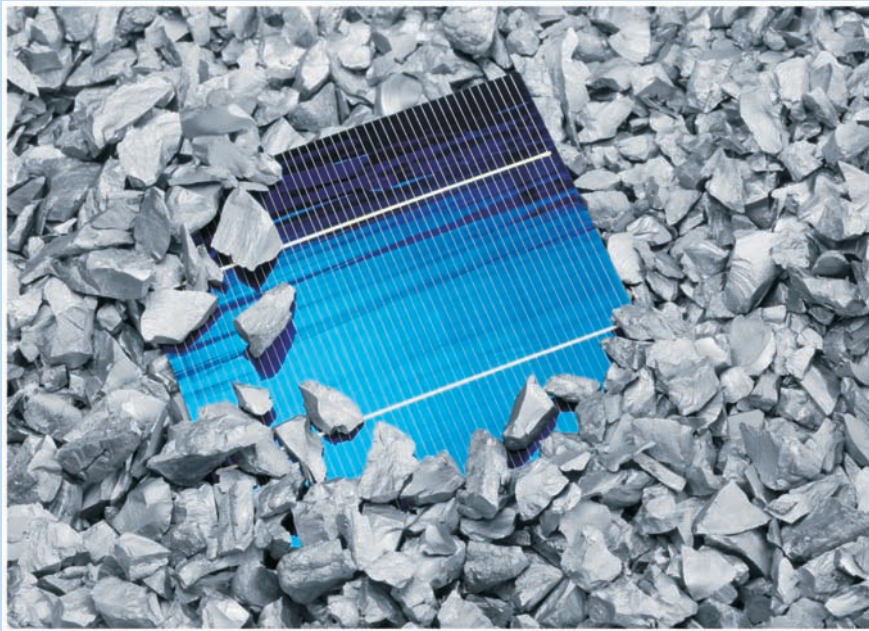




**SURANA TELECOM AND POWER LIMITED**

**5MW**  
**Solar Power Plant at**  
**Charanka, Gujarat**

**23<sup>rd</sup> Annual Report 2011-12**



**BOARD OF DIRECTORS**

Dr. R N Sreenath	- Director
Nirmal Kumar Jain	- Director
D Venkatasubbiah	- Director
Narender Surana	- Director
Devendra Surana	- Director
N. Rajan Francis	- Wholetime Director

**CHIEF FINANCIAL OFFICER**

R Lakshman Raju

**COMPANY SECRETARY**

Vinamrata Jodhani

**BANKERS**

State Bank of India  
Corporation Bank  
Indian Overseas Bank

**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**

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

**Solar Module Manufacturing****Hard Ware Park**

Plot No. 21B, Sy No. 1/1, Kanchaimarat  
Raviryal Village  
Maheswaram Mandal, R.R. District.

**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.



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## **NOTICE OF 23<sup>rd</sup> ANNUAL GENERAL MEETING**

NOTICE is hereby given that the 23<sup>rd</sup> Annual General Meeting of the members of **SURANA TELECOM AND POWER LIMITED**, will be held on 29<sup>th</sup> day of September, 2012 at 2.30 pm at Taj Tristar, 1-1-40, Seven Hills, Sarojini Devi Road, Secunderabad-500003 to transact the following business :

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2012 and the Profit & Loss Account for the year ended 31<sup>st</sup> March, 2012, along with the Auditors' Report & Directors' Report thereon.
2. To declare Dividend for the year ended 31<sup>st</sup> March, 2012.
3. To appoint a Director in place of Shri D. Venkatasubbiah who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Dr. R. N. Sreenath 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."

### **SPECIAL BUSINESS:**

#### **6. APPOINTMENT OF SHRI N. RAJAN FRANCIS AS WHOLE-TIME DIRECTOR**

To consider and, if thought fit, to pass, with or without modifications, the following resolution as a **ORDINARY RESOLUTION:**

**"RESOLVED THAT** Shri N. Rajan Francis, who was appointed as an Additional Director with effect from 30.07.2012 on the Board of the Company in terms of Section 260 of the Companies Act, 1956 and Article 85 of Articles of Association of the Company and who holds office up to the date of this Annual General Meeting, and in respect of whom a notice has been received from a Member in writing, under Section 257 of the Companies Act, 1956, proposing his candidature for the office of a Director, be and is hereby appointed as a director of the company."

**RESOLVED FURTHER THAT** pursuant to the provisions of sections 198, 269, 309, 310 and Schedule XIII and other applicable provisions of the Companies Act, 1956, Shri N. Rajan Francis be and is hereby appointed as Whole time Director of the Company for a period of 3 years w.e.f 30.07.2012 upto 29.07.2015 in the scale of ₹. 21500-2000-25500.

**RESOLVED FURTHER THAT** Shri N. Rajan Francis, shall also be entitled for reimbursement of actual entertainment, travelling, boarding and lodging expenses incurred by him in connection with the Company's business and such other benefits / amenities and other privileges, as may from time to time, be available to other Senior Executives of the Company as per the service rules of the Company.

**RESOLVED FURTHER THAT** Shri Narender Surana, Director be and is hereby authorised to file e-form 32 and any other necessary forms with Registrar of Companies, A.P. by applying his digital signature thereto and do all such acts, deeds and things as may be necessary to give effect to this resolution."

#### **7. INCREASE IN THE LIMITS OF THE BOARD FOR CREATION OF CHARGE/MORTGAGE ON THE ASSETS OF THE COMPANY U/S. 293(1) (a):**

To consider and, if thought fit, to pass, with or without modifications, the following resolution as an **ORDINARY RESOLUTION:**

**"RESOLVED THAT** pursuant to the provisions of section 293 (1) (a) and other applicable provisions of the Companies Act, 1956, consent of the company be and is hereby accorded to the Board of Directors of the company for mortgaging and/or charging on such terms and conditions and at such time or times, and in such form and manner, as it may think fit, the whole or substantially the whole of the company's any one or more or all the undertakings, including the present and/or future properties and undertakings of the company as the case may be in favor of the lenders for the loans up to an aggregate value not exceeding ₹. 100 crores to secure the loans raised/to be raised by the company upon the terms and conditions as may be decided by the Board of Directors of the company from Banks/Financial and/or other institutions, together with interest thereon at the respective agreed rates, compound interest, additional interest, liquidated damages, commitment charges, premia on pre-payment or on redemption, costs, charges, expenses and other monies including any increase as a result of devaluation/revaluation of the aforesaid Financial Assistance under the respective documents entered into/to be entered in to by the Company in respect of the said Loans.

**RESOLVED FURTHER THAT** the securities to be created by the company as aforesaid may be created





either subject to the charges already created or subservient to other existing charges or rank as second charge or rank pari-passu with the mortgages and/or charges already created or to be created in future by the company or in such other manner and ranking as may be thought expedient by the Board of Directors of the Company as may be agreed to between the concerned parties and the institutions."

## 8. INCREASE IN BORROWING POWERS OF THE BOARD U/s. 293(1) (d):

To consider and, if thought fit, to pass, with or without modifications, the following resolution as an **ORDINARY RESOLUTION**:

**"RESOLVED THAT** pursuant to section 293 (1) (d) and other applicable provisions, if any of the Companies Act, 1956, the consent of the company be and is hereby accorded to the Board of Directors of the Company for borrowing from time to time, as they may think fit, any sum or sums of money on such terms and conditions as the board may deem fit, notwithstanding that the monies to be borrowed together with the monies already borrowed by the company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate, for the time being, of the paid-up capital of the company and its free reserves, that is to say, reserves not set apart for any specific purpose provided however, the total amount so borrowed shall not exceed ₹. 100 crores."

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

Place : Secunderabad  
Date : July 30, 2012

**VINAMRATA JODHANI**  
**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 26.09.2012 to 29.09.2012 (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 26.09.2012 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 Reserve Bank of India. 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. 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 **Dematerialized 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, 2006 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
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
2010-11	21.09.2011	20.10.2018

The Members, who have not encashed the Dividend Warrant(s) so far for the financial year ended 31st March, 2006 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 Ltd., 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 share 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 dispatch 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 ids 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 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 are requested to send all communication relating to shares to the Company's Share Transfer Agents (Physical and Electronic) at M/s 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 accounting related aspects, may be posted /handed over to the Company Secretary at the Registered Office of the Company at least 48 hours before the Annual General Meeting, so that the same could be clarified to the shareholders at the Annual General Meeting.
15. The relative Explanatory Statements pursuant to Section 173(2) of the Companies Act, 1956 in respect of Special Businesses set out above is annexed herewith.

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

Place : Secunderabad  
Date : July 30, 2012

**VINAMRATA JODHANI**  
**COMPANY SECRETARY**



## EXPLANATORY STATEMENT

(U/s. 173 (2) of the Companies Act, 1956)

### ITEM NO. 6:

Shri N. Rajan Francis was appointed as an Additional Director by the Board of Directors w.e.f. 30.07.2012 and holds office upto the date of this Annual General Meeting as per Section 260 of the Companies Act, 1956. The Company has received notice in accordance with Section 257 of the Act in writing, proposing the appointment of Shri N. Rajan Francis, as Whole time Director, liable for retirement by rotation, from a member together with the requisite deposit.

The detailed profile of Shri N. Rajan Francis is hereby attached to the Corporate Governance report.

Your Directors recommend the above Resolution for your approval.

None of the Directors are concerned or interested in the said resolution.

The explanatory statement together accompanying notice may be regarded as an abstract of the terms of re-appointment and remuneration of Shri N. Rajan Francis and Memorandum of Interest of directors under Section 302 of the Companies Act, 1956.

### ITEM NO 7:

As per the provisions of Section 293(1)(a) of the Companies Act, 1956, the Board of Directors of a Public Company can not Sell, Lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, the whole, or substantially the whole, of any such undertaking with out the consent of the shareholders in the General Meeting.

Your company is engaged in the dynamic business environment and the business outlook of these sectors is encouraging and requires huge investments. Therefore the company may have to substantially raise monies in the form of Loans from Financial Banks and Institutions. The said borrowings may be required to be secured by way of mortgage/charge/hypothecation over all or any part of the movable and / or immovable properties of the Company. As per the provisions of Section 293(1)(a) of the Companies Act, 1956, mortgage/Charge/Hypothecation by the Company on its Assets as aforesaid in favour of the Banks and Financial institutions may be regarded as disposal of the whole or substantially the whole of the Company's properties/undertaking which requires approval of the members of the Company. The Resolution is of an enabling nature.

Your Directors recommend the resolution for your approval.

None of the Directors are concerned or interested in the said resolution.

### ITEM NO: 8

As per the provisions of Section 293(1)(d) of the Companies Act, 1956, the Board of Directors of a Public Company cannot borrow money (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) in excess of the Company's Paid-up Capital and Free Reserves ( that is reserves not set apart for any specific purpose) without the consent of the shareholders in the General Meeting. The Company at its AGM held on 24.09.2010 obtained the members consent for borrowings up to a limit not exceeding twice the networth of the Company. The Bankers advised the Company to have an approval for a specific amount for borrowings instead of stating 'twice the networth' of the Company

Therefore, it is proposed to fix the borrowing limits of the Board of Directors under section 293(1) (d) of the Companies Act, 1956, not exceeding ₹. 100 crores keeping in view the current reserves which is ₹. 50.58 crores. The Resolution is of an enabling nature.

The Resolution set out at item No.8 of the notice is put forth for consideration of the members as a Special resolution pursuant to section 293(1)(d) of the Companies Act, 1956, authorizing the Board of Directors to borrow upto a sum of ₹.100 Crores.

Your Directors recommend the above Resolution for your approval.

None of the Directors are concerned or interested in the said resolution.

By Order of the Board  
for SURANA TELECOM AND POWER LIMITED

Place : Secunderabad  
Date : July 30, 2012

VINAMRATA JODHANI  
COMPANY SECRETARY





## DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 23<sup>rd</sup> Annual Report and the Audited Statement of Accounts of the Company for the Financial Year ended 31<sup>st</sup> March, 2012.

### FINANCIAL RESULTS

The financial performance of the Company for the year ended 31.03.2012 is summarized below.

(₹. in Lakhs)

Particulars	Consolidated Results		Standalone Results	
	2011-12	2010-11	2011-12	2010-11
Sales and other Income	1288.86	7,711.82	1288.86	7,711.82
Profit before Depreciation and Interest	338.45	504.85	338.99	505.24
<b>DEDUCT :</b>				
Depreciation	255.63	220.16	255.63	220.16
Interest and Finance Cost	36.00	148.51	36.00	148.51
Profit for the year	46.82	136.18	47.38	136.57
Prior Period Adjustment	2.91	(2.51)	2.91	(2.51)
Profit before Taxation	49.73	133.67	50.29	134.06
Provision for Taxation : Income Tax	-	25.00	-	25.00
Deferred Tax	(18.60)	(9.04)	(18.60)	(9.04)
Profit after Tax	68.33	117.71	68.89	118.09
Surplus brought forward from previous year	2141.34	2,194.93	2142.18	2,195.38
Balance available for appropriation	2209.67	2,312.64	2211.07	2,313.48
<b>APPROPRIATION:</b>				
Dividend	104.02	104.02	104.02	104.02
Tax on Dividend	16.88	17.28	16.88	17.28
Transfer to General Reserves	50.00	50.00	50.00	50.00
Balance c/f to Balance Sheet	2038.77	2,141.34	2040.17	2,142.18
<b>TOTAL</b>	<b>2209.67</b>	<b>2,312.64</b>	<b>2211.07</b>	<b>2,313.48</b>

### OPERATIONS

During the year under review, the Income from Operations is ₹. 1105.00 Lakhs as against ₹. 6244.52 Lakhs for the

corresponding previous year. The Profit Before Tax stood at ₹. 50.29 Lakhs as against ₹. 134.06 Lakhs for the previous year. The Profit After Tax stood at ₹. 68.89 Lakhs as against ₹. 118.09 Lakhs for the corresponding period. The Basic Earnings Per Share for the year-ended 31.03.2012 is ₹. 0.33 as against ₹. 0.57 for the corresponding previous year ended 31.03.2011. The drop in turnover and consequential drop in PAT is due to company's exit from telecom and power cable business. The turnover was mainly contributed from sale of aluminum rods, solar & wind power. In spite of substantial drop in turnover, the company earned net profit of ₹. 68.89 lacs as against ₹. 118.09 lacs for the previous year.

### CONSOLIDATED FINANCIAL STATEMENTS:

The Ministry of Corporate Affairs (MCA) by General Circular No. 2/2011 dated 8th February, 2011, issued a direction under Section 212(8) of the Companies Act, 1956 that the provisions of Section 212 shall not apply to Companies in relation to their subsidiaries, subject to fulfilling certain conditions mentioned in the said circular with immediate effect. The Board of Directors of your Company at its meeting held on 28.04.2012 approved the Audited Consolidated Financial Statements for the financial year 2011-12 in accordance with the Accounting Standard (AS-21) and other Accounting Standards issued by the Institute of Chartered Accountants of India as well as Clause 32 of the Listing Agreement, which include financial information of all its subsidiaries, and forms part of this report.

The annual accounts, financial statements and related detailed information of Company's subsidiary M/s Globecom Infotech Private Limited are available on the website of the Company and the same shall also be made available to members on request and are open for inspection at the Registered Office of your Company. Your Company has complied with all the conditions as stated in the circular and accordingly has not attached the financial statements of its subsidiary Company for the financial year 2011-12. A statement of summarized financials of subsidiary including capital, reserves, total assets, total liabilities, details of investment, turnover, etc., pursuant to the General Circular issued by Ministry of Corporate Office, forms part of this report.

### SOLAR POWER PROJECT:

During the year under review, the Company commissioned Solar Power Plant with 5 MW capacity at Charanka Village, Santalpur Taluk, Patan District, Gujarat. The plant was commissioned within the control period on 16.01.2012. The grid connected to the Power Project was ready only on 04.03.2012 and as such the power project started supply of power to the grid from 04.03.2012.

### FUTURE PROJECT INITIATIVES:

The year 2011-12 was a year of transitional period for the company as it made exit from the business of Telecom Products and Power Cable and entered into business of Solar Power Generation.



For the forecast period 2012-13, the company plans to continue with existing business of manufacturing Aluminum Rods. The company has further commenced the manufacture of the solar panels for off-grid application at Hardware Park. However the main focus of the company will be on the installation of Solar Power Projects in different parts of the country depending upon the Solar Policies of different State Governments, NVVN and under REC Mechanism.

## DIVIDEND

Your Directors are pleased to recommend a Dividend @ 10% amounting to ₹1.04 crores for the year ended 31st March 2012. This will entitle an out flow of ₹1.21 crores including dividend tax.

## RESERVES

During the year the Company has transferred an amount of ₹.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 31<sup>st</sup> March, 2012.

## DIRECTORS

In order to comply with Section 256 of the Companies Act 1956 and Articles of Association of the Company Dr R.N. Sreenath and Shri D.Venkata Subbiah, Directors of the Company will retire by rotation at the ensuing Annual General meeting and being eligible, offer themselves for re-appointment.

Shri. N. Rajan Francis who was appointed as Additional Director on 30.07.2012 is hereby proposed to be appointed as Director and thereafter as Whole Time Director of the Company.

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 ₹.60,00,000 per annum or ₹.5,00,000 per month as set out in Section 217 (2A) of the Companies Act, 1956.

## CREDIT RATING:

CRISIL has upgraded its rating outlook on the long-term bank facilities of Surana Telecom and Power Limited

(STPL) to 'Stable' from 'Negative', while reaffirming the rating at 'CRISIL BB+'; the rating on the short-term facilities has been reaffirmed at 'CRISIL A4+'. The up gradation in STPL's outlook reflects commissioning of, and stabilization of operations at STPL's 5 megawatt-(MW) solar power plant at Patan District (Gujarat). The company commissioned the project on January 16, 2012, without any time overrun. The project cost was about ₹.560 million, as against the previous estimate of ₹.630 million. The project was funded in a conservative debt-equity mix of 47:53. The revision also reflects CRISIL's belief that STPL will prudently fund its growth plans to keep it gearing below 1 time over the medium term. With constant changes in business models over the past eight years, any aggressive shift in STPL's core business could adversely affect its credit risk profile. The table mentioned below is the credit rating history of the Company:

Date	Long-Term	Fixed Deposit	Short-Term	Rating watch/ Outlook
12.04.2012	CRISIL BB+	-	CRISIL A4+	Stable
07.03.2011	BB+	-	P4+	Negative
01.12.2009	BBB+	-	P3+*	Stable

## 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:

- That in the preparation of the accounts for the financial year ended 31<sup>st</sup> March, 2012, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- 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;
- 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;
- That the Directors have prepared the Accounts for the financial year ended 31<sup>st</sup> March, 2012 on a 'going concern' basis.

