



# Sujana Towers Limited

**7<sup>th</sup> ANNUAL  
REPORT**  
2013 - 2014



## CORPORATE INFORMATION

### BOARD OF DIRECTORS

<b>NON-EXECUTIVE CHAIRMAN</b>	:	Shri M.V. Bhaskara Rao*
<b>MANAGING DIRECTOR</b>	:	Shri Y. Kamesh
<b>DIRECTORS</b>	:	Shri Y.S. Chowdary
		Shri G. Srinivasa Raju
		Shri S. Hanumantha Rao
		Shri A.S. Anand Kumar*
		Shri L.V. Rao*
		Shri H. Biswas, IDBI, Nominee
		*Independent and Non-Executive Directors

<b>AUDIT COMMITTEE</b>	:	Shri A.S. Anand Kumar
		Shri M.V. Bhaskara Rao
		Shri L.V. Rao
		Shri S. Hanumantha Rao

<b>MANAGEMENT COMMITTEE</b>	:	Shri Y. Kamesh
		Shri G. Srinivasa Raju
		Shri S. Hanumantha Rao
		Shri M.V. Bhaskara Rao

<b>SHARE TRANSFER COMMITTEE</b>	:	Shri G. Srinivasa Raju
		Shri M.V. Bhaskara Rao
		Shri S. Hanumantha Rao

<b>SHAREHOLDERS' GRIEVANCES COMMITTEE</b>	:	Shri S. Hanumantha Rao
		Shri G. Srinivasa Raju
		Shri M.V. Bhaskara Rao

<b>NOMINATION &amp; REMUNERATION COMMITTEE</b>	:	Shri A.S. Anand Kumar
		Shri M.V. Bhaskara Rao
		Shri S. Hanumantha Rao

<b>CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE</b>	:	Shri G. Srinivasa Raju
		Shri M.V. Bhaskara Rao
		Shri S. Hanumantha Rao

<b>RISK MANAGEMENT COMMITTEE</b>	:	Shri G. Srinivasa Raju
		Shri M.V. Bhaskara Rao
		Shri S. Hanumantha Rao

<b>VICE-PRESIDENT (FINANCE)</b>	:	Smt. S. Kalyani
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<b>COMPANY SECRETARY</b>	:	Shri L. Narasimha Rao
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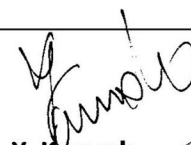
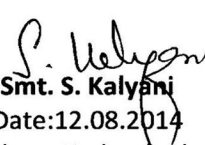
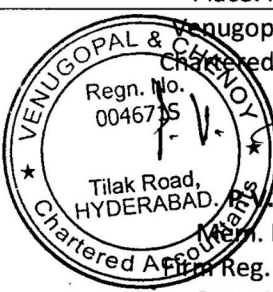

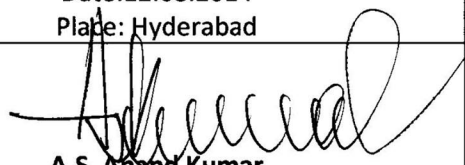
<b>STATUTORY AUDITORS</b>	:	M/s. Venugopal & Chenoy
		Chartered Accountants
		Tilak Road, Hyderabad

## SUJANA TOWERS LIMITED

<b>COST AUDITORS</b>	:	M/s Nageswara Rao & Co. Cost Accountants, Secunderabad
<b>INTERNAL AUDITORS</b>	:	Shri M. Balaramakrishnaiah Chartered Accountant, Hyderabad
<b>BANKERS</b>	:	IDBI Bank Limited Central Bank of India Punjab National Bank Andhra Bank UCO Bank Karnataka Bank Limited Exim Bank Limited
<b>FINANCIAL INSTITUTIONS</b>	:	Sicom Limited L&T Infrastructure & Finance Co. Ltd.
<b>REGISTERED OFFICE</b>	:	Plot No.41, Nagarjuna Hills, Panjagutta, Hyderabad - 500 082
<b>WORKS</b>	:	(i) Plot No. 128 Part, Sy.No.172/B, I.D.A. Bollaram - 502 325 Jinnaram Mandal, Medak Dist, Telangana (ii) Plot No. 10, 11 and 12, Sy. No.172 I.D.A. Bollaram - 502 325 Jinnaram Mandal, Medak Dist, Telangana (iii) Plot No. 9, Sy. No.172/EE, U, UU I.D.A. Bollaram - 502 325 Jinnaram Mandal, Medak Dist, Telangana (iv) Plot No.8 B & C, Sy. No.172/EE, U, UU I.D.A. Bollaram - 502 325 Jinnaram Mandal, Medak Dist, Telangana (v) Sy. No. 321, Turkala Khanapur Village - 502 201 Hatnur Mandal, Medak Dist. Telangana
<b>LISTING</b>	:	<b>Equity</b> Bombay Stock Exchange Limited (BSE) Phiroze Jeejeebhoy Towers Dalal Street, Mumbai - 400 001  National Stock Exchange of India Limited (NSE) Exchange Plaza, Plot No. C/1, G Block Bandra-kurla Complex Bandra (E), Mumbai - 400 051  <b>Global Depositary Receipts (GDRs)</b> Luxembourg Stock Exchange Societe de la Bourse de Luxembourg B.P. 165, L - 2011, Luxembourg
<b>REGISTRAR &amp; SHARE TRANSFER AGENTS</b>	:	M/s. Bigshare Services (P) Limited 306, 3rd Floor, Right Wing, Amrutha Ville Opp: Yashoda Hospital, Raj Bhavan Road Somajiguda Hyderabad - 500 082 Tel : +91-40-23374967

**Form A**  
(Unqualified/ Matter of Emphasis Report)

**Format of covering letter of the annual audit report to be filed with the Stock Exchange**

S. No	Particulars	Details
1	Name of the Company	M/s. Sujana Towers Limited
2	Annual Financial Statement for the Year Ended	31 <sup>st</sup> March, 2014
3	Type of Observation	Un- qualified
4	Frequency of observation	Not Applicable
5	Signatures:	
	Managing Director	 <b>Y. Kamesh</b> Date: 12.08.2014 Place: Hyderabad
	Vice-President Finance	 <b>Smt. S. Kalyani</b> Date: 12.08.2014 Place: Hyderabad
	Auditor of the Company	  <b>V. Srihari</b> Mem. No. 21961 Firm Reg. No. 004671S Date: 12.08.2014 Place: Hyderabad
	Audit Committee Chairman	 <b>A.S. Anand Kumar</b> Date: 12.08.2014 Place: Hyderabad

## NOTICE

**NOTICE is hereby given that the 7th Annual General Meeting of the Members of Sujana Towers Limited will be held on Tuesday, the 30th day of September, 2014 at “Kohinoor”, Taj Deccan, Road No.1, Banjara Hills, Hyderabad - 500 034, Telangana at 12.30 p.m. to transact the following businesses:**

### ORDINARY BUSINESS

1. To receive, consider and adopt the financial statements of the Company for the financial year ended March 31, 2014, including the audited Balance Sheet as at March 31, 2014, the Statement of Profit and Loss for the financial year ended on that date and the reports of the Board of Directors and Auditors thereon
2. To appoint a director in place of Shri Y.S. Chowdary, (DIN-00061477), who retires by rotation and being eligible, offers himself for re-appointment.
3. To re-appoint M/s. Venugopal & Chenoy (Regn. No.004671S), Chartered Accountants, Hyderabad as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the 10th Annual General Meeting (i.e., for three Financial Years) pursuant to provisions of Section 139 of the Companies Act, 2013 (as amended or re-enacted from time to time) read with Rule No. 3 of the Companies (Audit and Auditors) Rules, 2014 and to authorise the board to fix their remuneration, subject to ratification of the members at every Annual General Meeting.

### SPECIAL BUSINESS

4. **To appoint Shri A.S. Anand Kumar (DIN-00058292) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and all other applicable provisions of the Companies Act, 2013, and the Companies (Appointment and Qualification of Directors) Rules, 2014 [Including any statutory

modification(s) or re-enactment thereof for the time being in force] read with Schedule IV to the Companies Act, 2013, and provisions of Listing Agreement, Shri A.S. Anand Kumar (DIN-00058292), who was earlier appointed as a Director liable to retire by rotation and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Shri A.S. Anand Kumar as a candidate for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto five consecutive years commencing from 30th September, 2014 to 29th September, 2019, whose period of office shall not be liable to retire by rotation.

5. **To appoint Shri M.V. Bhaskara Rao (DIN-01526381) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and all other applicable provisions of the Companies Act, 2013, and the Companies (Appointment and Qualification of Directors) Rules, 2014 [Including any statutory modification(s) or re-enactment thereof for the time being in force] read with Schedule IV to the Companies Act, 2013, and provisions of Listing Agreement, Shri M.V. Bhaskara Rao (DIN-01526381), who was earlier appointed as a Director liable to retire by rotation and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Shri M.V. Bhaskara Rao as a candidate for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto five consecutive years commencing from 30th September, 2014 to 29th September, 2019, whose period of office shall not be liable to retire by rotation.

**6. To appoint Shri L.V. Rao (DIN-02754292) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and all other applicable provisions of the Companies Act, 2013, and the Companies (Appointment and Qualification of Directors) Rules, 2014 [Including any statutory modification(s) or re-enactment thereof for the time being in force] read with Schedule IV to the Companies Act, 2013, and provisions of Listing Agreement, Shri L.V. Rao (DIN-02754292), who was earlier appointed as a Director liable to retire by rotation and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Shri L.V. Rao as a candidate for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto five consecutive years commencing from 30th September, 2014 to 29th September, 2019, whose period of office shall not be liable to retire by rotation.

**7. To approve the Borrowing Limits along with guarantee or counter-guarantee and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Special Resolution:**

“RESOLVED THAT in supersession of the Ordinary Resolution passed pursuant to the provisions of Section 293(1)(d) of the Companies Act, 1956 by the members of the Company through Postal Ballot on 8th October, 2011 and pursuant to the provisions of section 180(1)(c) and other applicable provisions of the Companies Act, 2013 [including and statutory modifications(s) or re-enactment thereof, for the time being in force], and that of the Articles of Association of the Company, consent of the Company be and is hereby accorded to the Board of Directors of the Company (“the Board”) for borrowing from time to time any sum or sums of money by way of cash credit, loan, overdraft, discounting of bills, operating of letters of credit, for standing

guarantee or counter-guarantee and any other type of credit line or facilities, on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company bankers in the ordinary course of business) including rupee equivalent foreign currency loans (such rupee equivalent being calculated at the exchange rate prevailing as on the date of relevant foreign currency agreement) may exceed, at any time, the aggregate of the paid-up capital of the Company and its free reserves, provided however the total amount so borrowed in excess of the aggregate of the paid-up capital of the Company and its free reserves shall not at any time exceed Rs 3000 Crores (Rupees three thousand crores only).

RESOLVED FURTHER THAT the Board be and are hereby authorized do and execute all acts on behalf of the company all documents and forms relating to the above credit lines and to secure the facilities by hypothecation of present and future raw materials belonging to the company and lying in any godown, factory or anywhere in India, stock of stores, work-in-progress and finished goods and book debts, and that the company do create an equitable mortgage on the fixed assets of the company in favour of the Banks/Financial Institutions/NBFC's by depositing the title deeds in relation thereto, as collateral security for the credit facility made available to the company.

RESOLVED FURTHER THAT the securities to be created by the Company aforesaid may rank prior/paripassu with/to the mortgages and/or charges already created or to be created by the company as may be agreed to between the concerned parties.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors or any one or more Directors of the Company.”



8. **To mortgage and/or charge any of its movable and / or immovable properties wherever situated both present and future and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Special Resolution:**

“RESOLVED THAT in supersession of the Ordinary Resolution passed at the 6th Annual General Meeting of the Company held on 30th September, 2013 pursuant to the provisions of Section 293(1)(a) of the Companies Act, 1956 and pursuant to the provisions of section 180(1)(a) and other applicable provisions of the Companies Act, 2013 [including and statutory modifications(s) or re-enactment thereof, for the time being in force], and that of the Articles of Association of the Company, consent of the Company be and is hereby accorded to the Board of Directors of the Company (“the Board”) to hypothecate/ mortgage and/or charge and/or encumber in addition to the hypothecations/mortgages and/or charges and/or encumbrances created by the Company, in such form and manner and with such ranking and at such time (s) and on such terms as the Board may determine, all or any part of the movable and/or immovable properties of the company wherever situated both present and future, and /or create a floating charge on all or any part of the immovable properties of the Company and the whole or any part of the undertakings(s) of the Company, together with power to take over the management of the business and concern of the Company in certain events of default, in favour of the Company’s Bankers/ Financial Institutions/other investing agencies and trustees for the holder of Debentures/ Bonds/other instruments/securities to secure any Rupee/Foreign Currency Loans, Guarantee assistance, Standby Letter of Credit/Letter of Credit, and/or any issue of Non-Convertible Debentures/Instruments, and /or Compulsorily or Optionally, Fully/ Partly Convertible Debentures/Instruments, within the overall ceiling prescribed by the Members of the Company in terms of Section 180(1)(c) of the Companies Act, 2013.

RESOLVED FURTHER THAT the securities to be created by the Company aforesaid may rank prior/paripassu with/to the mortgages and/or charges already created or to be created by the company as may be agreed to between the concerned parties.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors or any one or more Directors of the Company.”

9. **To approve and adopt the new set of Articles of Association of the Company in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as Special Resolution:**

“RESOLVED THAT pursuant to the provisions of section 14 and all other applicable provisions of the Companies Act, 2013 and the Rules made there under [including and statutory modifications(s) or re-enactment thereof, for the time being in force], the draft regulations contained in the Articles of Association submitted to this meeting, be and are hereby approved and adopted in substitution and to the entire exclusion of the regulations contained in the existing Articles of Association of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and to take all such steps as may be necessary for the purpose of giving effect to this resolution.”

10. **To ratify the remuneration of the Cost Auditors for the financial year ending March 31, 2015 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 [including any statutory modifications(s) or re-enactment thereof, for the time being in force],

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the remuneration of Rs. 2.00 lakhs (Rupees Two Lakhs Only) plus service tax as applicable and reimbursement of actual expenses, to be paid to M/s. Nageswara Rao & Co., (Regd. No.000332) Cost Auditors of the Company, for the financial year 2014-2015, as approved by the Board of Directors of the Company, be and is hereby ratified.

By order of the Board

**Y. Kamesh**  
Managing Director

Place : Hyderabad

Date : 28th August, 2014

### NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE MUST BE DULY STAMPED, SIGNED AND DEPOSITED AT THE COMPANY'S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE TIME FOR HOLDING THE MEETING.

Proxies submitted on behalf of Limited Companies, Societies, Partnership Firms, etc. must be supported by appropriate resolution/authority, as applicable, issued by the member organization.

2. Members/Proxies are requested to bring along with them Annual Reports being sent to them.
3. An explanatory statement, pursuant to the provisions of Section 102 of the Companies Act, 2013 in respect of item No. 4 to 12 of the notice is annexed hereto.
4. Copy of the draft letters for respective appointments of Shri A.S. Anand Kumar, Shri M.V. Bhaskara Rao and Shri L.V. Rao, as Independent Directors setting out the terms and conditions are available for inspection by members at the Registered Office of the Company and also available @ [www.sujana.com](http://www.sujana.com).

5. The details under Clause 49 of the Listing Agreement with the Stock Exchanges in respect of Director seeking appointment/re-appointment at the Annual General Meeting, is annexed hereto.
6. The Share Transfer Books and Register of Members of the Company will remain closed on Thursday 25th September, 2014 (One day only).
7. Shareholders desiring any information as regards the accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready at the meeting.
8. The registration of share transfers and other related correspondence will be dealt with by the Company at M/s. Bigshare Services Private Limited of Mumbai, having its branch office at 306, Right Wing, 3rd Floor, Amruta Ville, Opp: Yashoda Hospital, Raj Bhavan Road, Somajiguda, Hyderabad - 500 082.
9. The shareholders / members of the Company, who are having equity shares of the Company in physical form, are advised to get dematerialized of their respective equity shares by way of surrendering their physical share certificates to the Registrar and Share Transfer Agents (RTA) of the Company (i.e., M/s Bigshare Services Pvt. Ltd., Hyderabad) through their respective Depository Participants. The shareholders /members, who are not having demat accounts are requested to open the demat accounts and thereafter approach the RTA for dematerialization of their equity shares.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants. Members holding shares in physical form can submit their PAN details to the Companies RTA.
11. Electronic copy of the Annual Report for 2013-14 (including Notice of the 7th Annual General Meeting of the Company along with Attendance Slip and Proxy) is being sent



to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2013-14 are being sent in the permitted mode.

12. Members holding shares in electronic form are requested to update the email id with their respective Depository Participants to receive all the communications in electronic mode.
13. Members may also note that the Notice of the 7th Annual General Meeting and the Annual Report for 2014 will also be available on the Company's website [www.sujana.com](http://www.sujana.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Hyderabad for inspection by the members of the Company during normal business hours on working days.
14. Members/Proxies are requested to kindly take note of the following:
  - a. Attendance slip, as sent herewith, is required to be brought at the venue duly filled in and signed, for attending the meeting.
  - b. Folio No./DP & Client ID No. may please be quoted in all correspondence with the Company and or the RTA.
15. The financial statements (and documents required to be attached thereto), Auditors' Report and Board's Report of the Company were prepared as per the relevant provisions/schedules/rules of the Companies Act, 1956 as notified by the MCA vide its General Circular No.08/2014 dated 04.04.2014.
16. Pursuant to provisions of Section 108 of the Companies Act, 2013 and read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility to cast their votes electronically on all resolutions set forth in the notice.

The e-voting facility will be available on and from 22nd September, 2014 at 9.30 a.m. and ends on 24th September, 2014 at 6.00 p.m.

Shri Y. Ravi Prasada Reddy, Practicing Company Secretary, Hyderabad, has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
17. The results of the e-voting along with votes polled at the AGM through ballot by the members, will be declared on or after the AGM of the Company. The said results shall be placed on the website of the Company [www.sujana.com](http://www.sujana.com) within 2 days of the AGM.

**Instructions for members for voting electronically are as under :**

**In case of members receiving e-mail:**

- i. Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- ii. Click on "Shareholders" tab.
- iii. Now, select the "COMPANY NAME (i.e., Sujana Towers Limited)" from the drop down menu and click on "SUBMIT"
- iv. Now Enter your User ID
  - a. For CDSL Clients: 16 digits beneficiary ID.
  - b. For NSDL Clients: 8 Character DP ID followed by 8 Digits Client ID.
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v. Next enter the Image Verification as displayed and Click on Login.

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- vi. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used.
- vii. If you are a first time user follow the steps given below:

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

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