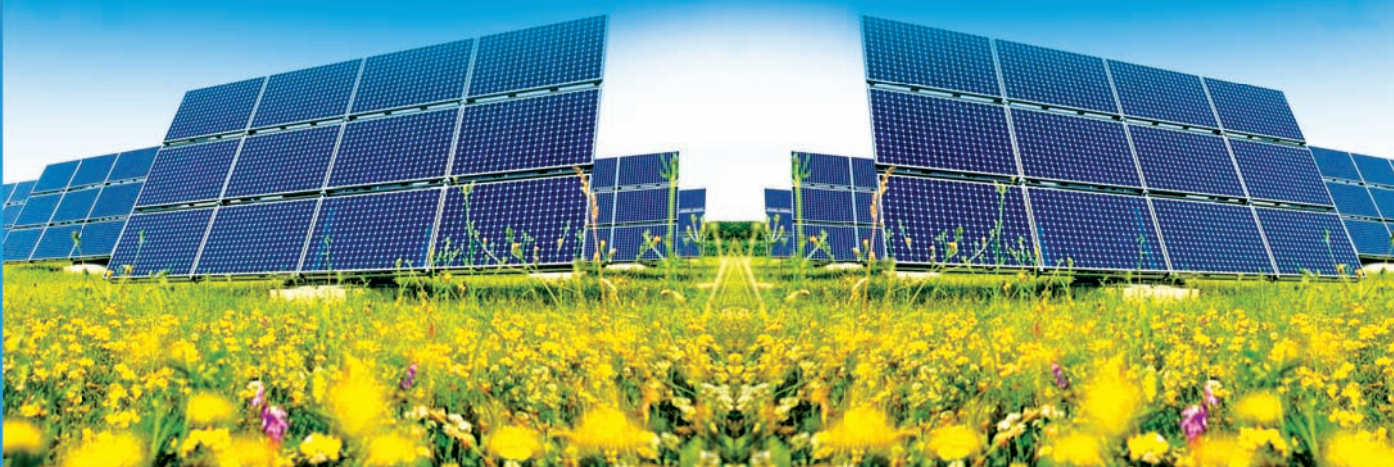




SURANA VENTURES LIMITED

The Power of Sun is Unlimited.

Let's make it
available for everybody



Surana Ventures provides high quality **Solar Cells** and **Solar PV Modules** with the best price performance ratio in the Indian market. Our flexible manufacturing facility enables us to produce according to the customer's need. This unbeatable combination makes us the nation's favourite.

- Solar Cells
- Solar Panels / Solar PV Modules
- Solar Lighting Products
- Solar Projects

5th Annual Report 2010-2011

SURANA GROUP



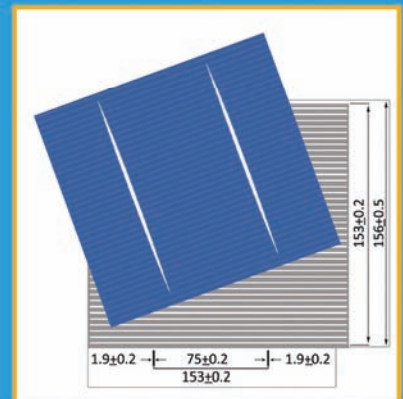
Solar Modules



Solar Lantern



Solar Street Light



Solar Cell

BOARD OF DIRECTORS

G M Surana	-	Chairman
O Swaminatha Reddy	-	Director
R Surender Reddy	-	Director
S R Vijayakar	-	Director
Dr. R N Sreenath	-	Director
Narender Surana	-	Managing Director
Devendra Surana	-	Director
Manish Surana	-	Director – Finance & Technical

COMPANY SECRETARY

Biswaranjan Subudhi

STATUTORY COMMITTEES**AUDIT COMMITTEE**

O Swaminatha Reddy	–	Chairman
G M Surana	–	Member
R Surender Reddy	–	Member
S R Vijayakar	–	Member

SHAREHOLDERS' GRIEVANCE COMMITTEE

G M Surana	–	Chairman
Narender Surana	–	Member
Devendra Surana	–	Member

REGISTRARS & TRANSFER AGENTS

KARVY COMPUTERSHARE PRIVATE LIMITED.

Plot No. 17-24, Vittalrao Nagar,
Madhapur, Hyderabad- 500 081.

Phone # +91-40-44655000

Fax # +91-40-23420814,

Toll Free No. 1800-3454-001

Email ID : 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. India - 500 003.

Tel: + 91 40 27845119, 44665700

Fax: + 91 40 27848851

E-mail : surana@surana.com

Investors : cs@surana.com,
investorservices_svl@surana.com

Website : www.surana.com,
www.suranaventures.com

BANKERS

Indian Overseas Bank
Bank of India

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.

WORKS :**SOLAR PHOTOVOLTAIC DIVISION**

1. Plot No 212/3, Phase II
I.D.A., Cherlapally
Hyderabad - 500 051.
2. Plot No.21, Ravirayal (Village)
Maheswaram (Mandal)
Rangareddy (Dist)
Fabcity, Hyderabad.

NON-CONVENTIONAL ENERGY (WIND)

1. Kaladhon Village, Khatav Taluka
Satara Dist., Maharashtra.
2. Kurichampatti Village
V.K. Pudur Taluk, Tirunelveli Dist.
Tamilnadu.
3. Puliur Village
Tenkasi Taluk, Tirunelveli Dist.
Tamilnadu.



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NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 5th Annual General Meeting of the members of **SURANA VENTURES LIMITED**, will be held on 21st day September, 2011 at 11.30 A.M. 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 Profit and Loss Account for the year ended 31st March, 2011 along with 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 Devendra Surana, who retires by rotation and being eligible, offers himself for re-appointment
4. To appoint a Director in place of Shri S.R.Vijayakar, 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 VENTURES LIMITED**

Place : Secunderabad **Biswaranjan Subudhi**
Date : 05.08.2011 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 Ministry of Corporate 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 suffixing along with the name of the shareholder on the Dividend Warrant.
5. 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.
6. 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.
 7. 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.
 8. 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.
 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 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 mode 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's 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 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.
 14. 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.
 15. 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 VENTURES LIMITED**

Place : Secunderabad **Biswaranjan Subudhi**
Date : 05.08.2011 Company Secretary



DIRECTORS REPORT

To
The Members

Your Directors have pleasure in presenting the 5th **Annual Report** and the Audited Statement of Accounts for the financial year ended 31st March, 2011, together with the Auditors Report thereon.

FINANCIAL RESULTS:

The performance of the Company during the year has been as under :

(₹ in lacs)

Particulars	2011	2010
Sales and other Income	10,425.06	3,163.02
Profit before Depreciation, Interest and exceptional Items	2,544.34	780.07
DEDUCT :		
Depreciation	166.75	17.44
Interest	231.62	67.20
Profit for the year before exceptional items	2,145.97	695.43
Less: Prior period Adjustments	(0.11)	0.18
Less: Amortisation of Goodwill	71.40	71.40
Profit before Taxation	2,074.68	623.85
Provision for Taxation :		
Current Tax	414.00	104.52
Deferred Tax	36.39	2.59
MAT Entitlement Credit	(21.03)	(104.28)
Income Tax in respect of earlier years	–	(0.09)
Profit after Tax	1,645.32	621.11
Surplus brought forward from previous year	393.24	(77.87)
Balance available for appropriation	2,038.56	543.24
APPROPRIATION:		
Dividend	246.03	–
Tax on Dividend	40.87	–
Transfer to Debenture Redemption Reserve	450.00	150.00
Transfer to General Reserves	500.00	–
Balance c/f to Balance Sheet	801.66	393.24
TOTAL	2,038.56	543.24

OPERATIONS:

The financial year 2010-11 was year of consolidation and growth. The de-merger scheme was successfully implemented after obtaining requisite approvals. The equity shares of the Company were listed on Stock Exchanges w.e.f. 7th January, 2011.

The Income from Operations is ₹ 10233.89 Lakhs as against ₹ 2933.83 Lakhs for the corresponding previous year. The Profit Before Tax is ₹ 2145.97 Lakhs as against ₹ 695.43 Lakhs for the previous year. The Profit After Tax is ₹ 1645.32 Lakhs as against ₹ 621.11 Lakhs for the corresponding period. The Company recorded a huge increase in turnover mainly due to increase in production and increase in



revenues from Solar Cells and Multi Crystalline Wafers. The Basic Earnings Per Share for the year-ended 31.03.2011 is ₹ 6.69 as against ₹ 2.52 for the corresponding previous year ended 31.03.2010.

LISTING OF EQUITY SHARES:

During the year 2010-11 the Company allotted 1,56,03,300 equity shares to the Shareholders of M/s Surana Telecom and Power Limited as per the terms of the Scheme of Arrangement between the Company and M/s Surana Telecom and Power limited. The Company's shares were listed on Bombay Stock Exchange Limited and National Stock Exchange of India Limited w.e.f. 07.01.2011.

DIVIDEND:

Your Directors recommended a Dividend @ 10% amounting to ₹ 246.03 lakhs for the year ended 31st March 2011. This will entail an outflow of ₹ 286.89 lakhs (inclusive of tax thereon).

FUTURE PROJECTIONS

In order to capture the better margin in value chain of solar manufacturing business, the Company has undertaken following steps during the year 2010-11 which shall be commissioned in the year 2011-12.

1. Backward integration by way of installing 35 MW PV Cell line from Germany at a cost of ₹ 90 crores (appx).
2. Installation of fully automated Solar Module Plant at a cost of ₹ 10 crores (appx).

The company has already placed orders for 35 MW Cell line and the work relating to provision of auxiliary facilities including construction of buildings is in progress. The expected date of commencement of trial run is October, 2011.

FIXED DEPOSITS

The Company has not accepted any deposits from the public for the year under review within the meaning of Section 58A of the Companies Act, 1956.

DIRECTORS

In order to comply with Section 256 of The Companies Act 1956 and Articles of Association of the Company Shri. Devendra Surana and Shri S.R. Vijayakar, 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 retire at the conclusion of this Annual General Meeting 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.

CREDIT RATING:

The Company in order to meet the Basel-II Guidelines, obtained Credit Rating from CRISIL. CRISIL has assigned the following Credit Rating for the Company's Bank Borrowings.

Sl No	Nature of Borrowing	Rating
1	Long Term Loan	BB + /Stable
2	Cash Credit	BB + /Stable
3	Letter of Credit	P4 +
4	Bank Guarantee	P4 +

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

In 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 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.

PARTICULARS IN RESPECT OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Information as required under Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988, forms part of this Report and is annexed herewith.

PARTICULARS OF EMPLOYEES

During the period under review, there are no employees covered under Section 217(2A) of

the Companies Act, 1956 read with Companies (Particulars of the Employees) Rules, 1975.

Pursuant to Clause 3.14 of Sanctioned Scheme of Arrangement approved by Hon'ble High Court of Andhra Pradesh, all the employees of "Solar Undertaking" of M/s Surana Telecom and Power Limited became the employees of the Company w.e.f 28.07.2010 being the effective date of transfer. Smt Sunita Surana, wife of Shri Narendra Surana, Managing Director of the Company, was working as "Public Relations (Manager)" in "Solar Undertaking" of M/s Surana Telecom and Power Limited and became the employee of the Company w.e.f 28.07.2010 as per the sanctioned Scheme of Arrangement.

ACKNOWLEDGEMENTS

The Board desires to place on record its sincere appreciation for the support and co-operation received from the Company's Bankers and Officials of the concerned Government Departments, employees and the members for the confidence reposed by them in the management.

By Order of the Board
For **SURANA VENTURES LIMITED**

Place : Secunderabad
Date : 05.08.2011

G.M. Surana
Chairman



ANNEXURE – A TO THE DIRECTORS REPORT

Information under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988, and forming part of the Directors Report:

1. CONSERVATION OF ENERGY:

Energy conservation measures taken: Operations of the Company are not energy intensive. However adequate measures have been initiated to reduce energy consumption, the cost of maintenance and conserve the resources.

Additional Investments and proposals, if any, being implemented for reduction of consumption of energy: Nil

Impact of the clause (1) and (2) above for reduction of energy consumption and consequent impact on the production of goods : N.A

2. TECHNOLOGY ABSORPTION:**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	Nil
3.	Future plan of action	Nil
4.	Expenditure on R & D	Nil

B. TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION

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

The Company is in the process of setting up State of the Art 'Solar manufacturing plant' using latest technology.

3. FOREIGN EXCHANGE EARNINGS AND OUTGO:

Activities relating to exports, initiatives taken to increase exports, development of new export market for products and services and export plans:

Foreign Exchange inflow	₹ 1376.49 Lakhs
Foreign Exchange Outgo	₹ 3389.23 Lakhs

By Order of the Board
For **SURANA VENTURES LIMITED**

Place : Secunderabad
Date : 05.08.2011

G.M. Surana
Chairman

