors before the Audit commences, about the nature and scope of Audit as well as post-Audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults in the payment to the Depositors, Debenture holders, Shareholders (in case of non payment of declared dividends) and Creditors.

The Company continued to derive immense benefit from the deliberations of the Audit Committee comprising three Non-Executive and Independent Directors. As Shri Nirmal Kumar Jain who is heading the Audit Committee as Chairman having rich experience and professional knowledge in Finance, Accounts and Company Law, the members always added the value for the Company. Minutes of each Audit Committee are placed before the Board and discussed in the meeting.



c) Meetings and attendance :

During the year, the Audit Committee Meetings were held on the following dates:

14.05.2010	07.08.2010	07.08.2010	11.11.2010	10.02.2010
------------	------------	------------	------------	------------

Attendance Record - 2010-2011

Sl No	Name of the Director	No. of Meetings Attended	Remarks
1	Shri O Swaminatha Reddy	3	Resigned w.e.f. 08.08.2010
2	Shri G Mangilal Surana	5	Resigned w.e.f. 07.03.2011
3	Shri R Surender Reddy	2	Resigned w.e.f. 08.08.2010
4	Shri S R Vijayakar	3	Resigned w.e.f. 08.08.2010
5	Shri M V Jeswanth Rao	-	Deceased on 12.09.2010
6	Shri Nirmal Kumar Jain	2	
7	Dr. R N Sreenath	1	
8	Shri D Venkatasubbiah	1	

The Statutory Auditors and Internal Auditors of the Company have also attended the above meetings on invitation. The recommendations made by the Audit Committee from time to time have been followed by the Company. The Chairman of the Audit Committee has attended the Annual General Meeting to answer the queries raised by the shareholders regarding Audit and Accounts.

4. Remuneration Committee:

The Company has constituted Remuneration Committee during the financial year 2010-2011.

a) Terms of Reference:

The terms of reference stipulated by the Board to the Remuneration Committee are as follows:

To formulate a remuneration policy and approve the remuneration or revise the remuneration payable to the Managing/Whole-time Directors. The remuneration policy of the Company is directed towards motivating and retaining the senior officers of the Company by rewarding performance

b) Composition, Name of the Chairman and Members:

1.	Shri Nirmal Kumar Jain	Chairman
2.	Dr. R N Sreenath	Member
3.	Shri D Venkatasubbiah	Member

c) Remuneration to Non-executive Directors

The Company pays sitting fees to all the Non-executive Directors at the rate of Rs.3,000/- for each Meeting. The details of Sitting Fees paid to the Non-executive Directors for attending Board Meetings and Committee Meetings during the financial year 2010-11 are as follows:

Sl. No.	Name of Director	Commission	Sitting Fees paid (Rs.)
1	Shri G Mangilal Surana	-	36,000
2	Shri O Swaminatha Reddy	-	18,000
3	Shri R Surender Reddy	-	12,000
4	Shri S R Vijayakar	-	18,000
5	Dr. R N Sreenath	-	18,000
6	Shri M V Jeswanth Rao	-	12,000
7	Shri Nirmal Kumar Jain	-	18,000
8	Shri D Venkatasubbiah	-	15,000
	Total	-	1,47,000



No pecuniary relationship exists between the Company and its Independent Non- Executive Directors except for the Sitting Fees as mentioned above.

e) Remuneration to Executive Directors

Name of Director	Salary	HRA	Coveyance	Total
Shri Sanjay Kumar Sanghi	3,60,000	1,20,000	1,20,000	6,00,000
TOTAL				6,00,000

5. Shareholders Grievance Committee:

The Shareholders Grievance Committee constituted by the Board of Directors comprises of Shri D Venkatasubbiah (Chairman), Shri Narender Surana and Shri Devendra Surana, inter-alia oversee the transfer of shares and redressal of shareholders / investors grievances and complaints regarding non-receipt of Dividends, Annual Reports, etc.

The Board has designated Smt. Pavani Akilla, Company Secretary, as the Compliance Officer.

The total number of complaints received and replied to the satisfaction of shareholders during the year under review was 25. There are no outstanding complaints as on 31st March 2011.

The Committee has received 7,202 shares for transfers out of which 4,202 shares were approved and balance 3000 were rejected. The Committee had not received any shares for transmission during the year. The Committee has also received 33,350 shares requesting for conversion of physical shares into dematerialisation, out of which 22,000 shares were approved and balance 11,350 were rejected on account of mismatch of quantity. There were no transfers or transmissions or demat requests pending as on 31st March, 2011.

6. General Body Meetings:

i. Location and time for last 3 years General Meetings

Year	Locations	Date	Time
Court Convened Meeting of Creditors.	Kamat Lingapur Hotel, 1-10-44/2, Chikoti Gardens, Begumpet, Hyderabad- 500 016	12th April, 2010	2.00 P.M.
Court Convened Meeting of Members	Kamat Lingapur Hotel, 1-10-44/2, Chikoti Gardens, Begumpet, Hyderabad- 500 016	12th April, 2010	10.30 A.M
21st AGM (2009-10)	Kamat Lingapur Hotel, 1-10-44/2, Chikoti Gardens, Begumpet, Hyderabad- 500 016	24th September, 2010	11.30 A.M.
20th AGM (2008-2009)	Kamat Lingapur Hotel, 1-10-44/2, Chikoti Gardens, Begumpet, Hyderabad- 500 016	29th September, 2009	10.30 A.M
19th AGM (2007-2008)	3rd Floor, Surya Towers, S.P. Road, Secunderabad - 500 003	17th September, 2008	11.30 A.M

ii. Special Resolutions passed in last 3 Annual General Meetings

- In the AGM held on 17th September, 2008 the Company has passed Special Resolution for the following item.
 - i) Re-appointment of Shri S. Balasubramanian as Whole-time Director for a period of 3 years w.e.f 30.01.2008 to 29.01.2011.



- In the AGMs held on 29th September, 2009 and 24th September, 2010, the Company has not passed any Special Resolution.

iii. Postal Ballot passed in last year i.e., 2010-11

In accordance with the provisions of Section 192A of the Companies Act, 1956, the Company has conducted a POSTAL BALLOT for obtaining the approval of the Shareholders for:

- Lease, sell or otherwise dispose off the whole or substantially the whole of Company's Jelly Filled Telecom Cables and/or Optic Fibre Plant and/or Power Cables manufacturing facilities along with the assets thereof situated at Plot Nos. 13 to 15, Pilerne Industrial Estate, Panaji, Goa -403 001, Plot No. 214, Phase II, IDA, Cherlapally, Hyderabad - 500 051 and Plot No. 215/A, Phase II, IDA, Cherlapally, Hyderabad - 500 051.
 - Preferential issue of shares by way of GDRs/ADRs/FCCBs/QIPs as per Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) upto an extent of USD 25 million.
- iv. Mr. Syed Meera Mohiddin, Company Secretary in Practice scrutinized the Postal Ballots and the Resolution was passed with a majority of 99.99% on 21.12.2010.

7. Disclosures:

- Disclosures on materially significant related party transactions, i.e., transactions of the Company of material nature with the Promoters, the Directors or the Management, their subsidiaries, Group Companies or relatives etc., that may have potential conflict with the interest of the Company at large.
None of the transactions with any of the related parties were in conflict with the interest of the Company.
- There were no strictures or penalties imposed on the Company by Stock Exchanges or Securities Exchange Board of India (SEBI) or any other statutory authority for non-compliance of any matter related to Capital Markets, during the last 3 years.
- The Company has complied with all mandatory requirements of Clause 49 of the Listing Agreement with the Stock Exchanges as on 31st March, 2011.

8. Means of Communication:

Half yearly results sent to each household of shareholders	No, as the results of the Company are published in the Newspapers having wide circulation
Quarterly results sent to each household of shareholders	No, as the results of the Company are published in the Newspapers having wide circulation
Newspapers in which published	"Business Standard" - English "Andhra Prabha" - Telugu
Website where the results and other official news releases are displayed	http://www.surana.com
The presentations made to institutional investors or to the analysts.	nil

9. The Management Discussion and Analysis Report:

A Report of the Management Discussion and Analysis is attached as part of the Annual Report.



10. General Shareholders Information:

Annual General Meeting	:	Date	:	21st September, 2011
		Time	:	4.30 P.M.
		Venue	:	Kamat Lingapur Hotel, 1-10-44/2, Chikoti Gardens, Begumpet Hyderabad- 500 016
Financial Calendar	:	April 1st to March 31st		
Date of Book Closure	:	16th September, 2011 to 21st September, 2011		
Dividend Payment Date	:	28th September, 2011		
Listing on Stock Exchanges	:	1. Bombay Stock Exchange Ltd., Mumbai 2. National Stock Exchange of India Limited, Mumbai		
Stock Code	:	517530 on BSE SURANAT&P on NSE		
ISIN Number for NSDL & CDSL	:	INE 130B01023		

Market Price Data

Month	NSE		BSE	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
Apr'10	49.50	38.85	48.85	38.60
May'10	50.40	42.20	50.00	42.00
Jun'10	50.90	44.40	50.40	44.05
Jul'10	54.50	48.00	54.40	48.10
Aug'10	65.80	16.55	65.50	16.75
Sep'10	21.80	17.25	21.40	17.35
Oct'10	22.50	18.00	21.80	18.05
Nov'10	21.75	18.05	21.10	18.00
Dec'10	23.40	17.40	23.40	17.25
Jan'11	22.60	17.15	21.75	16.95
Feb'11	18.40	15.25	18.40	15.65
Mar'11	17.80	13.70	17.50	14.05

Registrars & Transfer Agents:

Applications for Share Transfers and communication regarding Share Certificates, Dividends & Change of Address may be sent to:

M/s KARVY COMPUTERSHARE PRIVATE LIMITED,
KARVY COMPUTERSHARE PRIVATE LIMITED.

Plot No. 17-24, Vittalrao Nagar,

Madhapur, Hyderabad- 500 081

Tel No.040-44655000

Fax No.040-23420814, Toll Free No.1800-3454-001

E-mail : einward.ris@karvy.com

Web Site : www.karvy.com



11. Share Transfer System:

Pursuant to the guidelines issued by the Securities and Exchange Board of India, vide circular number D&CC/FITTC/CIR-15/2002 dated 27.12.2002 regarding 'Appointment of Common Agency for Share Registry Work', the Board of Directors have appointed M/s KARVY COMPUTERSHARE PRIVATE LIMITED, as Share Transfer Agents.

The R & T Agent process the Physical Share Transfers and the Share Certificates are returned to the shareholder within a maximum period of 30 days from the date of receipt, subject to the documents being valid and complete in all respects. All share transfers are approved by the Share Transfer Committee, which meets every fortnight.

Pursuant to Securities and Exchange Board of India Circular No. MRD/DoP/Cir-05/2009 dated 20.05.2009, it is mandatory to furnish PAN particulars for registration of physical share transfer requests. Therefore investors are requested to send the PAN particulars along with the share transfer deeds for effecting the physical share transfer.

As per the guidelines issued by SEBI, the R & T Agent is also offering transfer-cum-Demat facility, wherein after the share transfer is Affected an option letter containing the details of the shares transferred is sent to the transferee. Any transferee who wishes to de-mat the shares may approach the Depository Participant along with a duly filled Demat Request Form, who shall, on the basis of the option letter, generate a Demat Request and send the same to the R & T Agent. On receipt, the R & T Agent confirms the request.

Any transferee not intending to dematerialize his shares need not exercise the option and the R & T Agent shall dispatch the share certificate after 30 days from the date of the Option Letter.

All requests for Dematerialization of shares are processed and the confirmation is given to the respective depositories, i.e, National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), within 15 days of receipt.

12. Shareholding Pattern as on 31st March, 2011:

Category	Total Shares	% To Equity
Promoters	10,459,880	50.28%
Resident Individuals	7,082,161	34.04%
Promoters Bodies Corporate	1,896,507	9.12%
Bodies Corporates	879,705	4.23%
Indian Financial Institutions	4,200	0.02%
Non Resident Indians	244,961	1.18%
Trusts	47,901	0.23%
Overseas Corporate Bodies	58,500	0.28%
Mutual Funds	14,200	0.07%
Clearing Members	3585	0.02%
Foreign Institutional Investors	112,800	0.53%
Total	20,804,400	100.00 %



13. Distribution of Share holding as on 31st March 2011:

Category (Amount)	No. of Cases	% of Cases
1 – 5000	8850	84.00
5001 – 10000	898	8.52
10001 – 20000	385	3.65
20001 – 30000	155	1.47
30001 – 40000	47	0.45
40001 – 50000	61	0.58
50001 – 100000	61	0.58
100001 & Above	78	0.75
TOTAL	10,535	100

14. Dematerialization of shares & Liquidity

The trading in Company's shares is permitted only on dematerialized form. In order to enable the shareholders to hold their shares in electronic form and to facilitate scrip-less trading, the Company has enlisted its shares with NSDL and CDSL.

15. Share Dematerialisation Records:

1,97,09,868 shares representing 94.73% of the total equity capital were held in dematerialised form with the National Securities Depository Limited and Central Depository Services (India) Limited as on 31st March, 2011.

16. Outstanding GDR's / ADR's / Warrants or any convertible instruments, conversion date and likely impact on Equity:

The Company has not issued GDR's/ADR's/FCCB's till date and there are no outstanding warrants or any other convertible instruments that are pending conversion as on date.

17. Secretarial Audit:

Practicing Company Secretary Smt Rakhi Agarwal conducts the Secretarial Audit of the Company every quarter for a limited purpose of reconciliation of the total admitted capital with both the depositories (CDSL & NSDL) and the total issued and listed capital. The Quarterly Secretarial Audit Reports which were placed before the Board of Directors were also sent in time to both the Stock Exchanges where the Company's shares are Listed.

18. Plant Locations:

Solar Power Project Gujarat Solar Park, Charanka Village Santalpur Taluk, Patan District, Gujarat	Aluminum Wire Rods Plot No. 215/D, Phase II, I.D.A., Cherlapally Hyderabad - 500 051
Optic Fibre Cable Plant Plot No.214 Phase II, IDA Cherlapally Ghatkesar (M) Ranga Reddy District	Non- Conventional Energy (Wind) Kapatgudda, Gadag District Karnataka



19. Address for Correspondence:

Sl. No.	Shareholders Correspondence for	Address
1.	Transfer/Dematerialization/Consolidation/Split of shares, Issue of Duplicate Share Certificates, Non-receipt of dividend/Bonus shares, etc., change of address of Members and Beneficial Owners and any other query relating to the shares of the Company.	KARVY COMPUTERSHARE PVT. LTD. 17-24, Vittalrao Nagar, Madhapur, Hyderabad - 500081 Phone # +91-40-44655000 Fax # +91-40-23420814 E.mail : einward.ris@karvy.com Website : www.karvy.com
2.	Investor Correspondence/Queries on Annual Report, Revalidation of Dividend Warrants, Sub-Division, etc.	PAVANI AKILLA Company Secretary M/s. Surana Telecom and Power Limited 5th Floor, Surya Towers, S.P. Road, Secunderabad - 500 003. Ph Nos. 27845119/44665700 E-mail : cs@surana.com investorservices_stl@surana.com Website : www.surana.com www.suranatele.com

20. Depository Services:

For guidance on Depository Services, Shareholders may write to the Company or to the respective Depositories:

National Securities Depository Ltd
Trade World, 4th Floor,
Kamala Mills Compound,
Senapati Bapat Marg, Lower Parel,
Mumbai – 400 013
Tel : 091-022-24994200
Fax : 091-022-24972977/24976351
Email : info@nsdl.co.in.

Central Depository Services (India) Ltd
Phiroze Jeejeebhoy Towers,
28th Floor,
Dalal Street,
Mumbai – 400 023
Tel : 091-022-22723333/3224
Fax : 091-022-22723199/2272
Email : investors@cdslindia.com

21. Nomination Facility:

Shareholders holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company as permitted under Section 109A of the Companies Act, 1956 are requested to submit to the Company the prescribed Form 2B (form 2B of concerned act) for this purpose.

22. Company's Policy on prevention of insider trading:

Pursuant to the requirements of SEBI (Prohibition of Insider Trading) Regulations, 1992, and in continuation with your Company's efforts to enhance the standards of corporate governance in the Company, and to strictly monitor and prevent insider trading within the Company, your Company has framed 'Code of Conduct'.

Smt. Pavani Akilla, Company Secretary has been appointed as the Compliance Officer for this purpose. The code is applicable to all such employees of the Company who are expected to have access to the unpublished price sensitive information relating to the Company and the same is being implemented as a self-regulatory mechanism. The code has been circulated to all the members of the Board and Senior Management and the compliance of the same has been affirmed by them.



23. Particulars of Directors, who are retiring by rotation, seeking re-appointment at the forthcoming Annual General Meeting pursuant to Clause 49 of the Listing Agreement:-

Name of Director	SHRI DEVENDRA SURANA	SHRI NARENDER SURANA
Expertise in specific functional areas	Shri Devendra Surana is a Mechanical Engineer and holds a Post Graduate Diploma in Management from IIM, Bangalore. He was chosen as the Best Brain of the batch. He has been in the field of Ferrous & Non - Ferrous & Telecom Industry for the last 15 Years. He currently presiding the Chair of is a Vice President of Federation of Andhra Pradesh Chambers of Commerce and Industry (FAPCCI) and was also the President of Young Entrepreneurs Organisation (Y.E.O) of A.P Chapter.	Shri.Narender Surana, is a Chemical Engineer. He is the Managing Director of M/s Surana Ventures Limited, Hyderabad, and M/s Bhagyanagar India Limited , one of the leading Industrial house in AP, having fully automated Silicon Cells & Solar Photovoltaic module manufacturing unit with an installed capacity to produce 60 MW annually, with a group annual turn over of over Rs.500 crores. He was the Past President of Federation of Andhra Pradesh Chambers of Commerce and Industry (FAPCCI) and Chairman of the Federation of Indian Chambers of Commerce and Industry (FICCI) - A P State Council. He was also Chapter Chairman of Young President's Organization (Y.P.O), Hyderabad Chapter. He is the recipient of Andhra Pradesh Best Entrepreneur Award.
Date of Birth	08.02.1965	06.07.1960
Qualification	B.E. (Mechanical), PGDM (IIM, Bangalore)	B.E. (Chemical)
List of Other Companies in which Directorship is held as on 31st March, 2011.	DIRECTOR <ol style="list-style-type: none"> 1. Surana Telecom and Power Ltd. 2. Bhagyanagar India Ltd. 3. Bhagyanagar Entertainment Ltd. 4. Surana Infocom Private Ltd. 5. Every time Foods Industries Private Ltd. 6. Scientia Infocom India Private Ltd. 7. Bhagyanagar Infrastructure Ltd. 8. Bhagyanagar Entertainment and Infra Development Private Ltd. 9. Bhagyanagar Foods and Beverages Private Ltd. 10. AP Golden Apparels Private Ltd. 11. Bhagyanagar Capital Private Ltd. 12. Globecom Infra Ventures India Private Ltd. 13. Shresht Energy Private Ltd. 14. Green Energy Systems Private Ltd. 15. Epicenter Entertainment Pvt. Ltd. 16. Surana Biochemicals Private Ltd. 17. Advantage Real Estate India Private Ltd. 	DIRECTOR <ol style="list-style-type: none"> 1. Bhagyanagar India Limited 2. Bhagyanagar Entertainment Ltd. 3. Surana Infocom Private Ltd. 4. Everytime Foods Industries Private Ltd. 5. Value Infrastructure & Properties Private Ltd. 6. Innova Technologies Private Ltd. 7. Surana Techno Park Private Ltd. 8. Shahsons Private Ltd. 9. Advantage Real Estate India Private Ltd. 10. Scientia Infocom India Private Ltd. 11. Tranquil Avenues India Private Ltd. 12. Royal Skyscrapers India Private Ltd. 13. Surana Biochemicals Private Ltd. 14. Bhagyanagar Properties Private Ltd. 15. Bhagyanagar Securities Private Ltd. 16. Bhagyanagar Infrastructure Ltd. 17. Shresht Energy Private Ltd. 18. Bhagyanagar Entertainment & Infra Development Company Private Ltd.



Name of Director	SHRI DEVENDRA SURANA	SHRI NARENDER SURANA
	18. Tranquil Avenues India Private Ltd. 19. Surana Technopark Private Ltd. 20. Bhagyanagar Properties Private Ltd. 21. Bhagyanagar Securities Private Ltd. 22. Value Infrastructure and Properties Private Ltd. 23. Metropolitan Ventures India Ltd. 24. Genten Infra Projects Private Ltd. 25. Majestic Logistics Private Ltd. 26. Bhagyanagar Ventures Private Ltd. 27. Shahsons Private Ltd. 28. Bhagyanagar Green Energy Ltd. 29. Stealth Energy Private Ltd.	19. Green Energy Systems Private Ltd. 20. AP Golden Apparels Private Ltd. 21. Sapthagiri Infastructure & Developers Private Ltd. 22. Bhagyanagar Metals Ltd. 23. Bhagyanagar Energy and Telecom Private Ltd. 24. Stealth Energy Private Ltd. 25. Surana Ventures Limited 26. Bhagyanagar Ventures Private Ltd. 27. Genten Infra Projects Private Ltd.
Chairman/ Member of the Committees of the Board of other Companies in which he is a Director as on 31st March, 2011	1. Surana Ventures Limited (Member Shareholder's Grievance Committee). 2. Bhagyanagar India Limited (Member Shareholder's Grievance Committee).	1. Surana Ventures Limited (Member Shareholder's Grievance Committee). 2. Bhagyanagar India Limited (Member Shareholder's Grievance Committee).

DECLARATION OF COMPLIANCE OF CODE OF CONDUCT

Pursuant to the Circular No. SEBI/CFD/DIL/CG/1/2004/12/10 dated 29th October 2004, it is hereby declared that the Company has obtained confirmation from all the Board Members and Senior Management Personnel of the Company for the compliance of the Code of Conduct of the Company for the year 2010-11.

Place : Secunderabad

Date : 06.08.2011

NARENDER SURANA

Chairman



AUDITORS' CERTIFICATE REGARDING CORPORATE GOVERNANCE

To the Members of
Surana Telecom and Power Limited
Secunderabad.

We have examined the compliance of conditions of Corporate Governance by Surana Telecom and Power Limited for the year ended 31.03.2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with National Stock Exchange (NSE) and Bombay Stock Exchange (BSE).

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an Audit nor an expression of opinion on the Financial Statements of the Company.

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

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

for and on behalf of
M/s. Sekhar & Co
Chartered Accountants
Firm Regd. No.003695-S

Place : Secunderabad
Date : 04.08.2011

G. Ganesh
Partner
Membership No. 211704



MANAGEMENT DISCUSSION & ANALYSIS

Surana Telecom And Power Ltd was incorporated as a Private Limited Company on 14.08.1989 as Surana Petro Products Pvt. Ltd and was engaged in the business of manufacturing of Petro Products such as Petroleum Jelly and Telecom products such as Jointing Kits. Thereafter, the Company was converted into a Public Limited Company on 09.07.1993. In 1994, the Company ventured into the Telecom sector with the production of Optic Fibre Cables and consequently, name of the Company was changed to Surana Telecom Ltd on 05.08.1994. In 2007, the Company diversified into the power sector with the manufacturing of low tension and high tension power cables and setting up of 1.25 MW wind power generation plant. In order to reflect the diversity, the name of the Company was again changed to "Surana Telecom and Power Limited" on 11.10.2007.

In 2008, taking cue from the increasing recognition for non conventional energy and anticipating demand primarily in the field of Solar Photovoltaic, the company ventured into manufacturing of Solar Modules and other Solar photovoltaic products .

During the year 2009-2010, a Scheme of arrangement was entered by the Company with M/s Surana Ventures Limited which was sanctioned by Hon'ble High Court of A.P. on 28.06.2010 and became effective on 28.07.2010, pursuant to which the "Solar Undertaking" was merged with M/s Surana Ventures Limited.

In the financial year 2010-11 the company achieved total revenue of Rs.6641.24 lakhs. In the ensuing years, the major thrust of the Company shall be on Solar Power Generation and other Non- conventional sources of Power Generation.

SOLAR POWER:

Introduction

In today's climate of growing energy needs and increasing environmental concern, alternatives to the use of non-renewable and polluting fossil fuels have emerged. One such alternative is solar energy. The Company keeping in view the growing demand for energy, applied to GEDA for setting up 5 MW Power Plant in the state of Gujarat. Accordingly, the Company became successful in the bids and was

allotted land property at Gujarat for setting up 5 MW power plant.

Industry Analysis

According to the latest Indian Solar Compass, India's solar industry has got off to a successful start this year, with a large number of power purchase agreements (PPAs) having been signed. The solar PV market of 2011 will also more diverse than it has been before. Today, India finds itself on the path of becoming one of the leading nations in the solar energy sector. The government is taking steps towards implementing large MW scale solar power projects and is poised to position itself as one of the world's major solar producer. Effective utilization of India's solar potential lies in the successful implementation of the Jawaharlal Nehru National Solar Mission (JNNSM) by the government.

The average number of sunny days in India circulates around 300 days per year and due to the high sun radiation particularly in the south and the center of the country, the potential for solar power is extremely high and makes India a favorite destination for domestic and international solar pv investments. As India plans to have installed 20GW of solar power by 2022 - equaling to 12 percent of the country's total energy share then and 200 GW by 2050 (project to be the biggest solar pv market by then), there is still much to do since the currently installed capacity stood at about 12MW by the end of 2010. Majority of the states are deploying PV power plants and with the implementation of the National Solar Mission, it is expected that, the annual PV installed capacity will grow at a Compound Annual Growth Rate (CAGR) of around 44% during 2010-2013 to reach 900 MW by 2013 end.

The recent (December 2010) PPA agreements with the state-run power distributor Gujarat Urja Vikas Nigam (GUVNL) about the construction of a 500 MW solar power plant is clear sign that India's domestic companies have recognized the governmental encouragement and promising business opportunities with regard to India's solar pv market in 2011.

The government is eager to increase the solar share by concurrently improving infrastructural conditions



in the country especially products like solar water heating systems and solar street lights. Another important business for 2011 will be solar home systems.

Still more than 40% of households in India, mainly in rural areas, lack access to electricity and are bound to be benefiting from the Indian government's efforts to promote electrification and increasing the share of solar power. Apart from large investments in solar power plants and the mandatory modification of governmental buildings with solar technology, the demand for solar off-grid systems will be growing regarding the many remote and un-electrified rural areas and the government's willingness to achieve full electrification soon. However, only cost effective products that can compete with the domestic low-cost solar products in India will have a chance to get into the rural areas.

Business Outlook:

During the year under review, the Company was allotted 5 MW Power Capacity under Solar Power Policy, 2009 by M/s Gujarat Energy Development Agency (GEDA), Government of Gujarat. Subsequently on 01.12.2010, the Company entered into Power Purchase Agreement with Gujarat Urja Vikas Nigam Limited. M/s Gujarat Power Corporation Limited which is appointed as Licensor for facilitating the setting up of power projects within the state of Gujarat, handed over the possession of 1,00,000 sq. mtrs (approx) of land situated at Gujarat Solar Park, Charanka Village, Santalpur Taluk, Patan District, Gujarat. The Company entered into Engineering Procurement Construction Contract (EPC) with AEG Power Solutions (P) Limited, for the Development of the Project. The other steps for implementation of the project were also undertaken so as to ensure the commissioning of the project by November, 2011.

During the year the Company floated a JV Company by name "Radiant Alliance Limited" in Bangladesh with M/s EC Distribution Limited (ECDL), Bangladesh for the purpose of establishing and operating a Solar PV Module manufacturing plant in Bangladesh with an installed capacity of 10 MW.

WIND POWER GENERATION:

Introduction

India's energy consumption is increasing at one of the fastest rates in the world due to population

growth and economic development. As a part of its Corporate Social Responsibility and in view raising global concerns over Global warming, the Company in the year 2006-07 has forayed into the non conventional energy sector with a wind power project with an initial installed capacity of 1.25 MW at Kapatguda, Karnataka. The Annual generation for the financial year 2010-11 was 1871685 Units.

Industry Analysis

Today India is the fifth largest Wind energy producer in the world. Wind energy is the fastest growing renewable energy source with a cumulative deployment of over 13,000 MW capacity, it accounts for nearly 70% of the installed capacity in the renewable energy sector in the country. A cumulative capacity of 12,009 MW has been set up as on June 2010, with an estimated potential in India of 65-70 GW. The total potential for Wind Power in India was first estimated at around 45 GW. The sector is growing rapidly and we are likely to achieve a capacity addition of 2000 MW in this year.

Electricity demand has continuously outstripped production, and a peak energy shortage of around 12.7% prevailed in 2009-10. To meet this shortfall as well as the National Electricity Policy target of 'Electricity for All by 2012, the cleanest options available to India are Renewable Energy Technologies (RETs). The wind power development in the next five years (2010-2014) is expected to develop with a varying capacity addition between 2,500 MW and 4,000 MW annually. The Planning Commission projects the installed capacity to reach approximately 40,000 MW by the year 2022.

Wind energy is continuing to grow steadily in India. In 2009, 1,271 MW of new wind generating capacity was installed, taking the cumulative figure up to more than 12 GW, representing an annual growth of 13%. In addition, a trend towards small customized windmills for households has been evident with a market growth of 30%.

Wind power in India has been concentrated in a few regions. Especially the southern state, Tamil Nadu maintains its position as the state with the largest wind power installation, with 4,906 MW installed as of March 2010. Although Tamil Nadu accounts for approximately 40% of total installed



capacity in the country, other states have started to catch up. This is partly driven by new policy measures and partly driven by the fact that already 90% of gross potential in Tamil Nadu is explored. Interesting states to look at are Karnataka (capacity availability 10 GW), Gujarat (8.7 GW), Andhra Pradesh (8.8 GW), Rajasthan (3.8 GW) and Maharashtra (2.5 GW).

In order to meet the rising energy demand, power generation capacity must increase to nearly 800,000 MW by 2031-32, from the current capacity of around 160,000 MW. With India facing an acute energy scarcity, which is hampering its industrial growth and economic progress, it is essential to tackle the energy crisis through judicious utilization of the abundant renewable energy resources, such as wind. Favourable government policies and incentives are the crucial key drivers in the Wind Sector.

Business Outlook:

The Company has installed 1.25 MW Wind Turbine Generator at Kapatguda in the state of Karnataka for which Voluntary Emission Reduction (VER's) were gained through Voluntary Carbon Standards. During the current financial year the Company expects to generate additional revenue by sale of VER's to appropriate buyers.

POWER CABLES AND ALUMINUM CC RODS

To cope with the situation of declining Telecom Cables demand, and in view of the high demand for the Power Cables in the market and availability of required resources coupled with optimal utilization of existing facilities, the Company restructured a part of its plant to manufacture power cables in the year 2007. In the year 2008-09, as a part of backward integration to the Power Cables, the Company has set up Aluminum Propezi plant to manufacture aluminium rods of 7.9 & 9.6 diameter EC grade rods & alloy aluminum rods.

The performance of the Company in Power Cables business was moderate due to insignificant market penetration and low margins. Hence the Company obtained members approval for sale/lease/disposal of the Power Cable manufacturing facilities. Accordingly the manufacturing facilities were leased out on the terms and conditions which are beneficial to the Company.

RISKS AND CONCERNS

The Company's businesses and operations are subject to a variety of risks and uncertainties which are no different from any other company in general and our competitors in particular. Such risks are the result of both the business environment within which the Company operates and other factors over which there is little or no control. These risks can be categorised as operational, financial, environmental, health and safety, political, market-related and strategic risks. The Company has sufficient risk management policies in place that act as an effective tool in minimising the various risks that the businesses are exposed to during the course of their day-to-day operations as well as in their strategic actions.

INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

The Company has adequate Internal Control Systems and Procedures with regard to purchase of Stores, Raw Materials including Components, Plant and Machinery, equipment, sale of goods and other assets. The company has clearly defined roles and responsibilities for all managerial positions and all operating parameters are monitored and controlled.

The Company has an Internal Audit System commensurate with its size and nature of business. M/s Luharuka & Associates, a firm of Chartered Accountants, are acting as Internal Auditors of the Company. Periodic reports of Internal Auditors are reviewed in the meeting of the Audit Committee of the Board. Compliance with laws and regulations is also ensured and confirmed by the Internal Auditors of the Company. Standard operating procedures and guidelines are issued from time to time to support best practices for internal control.

FINANCIAL PERFORMANCE & OPERATIONAL PERFORMANCE:**Financial Performance:****Capital Structure:**

The Equity Share Capital of the Company as on 31st March 2011 is Rs.10,40,22,000/- comprising of 2,08,04,400 Equity Shares of Rs.5/- each fully paid.

Reserves and Surplus:

The Reserves and Surplus of the Company for the current year is Rs 5601.02 lakhs and in the previous year was Rs. 5838.01 lakhs.



Fixed Assets:

During the year, the Company has added Fixed Assets amounting to Rs. 235.50 lakhs making the gross fixed assets as on 31.03.2011 to Rs.7072.34 lakhs.

Inventories:

Inventories, as on 31st March, 2011, amounted to Rs. 615.50 lakhs and in the previous year is Rs. 734.21 lakhs.

Sundry Debtors:

Sundry Debtors amounted to Rs. 902.53 lakhs as on 31st March, 2011 and Rs. 713.28 lakhs in the previous year.

Cash and Bank Balances:

Cash and Bank balances with Scheduled Banks, as on 31st March, 2011, amounted to Rs. 272.10 lakhs which includes amounts deposited with banks as Security and margin Money Deposit and accrued interest.

Loans and Advances:

'Loans and Advances' as on 31st March, 2011, amounted to Rs. 1559.38 lakhs

Current Liabilities:

'Current Liabilities' as on 31st March, 2011, amounted to Rs. 1500.62 lakhs

- Note: a) Sundry Creditors' represent the amount payable to vendors for supply of goods.
b) Advances received from Customers' denote monies received for the delivery of future services.

Operational Performance:**Turnover:**

During the year 2010-11, the gross turnover of the Company was Rs.7711.82 lakhs and Rs.5121.12 lakhs in the previous year.

Other Income as on 31st March, 2011 is Rs.1467.30 lakhs and Rs.356.41 lakhs in the previous year.

Depreciation:

The Company has provided a sum of Rs.211.06 lakhs towards depreciation for the year and Rs.241.26 in the previous year.

Net Profit:

The Net Profit of the Company after tax is Rs 118.10 lakhs and Rs.114.93 in the previous year.

Earnings per Share:

Basic Earnings Per Share for the year ended 31.03.2011 is Rs. 0.57 Ps for Face Value of Rs.5/- and Rs.0.55 per share for the year ended 31.03.2010.

HUMAN RESOURCE DEVELOPMENT AND INDUSTRIAL RELATIONS:

The Company believes that the quality of its employees is the key to its success in the long run and is committed to provide necessary human resource development and training opportunities to equip them with skills, which would enable them to adapt to contemporary technological advancements.

Industrial Relations during the year continues to be cordial and the Company is committed to maintain good industrial relations through negotiations, meetings etc.

CAUTIONARY STATEMENT:

Statements in the Management Discussion and Analysis describing the Company's Objectives and Expectations may be "Forward-Looking Statements" within the meaning of applicable Securities Laws and Regulations. Actual results could 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, technological obsolescence, changes in the Government Regulations and Policies, Tax Laws and other Statutes and other incidental factors.



AUDITORS REPORT

To
The Members of
Surana Telecom and Power Limited

1. We have audited the attached Balance Sheet of **Surana Telecom and Power Limited** as at **31st March 2011**, the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conduct our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 (Together henceforth referred to as the 'Order' issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act 1956 (henceforth referred to as the 'Act') is given below.

A. Fixed Assets : Clause 4(i) of the Order

- i. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- ii. We are informed that management has conducted verification of significant part fixed assets during the course of the year. As per the information and explanations given to us the discrepancies found on such verification are not material.
- iii. The fixed assets disposed of during the year, in our opinion do not constitute substantial part of the fixed assets of the Company and such disposal in our opinion, has not affected the going concern status of the company.

B. Inventories : Clause 4(ii) of the Order

- i. The inventory has been physically verified during the year by the management. In our opinion the frequency of verification is reasonable.
- ii. The procedures of physical verification followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
- iii. The Company is maintaining proper records of inventory. The discrepancies noticed on verification between physical stocks and books records were not material.

C. Loans and Advances & Loans against Pledge of Securities (Clauses 4(iii) of 4 (xii) of the Order.)

- i. The Company has granted loans to '1' Wholly Owned Subsidiary. The aggregate of Maximum amount Involved and year end outstanding is R.400.93 Lacs.
- ii. In our opinion the terms of interest and other terms and conditions of the loans given by the company are not 'prima facie' prejudicial to the interest of the Company.
- iii. The parties are regular in payment of interest wherever due as per the terms and conditions of sanction of loans
- iv. There are no overdue amounts in excess of R.1 Lakh in respect of loans granted, to companies, firms or other parties in the register maintained under section 301 of the Act.
- v. The Company has taken from '3' Companies / Parties and other firms covered under section 301 of the Act. The Maximum amount involved is R.3,478.55 Lacs and the year end outstanding is Rs. Nil.
- vi. In our opinion, the rate of interest and other terms and conditions on which the loans are taken are not 'prima facie' prejudicial to the interest of the company.
- vii. The Company is regular in repaying the principal amounts as stipulated and has also been regular in payment of interest
- viii. We are of the opinion that the company is maintaining adequate records where the company has granted loans against security of shares, debentures and other securities.



D. Transactions with parties under section 301 of the Act. Clause 4(v) of the Order :

- i. On the basis of our examination of relevant records and on the basis of representation of the management , we are of the opinion that the particulars of all contracts or arrangements that need to be entered into the register maintained under section 301 of the 'Act' have been so entered.
- ii. The transactions made in pursuance of such contracts or arrangements have been made at prices reasonable having to the prevailing market prices at the relevant point of time.

E. Internal Control : Clause 4(iv) of the order :

In our opinion and according to the information and explanations given to us, there exists an adequate internal control system commensurate with the size of the Company and nature of its business with regard to purchase of fixed assets and with regard to sale of services. During the course of our audit, we have not observed any continuing failure to correct weakness in internal control system of the company.

F. Deposits -Clause 4(vi) of the Order :

During the year the company has not accepted any deposits within the meaning of section 58A and section 58AA of the 'Act'.

G. Internal Audit - Clause 4(vii) of the Order :

In our opinion, the Company's internal audit system is commensurate with the size and nature of its business.

H. Cost Records - Clause 4(viii) of the Order :

We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the company pursuant to the Rules made by the Central Government of India for the maintenance of Cost Records under Section 209(1)(d) of the 'Act', and we are of the opinion that ' prima facie ' the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with view to determine whether they are accurate or complete.

I. Statutory Payments - Clause 4(ix) of the Order :

- i. According to the records of the Company, apart from the certain instances of delays in depositing undisputed income tax deducted at source, Employee's State Insurance, Provident Fund and Sales tax, the company has been regular in depositing undisputed statutory dues including Provident fund, Employee State Insurance, Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, cess and other statutory dues with appropriate authorities. Based on our audit procedures and according to the information and explanations given to us, there are no arrears of statutory dues which has remained outstanding as at 31st March 2011 for a period of more than six months from the date they became payable.
- ii. According to the information and explanations given to us and records of the company the dues of sales tax / income tax / customs duty / wealth tax / service tax / excise duty / cess, which have not been deposited on account of any dispute are as follows.

Nature of Dues / Financial Year to which dispute is related to	Amount in ₹s	Forum where dispute is pending
Andhra Pradesh Sales Tax Act - 1994-95	10.80 Lacs	Sales Tax Appellate Tribunal Hyderabad
Andhra Pradesh Sales Tax Act -2001-2002	1.85 Lacs	Remaded back to Assessing Authority
Excise Duty - Various Periods from 2005-08 - levy of Duty on certain Products	173.23 Lacs	CESTAT Bangalore and Mumbai

J. Losses : Clause 4(x) of the order :

The Company does not have any accumulated losses as at 31st March 2011. The Company has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.

K. Utilisation of Funds : Clause 4(xi), (xvi) & (xvii) :

- i. The Company has applied the term loans for the purposes for which the loans were obtained.
- ii. On the basis of review of utilisation of funds, which is based on overall examination of the Balance Sheet of the Company, related information made available to us and as represented to us by the management, funds raised on short term basis have not been used for long term investments.



- iii. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.

L. Miscellaneous : Clauses 4(xiii) to (xv) and (xviii) to (xxi) :

- i. The Company has not given any Guarantees for loans taken by others from Banks or Financial Institutions.
- ii. The Company is not a chit fund, nidhi / mutual benefit fund and therefore requirements to such class of companies are not applicable.
- iii. The Company is not dealing in or trading in shares, securities debentures and other investments.
- iv. The Company has not made any preferential allotment of shares during under section 301 of the 'Act'.
- v. The Company has not issued any debentures during the year.
- vi. The Company has not raised any money by way of public issue during the year
- vii. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements as the information, representation and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

4. Further to our comments above :

- i. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of audit;
- ii. In our opinion proper books of account as required by law have been kept by the company as far as appears from our examination of those books;
- iii. The Balance Sheet, Profit and Loss account and Cash flow statement dealt with by this report are in agreement with the Books of Account.
- iv. In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with Accounting Standards referred to in section 211(3C) of the 'Act'.
- v. On the basis of written representations received from the Directors, as on 31st March 2011 and taken on record by the Board of Directors, we report that none of the Directors are disqualified as on 31st March 2011 from being appointed as a Director in terms of Section 274(1)(g) of the 'Act'.
- vi. Without qualifying we invite your attention to :
 - 1. Note 11 Notes to Accounts : During the year 2009-10, the company paid an advance of Rs 214.35 lacs to M/s United International Shipping Agent (T) Ltd, Tanzania, towards part payment for cost of Copper cathode which is principal raw material for the copper manufacturing units. The payment thus made was disclosed as Advances to Suppliers under Schedule-11 of "Loans & Advances". However, Copper was stolen and replaced with worthless material on the sea-way. The Company lodged claims with Insurance Company and the shipping agent. The Insurance Company has rejected the claim during the year in the month of October 2010. On the basis of legal opinion received and on the recommendations of the Board of Directors the amount is written off as irrecoverable business loss.
- vii. In our opinion and to the best of our information and according to the explanations given to us, the said accounts, together with the Notes thereon and attached thereto, give in the prescribed manner, the information required by the 'Act', and also give a true and fair view in conformity with accounting principles generally accepted in India.
 - 1. In the case of Balance Sheet, the state of affairs of the Company as at 31st March 2011.
 - 2. In the Case of Profit and Loss account the 'Profit' for the year ended on that date.
 - 3. In the case of cash flow statement the Cash flows for the year ended on that date.

For **Sekhar & Co.**
Chartered Accountants
Firm Regn No : 003695 -S

G. Ganesh
(Partner)
M.No:211704

Place : Secunderabad
Date : May 28, 2011



Balance Sheet as at 31st March, 2011

(Amount in Rupees)

	Sch.No	As at 31.03.2011	As at 31.03.2010
Sources of Funds			
a) Share Capital	1	104,022,000	104,022,000
b) Reserves and Surplus	2	560,102,117	583,801,060
Share-Holders Funds		664,124,117	687,823,060
c) Loan Funds			
i) Secured loans	3	50,192,070	3,490,675
ii) Unsecured loans	4	48,899,422	80,960,894
Net Deferred Tax Liability	14	6,552,080	7,456,080
TOTAL		769,767,689	779,730,709
Application of Funds			
Fixed Assets (At cost)			
a) Gross Block	5	707,233,715	739,331,901
b) Less Depreciation		414,008,758	412,624,989
c) Net Block		293,224,957	326,706,912
Capital Work-In-Progress		152,727,839	-
Investments (At cost)	6	134,097,260	130,391,068
Current Assets, Loans and advances			
a) Inventories	7	61,550,375	73,420,592
b) Sundry debtors	8	90,252,900	71,328,168
c) Cash & Bank Balances	9	27,209,880	12,692,248
d) Loans & Advances	10	155,938,292	176,946,639
e) Other Current Assets	11	17,057,873	20,896,231
		352,009,320	355,283,878
Less Current Liabilities & Provisions			
a) Current Liabilities	12	150,061,682	20,221,139
b) Provisions	13	12,230,005	12,430,010
		162,291,687	32,651,149
Net Current Assets		189,717,633	322,632,729
TOTAL		769,767,689	779,730,709
Notes to Accounts	20		

The Schedules referred to above form an integral part of Balance Sheet

This is the Balance Sheet referred to in our report of even date

for Sekhar & Co

Chartered Accountants
Firm Regn. No. 003695-S

for and on behalf of Board of Directors

G. Ganesh

Partner
Membership No : 211704

Place : Secunderabad
Date : 28.05.2011

Narender Surana

Chairman

R. Lakshman Raju
Chief Financial Officer

Sanjay Kumar Sanghi

Whole-time Director

Pavani Akilla
Company Secretary



Profit & Loss Account for the year ended 31st March, 2011

(Amount in Rupees)

	Sch.No	For the year 2010-11	For the year 2009-10
Income			
Gross Sales	15	662,093,019	504,184,926
Less: Excise duty		37,641,509	27,713,783
Net Income from Operations		624,451,510	476,471,143
Other Income	16	146,730,480	35,640,933
Total Income		771,181,990	512,112,076
Expenditure			
Materials	17	588,024,984	335,770,862
Expenses	18	133,543,267	120,491,622
Interest & Financial Charges	19	14,850,940	18,587,509
Depreciation		21,105,583	24,125,643
Total Expenditure		757,524,774	498,975,636
Profit for the year		13,657,216	13,136,440
Prior Period Adjustment		(251,288)	(241,288)
Profit before Taxation		13,405,928	12,895,152
Provision for Taxation			
i) Income Tax		2,500,000	1,800,000
ii) Deferred Tax		(904,000)	(398,000)
Profit after Taxation		11,809,928	11,493,152
Balance B/F from Previous year		219,538,319	240,175,177
Amount Available for appropriation		231,348,247	251,668,329
Proposed Dividend		10,402,200	10,402,200
Tax on Dividend		1,727,805	1,727,810
Transfer to General Reserve		5,000,000	20,000,000
Surplus Carried to Balance Sheet		214,218,241	219,538,319

The Schedules referred to above form an integral part of the Profit & Loss Account

This is the Profit & Loss Account referred to in our report of even date

for Sekhar & Co
Chartered Accountants
Firm Regn. No. 003695-S

for and on behalf of Board of Directors

G. Ganesh
Partner
Membership No : 211704
Place : Secunderabad
Date : 28.05.2011

Narender Surana
Chairman

R. Lakshman Raju
Chief Financial Officer

Sanjay Kumar Sanghi
Whole-time Director

Pavani Akilla
Company Secretary



Cash Flow Statement for the year ended March 31, 2011

(Amount in Rupees)

Particulars	2010-11	2009-10
A. Cash Flow From Operating Activities		
Net Profit before tax as per annexed profit and loss account	13,405,928	12,895,152
Adjustments for :		
Depreciation	21,105,583	24,125,643
Lease rents Amortised	910,135	951,552
Bad Debts Written Off & Provision for Bad Debts	28,744,014	11,301,842
Balances / Provisions no longer required written back	(1,453,241)	(6,838,874)
(Profit)/Loss on Sale of Investments(Net)	(170,214)	364,519
Profit & Loss on Sale of Assets	(122,779,572)	(59,655)
Interest Paid	14,850,940	18,587,509
Interest Received & dividend Received	(13,476,393)	(23,353,002)
	(72,268,748)	25,079,534
Operating Profit before working Capital Changes	(58,862,820)	37,974,686
(Less)/ Add Adjustments for Working Capital Changes		
Inventories	11,870,217	(69,070,895)
Loans and Advances	(9,235,777)	(913,142)
Other Current Assets	3,838,358	80,155,318
Sundry Debtors	(47,668,746)	191,076,705
Trade Payables and other Liabilities	118,007,994	(50,235,196)
Advance from Customers	12,768,123	89,580,169
	(6,716,648)	144,296,142
Cash Generated from Operations	30,717,349	182,270,828
Income Tax & Fringe Benefit Tax Paid	(5,083,604)	(8,681,682)
Taxes of earlier years	-	-
Prior Period Adjustments	-	(5,083,604)
	(8,681,682)	(8,681,682)
Net Cash (used in)/from operating Activities(A)	25,633,745	(8,681,682)
B. Cash Flow From Investing Activities		
Purchase/Sale of Fixed Assets & Changes in CWIP	(176,278,203)	(115,988,378)
Sale of Fixed Assets	134,417,305	115,000
Investment in Shares & Other Investments (Net)	(3,535,975)	1,537,640
Dividend Received	1,236,715	1,193,327
Interest Received	12,239,678	22,159,675
Refunds received from Capital Advances	-	12,500,000
Loans to Joint Ventures and Subsidiaries	18,950,818	-
Net Cash (used in)/from Investing Activities (B)	(12,969,662)	(78,482,736)



Cash Flow Statement for the year ended March 31, 2011

(Amount in Rupees)

Particulars	2010-11	2009-10
C. Cash Flow From Financing Activities		
Increase/(Decrease) in Secured Loans	46,701,395	(61,111,303)
Proceeds from borrowings (net of re-payments)	(32,061,472)	13,657,401
Interest Paid	(14,850,940)	(18,587,509)
Dividend Paid	(11,812,343)	(17,281,429)
Net Cash (used in)/from Financing Activities (C)	(12,023,360)	(83,322,840)
Net Increase /(Decrease) in Cash and Cash Equivalents (A+B+C)	640,723	11,783,570
Cash and Cash Equivalents Opening Balance	809,472	1,362,710
Cash Balance of Solar Division Transferred		(12,336,808)
Cash and Cash Equivalents Closing Balance	1,450,195	809,472
Net Increase/(Decrease) in Cash and Cash Equivalents	640,723	11,783,570

Notes:

- The above cash flow statement has been prepared under the "Indirect method" as set out in Accounting Standard - 3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India and Ministry of Company Affairs.

The Cash and Cash equivalents given above comprise of	2010-2011	2009-2010	Change Over previous Year
Cash in Hand	283,793	296,705	(12,912)
Balances in Current Account	1,166,402	512,767	653,635
Balances in Liquid Mutual Funds (Grouped under Investments)			
Total	1,450,195	809,472	640,723

- The other balances under Cash and Bank Balances are not available for free use by the Company hence they are excluded from Cash and Cash equivalents
- Notes to Accounts(Schedule 21) form an integral part of Cash Flow Statement

In terms of our report of even date

for Sekhar & Co
Chartered Accountants
Firm Regn. No. 003695-S

for and on behalf of Board of Directors

G. Ganesh
Partner
Membership No : 211704

Narender Surana
Chairman

Sanjay Kumar Sanghi
Whole-time Director

Place : Secunderabad
Date : 28.05.2011

R. Lakshman Raju
Chief Financial Officer

Pavani Akilla
Company Secretary



Schedules Forming Part of the Balance Sheet

(Amount in Rupees)

	As at 31.03.2011	As at 31.03.2010
SCHEDULE - 1 SHARE CAPITAL		
AUTHORISED		
3,00,00,000 Equity shares of Rs 5 each	150,000,000	150,000,000
	<u>150,000,000</u>	<u>150,000,000</u>
ISSUED, SUBSCRIBED AND PAID UP		
20,804,400 (Previous year 20,804,400) Equity shares of Rs. 5 each fully paid.	104,022,000	104,022,000
- Includes 36,80,140 Bonus Shares allotted in earlier years		
- Net of 18,00,000 shares bought back during 2008-09		
SCHEDULE - 2 RESERVES AND SURPLUS		
i) General Reserve		
Balance as per last account	259,570,967	336,185,200
Add : Transferred from Capital Redemption Reserve	-	9,000,000
Forfeiture of Convertible Share Warrants	-	14,716,360
Transferred from Profit & Loss Account	5,000,000	20,000,000
Less: excess of Assets over liability on demerger	-	(120,330,593)
Balance at the year end	<u>264,570,967</u>	<u>259,570,967</u>
ii) Capital Redemption Reserve		
Balance as per last account	-	9,000,000
Less : Transferred back to General Reserve	-	(9,000,000)
Balance at the year end	<u>-</u>	<u>-</u>
iii) Revaluation Reserve		
Balance at the beginning of the year	101,191,775	130,578,438
Less: Reduction due to demerger	-	(17,450,513)
Adjusted against sale of Building	(13,228,583)	-
Adjusted against depreciation	(10,150,283)	(11,936,151)
Balance at the year end	<u>77,812,909</u>	<u>101,191,774</u>
iv) Central Subsidy	3,500,000	3,500,000
v) Profit & Loss Account	214,218,241	219,538,319
	-	-
	<u>560,102,117</u>	<u>583,801,060</u>
SCHEDULE - 3 SECURED LOANS		
From Banks		
Cash Credit	50,192,070	3,490,675
TOTAL	<u>50,192,070</u>	<u>3,490,675</u>
SCHEDULE - 4 UN SECURED LOANS		
Deferred Sales Tax	48,899,422	59,460,966
Unsecured Loan from Body Corporate	-	21,499,928
TOTAL	<u>48,899,422</u>	<u>80,960,894</u>



Schedules Forming Part of the Balance Sheet

Schedule: 5 Fixed Assets

(Amount in Rupees)

DESCRIPTION	Gross Block			DEPRECIATION/ AMORTISATION				Net Block	
	As at 01.04.2010	Additions during the year	Deletions during the year	As at 31.03.2011	upto 01.04.10	Provided during Year	Deletions during the year	Upto 31.03.2011	As at 31.03.2011
1 LAND - FREE HOLD	35,644,899	-	-	35,644,899	-	-	-	-	35,644,899
2 LAND - LEASE HOLD	24,619,209	19,400,000	5,168,000	38,851,209	405,513	910,135	455,583	860,065	37,991,144
3 BUILDINGS	106,323,489	-	40,005,363	66,318,126	46,753,204	5,608,221	20,820,928	31,540,497	34,777,629
4 PLANT AND MACHINERY	535,023,037	3,783,843	9,735,507	529,071,373	346,079,216	22,507,418	8,804,918	359,781,716	169,289,657
5 OFFICE EQUIPMENT	4,464,719	276,390	-	4,741,109	2,779,996	243,673	-	3,023,669	1,717,440
6 OFFICE EQUIPMENT - Leased	13,235,621	-	-	13,235,621	6,026,261	1,002,822	-	7,029,083	6,206,538
7 FURNITURE AND FIXTURES	11,376,825	-	-	11,376,825	3,481,033	1,429,138	-	4,910,171	6,466,654
8 VEHICLES	5,451,614	-	739,680	4,711,934	4,184,342	327,786	700,804	3,811,325	900,609
9 COMPUTERS	3,192,488	90,131	-	3,282,619	2,915,424	136,808	-	3,052,232	230,387
TOTAL	739,331,901	23,550,364	55,648,550	707,233,715	412,624,989	32,166,001	30,782,233	414,008,758	293,224,957
Previous Year	777,556,321	115,988,378	154,212,798	739,331,901	381,318,995	36,061,793	4,755,799	412,624,989	326,706,912



Schedules Forming Part of the Balance Sheet

(Amount in Rupees)

	Nos	As at 31.03.2011 Amount	Nos	As at 31.03.2010 Amount
SCHEDULE – 6 INVESTMENTS (Non-Trade, At Cost)				
Name of the Scrip				
Unquoted				
1) In Government Securities				
National Savings Certificates	-	4,500		4,500
Total Investments in Government Securities		4,500		4,500
2) Investment in Shares (Unquoted)				
a) In Subsidiary Companies				
Globecom Infotech Private Limited (Equity Shares of Rs 10 each Partly Paid up @ Rs 2/- each)	50,000	100,000	50,000	100,000
b) In Associate Companies				
Surana Ventures Limited (Equity Shares of Rs 10 each Fully paid-up)	-	-	4,410,000	44,100,000
c) In companies under the same management				
Bhagyanagar Securities Private Limited (Equity Shares of Rs 10 each Fully paid-up)	150000	18,000,000	150,000	18,000,000
SUB-TOTAL	200,000	18,100,000	4,610,000	62,200,000
Investment in Shares (Quoted)				
a) In companies under the same management				
Bhagyanagar India Limited (Equity Shares of Rs 2 each Fully paid-up)	2280,831	35,068,207	2280831	35,068,207
Surana Ventures Limited (Equity Shares of Rs 10 each Fully paid-up)	4,410,000	44,100,000	-	-
b) In other companies				
BOC India Limited (Equity Shares of Rs 10 each Fully paid-up)	200	45,510	200	45,510
Dolphin Medical Services Limited (Equity Shares of Rs 10 each Fully paid-up)	50000	600,000	50000	600,000
DLF Limited (Equity Shares of Rs 10 each Fully paid-up)	100	38,097	-	-
Parrys Sugar Industries Limited (Formerly GMR Industries Limited) (Equity Shares of Rs 10 each Fully paid-up)	300	25,482	300	25,482



Schedules Forming Part of the Balance Sheet

(Amount in Rupees)

	Nos	As at 31.03.2011 Amount	Nos	As at 31.03.2010 Amount
Indosolar Limited (Equity Shares of Rs 10 each Fully paid-up)	150,000	3,650,713	-	-
Indswift Laboratories Limited (Equity Shares of Rs 10 each Fully paid-up)	100	14,700	100	14,700
Megasoft Limited (Equity Shares of Rs 10 each Fully paid-up)	17,315	2,407,415	17,315	2,407,415
Mahindra Lifespace Developers Limited (Equity Shares of Rs 10 each Fully paid-up)	45	23,307	45	23,307
Mahanagar Telephone Nigam Limited (Equity Shares of Rs 10 each Fully paid-up)	610	85,368	610	85,368
Prithvi Information Solutions Limited (Equity Shares of Rs 10 each Fully paid-up)	6	301	6	301
Suzlon Energy Limited (Equity Shares of Rs 10 each Fully paid-up)	300	17,382		
Sree Shakti Paper Mills Limited (Equity Shares of Rs 10 each Fully paid-up)	10,000	300,000	10,000	300,000
Talbro's Automotive Components Limited (Equity Shares of Rs 10 each Fully paid-up)	2,107	214,915	2,107	214,915
Vaibhav Gems Limited (Equity Shares of Rs 10 each Fully paid-up)	100	1,363	100	1,363
Sub-Total	6922014	86,592,760		38,786,568
Total Investments in Equity Shares		104,692,760		100,986,568
Investment in debentures				
Surana Ventures Limited (12% non- Convertible debentures of Rs 10 each allotted as per scheme of demerger)	2940000	29,400,000	2940000	29,400,000
Total Investment in Govt Securities, Shares and debentures		134,097,260		130,391,068
Aggregate Market Value of Quoted Investments		246,591,469		57,478,908



Schedules Forming Part of the Balance Sheet

(Amount in Rupees)

	As at 31.03.2011	As at 31.03.2010
SCHEDULE - 7 INVENTORIES		
(As taken, valued and certified by the Management)		
Raw Materials (At Cost or market value whichever is lower)	54,666,084	36,204,463
Work in process (At cost or net realisable value whichever is lower)	1,510,964	22,051,950
Finished Goods (At cost or net realisable value whichever is lower)	5,373,327	15,164,179
TOTAL	61,550,375	73,420,592
SCHEDULE - 8 SUNDRY DEBTORS		
(Unsecured and Considered Good)		
a) Debts outstanding for		
i) More than six months	11,212,971	36,705,923
Less: Provisional for doubtful debts	-	-
	11,212,971	36,705,923
ii) Others	79,039,929	34,622,245
TOTAL	90,252,900	71,328,168
SCHEDULE - 9 CASH AND BANK BALANCES		
Cash and cheques in hand	283,793	296,705
Balance with scheduled Banks		
- In current account	1,166,402	512,767
In Dividend account	3,737,991	3,420,324
- In deposit account - Kept under lien with banks towards margin money and other facilities	22,021,695	8,372,945
- Accrued interest on Fixed Deposits	-	89,507
TOTAL	27,209,881	12,692,248
SCHEDULE - 10 LOANS & ADVANCES		
(Unsecured and Considered good)		
Loans & Advances	4,797,005	16,270,807
Balances with Statutory Authorities	28,209,061	18,819,248
Advance to Subsidiary company	40,092,740	40,092,740
Advance to Associate Companies	-	18,950,818
Advance tax & TDS (Net of Provisions)	38,246,941	35,663,337
Taxes paid under protest	31,883,360	8,061,586
Deposits	4,847,089	10,246,796
Advances to Suppliers	7,862,096	28,841,307
TOTAL	155,938,292	176,946,639



Schedules Forming Part of the Balance Sheet

(Amount in Rupees)

	As at 31.03.2011	As at 31.03.2010
SCHEDULE - 11 OTHER CURRENT ASSETS		
(Secured and Considered Good)		
Loans against pledge of Securities	17,057,873	20,896,231
	<u>17,057,873</u>	<u>20,896,231</u>
SCHEDULE - 12 CURRENT LIABILITIES		
Sundry Creditors	112,825,222	7,954,397
Lease deposits	2,114,395	2,114,395
Other Liabilities	16,882,085	4,998,157
Unclaimed Dividends	3,737,991	3,420,324
Advances from customers	14,501,989	1,733,866
TOTAL	<u>150,061,682</u>	<u>20,221,139</u>
SCHEDULE - 13 PROVISION		
Proposed Dividend	10,402,200	10,402,200
Tax on Dividend	1,727,805	1,727,810
Bonus	100,000	300,000
TOTAL	<u>12,230,005</u>	<u>12,430,010</u>
SCHEDULE - 14 DEFERRED TAX LIABILITIES (NET)		
Deferred Tax Liability as at beginning of the year	7,456,080	7,854,080
Deferred Tax Liability for the year	(904,000)	(398,000)
Net deferred tax Liability as at close of the year	<u>6,552,080</u>	<u>7,456,080</u>

Schedules Forming Part of the Profit & Loss Account

(Amount in Rupees)

	For the Year 31.03.2011	For the Year 31.03.2010
SCHEDULE - 15 INCOME FROM OPERATIONS		
Jelly Filled Telephone Cables	110,037,858	108,839,121
Joining Kits	3,763,779	10,346,342
Telecom accessories	3,220,854	16,756,586
Income from Infrastructure leasing	5,038,800	9,562,955
Electric Power Cable / Components	286,593,157	165,985,397
Optical Fibre/Cables	1,941,690	54,932,930
Sale of Solar energy Products	-	117,046,696
Sale of Wind Power	5,630,428	6,823,395
Sale of Verified Emission Reduction	2,117,452	-
Scrap & Misc Sales	24,870,711	17,608,015
Sale of Traded Goods	<u>222,621,866</u>	<u>-</u>
Gross Sales	665,836,595	507,901,437
Less: Inter Unit Sales	3,743,576	3,716,511
	662,093,019	504,184,926
Less: Excise Duty	<u>27,641,509</u>	<u>27,713,783</u>
Net Sales	<u>624,451,510</u>	<u>476,471,143</u>



Schedules Forming Part of the Profit & Loss Account

(Amount in Rupees)

	For the Year 2010-11	For the Year 2009-10
SCHEDULE - 16 OTHER INCOME		
Interest on Loans, Deposits & others	12,239,678	22,159,675
Profit on sale of Sundry Fixed Assets	447,840	-
Profit on sale of Investments	170,214	-
AMC Charges - CDMA	-	3,681,775
Dividend Income	1,236,715	1,193,327
Sundry balances written back	1,453,241	6,838,874
Miscellaneous Income	1,177,710	207,166
Gain on foreign exchange fluctuation (net of Losses)	7,479,563	1,560,116
Premium on Transfer of Leased Land	122,331,732	-
Recovery of Balances written off in earlier years	193,787	-
TOTAL	146,730,480	35,640,933
SCHEDULE - 17 MATERIALS		
A. RAW MATERIALS CONSUMED		
a) Opening Stock		
Raw Materials	36,204,463	125,360,939
b) Purchases (net of Modvat) including	366,460,460	383,982,909
incidental expenses	402,664,923	509,343,848
c) Less Closing Stock		
Raw Materials	54,666,084	36,204,463
	54,666,084	36,204,463
Less: Inter-Unit sales	3,743,576	3,716,511
Less: Stock transfer on account of demerger of solar division	-	149,512,836
Raw materials Consumed (A)	344,255,263	319,910,038
Purchases - Traded Goods (net of modvat) (B)	213,437,883	-
INCREASE/ DECREASE IN STOCK		
a) Opening Stock		
Work in Progress	22,051,950	47,232,732
Finished Goods	15,164,179	26,275,536
	37,216,129	73,508,268
b) Less Closing Stock		
Work in Progress	1,510,964	22,051,950
Finished Goods	5,373,327	15,164,179
Traded Goods	-	-
Stock transfer on account of demerger of solar division	-	-
Work in Progress	-	16,311,025
Finished Goods	-	4,120,290
	6,884,291	57,647,444
Net (Increase)/Decrease in Stocks (C)	30,331,838	15,860,824
TOTAL (A) + (B) + (C)	588,024,984	335,770,862



Schedules Forming Part of the Profit & Loss Account

(Amount in Rupees)

	For the Year 2010-11	For the Year 2009-10
SCHEDULE - 18 EXPENSES		
Salary,Wages & Allowances	17,051,784	17,005,232
Contribution to PF and other funds	1,255,901	1,358,831
Staff Welfare expenses	437,295	1,086,456
Stores Consumed	1,870,422	3,972,786
Processing & Conversion charges	2,430,500	4,118,779
Power & Fuel	7,486,707	9,153,503
Water Charges	23,894	45,926
Packing & Forwarding	9,343,226	14,898,042
Watch & Ward	732,868	1,197,837
Printing & Stationery	677,263	1,213,306
Post.Tel.& Telephone	1,179,046	3,020,393
Insurance	421,109	507,298
Lease and other Rents	196,550	12,419,382
Legal & Licence fees	168,460	921,417
Rates & Taxes	3,988,973	1,709,050
Loss of Material in Transit	21,435,325	-
Repairs & Maintenance to		
i) Building	1,948,713	1,162,906
ii) Machinery	3,947,465	3,892,183
iii) Others	757,102	1,010,188
Remuneration to Directors	441,935	264,234
Auditors remuneration		
i) Audit fees	30,000	80,000
ii) Tax audit fees	20,000	20,000
Office/ Factory maintenance Expenses	679,848	473,476
Commission on Sales	888,709	2,482,032
Testing Charges	1,081,509	1,658,547
AMC charges/Others	53,577	82,539
Advertisement & Business Promotion	732,050	1,086,163
Professional and Consultancy Charges	760,071	1,480,776
Vehicles maintenance & Fuel charges	369,522	476,798
Travelling & Conveyance	2,466,257	6,061,061
Sitting fees	135,000	165,000
Sundry Balances Written off	28,744,014	11,301,842
Lease Premium amortised	910,135	951,552
Loss On sale of Investments	-	304,864
Service Tax	612,318	707,805
Sales Tax	18,283,653	12,170,456
Entry Tax	38,483	21,640
Other Expenses	1,943,583	2,009,322
TOTAL	133,543,267	120,491,622
SCHEDULE - 19 INTEREST AND FINANCIAL CHARGES		
Interest on Cash Credit & others	9,128,251	10,602,149
Financial Charges	5,722,689	7,985,360
TOTAL	14,850,940	18,587,509



20. Significant Accounting Policies and Notes on Accounts Forming Part of Balance Sheet and Profit & Loss Account

20A. Significant Accounting Policies

i. Basis of Preparation of Financial Statements

The financial statements are prepared under the Historical cost convention with the generally accepted accounting principles in India and the provisions of the Companies Act, 1956.

ii. Use of Estimates

The Preparation of Financial Statements requires estimates and assumptions to be made that effect the reported amount of assts and liabilities on the date of financial statements and reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

iii. Own Fixed Assets

Fixed Assets are stated at cost net of modvat / cenvat / value added tax , less accumulated depreciation and impairment loss, if any. Any costs, including financing costs till commencement of commercial production, net charges on foreign exchange contracts and adjustments arising from exchange rate variations to the fixed assets are capitalized.

iv. Leased Assets

Premium Paid on Leased Assets is amortised over the lease period and the annual lease rentals are charged to Profit and Loss Account in the year it accrues.

v. Depreciation

Depreciation is provided on written down value method, except for Wind Power Plant for which Straight Line Method is followed, at the rate and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

vi. Impairment of Assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Profit and Loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

vii. Investments

Current investments are carried at the lower of cost and quoted / fair value, computed category wise. Long Term Investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such decline is other than temporary in the opinion of the management.

viii. Inventories

Items of Inventories are measured at lower of cost or net realizable value, after providing for obsolescence, if any. Cost of inventories comprises of all cost of purchase including duties and taxes other than credits under CENVAT and is arrived on First in First out basis. Semi Finished goods are valued at cost or net realizable value whichever is lower. Finished goods are valued at cost including excise duty payable or net realizable value whichever is lower. Cost includes Direct Material, Labour cost and appropriate overheads.



ix. Foreign Currency Transactions.

Transactions in foreign currency are recorded at the exchange rate, prevailing on the date of transaction or at the exchange rates under the related forward exchange contracts. Profit/Loss on outstanding Foreign Currency contracts have been accounted for at the exchange rates, prevailing at the year end rates as per FEDAI/RBI.

x. Employee Retirement / Terminal Benefits

The employees of the company are covered under Group Gratuity Scheme of Life Insurance Corporation of India. The premium paid thereon is charged to Profit and Loss Account. Leave Encashment liability is provided on the basis of best management estimates on actual entitlement of eligible employees at the end of the year.

xi. Provision, Contingent Liabilities and Contingent Assets :

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past event and it is probable that there will be an outflow of resources. Contingent Liabilities which are not recognized are disclosed in notes. Contingent Assets are neither recognized nor disclosed in Statements.

xii. Turnover

Turnover includes sale of goods, services, sales tax, service tax and adjusted for discounts (net), excise duty. Inter-Unit sales are excluded in the Main Profit and Loss account.

xiii. Revenue Recognition in Case of Real Estate Transactions

Revenue in case of real estate transactions is made on the basis of concluded on contracts for sales and purchases.

xiv. Segment Reporting

Company's operating Businesses, organized & Managed unit wise, according to the nature of the products and services provided, are recognized in segments representing one or more strategic business units, that offer products or services of different nature and to different Markets.

Company's Operations could not be analyzed under geographical segments in considering the guiding factors as per Accounting Standard-17 (AS-17) issued by the Institute of Chartered Accountants of India.

xv. Provision for Taxation

Provision is made for Income Tax, estimated to arise on the results for the year, at the current rate of tax, in accordance with the Income Tax Act, 1961. Taxation deferred as a result of timing difference, between the accounting & taxable profits, is accounted for on the liability method, at the current rate of tax, to the extent that the timing differences are expected to crystallize. Deferred tax asset is recognized only to the extent there is reasonable certainty of realization in future. Deferred tax assets are reviewed, as at each Balance Sheet date to re-assess realization.

xvi. Excise and Customs Duty

Excise and Customs Duty are accounted on accrual basis. CENVAT credit is accounted by crediting the amount to cost of purchases on receipt of goods and is utilized on dispatch of material by debiting excise duty account.



xvii. Prior Period Expenses / Income :

Prior period items, if material are separately disclosed in Profit & Loss Account together with the nature and amount. Extraordinary items & changes in Accounting Policies having material impact on the financial affairs of the company are disclosed.

xviii. Sundry Debtors, Loans and Advances

Doubtful Debts/Advances are written off in the year in which those are considered to be irrecoverable.

xix. Earnings per Share

The Company reports basic and diluted earnings per share in accordance with Accounting Standard-20 (AS-20) issued by the Institute of Chartered Accountants of India. Basic earnings per share are computed by dividing the net Profit or Loss for the year by the Weighted Average number of equity share outstanding during the year. Diluted earnings per share is computed by dividing the net profit or loss for the year by weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

20B. Notes on Accounts

1. Secured Loans

Cash Credit from Banks is secured by hypothecation of stocks, Debtors and first charge on pari-passu basis on specific fixed assets of the company respectively and personal guarantee of the Directors.

2. Deferred Taxes

Deferred Tax adjustments recognized in the financial statements are as under:

Deferred Tax Assets/Liability	As at 31-03-2010 Rs. in Lakhs	Liability /(Asset) Arising during the Year	As at 31-03-2011 Rs. in Lakhs
Depreciation-Timing difference	74.56	(9.04)	65.52
Net Deferred tax Liability	74.56	(9.04)	65.52

3. Depreciation on Revalued Assets.

Particulars	(Rs in lakhs)
Depreciation for the year as per Schedule V - Fixed Assets annexed to financial Statements (Excluding amortization of Lease Premium on land	312.56
Less: Withdrawn from Revaluation Reserve	101.50
Depreciation as per Profit and Loss Account	211.06

4. Contingent Liability

Estimated amount of contingent liability which is not acknowledged as debts and claims against the Company and not provided are as follows.



(Rs in lakhs)

Particulars	2010-11	2009-10
Unexpired Letters of Credit	1108.10	1104.48
Counter Guarantees given to the Bankers	683.57	999.56
Sales Tax matters under appeal	11.95	11.95
Excise / Customs matter under appeal	173.23	293.84

5. Prior Period Adjustments

(Rs. in lakhs)

Particulars	2010-11		2009-10	
Expenses of Previous years reversed		1.41		0.97
Previous year expenses paid	3.92		3.38	
TOTAL	3.92	1.41	3.38	0.97

6. Related Party Disclosures:

A: Relationship

Entities in which directors are interested	Subsidiary Company	Key Management Personnel	Relatives of key management personnel
Bhagyanagar India Ltd.	Globecom Infotech Pvt Ltd	G.M. Surana	Sunita Surana
Bhagyanagar Infrastructure Ltd.		Narender Surana	Vinita Surana
Bhagyanagar Properties Pvt. Ltd.		Devendra Surana	Manish Surana
Green Energy Systems Pvt. Ltd.			
Scientia Infocom India Pvt. Ltd.			
Surana Ventures Ltd.			
Bhagyanagar Green Energy Ltd.			
Bhagyanagar Metals Ltd.			
Bhagyanagar Energy & Telecom Pvt. Ltd.			
Bhagyanagar Entertainment Ltd.			
Bhagyanagar Ventures Pvt. Ltd.			
Metropolitan Ventures India Ltd.			
GMS Realtors Pvt. Ltd.			
Innova Technologies Pvt. Ltd.			
Advantage Real Estate India Pvt. Ltd.			
Tranquil Avenues India Pvt. Ltd.			
Majestic Logistics Pvt. Ltd.			



Entities in which directors are interested	Subsidiary Company	Key Management Personnel	Relatives of key management personnel
Value Infrastructure and Properties Pvt. Ltd.			
Every Time Foods Industries Pvt. Ltd.			
Surana Technopark Pvt. Ltd.			
Surana Infocom Pvt. Ltd.			
Innova Biotech India Pvt. Ltd.			
Innova Infrastructure Pvt. Ltd.			
Epicentre Entertainment Pvt. Ltd.			
Royal skyscrapers India Pvt. Ltd.			
Sitetonic websolutions Pvt. Ltd.			
Surana Biochemicals Pvt. Ltd.			
Andhra Electro Galvanising works			
N.S.Enterprises			

B. Related Party Transactions:

(Rs in lakhs)

Particulars	2010-11	2009-10
Sales		
Sale of goods	2027.88	327.67
Purchases		
Purchase of goods	727.92	288.38
Job Work		
Job work received	7.37	12.41
Job work Paid	-	38.44
Interest Paid		
Interest paid	76.57	89.54
Unsecured Loans		
Loan taken	3478.55	215.00
Loans Repaid		
Loan repaid	3693.55	-
Advances		
Advances given	-	590.42
Remuneration		
Remuneration to relatives of Key Managerial personnel		
Ms. Sunita Surana	3.00	3.00
Ms. Vinita Surana	1.77	4.80
Mr. Manish Surana	4.42	-



Earnings per share

(Rs in lakhs)

Particulars	2010-11	2009-10
Net Profit after tax	118.10	114.93
Net Profit available for Equity Share-holders	118.10	114.93
Number of Equity Shares-Basic	208.04	208.04
Number of Equity Shares - Dilutive	208.04	208.04
Nominal Value of Each equity share	5.00	5.00
Basic Earnings Per Share	0.57	0.55

7. Fixed Assets

a) Impairment:

The management has carried out a detailed internal review of the assets with respect value in use, recoverable amount and carrying cost in books and is of the firm opinion that there is no impairment in the value of assets of the company. Hence no provision as required under AS-27, Impairment of Asset is made.

b) Lease hold Land

Land on lease hold basis has been allotted by Gujarat Power Corporation Limited for setting solar P.V.power project of 5 Mega Watt for a lease period of 30 years. The same has been capitalized pending conveyance.

8. Investments- Subsidiaries:

Brief details of subsidiaries are given below

(Rs in lakhs)

Name of the Company	Paid-up Capital	Co's Interest	Equity Investment	Advances	Maximum Amount Outstanding during the year
Globecom Infotech Pvt Ltd	1.00	100%	1.00	400.92	400.92

9. Investments - Associates:

The Company' stake in Surana Ventures Limited is 23.52% pursuant the Scheme of Arrangement filed by Surana Telecom and Power Limited (STPL) and Surana Ventures Limited (SVL) for merger of Solar Division of STPL with SVL and approved by the High Court of Andhra Pradesh. Reconciliation of Investment of the Company in SVL is given hereunder:

Investment as on 31.03.2010	73,50,000 Shares
Less: Equity shares converted into 12%	
Redeemable non-convertible Debentures	29,40,000 Shares

10. Sundry Debtors & Other Balances

In case of balances in Sundry Debtors, Loans and Advances, Other Current Assets and Sundry Creditors, letter- seeking confirmation of year-end balances are sent to the concerned parties. The Balances are subject to confirmation and reconciliation.



Company does not owe any sum to Micro & Small enterprises as at the end of the accounting year on account of principal and interest under the Micro, Small and Medium Enterprises Development Act, 2006 as per the information and records available with the company about their industrial status which has been relied upon by the auditors.

11. Loss of Material in Transit

- During the year 2009-10, the company paid an advance of Rs 214.35 lacs to M/s United International Shipping Agent (T) Ltd, Tanzania, towards part payment for cost of Copper cathode which is principal raw material for the copper manufacturing units. The payment thus made was disclosed as Advances to Suppliers under Schedule-11 of "Loans & Advances". However, Copper was stolen and replaced with worthless material on the sea-way.
- The Company lodged claims with Insurance Company and the shipping agent. The Insurance Company has rejected the claim during the year in the month of October 2010.
- On the basis of legal opinion received and on the recommendations of the Board of Directors the amount is written off as irrecoverable business loss..

12. Retirement and other Employees Benefits

- The Company's employee benefits primarily cover provident fund, gratuity and leave encashment.
- Provident fund is a defined contribution scheme and the company has no further obligation beyond the contribution made to the fund. Contributions are charged to the Profit & Loss Account in the year in which they accrue.
- Gratuity liability is a defined benefit obligation and is based on the actuarial valuation done by the Life Insurance Corporation. The gratuity liability and the net periodic gratuity cost is actually determined after considering discount rates, expected long-term return on plan assets and increase in compensation level. All actuarial gain/Losses are immediately charged to the Profit & Loss Account and are not deferred.
- The following Table summaries the components of Net Benefit expenses recognized in the Profit & Loss Account and amount recognized in the Balance Sheet for the respective Plans.

a) Expenses recognized in the Profit & Loss Account

Particulars	Gratuity	Leave Encashment
Current service Cost	1,37,520	21,838
Interest Cost	62,367	24,162
Expected Return on Planned Assets	(93,810)	(29,322)
Net actuarial loss/ (gain) recognized in the year	3,35,449	69,813
Total Expenses recognized in Profit & Loss account	4,41,526	86,491

b) Change in present value of obligation during the year ended 31st March, 2011

Particulars	Gratuity	Leave Encashment
Present Value of obligation as at beginning of the year	7,79,582	3,02,025
Interest cost	62,367	24,162
Current Service Cost	1,37,520	21,838
Benefits Paid	(11,66,426)	(2,17,417)
Actuarial loss / (Gain) on obligation	3,35,449	69,813
Present Value of obligations as at end of the year	1,48,492	2,00,421



c) Change in fair value of Plan Assets during the year ended 31st March, 2011

Particulars	Gratuity	Leave Encashment
Fair Value of Plan Assets as at the beginning of the year	10,71,789	4,59,778
Expected return on plan assets	93,810	29,322
Contributions	4,41,526	-
Benefits paid	(11,66,426)	(2,17,417)
Actuarial gain/ (loss) on plan assets	-	-
Fair Value of plan assets at the end of the year	4,40,699	2,71,683

d) Balance Sheet Movements

Particulars	Gratuity	Leave Encashment
Present Value of obligation as at the end of the year	1,48,492	2,00,421
Fair value of plan assets as at the end of the year	4,40,699	2,71,683
Funded Status	2,92,207	(71,262)
Net asset/ (liability) recognized in Balance Sheet	2,92,207	(71,262)

E) Actuarial Gain/loss recognized

Particulars	Gratuity	Leave Encashment
Actuarial (gain) / Loss on obligations	(3,35,449)	(69,813)
Actuarial (gain) / Loss for the year -plan assets	Nil	Nil
Actuarial (gain) / Loss on obligations	(3,35,449)	(69,813)
Actuarial (gain) / Loss recognized in the year	(3,35,449)	(69,813)

The Net assets in respect of Gratuity Plan is not recognized as it is lying in irrecoverable trust fund with Life Insurance Corporation of India, approved by the Income Tax Authorities

13. Additional information pursuant to provision of paragraph 3,4C and 4D of Part VI of the Companies Act 1956.

A) Capacity and Production

Particulars	Unit	Installed Capacity		Production	
		2010-11	2009-10	2010-11	2009-10
Jelly Filled Telephone Cables	LCKM	26.75	26.75	0.591	0.4059
Jelly Filled Telephone Quad Cables	KM	7200	7200	-	-
Optical Fibre Cable	RKM	6000	6000	-	1785.94
Optical Fibre	FKM	250000	250000	-	1833.42
Jointing Kits	Nos (lacs)	4.9	4.9	0.023	0.010
Wind Power	Megawatt	1.25	1.25	0.189	0.201
Power Cable	KM	7200	7200	2124.87	318.40
Alluminium Rod	MT's	12000	12000	1104.47	1289.44



B) Turnover

Particulars	Unit	2010-11 Quantity	2009-10 Quantity	2010-11 Value (Rs in lakhs)	2009-10 Value (Rs in lakhs)
Jointing Kits	No/set	2594	10107	37.64	103.47
Jelly Filled Telephone Cables	Lckm	0.549	3.429	1100.38	1088.39
Jelly Filled Telephone quad/UTP Cable	Kms	11.20	54.34	32.21	167.56
Optical Fibre Cable	RKm	220.53	1823.943	17.85	543.85
Optical Fibre (OF)	FKm		-	1.56	5.47
Power Cable	Km	2217.39	260.05	1508.76	218.51
Wind Power Sale	M.Watt	0.189	0.201	56.30	68.23
Infrastructure Leasing		-	-	50.39	95.63
Aluminum wire Rod/ Ingots	MT's	1111.62	1294.20	1357.16	1441.35
Other Traded Goods				2226.22	-
Scrap Sale & Others		-	-	269.89	176.08
Solar Cells/Modules					1170.47
TOTAL				6658.36	5079.01
Less: Stock Transfer				37.43	37.16
Gross Sales				6620.93	5041.85

D) Opening and Closing Stock of Finished Goods

Particulars	Opening Stock				Closing Stock			
	2010-11 Quantity	2009-10 Quantity	2010-11 (Value Rs in Lakhs)	2009-10 (Value Rs in Lakhs)	2010-11 Quantity	2009-10 Quantity	2010-11 (Value Rs in Lakhs)	2009-10 (Value Rs in Lakhs)
Jointing Kits (Nos/set)	0.367	0.386	9.18	4.77	-	0.367	-	9.18
Jelly Filled Telephone Cables (Lac Nos)	-	0.148	-	133.29	0.041	-	46.82	-
Optical Fibre Cable (Kms)		37.996		9.72	-	-	-	-
Power Cables (kms)	92.513	34.16	127.60	58.43	-	92.513	-	127.60
Alluminium Rod (M.T)	13.732	-	14.86	-	6.585	13.732	6.91	14.86
Solar Modules (Watt.)		0.045		56.55	-	-	-	-
TOTAL			151.64	262.76			53.73	151.64



E) Raw Material Consumed

Particulars	Unit	Quantity 2010-11	Quantity 2009-10	Value (Rs in Lakhs) 2010-11	Value (Rs in Lakhs) 2009-10
Copper	Kgs	284146	72579	1050.60	177.46
Polythene Granules	Kgs	972286	564668	494.18	361.42
G S Tape	Kgs	466627	141139	212.55	56.31
Optical Fibre	Kms	-	56515	-	185.95
Solar cells,Glasses & others			-	-	884.99
Others			-	459.39	418.68
Alluminium Scrap	Kgs	1615829	1685575	1225.83	1114.29
Total (for Value only)				3442.55	3199.10

F) Value of Imported & Indigenous Raw Material and Components Consumed (Rs in lakhs)

Particulars	2010-11		2009-10	
	Value	Percentage	Value	Percentage
Imported	1502.10	43.63	2122.96	66.36
Indigenous	1940.45	56.37	1076.14	33.64
TOTAL	3442.55	100%	3199.10	100%

G) Expenditure in Foreign Currency

Particulars	2010-11 Value (Rs in Lakhs)	2009-10 Value (Rs. In lakhs)
Raw Material	3692.40	2647.68
Expenditure in Foreign Currency (Travelling)	7.62	21.37
Expenditure in Foreign Currency (Capital Items)	-	-
TOTAL	3700.02	2669.05

H) Earnings in Foreign Currency

Particulars	2010-11 Value (Rs in lakhs)	2009-10 Value (Rs. in lakhs)
Others	21.17	7.16
TOTAL	21.17	7.16



15. SEGMENTAL REPORTING

In accordance with the Accounting Standard -17 "Segment Reporting" Issued by the Institute of Chartered Accountants of India, is given below.

Particulars	Telecom Products	Power (Cable & others)	Power (wind)	Solar Power Project	Others	Total
REVENUE (Net of Excise)	1213.71	2676.72	77.48	-	2276.61	6244.52
Total Revenue	1213.71	2676.72	77.48	-	2276.61	6244.52
RESULTS	(455.87)	38.33	34.73	-	121.92	(260.90)
Segment Results						
Unallocable Income/ Expenses						(543.47)
Operating Profit						282.57
Interest Expenses						148.51
Income Taxes						15.96
Profit from Ordinary Activities						118.10
Net Profit						118.10
Other Information						
Segment Assets	2447.51	1369.04	531.06	1721.28	1045.93	7114.80
Unallocable Assets						2140.27
Total Assets						9255.07
Segment Liabilities	1209.66	406.53	39.01	284.95	21.71	1961.86
Unallocable Liabilities						41.68
Total Liabilities						2003.54
Capital Expenditure	0.32	41.18	-	194.00	-	235.50
Unallocable Capital Expenditure						-
Total Capital Expenditure	0.32	41.18	-	194.00	-	235.50
Depreciation	81.37	51.60	33.55	-	44.53	211.05
Unallocable depreciation						
Total Depreciation	81.37	51.60	33.55	-	44.53	211.05
Non Cash expenses -other than Depreciation						296.54
Unallocable non cash expenses						



Reconciliation of reportable segments with financial statements.

(Rs in Lakhs)

	Revenues		Results/ Net Profit		Assets		Liabilities	
Particulars	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
Total reportable segments	6244.51	4764.71	(260.90)	291.73	7114.80	5844.12	1961.86	147.79
Corporate Un-allocable (net)	1467.31	356.41	543.47	23.10	2140.27	2201.86	41.68	393.85
Interest expenses	-	-	148.51	185.88	-	-	-	-
Taxes	-	-	15.96	14.02	-	-	-	-
As per financial statements	7711.82	5121.12	118.10	114.93	9255.07	8045.98	2003.54	541.64

Previous figures have been regrouped and recast wherever necessary to make them comparable with current year's figures.

This is the Notes referred
to in our report of even date

for Sekhar & Co

Chartered Accountants
Firm Regn. No. 003695-S

G. Ganesh

Partner
Membership No : 211704

Place : Secunderabad
Date : 28.05.2011

For and on behalf of Board of Directors

Narender Surana

Chairman

R.Lakshman Raju
Chief Financial Officer

Sanjay Kumar Sanghi

Whole-time Director

Pavani Akilla
Company Secretary



CONSOLIDATED FINANCIAL STATEMENTS

Surana Telecom and Power Limited and its Subsidiary Company

AUDITORS REPORT

To the Board of Directors of Surana Telecom And Power Limited

1. We have audited the attached Consolidated Balance Sheet of Surana Telecom and Power Limited and its Subsidiaries (The Group) as at 31st March, 2011 and the related Profit and Loss Account and Consolidated Cash Flow statement for the year ended on that date annexed thereto, which we have signed under reference to this report. This Consolidated Financial Statements are the responsibility of the Company's management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
2. We conducted the audit in accordance with the Auditing Standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on test basis evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We report that the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting Standard - 21 - Consolidated Financial Statements, Accounting Standard 23 - Accounting for Investments in Associates in Consolidated Financial Statements and Accounting Standard 27 - Financial Reporting of Interest in Joint Ventures issued by the Institute of Chartered Accountants of India.
4. Without qualifying our opinion, we draw your attention of Shareholders and Stakeholders to the following in the consolidated Financial Statements:

- i. Without qualifying our opinion, we draw your attention to:

Note 11 Notes to Accounts: During the year 2009-10 the Company paid an advance of Rs.214.35 lacs to M/s. United International Shipping Agent (T) Ltd., Tanzania, towards part payment for cost of Copper Cathode which is principal raw material for the copper manufacturing units. The payment thus made was disclosed as Advances to Suppliers under Schedule-11 of "Loans & Advances". However, Copper was stolen and replaced with worthless material on the sea-way. The Company lodged claims with Insurance Company and the Shipping Agent. The Insurance Company had rejected the claim during the year in the month of October, 2010. On the basis of legal opinion received and on the recommendations of the Board of Directors the amount is written off as irrecoverable business loss.

5. Based on our audit, in our opinion and to the best of our information and according to the explanations given to us, the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India.
 - i. In the case of consolidated Balance Sheet, of the state of affairs of the Group as at 31st March 2011.
 - ii. In the case of consolidated Profit and Loss Account, of the profit for the year ended on that date; and
 - iii. In the case of consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

For **Sekhar & Co.**
Firm Regn No : 003695 -S
Chartered Accountants

Place : Secunderabad
Date : 28th May, 2011

G. Ganesh
(Partner)
M.No:211704



Consolidated Balance Sheet as at 31st March, 2011

(Amount in Rupees)

	Sch.No	As at 31.03.2011	As at 31.03.2010
Sources of Funds			
a) Share Capital	1	104,022,000	104,022,000
b) Reserves and Surplus	2	560,017,849	583,755,876
Share-Holders Funds		664,039,849	687,777,876
c) Loan Funds			
i) Secured loans	3	50,192,070	3,490,675
ii) Unsecured loans	4	48,909,422	80,960,894
Net Deferred Tax Liability	14	6,552,080	7,456,080
TOTAL		769,693,421	779,685,525
Application of Funds			
Fixed Assets (At cost)			
a) Gross Block	5	707,233,715	739,331,901
b) Less Depreciation		414,008,758	412,624,989
c) Net Block		293,224,957	326,706,912
Capital Work-In-Progress		192,727,839	40,000,000
Investments (At cost)	6	133,997,260	130,291,068
Current Assets, Loans and advances			
a) Inventories	7	61,550,375	73,420,592
b) Sundry debtors	8	90,252,900	71,328,168
c) Cash & Bank Balances	9	27,224,364	12,700,234
d) Loans & Advances	10	115,845,552	136,853,899
e) Other Current Assets	11	17,057,873	20,896,231
		311,931,064	315,199,124
Less Current Liabilities & Provision			
a) Current Liabilities	12	150,064,440	20,223,897
b) Provisions	13	12,230,005	12,430,010
		162,294,445	32,653,907
Net Current Assets		149,636,619	282,545,217
Miscellaneous Expenses (to the extent of not adjusted or written off)			
Preliminary Expenses	15	106,746	142,328
TOTAL		769,693,421	779,685,525
Notes to Accounts	21		

The Schedules referred to above form an integral part of the Consolidated Balance Sheet

This is the Consolidated Balance Sheet referred to in our report of even date

for Sekhar & Co

Chartered Accountants
Firm Regn. No. 003695-S

for and on behalf of Board of Directors

G. Ganesh

Partner
Membership No : 211704

Narender Surana

Chairman

Sanjay Kumar Sanghi

Whole-time Director

Place : Secunderabad

Date : 28.05.2011

R. Lakshman Raju
Chief Financial Officer

Pavani Akilla
Company Secretary



Consolidated Profit & Loss Account for the year ended 31st March, 2011

(Amount in Rupees)

	Sch.No	For the year 2010-11	For the year 2009-10
Income			
Gross Sales	16	662,093,019	504,184,926
Less: Excise duty		37,641,509	27,713,783
Net Income from Operations		624,451,510	476,471,143
Other Income	17	146,730,756	35,640,933
Total Income		771,182,266	512,112,076
Expenditure			
Materials	18	588,024,984	335,770,862
Expenses	19	133,582,627	120,536,806
Interest & Financial Charges	20	14,850,940	18,587,509
Depreciation		21,105,583	24,125,643
Total Expenditure		757,564,134	499,020,820
Profit for the year		13,618,132	13,091,256
Prior Period Adjustment		(251,288)	(241,288)
Profit before Taxation		13,366,844	12,849,968
Provision for Taxation			
i) Income Tax		2,500,000	1,800,000
ii) Deferred Tax		(904,000)	(398,000)
Profit after Taxation		11,770,844	11,447,968
Balance B/F from Previous year		219,493,135	240,175,177
Amount Available for appropriation		231,263,979	251,623,145
Proposed Dividend		10,402,200	10,402,200
Tax on Dividend		1,727,805	1,727,810
Transfer to General Reserve		5,000,000	20,000,000
Surplus Carried to Balance Sheet		214,133,973	219,493,135

The Schedules referred to above form an integral part of the consolidated Profit and Loss Account

This is the consolidated Profit and Loss Account referred to in our report of even date

for Sekhar & Co

Chartered Accountants
Firm Regn. No. 003695-S

for and on behalf of Board of Directors

G. Ganesh

Partner
Membership No : 211704

Place : Secunderabad
Date : 28.05.2011

Narender Surana

Chairman

R. Lakshman Raju
Chief Financial Officer

Sanjay Kumar Sanghi

Whole-time Director

Pavani Akilla
Company Secretary



Consolidated Cash Flow Statement for the year ended March 31, 2011

(Amount in Rupees)

Particulars	2010-11	2009-10
A. Cash Flow From Operating Activities		
Net Profit before tax as per annexed profit and loss account	13,366,844	12,849,968
Adjustments for :		
Depreciation	21,105,583	24,125,643
Lease rents Amortised	910,135	951,552
Preliminary and pre-operative expenses	35,582	38,082
Bad Debts Written Off & Provision for Bad Debts	28,744,014	11,301,842
Balances / Provisions no longer required written back	(1,453,241)	(6,838,874)
(Profit)/Loss on Sale of Investments(Net)	(170,214)	364,519
Profit & Loss on Sale of Assets	(122,779,572)	(59,655)
Interest Paid	14,850,940	18,587,509
Interest Received & dividend Received	(13,476,393)	(23,353,002)
	<u>72,233,166</u>	<u>25,117,616</u>
Operating Profit before working Capital Changes	(58,866,322)	37,967,584
(Less)/ Add Adjustments for Working Capital Changes		
Inventories	11,870,217	(69,070,895)
Loans and Advances	(9,235,777)	(913,142)
Other Current Assets	3,838,358	80,155,318
Sundry Debtors	(47,668,746)	191,076,705
Trade Payables and other Liabilities	118,007,994	(50,234,938)
Advance from Customers	12,768,123	89,580,169
	<u>30,713,847</u>	<u>(6,716,648)</u>
Cash Generated from Operations		144,296,400
Income Tax & Fringe Benefit Tax Paid	(5,083,604)	(8,681,682)
Taxes of earlier years	-	
Prior Period Adjustments	- (5,083,604)	(8,681,682)
Net Cash (used in)/from operating Activities (A)	- <u>25,630,243</u>	<u>(8,681,682)</u> 173,582,302
B. Cash Flow From Investing Activities		
Purchase/Sale of Fixed Assets & Changes in CWIP	(176,278,203)	(155,988,378)
Sale of Fixed Assets	134,417,306	115,000
Investment in Shares & Other Investments (Net)	(3,535,972)	1,537,637
Dividend Received	1,236,715	1,193,327
Interest Received	12,239,678	22,159,675
Refunds received from Capital Advances	-	12,500,000
Loans to Joint Ventures and Subsidiaries	18,950,818	
Net Cash (used in)/from Investing Activities (B)	<u>(12,969,658)</u>	<u>(118,482,739)</u>



Consolidated Cash Flow Statement (Contd.)

(Amount in Rupees)

Particulars	2010-11	2009-10
C. Cash Flow From Financing Activities		
Increase/(Decrease) in Secured Loans	46,701,395	(61,111,304)
Proceeds from borrowings (net of re-payments)	(32,051,472)	53,672,231
Interest Paid	(14,850,940)	(18,587,509)
Dividend Paid	(11,812,343)	(17,281,429)
Net Cash (used in)/from Financing Activities (C)	(12,013,360)	(43,308,011)
Net Increase /(Decrease) in Cash and Cash Equivalents (A+B+C)	647,225	11,791,552
Cash and Cash Equivalents Opening Balance	817,454	1,362,710
Cash Balance of Solar Division Transferred	-	(12,336,808)
Cash and Cash Equivalents Closing Balance	1,464,679	817,454
Net Increase /(Decrease) in Cash and Cash Equivalents	647,225	11,791,552

Notes:

- The above cash flow statement has been prepared under the "Indirect method" as set out in Accounting Standard - 3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India and Ministry of Company Affairs.

2.	The Cash and Cash equivalents given above comprise of	2010-2011	2009-2010	Change Over previous Year
	Cash in Hand	283,793	296,701	(12,908)
	Balances in Current Account	1,180,886	520,753	660,133
	Total	1,464,679	817,454	647,225

- The other balances under Cash and Bank Balances are not available for free use by the Company hence they are excluded from Cash and Cash equivalents
- Notes to Accounts(Schedule 21) form an integral part of Cash Flow Statement

In terms of our report of even date

for Sekhar & Co
Chartered Accountants
Firm Regn. No. 003695-S

for and on behalf of Board of Directors

G. Ganesh
Partner
Membership No : 211704
Place : Secunderabad
Date : 28.05.2011

Narender Surana
Chairman

Sanjay Kumar Sanghi
Whole-tune Director

R. Lakshman Raju
Chief Financial Officer

Pavani Akilla
Company Secretary



Schedules Forming Part of the Consolidated Balance Sheet (Amount in Rupees)

	As at 31.03.2011	As at 31.03.2010
SCHEDULE - 1 SHARE CAPITAL		
AUTHORISED		
3,00,00,000 Equity shares of Rs 5 each	150,000,000	150,000,000
	<u>150,000,000</u>	<u>150,000,000</u>
ISSUED, SUBSCRIBED AND PAID UP		
20,804,400 (Previous year 20,804,400)		
Equity shares of Rs. 5 each fully paid	104,022,000	104,022,000
- Includes 36,80,140 Bonus Shares allotted in earlier years		
- Net of 18,00,000 shares bought back during 2008-09		
SCHEDULE - 2 RESERVES AND SURPLUS		
i) General Reserve		
Balance as per last account	259,570,967	336,185,200
Add:		
Transferred from Capital Redemption Reserve	-	9,000,000
Forfeiture of Convertible Share Warrants	-	14,716,360
Transferred from Profit & Loss Account	5,000,000	20,000,000
Less:		
excess of Assets over liability on demerger	-	(120,330,593)
Balance at the year end	<u>264,570,967</u>	<u>259,570,967</u>
ii) Capital Redemption Reserve		
Balance as per last account	-	9,000,000
Less : Transferred back to General Reserve	-	(9,000,000)
Balance at the year end	-	-
iii) Revaluation Reserve		
Balance at the beginning of the year	101,191,775	130,578,438
Less: Reduction due to demerger	-	(17,450,513)
Adjusted against sale of Building	(13,228,583)	-
Adjusted against depreciation	(10,150,283)	(11,936,151)
Balance at the year end	<u>77,812,909</u>	<u>101,191,774</u>
iv) Central Subsidy	<u>3,500,000</u>	<u>3,500,000</u>
v) Profit & Loss Account	<u>214,133,973</u>	<u>219,493,135</u>
	<u>560,017,849</u>	<u>583,755,876</u>
SCHEDULE - 3 SECURED LOANS		
From Banks		
Cash Credit	50,192,070	3,490,675
TOTAL	<u>50,192,070</u>	<u>3,490,675</u>
SCHEDULE - 4 UN SECURED LOANS		
Deferred Sales Tax	48,909,422	59,460,966
Unsecured Loan from Body Corporate	-	21,499,928
TOTAL	<u>48,909,422</u>	<u>80,960,894</u>



Schedules Forming Part of the Consolidated Balance Sheet

Schedule: 5 Fixed Assets

(Amount in Rupees)

Particulars	Gross Block			DEPRECIATION/ AMORTISATION				Net Block	
	As at 01.04.2010	Additions during the year	Deletions during the year	As at 31.03.2011	upto 01.04.2010	Provided during Year	Deletions during the year	Upto 31.03.2011	As at 31.03.2010
1 LAND - FREE HOLD	35,644,899	-	-	35,644,899	-	-	-	-	35,644,899
2 LAND - LEASE HOLD	24,619,209	19,400,000	5,168,000	38,851,209	405,513	910,135	455,583	860,065	24,213,696
3 BUILDINGS	106,323,489	-	40,005,363	66,318,126	46,753,204	5,608,221	20,820,928	31,540,497	59,570,285
4 PLANT AND MACHINERY	535,023,037	3,783,843	9,735,507	529,071,373	346,079,216	22,507,418	8,804,918	359,781,716	188,943,821
5 OFFICE EQUIPMENT	4,464,719	276,390	-	4,741,109	2,779,996	243,673	-	3,023,669	1,684,723
6 OFFICE EQUIPMENT - Leased	13,235,621	-	-	13,235,621	6,026,261	1,002,822	-	7,029,083	7,209,360
7 FURNITURE AND FIXTURES	11,376,825	-	-	11,376,825	3,481,033	1,429,138	-	4,910,171	7,895,792
8 VEHICLES	5,451,614	-	739,680	4,711,934	4,184,342	327,786	700,804	3,811,325	1,267,272
9 COMPUTERS	3,192,488	90,131	-	3,282,619	2,915,424	136,808	-	3,052,232	277,064
TOTAL	739,331,901	23,550,364	55,648,550	707,233,715	412,624,989	32,166,001	30,782,233	414,008,758	326,706,912
Previous Year	777,556,321	115,988,378	154,212,798	739,331,901	381,318,995	36,061,793	4,755,799	412,624,989	326,706,912



Schedules Forming Part of the Consolidated Balance Sheet

(Amount in Rupees)

	As at 31.03.2011		As at 31.03.2010	
	Nos	Amount	Nos	Amount
SCHEDULE – 6 INVESTMENTS (Non–Trade, At Cost)				
Name of the Scrip				
Unquoted				
1) In Government Securities				
National Savings Certificates		4,500		4,500
Total Investments in Government Securities		4,500		4,500
2) Investment in Shares (Unquoted)				
a) In Associate Companies				
Surana Ventures Limited (Equity Shares of Rs 10 each Fully paid-up)	-	-	4410000	44,100,000
b) In companies under the same management				
Bhagyanagar Securities Private Limited (Equity Shares of Rs 10 each Fully paid-up)	150000	18,000,000	150000	18,000,000
Sub–Total	150000	18,000,000	4560000	62,100,000
Investment in Shares(Quoted)				
a) In companies under the same management				
Bhagyanagar India Limited (Equity Shares of Rs 2 each Fully paid-up)	2280831	35,068,207	2280831	35,068,207
b) Surana Ventures Limited	4410000	44,100,000	-	-
(Equity Shares of Rs 10 each Fully paid-up)				
c) In other companies				
BOC India Limited (Equity Shares of Rs 10 each Fully paid-up)	200	45,510	200	45,510
Dolphin Medical Services Limited (Equity Shares of Rs 10 each Fully paid-up)	50000	600,000	50000	600,000
DLF Limited (Equity Shares of Rs 10 each Fully paid-up)	100	38,097	-	-
Parrys Sugar Industries Limited (Formerly GMR Industries Limited) (Equity Shares of Rs 10 each Fully paid-up)	300	25,482	300	25,482
Indosolar Limited (Equity Shares of Rs 10 each Fully paid-up)	150,000	3,650,713	0	0



Schedules Forming Part of the Consolidated Balance Sheet

(Amount in Rupees)

	Nos	As at 31.03.2011 Amount	Nos	As at 31.03.2010 Amount
Indswift Laboratories Limited (Equity Shares of Rs 10 each Fully paid-up)	100	14,700	100	14,700
Megasoft Limited (Equity Shares of Rs 10 each Fully paid-up)	17,315	2,407,415	17,315	2,407,415
Mahindra Lifespace Developers Limited (Equity Shares of Rs 10 each Fully paid-up)	45	23,307	45	23,307
Mahanagar Telephone Nigam Limited (Equity Shares of Rs 10 each Fully paid-up)	610	85,368	610	85,368
Prithvi Information Solutions Limited (Equity Shares of Rs 10 each Fully paid-up)	6	301	6	301
Suzlon Energy Limited (Equity Shares of Rs 10 each Fully paid-up)	300	17,382		
Sree Shakti Paper Mills Limited (Equity Shares of Rs 10 each Fully paid-up)	10,000	300,000	10,000	300,000
Talbro Automotive Components Limited (Equity Shares of Rs 10 each Fully paid-up)	2,107	214,915	2,107	214,915
Vaibhav Gems Limited (Equity Shares of Rs 10 each Fully paid-up)	100	1,363	100	1,363
SUB-TOTAL	6922014	86,592,760		38,786,568
Total Investments in Equity Shares		104,592,760		100,886,568
Investment in debentures				
Surana Ventures Limited (12% non- Convertible debentures of Rs 10 each allotted as per scheme of demerger)	2940000	29,400,000	2940000	29,400,000
Total Investment in Govt Securities, Shares and debentures	133,997,260		130,291,068	
Aggregate Market Value of Quoted Investments	246,591,469		57,478,908	



Schedules Forming Part of the Consolidated Balance Sheet

(Amount in Rupees)

	As at 31.03.2011	As at 31.03.2010
SCHEDULE - 7 INVENTORIES		
(As taken, valued and certified by the Management)		
Raw Materials (At Cost or market value whichever is lower)	54,666,084	36,204,463
Work in process (At cost or net realisable value whichever is lower)	1,510,964	22,051,950
Finished Goods (At cost or net realisable value whichever is lower)	5,373,327	15,164,179
TOTAL	61,550,375	73,420,592
SCHEDULE - 8 SUNDRY DEBTORS		
(Unsecured and Considered Good)		
a) Debts outstanding for		
i) More than six months	11,212,971	36,705,923
Less: Provisional for doubtful debts	11,212,971	36,705,923
ii) Others	79,039,929	34,622,245
TOTAL	90,252,900	71,328,168
SCHEDULE - 9 CASH AND BANK BALANCES		
Cash and cheques in hand	283,793	296,705
Balance with scheduled Banks		
- In current account	1,180,886	520,753
- In Dividend account	3,737,991	3,420,324
- In deposit account - Kept under lien with banks towards margin money and other facilities	22,021,695	8,372,945
- Accrued interest on Fixed Deposits	-	89,507
TOTAL	27,224,365	12,700,234
SCHEDULE - 10 LOANS & ADVANCES		
(Unsecured and Considered good unless otherwise stated)		
Loans & Advances	4,797,005	16,270,807
Balances with Statutory Authorities	28,209,061	18,819,248
Advance to Associate Companies	-	18,950,818
Advance tax & TDS (Net of Provisions)	38,246,941	35,663,337
Taxes paid under protest	31,883,360	8,061,586
Deposits	4,847,089	10,246,796
Advances to Suppliers	7,862,096	28,841,307
TOTAL	115,845,552	136,853,899



Schedules Forming Part of the Consolidated Balance Sheet

(Amount in Rupees)

	As at 31.03.2011	As at 31.03.2010
SCHEDULE - 11 OTHER CURRENT ASSETS		
(Secured and Considered Good)		
Loans against pledge of Securities	17,057,873	20,896,231
TOTAL	17,057,873	20,896,231
SCHEDULE - 12 CURRENT LIABILITIES		
Sundry Creditors	112,825,222	7,954,397
Lease deposits	2,114,395	2,114,395
Other Liabilities	16,884,843	5,000,915
Unclaimed Dividends	3,737,991	3,420,324
Advances from customers	14,501,989	1,733,866
TOTAL	150,064,440	20,223,897
SCHEDULE - 13 PROVISION		
Proposed Dividend	10,402,200	10,402,200
Tax on Dividend	1,727,805	1,727,810
Bonus	100,000	300,000
TOTAL	12,230,005	12,430,010
SCHEDULE - 14 DEFERRED TAX LIABILITIES (NET)		
Deferred Tax Liability as at beginning of the year	7,456,080	7,854,080
Deferred Tax Liability for the year	(904,000)	(398,000)
Net deferred tax Liability as at close of the year	6,552,080	7,456,080
SCHEDULE - 15 MISCELLANEOUS EXPENSES		
(to the extent of not adjusted or written off)		
Preliminary Expenses		
Balance as at beginning of the year	142,328	177,910
Less: Written off during the year	35,582	35,582
Balance as at close of the year	106,746	142,328



Schedules Forming Part of the Consolidated Profit & Loss Account

(Amount in Rupees)

	For the year 2010-11	For the year 2009-10
SCHEDULE - 16 INCOME FROM OPERATIONS		
Jelly Filled Telephone Cables	110,037,858	108,839,121
Jointing Kits	3,763,779	10,346,342
Telecom accessories	3,220,854	16,756,586
Income from Infrastructure leasing	5,038,800	9,562,955
Electric Power Cable / Components	286,593,157	165,985,397
Optical Fibre/Cables	1,941,690	54,932,930
Sale of Solar energy Products	-	117,046,696
Sale of Wind Power	5,630,428	6,823,395
Sale of Verified Emmission Reduction	2,117,452	-
Scrap & Misc Sales	24,870,711	17,608,015
Sale of Traded Goods	222,621,866	-
Gross Sales	665,836,595	507,901,437
Less: Inter Unit Sales	3,743,576	3,716,511
	662,093,019	504,184,926
Less: Excise Duty	37,641,509	27,713,783
Net Sales	624,451,510	476,471,143
SCHEDULE - 17 OTHER INCOME		
Interest on Loans, Deposits & others	12,239,678	22,159,675
Profit on sale of Sundry Fixed Assets	447,840	-
Profit on sale of Investments	170,214	-
AMC Charges - CDMA	-	3,681,775
Dividend Income	1,236,715	1,193,327
Sundry balances written back	1,453,517	6,838,874
Miscellaneous Income	1,177,710	207,166
Gain on foreign exchange fluctuation (net of Losses)	7,479,563	1,560,116
Premium on Transfer of Leased Land	122,331,732	-
Recovery of Balances written off in earlier years	193,787	-
TOTAL	146,730,756	35,640,933



Schedules Forming Part of the Consolidated Profit & Loss Account

(Amount in Rupees)

	For the year 2010-11	For the year 2009-10
SCHEDULE - 18 MATERIALS		
RAW MATERIALS CONSUMED		
a) Opening Stock		
Raw Materials	36,204,463	125,360,939
b) Purchases (net of Modvat) including incidental expenses	366,460,460	383,982,909
SUB TOTAL	402,664,923	509,343,848
c) Less: Closing Stock		
Raw Materials	54,666,084	36,204,463
	54,666,084	36,204,463
Less: Inter-Unit sales	3,743,576	3,716,511
Less : Stock transfer on account of demerger of solar division	-	149,512,836
Raw materials Consumed (A)	344,255,263	319,910,038
Purchases - Traded Goods(net of modvat) (B)	213,437,883	-
INCREASE/ DECREASE IN STOCK		
a) Opening Stock		
Work in Progress	22,051,950	47,232,732
Finished Goods	15,164,179	26,275,536
SUB TOTAL	37,216,129	73,508,268
b) Less Closing Stock		
Work in Progress	1,510,964	22,051,950
Finished Goods	5,373,327	15,164,179
Traded Goods	-	-
Stock transfer on account of demerger of solar division		
Work in Progress	-	16,311,025
Finished Goods	-	4,120,290
SUB TOTAL	6,884,291	57,647,444
Net (Increase)/Decrease in Stocks (C)	30,331,838	15,860,824
TOTAL (A) + (B) + (C)	588,024,984	335,770,862



Schedules Forming Part of the Consolidated Profit & Loss Account (Amount in Rupees)

	For the year 2010-11	For the year 2009-10
SCHEDULE - 19 EXPENSES		
Salary, Wages & Allowances	17,051,784	17,005,232
Contribution to PF and other funds	1,255,901	1,358,831
Staff Welfare expenses	437,295	1,086,456
Stores Consumed	1,870,422	3,972,786
Processing & Conversion charges	2,430,500	4,118,779
Power & Fuel	7,486,707	9,153,503
Water Charges	23,894	45,926
Packing & Forwarding	9,343,226	14,898,042
Watch & Ward	732,868	1,197,837
Printing & Stationery	677,263	1,214,806
Post.Tel.& Telephone	1,179,046	3,020,393
Insurance	421,109	507,298
Lease and other Rents	196,550	12,419,382
Legal & Licence fees	168,460	921,417
Rates & Taxes	3,988,973	1,709,600
Loss of Material in Transit	21,435,325	-
Repairs & Maintenance to		
i) Building	1,948,713	1,162,906
ii) Machinery	3,947,465	3,892,183
iii) Others	757,102	1,010,188
Remuneration to Directors	441,935	264,234
Auditors remuneration		
i) Audit fees	32,758	82,758
ii) Tax audit fees	20,000	20,000
Office maintenance Expenses	679,848	473,476
Commission on Sales	888,709	2,482,032
Testing Charges	1,081,509	1,658,547
AMC charges/Others	53,577	82,539
Advertisement & Business Promotion	732,050	1,086,163
Professional and Consultancy Charges	760,071	1,481,676
Vehicles maintenance & Fuel charges	369,522	476,798
Travelling & Conveyance	2,466,257	6,061,061
Sitting fees	135,000	165,000
Sundry Balances Written off	28,744,014	11,301,842
Preliminary Expenses Written Off	35,582	35,582
Pre-operative Expenses Written Off	-	2,500
Lease Premium amortised	910,135	951,552
Loss On sale of Investments	-	304,864
Service Tax	612,318	707,805
Sales Tax	18,283,653	12,170,456
Entry Tax	38,483	21,640
Other Expenses	1,944,603	2,010,716
TOTAL	133,582,627	120,536,806
SCHEDULE - 20 INTEREST AND FINANCIAL CHARGES		
Interest on Cash Credit & others	9,128,251	10,602,149
Financial Charges	5,722,689	7,985,360
TOTAL	14,850,940	18,587,509



21. Significant Accounting Policies and Notes on Accounts Forming Part of Balance Sheet and Profit & Loss Account

21. A. Significant Accounting Policies to the consolidated Financial Statement

1. The Financial Statements of the Company and its Subsidiary companies are combined on line by line basis by adding together the book value of like items of Assets, Liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses in accordance with Accounting Standard-21-" consolidated Financial Statements" issued by ICAI.
2. In case of consolidation of Associate Company's Accounts, the Financial Statements are combined on equity basis by adjusting post acquisition changes in the investor's share of net assets of the investee after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses in accordance with Accounting Standard-23-"Accounting for Investments in Associates in consolidated Financial Statements" issued by ICAI.
3. As far as possible, the consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the company's separate financial statements.
4. Investments other than in subsidiary and associates has been accounted as per AS-13 "Accounting for Investments"
5. Other significant Accounting Policies:
These are set out under significant accounting policies as given in the stand-alone financial statements of Surana Telecom and Power Limited.



21 B. Notes on Accounts

1. Secured Loans

Cash Credit from Banks is secured by hypothecation of stocks, Debtors and first charge on pari-passu basis on specific fixed assets of the company respectively and personal guarantee of the Directors.

2. Deferred Taxes

Deferred Tax adjustments recognized in the financial statements are as under:

Deferred Tax Assets/Liability	As at 31-03-2010 Rs. in Lakhs	Liability/(Asset) Arising during the Year	As at 31-03-2011 Rs. Lakhs
Depreciation-Timing difference	74.56	(9.04)	65.52
Net Deferred tax Liability	74.56	(9.04)	65.52

3. Depreciation on Revalued Assets.

Particulars	(Rs in lakhs)
Depreciation for the year as per Schedule V - Fixed Assets annexed to financial Statements (Excluding amortization of Lease Premium on land)	312.56
Less: Withdrawn from Revaluation Reserve	101.50
Depreciation as per Profit and Loss Account	211.06

4. Contingent Liability

Estimated amount of contingent liability which is not acknowledged as debts and claims against the Company and not provided are as follows.

(Rs. in lakhs)

Particulars	2010-11	2009-10
Unexpired Letters of Credit	1108.10	1104.48
Counter Guarantees given to the Bankers	683.57	999.56
Sales Tax matters under appeal	11.95	11.95
Excise / Customs matter under appeal	173.23	293.84

5. Prior Period Adjustments

(Rs. in lakhs)

Particulars	2010-11	2009-10
Expenses of Previous years reversed	1.41	0.97
Previous year expenses paid	3.92	3.38
TOTAL	3.92 1.41	3.38 0.97



6. Related Party Disclosures:

A: Relationship

Entities in which directors are interested	Subsidiary Company	Key Management Personnel	Relatives of key management personnel
Bhagyanagar India Ltd.	Globecom Infotech Pvt Ltd	G.M. Surana	Sunita Surana
Bhagyanagar Infrastructure Ltd.		Narender Surana	Vinita Surana
Bhagyanagar Properties Pvt. Ltd.		Devendra Surana	Manish Surana
Green Energy Systems Pvt. Ltd.			
Scientia Infocom India Pvt. Ltd.			
Surana Ventures Ltd.			
Bhagyanagar Green Energy Ltd.			
Bhagyanagar Metals Ltd.			
Bhagyanagar Energy & Telecom Pvt. Ltd.			
Bhagyanagar Entertainment Ltd.			
Bhagyanagar Ventures Pvt. Ltd.			
Metropolitan Ventures India Ltd.			
GMS Realtors Pvt. Ltd.			
Innova Technologies Pvt. Ltd.			
Advantage Real Estate India Pvt. Ltd.			
Tranquil Avenues India Pvt. Ltd.			
Majestic Logistics Pvt. Ltd.			
Value Infrastructure and Properties Pvt. Ltd.			
Every Time Foods Industries Pvt. Ltd.			
Surana Technopark Pvt. Ltd.			
Surana Infocom Pvt. Ltd.			
Innova Biotech India Pvt. Ltd.			
Innova Infrastructure Pvt. Ltd.			
Epicentre Entertainment Pvt. Ltd.			
Royal skyscrapers India Pvt. Ltd.			
Sitetonic websolutions Pvt. Ltd.			
Surana Biochemicals Pvt. Ltd.			
Andhra Electro Galvanising works			
N.S.Enterprises			



B. Related Party Transactions:

(Rs in lakhs)

Particulars	2010-11	2009-10
Sales		
Sale of goods	2027.88	327.67
Purchases		
Purchase of goods	727.92	288.38
Job Work		
Job work received	7.37	12.41
Job work Paid	-	38.44
Interest Paid		
Interest paid	76.57	82.11
Unsecured Loans		
Loan taken	3478.55	215.00
Loans Repaid		
Loan repaid	3693.55	-
Advances		
Advances given	-	590.42
Remuneration		
Remuneration to relatives of Key Managerial personnel		
Ms. Sunita Surana	3.00	3.00
Ms. Vinita Surana	1.77	4.80
Mr. Manish Surana	4.42	-

Earnings per share

(Rs in lakhs)

Particulars	2010-11	2009-10
Net Profit after tax	117.71	114.48
Net Profit available for Equity Share-holders	117.71	114.48
Number of Equity Shares-Basic	208.04	208.04
Number of Equity Shares - Dilutive	208.04	208.04
Nominal Value of Each equity share	5.00	5.00
Basic Earnings Per Share	0.57	0.55

7. Fixed Assets

a) Impairment:

The management has carried out a detailed internal review of the assets with respect value in use, recoverable amount and carrying cost in books and is of the firm opinion that there is no impairment in the value of assets of the company. Hence no provision as required under AS-27, Impairment of Asset is made.



b) Lease hold Land

Land on lease hold basis has been allotted by Gujarat Power Corporation Limited for setting solar P.V.power project of 5 Mega Watt for a lease period of 30 years. The same has been capitalized pending conveyance.

8. List of Subsidiary Companies Considered for Consolidation:

Brief details of subsidiaries are given below :

(Rs in lakhs)

Name of the Company	Paid-up Capital	Co's Interest	Equity Investment	Advances	Maximum Amount Outstanding during the year
Globecom Infotech Pvt Ltd	1.00	100%	1.00	400.92	400.92

9. Investments - Associates:

The Company's stake in Surana Ventures Limited is 23.52% pursuant the Scheme of Arrangement filed by Surana Telecom and Power Limited (STPL) and Surana Ventures Limited (SVL) for merger of Solar Division of STPL with SVL and approved by the High Court of Andhra Pradesh. Reconciliation of Investment of the Company in SVL is given hereunder:

Investment as on 31.03.2010	73,50,000 Shares
Less: Equity shares converted into 12%	
Redeemable non-convertible Debentures	29,40,000 Shares

10. Sundry Debtors & Other Balances

In case of balances in Sundry Debtors, Loans and Advances, Other Current Assets and Sundry Creditors, letter- seeking confirmation of year-end balances are sent to the concerned parties. The Balances are subject to confirmation and reconciliation.

Company does not owe any sum to Micro & Small enterprises as at the end of the accounting year on account of principal and interest under the Micro, Small and Medium Enterprises Development Act, 2006 as per the information and records available with the company about their industrial status which has been relied upon by the auditors

11. Loss of Material in Transit

- During the year 2009-10, the company paid an advance of Rs 214.35 lacs to M/s United International Shipping Agent (T) Ltd, Tanzania, towards part payment for cost of Copper cathode which is principal raw material for the copper manufacturing units. The payment thus made was disclosed as Advances to Suppliers under Schedule-11 of "Loans & Advances". However, Copper was stolen and replaced with worthless material on the sea-way.
- The Company lodged claims with Insurance Company and the shipping agent. The Insurance Company has rejected the claim during the year in the month of October 2010.
- On the basis of legal opinion received and on the recommendations of the Board of Directors the amount is written off as irrecoverable business loss..



12. Retirement and other Employees Benefits

- The Company's employee benefits primarily cover provident fund, gratuity and leave encashment.
- Provident fund is a defined contribution scheme and the company has no further obligation beyond the contribution made to the fund. Contributions are charged to the Profit & Loss Account in the year in which they accrue.
- Gratuity liability is a defined benefit obligation and is based on the actuarial valuation done by the Life Insurance Corporation. The gratuity liability and the net periodic gratuity cost is actually determined after considering discount rates, expected long-term return on plan assets and increase in compensation level. All actuarial gain/Losses are immediately charged to the Profit & Loss Account and are not deferred.
- The following Table summarises the components of Net Benefit expenses recognized in the Profit & Loss Account and amount recognized in the Balance Sheet for the respective Plans

a) Expenses recognized in the Profit & Loss Account

Particulars	Gratuity	Leave Encashment
Current service Cost	1,37,520	21,838
Interest Cost	62,367	24,162
Expected Return on Planned Assets	(93,810)	(29,322)
Net actuarial loss/ (gain) recognized in the year	3,35,449	69,813
Total Expenses recognized in Profit & Loss account	4,41,526	86,491

b) Change in present value of obligation during the year ended 31st March, 2011

Particulars	Gratuity	Leave Encashment
Present Value of obligation as at beginning of the year	7,79,582	3,02,025
Interest cost	62,367	24,162
Current Service Cost	1,37,520	21,838
Benefits Paid	(11,66,426)	(2,17,417)
Actuarial loss/(Gain) on obligation	3,35,449	69,813
Present Value of obligations as at end of the year	1,48,492	2,00,421

c) Change in fair value of Plan Assets during the year ended 31st March, 2011

Particulars	Gratuity	Leave Encashment
Fair Value of Plan Assets as at the beginning of the year	10,71,789	4,59,778
Expected return on plan assets	93,810	29,322
Contributions	4,41,526	-
Benefits paid	(11,66,426)	(2,17,417)
Actuarial gain/(loss) on plan assets	-	-
Fair Value of plan assets at the end of the year	4,40,699	2,71,683



d) Balance Sheet Movements

Particulars	Gratuity	Leave Encashment
Present Value of obligation as at the end of the year	1,48,492	2,00,421
Fair value of plan assets as at the end of the year	4,40,699	2,71,683
Funded Status	2,92,207	(71,262)
Net asset/ (liability) recognized in Balance Sheet	2,92,207	(71,262)

E) Actuarial Gain/loss recognized

Particulars	Gratuity	Leave Encashment
Actuarial (gain) / Loss on obligations	(3,35,449)	(69,813)
Actuarial (gain) / Loss for the year -plan assets	Nil	Nil
Actuarial (gain) / Loss on obligations	(3,35,449)	(69,813)
Actuarial (gain) / Loss recognized in the year	(3,35,449)	(69,813)

The Net assets in respect of Gratuity Plan is not recognized as it is lying in irrecoverable trust fund with Life Insurance Corporation of India, approved by the Income Tax Authorities

13. Additional information pursuant to provision of paragraph 3,4C and 4D of Part VI of the Companies Act 1956.

A) Capacity and Production

Particulars	Unit	Installed Capacity		Production	
		2010-11	2009-10	2010-11	2009-10
Jelly Filled Telephone Cables	LCKM	26.75	26.75	0.591	0.4059
Jelly Filled Telephone Quad Cables	KM	7200	7200	-	-
Optical Fibre Cable	RKM	6000	6000	-	1785.94
Optical Fibre	FKM	250000	250000	-	1833.42
Jointing Kits	Nos (lacs)	4.9	4.9	0.023	0.010
Wind Power	Megawatt	1.25	1.25	0.189	0.201
Power Cable	KM	7200	7200	2124.87	318.40
Alluminium Rod	MT's	12000	12000	1104.47	1289.44



B) Turnover

Particulars	Unit	2010-11 Quantity	2009-10 Quantity	2010-11 Value (Rs in lakhs)	2009-10 Value (Rs in lakhs)
Jointing Kits	No/set	2594	10107	37.64	103.47
Jelly Filled Telephone Cables	Lckm	0.549	3.429	1100.38	1088.39
Jelly Filled Telephone quad/UTP Cable	Kms	11.20	54.34	32.21	167.56
Optical Fibre Cable	RKm	220.53	1823.943	17.85	543.85
Optical Fibre (OF)	FKm		-	1.56	5.47
Power Cable	Km	2217.39	260.05	1508.76	218.51
Wind Power Sale	M.Watt	0.189	0.201	56.30	68.23
Infrastructure Leasing		-	-	50.39	95.63
Aluminum wire Rod/ Ingots	MT's	1111.62	1294.20	1357.16	1441.35
Other Traded Goods				2226.22	-
Scrap Sale & Others		-	-	269.89	176.08
Solar Cells/Modules					1170.47
TOTAL				6658.36	5079.01
Less: Stock Transfer				37.43	37.16
Gross Sales				6620.93	5041.85

C) Opening and Closing Stock of Finished Goods

Particulars	Opening Stock				Closing Stock			
	2010-11 Quantity	2009-10 Quantity	2010-11 (Value Rs in Lakhs)	2009-10 (Value Rs in Lakhs)	2010-11 Quantity	2009-10 Quantity	2010-11 (Value Rs in Lakhs)	2009-10 (Value Rs in Lakhs)
Jointing Kits (Nos/set)	0.367	0.386	9.18	4.77	-	0.367	-	9.18
Jelly Filled Telephone Cables (Lac Nos)	-	0.148	-	133.29	0.041	-	46.82	-
Optical Fibre Cable (Kms)		37.996		9.72	-	-	-	-
Power Cables (kms)	92.513	34.16	127.60	58.43	-	92.513	-	127.60
Alluminium Rod (M.T)	13.732	-	14.86	-	6.585	13.732	6.91	14.86
Solar Modules (Watt.)		0.045		56.55	-	-	-	-
TOTAL			151.64	262.76			53.73	151.64



D) Raw Material Consumed

Particulars	Unit	Quantity 2010-11	Quantity 2009-10	Value (Rs in Lakhs) 2010-11	Value (Rs in Lakhs) 2009-10
Copper	Kgs	284146	72579	1050.60	177.46
Polythene Granules	Kgs	972286	564668	494.18	361.42
G S Tape	Kgs	466627	141139	212.55	56.31
Optical Fibre	Kms	-	56515	-	185.95
Solar cells, Glasses & others			-	-	884.99
Others			-	459.39	418.68
Alluminium Scrap	Kgs	1615829	1685575	1225.83	1114.29
TOTAL (for Value only)				3442.55	3199.10

E) Value of Imported & Indigenous Raw Material and Components Consumed (Rs in lakhs)

Particulars	2010-11		2009-10	
	Value	Percentage	Value	Percentage
Imported	1502.10	43.63	2122.96	66.36
Indigenous	1940.45	56.37	1076.14	33.64
TOTAL	3442.55	100%	3199.10	100%

F) Expenditure in Foreign Currency

Particulars	2010-11 Value (Rs in Lakhs)	2009-10 Value (Rs. In lakhs)
Raw Material	3692.40	2647.68
Expenditure in Foreign Currency (Travelling)	7.62	21.37
Expenditure in Foreign Currency (Capital Items)	-	-
TOTAL	3700.02	2669.05

G) Earnings in Foreign Currency

Particulars	2010-11 Value (Rs in lakhs)	2009-10 Value (Rs. in lakhs)
Others	21.17	7.16
TOTAL	21.17	7.16



15. SEGMENTAL REPORTING

In accordance with the Accounting Standard -17 "Segment Reporting" Issued by the Institute of Chartered Accountants of India, is given below.

Particulars	Telecom Products	Power (Cable & others)	Power (wind)	Solar Power Project	Others	Total
REVENUE (Net of Excise)	1213.71	2676.72	77.48	-	2276.61	6244.52
Total Revenue	1213.71	2676.72	77.48	-	2276.61	6244.52
RESULTS	(455.87)	38.33	34.73	-	121.53	(261.29)
Segment Results						
Unallocable Income/ Expenses						(543.47)
Operating Profit						282.18
Interest Expenses						148.51
Income Taxes						15.96
Profit from Ordinary Activities						117.71
Net Profit						117.71
Other Information						
Segment Assets	2447.51	1369.04	531.06	1721.28	1045.93	7114.80
Unallocable Assets						2140.27
Total Assets						9255.07
Segment Liabilities	1209.66	406.53	39.01	284.95	21.71	1961.86
Unallocable Liabilities						41.68
Total Liabilities						2003.54
Capital Expenditure	0.32	41.18	-	194.00	-	235.50
Unallocable Capital Expenditure						-
Total Capital Expenditure	0.32	41.18	-	194.00	-	235.50
Depreciation	81.37	51.60	33.55	-	44.53	211.05
Unallocable depreciation						
Total Depreciation	81.37	51.60	33.55	-	44.53	211.05
Non Cash expenses-other than Depreciation						296.54
Unallocable non cash expenses						



Reconciliation of reportable segments with financial statements.

(Rs in Lakhs)

	Revenues		Results/ Net Profit		Assets		Liabilities	
Particulars	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
Total reportable segments	6244.51	4764.71	(261.29)	291.27	7114.80	5844.12	1961.86	147.79
Corporate Un-allocable (net)	1467.31	356.41	543.47	23.10	2140.27	2201.86	41.68	393.85
Interest expenses	-	-	148.51	185.88	-	-	-	-
Taxes	-	-	15.96	14.02	-	-	-	-
As per financial statements	7711.82	5121.12	117.71	114.48	9255.07	8045.98	2003.54	541.64

Previous figures have been regrouped and recast wherever necessary to make them comparable with current year's figures.

This is the consolidated notes referred
to in our report of even date

for Sekhar & Co
Chartered Accountants
Firm Regn. No. 003695-S

G. Ganesh
Partner
Membership No : 211704

Place : Secunderabad
Date : 28.05.2011

for and on behalf of Board of Directors

Narender Surana
Chairman

R. Lakshman Raju
Chief Financial Officer

Sanjay Kumar Sanghi
Whole-time Director

Pavani Akilla
Company Secretary



Information related to the subsidiary companies consolidated for the year ended March 31, 2011

M/s. GLOBECOM INFOTECH PRIVATE LIMITED

Particulars	(Amount in Rupees)
Capital	1,00,000
Unsecured Loans	40,102,740
Total Assets	40,202,740
Total Liabilities	40,202,740
Details of Investment (except in case of investment subsidiaries)	-
Turnover	-
Profit before taxation	(39,084)
Provision for taxation	-
Profit after taxation	(39,084)
Proposed Dividend	-

Statement pursuant to Section 212 of the Companies Act, 1956, relating to Subsidiary Companies

Name of the subsidiary:

Globecom Infotech Private Limited

A) Financial year of the subsidiary company

March 31, 2011

B) Holding Company's interest

Equity shares of Rs.10/- each

Number of shares fully paid up	-
Number of shares partly paid up	50,000
Paid up amount per share	2
Extent of holding	100%

C) The net aggregate Profit/(Loss) of the subsidiary Company so far as it concerns the members of Surana Telecom and Power Limited.

a) Not dealt with the accounts of the Holding Company

i) for the financial year of the subsidiary	(39,084)
ii) for the previous financial years of the subsidiary	(45,184)

b) Dealt with the accounts of the Holding Company

i) for the financial year of the subsidiary	NIL
ii) for the previous financial years of the subsidiary	NIL



BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

(Pursuant to Part IV of Schedule VI to the Companies Act, 1956)

I. Registration Details

- a) Company Identification No. (CIN) L23209AP1989PLC010336
- b) State Code No 01
- c) Balance Sheet Date 31032011
(Date) (Month) (Year)

II. Capital Raised during the year (Amount in Rs. Lakhs)

- a) Public Issue N I L
- b) Rights Issue N I L
- c) Bonus Issue N I L
- d) Private Placement N I L

III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Lakhs) 31-03-2011

- a) Total Liabilities 7696.93
- b) Total Assets 7696.93
- c) Sources of Funds
- i) Paid up Capital 1040.22
- ii) Reserves & Surplus 5600.17
- iii) Secured Loans 501.92
- iv) Unsecured Loans 489.09
- v) Net deferred tax liability 65.52
- d) Application of Funds
- i) Net Fixed Assets 2932.24
- ii) Capital Work-in-progress 1927.27
- iii) Investments 1339.97
- iv) Net Current Assets 1496.36

IV. Performance of Company (Amount in Rs. Lakhs)

- i) Turnover 7711.82
- ii) Total Expenditure 7575.64
- iii) Profit for the Year 136.18
- iv) Profit Before Tax 133.66
- v) Profit After Tax 117.70
- vi) Face Value per share (Rs.) 5.00
- vii) Earning per share (Rs.) 0.57
- viii) Dividend (%) 10.00

V. Generic names of three Principal Products of Company

Name	Item.Code.No. (ITC Code)	Name	Item.Code.No. (ITC Code)
Jointing Kits	8547.09	Fibre	8544.90
Optic Cables	8544.91	Non-conventional Energy	NA



Green Initiative in Corporate Governance: Go Paper Less

The Ministry of Corporate Affairs has come up with a Green Initiative of permitting the service of documents including Annual Reports to the Shareholders through e-mail or other permissible electronic modes instead of physical mode vide its Circular No. 17/2011 dated 21 April 2011. This is certainly a welcome move for the society at large as this will reduce paper consumption to a great extent and allow all stakeholders to contribute towards a Greener Environment. To support this green initiative, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to fill the appropriate column in the members e-mail registration form and register the same with Karvy Computershare Private Limited.

Members e-mail Registration Form

Name: e-mail:

Address:

.....

.....

DP ID : Client ID:

Folio No:

(in case of physical holding)

No. of equity shares held:



Signature

Members are requested to send this e-mail registration form to the Company's RTA i.e., Karvy Computershare Private Limited at the below mentioned address.

M/s Karvy Computershare Private Limited

17-24, Vittal Rao Nagar,
Madhapur, Hyderabad-500 081

ELECTRONIC CLEARING SERVICES (CREDIT CLEARING) MANDATE FORM FOR PAYMENT OF DIVIDEND

To,
KARVY COMPUTERSHARE PVT. LTD.
Unit : Surana Telecom and Power Limited
Plot No. 17-24, Vittalrao Nagar, Madhapur, Hyderabad - 500 081
Phone: 040-44655000, Fax: 040-23420814

Shareholder's authorisation to receive dividends through Electronic Credit Clearing Mechanism.

Registered Folio No. :	ECS Ref. No. : (for Office use only)
Name of the first/sole shareholder	
Bank Name	
Branch Address & Telephone No. of Branch	
Bank Account Number (As appearing on the Cheque Books)	
9 digit code number of the Bank and Branch appearing on the MICR cheque issued by the Bank. (Please attach a blank cancelled cheque, or a photocopy of a cheque issued to you by your Bank, for verification of the above particulars)	
Account Type (Please tick the option)	<input type="checkbox"/> Savings <input type="checkbox"/> Current <input type="checkbox"/> Cash Credit
Bank Account Ledger Folio No. (If any)	
Effective date of this mandate	

I, hereby, declare that the particulars given above are correct and complete. If the payment transaction is delayed or not effected at all for any reasons, including but not limited to incomplete or incorrect information, I will not hold M/s. Surana Telecom and Power Limited responsible. I agree to discharge the responsibility expected of me as a participant under the scheme.

I, further undertake to inform the Company of any subsequent change(s) in the above particulars.

Place :

Date :

Signature of First Holder

Note:

1. Please fill in the information in CAPITAL LETTERS in ENGLISH ONLY.
2. In case of shareholders holding the equity shares in demat form, the shareholders are requested to provide details to NSDL/CDSL as the case may be, through their respective Depository Participants. Shareholders are also requested to note that changes, if any, intimated by the Demat Account holders directly to the Company will not be considered.





Surana Telecom and Power Limited

(Formerly Surana Telecom Limited)

Registered Office : 5th Floor, Surya Towers, S.P.Road, Secunderabad - 500 003.

ATTENDANCE SLIP

22nd Annual General Meeting on 21st September, 2011.

DP.Id*
Client Id*

Reg. Folio No.

Name and Address of the Shareholder : _____

No. of Share(s) held : _____

I certify that I am a member/proxy for a member of the Company. I hereby record my presence at the 22nd Annual General Meeting of the Company on Wednesday, the 21st September, 2011 at 4.30 p.m. at Kamat Lingapur Hotel, 1-10-44/2, Chikoti Gardens, Begumpet, Hyderabad- 500 016.

** Member's/Proxy's name in Block Letters

** Member's/Proxy's Signature

Note : 1. Member/Proxy must bring the Attendance Slip to the Meeting and hand it over, duly signed at the registration counter.

2. NO GIFTS WILL BE GIVEN

* Applicable for Investors holding shares in electronic form.

** Strike out whichever is not applicable.

NO GIFTS WILL BE GIVEN



Surana Telecom and Power Limited

(Formerly Surana Telecom Limited)

Registered Office : 5th Floor, Surya Towers, S.P.Road, Secunderabad - 500 003.

PROXY FORM

DP.Id*
Client Id*

Reg. Folio No.

I/We
of
being member/members of M/s. Surana Telecom and Power Limited, hereby appoint
of
or failing him
of
as my/our proxy to vote for me/us on my/our behalf at the 22nd Annual General Meeting of the Company to be held on Wednesday the 21st September, 2011 at 4.30 p.m. at Kamat Lingapur Hotel, 1-10-44/2, Chikoti Gardens, Begumpet, Hyderabad- 500 016 and at every adjournment thereof.

Signed this day of , 2011.

Note : 1. Proxy need not be a member.

2. Proxy Form, complete in all respects, should reach the Registered Office of the Company on or not later than 48 hours before the time for holding of the Meeting.

Please
Affix Re.1/-
Revenue
Stamp

Signature

NO GIFTS WILL BE GIVEN

* Applicable for Investors holding shares in electronic form.

This image shows a blank sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

INVESTOR INFORMATION

DIVIDEND

The Dividend at 10% (₹ 0.50/- per share) will be paid to the shareholders whose names appear on the Register of Members as on 16.09.2011 and to those shareholders whose names appear as Beneficial owners as on 16.09.2011 as per the details furnished by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in Electronic Form.

PAYMENT OF DIVIDEND

Dividend, in case of shareholders availing the ECS Facility, will be credited directly into their Bank Accounts. Dividend warrants, in the case of shareholders not availing the ECS Facility, will be sent directly to their registered address and will be valid for a period of 6 months from the date of the warrant. After expiry of the said 6 months, the warrants shall be sent to the Registered Office of the Company for revalidation.

SHARE REGISTRY

The Registry of Physical Share Certificates is done by our Registrars and Transfer Agents, M/s KARVY COMPUTERSHARE PRIVATE LIMITED, Plot No. 17-24, Vittalrao Nagar, Madhapur, Hyderabad – 500-081. The shareholders can send the shares for Transfer/ Transmission/ Split/Consolidation and Issue of Duplicate Share Certificates, Request for Change of Address to the above address. Intimation regarding change of address, in the case of holder of shares in physical form, may be sent to M/s KARVY COMPUTERSHARE PRIVATE LIMITED, at the above mentioned address and in the case of holders of shares in Electronic Form, to their Depository participants.

LISTING

The Company's shares are listed at Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

DEMATERIALISATION OF SHARES

The shares of the Company are under compulsory dematerialised trading since 8th May, 2000. The Company has entered into a tripartite agreement with the National Securities Depository Limited, Central Depository Services (India) Limited and the Company's Depository Registrars, M/s KARVY COMPUTERSHARE PRIVATE LIMITED, Plot No. 17-24, Vittalrao Nagar, Madhapur, Hyderabad – 500-081, for induction of the Company's shares into the depository system. The ISIN number allocated to the Company's securities is INE130B01023. Those shareholders, who have not dematerialised their shares, may send their shares / Option Letters to the Company, through their Depository Participants with whom they hold an account, for getting the shares dematerialised.

QUALITY OBJECTIVE

"An effective and clearly understood quality system by employees. Teamwork to build-up quality consciousness amongst all our employees. Continuous improvement in every activity for achieving excellence.

Timely corrective action to prevent anticipated factors affecting quality & productivity."



SURANA TELECOM AND POWER LIMITED

(Formerly Surana Telecom Limited)

REGISTERED OFFICE :

Bhagyanagar India Limited

5th Floor, Surya Towers

Sardar Patel Road, Secunderabad - 500 003, India

Tel: +91-040-27845119, 44665700, 27841198

Fax : +91-040-27818868

E-mail: surana@surana.com

Investor Complaints: cs@surana.com, investorservices_stl@surana.com

Website: www.surana.com, www.suranatele.com