Surana Group

BHAGYANAGAR INDIA LIMITED

ISO 9001 - 2008 Certified Company

5th Floor, Surya Towers,
Sardar Patel Road,
Secunderabad-500 003. Telangana, India
Tel :+91 40 27845119/27841198/44665700
Fax : +-91-40-27848851/27818868
Website : www.surana.com
E.mail : bil@surana.com
CIN No.: L27201TG1985PLC012449

BIL/SECT/039 /17-18 **Date: 28th September, 2017**

The Secretary National Stock Exchange of India Limited Exchange Plaza, 5th Floor, Plot C/1, G Block, Bandra – Kurla Complex, Bandra (E), MUMBAI – 400 051.	The Secretary, BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, MUMBAI – 400 001

Dear Sir/Madam,

Sub: Submission of Annual Report as per Regulation 34(1) of of SEBI (LODR) Regulations, 2015

Ref: Scrip Code: BHAGYNAGAR (NSE) and Scrip Code: 512296 (BSE)

With reference to the above stated subject, Please find attached Annual Report for the Financial Year 2016-17 which was approved by the shareholders in the 32nd Annual General Meeting of the Company held on Tuesday the 26th September, 2017 at 10.00 A.M at the Grand Solitaire Hotel 1-240, 41 & 43, S.D. Road, Parklane, Secunderabad – 500 003.

This is for your information and record.

Thanking you,

Yours faithfully,
FOR **BHAGYANAGAR INDIA LIMITED**

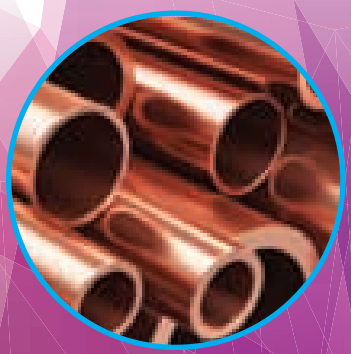
BADARISH H CHIMALGI
COMPANY SECRETARY

Encl: as above

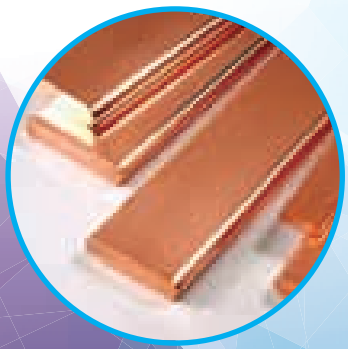
BHAGYANAGAR INDIA LIMITED

32nd Annual Report

2016-17





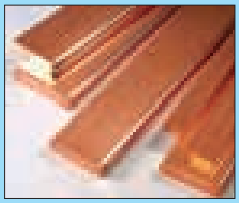




Auto and Electrical Components

Copper - Rods, Sheets, Pipes, Foils and Bus Bars

COPPER PRODUCT RANGE



Copper Flats / Copper Bus Bars

Cross section	Width	Thickness	Standards
upto 3000 mm²	upto 200 mm	up to 50 mm	IS, BS, DIN, EN, ASTM, etc.



Paper Insulated Copper Conductor (PICC)

Dimensions	Copper Strips	Copper wires
	Width: 3mm – 16mm	Diameter: 1.2mm -2.5mm
	Thickness: 1.22mm-6mm	



Copper Foils

Width: 11MM – 130MM
Thickness: .05MM – 3MM



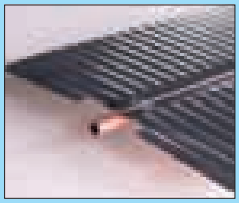
Copper Nugget

Oxygen Free OFC	Diameter(mm)	
	(mm)	(inch)
%Cu 99.995 min	8.0	0.315
Oxygen %<10ppm	10.0	0.393
	12.5	0.492



Copper Wires & Rods

Diameter: 1.1mm – 100mm
Applications: Automobiles



Solar Fins

FIN: T 0.10 x W 115 x L 1892 mm
Tube: D 12.7 x G 0.4 x L 1922 mm

BOARD OF DIRECTORS

G Mangilal Surana	-	Chairman Emeritus
Narender Surana	-	Managing Director
Devendra Surana	-	Managing Director
O Swaminatha Reddy	-	Director
R Surender Reddy	-	Director
Kamlesh Gandhi	-	Director
D Venkatasubbiah	-	Director
Madhumathi Suresh	-	Director
Narender Munoth	-	Whole-time Director
N Krupakar Reddy	-	Whole-time Director

STATUTORY COMMITTEES

AUDIT COMMITTEE

Kamlesh Gandhi	-	Chairman
G Mangilal Surana	-	Member
O Swaminatha Reddy	-	Member
R Surender Reddy	-	Member

NOMINATION & REMUNERATION COMMITTEE:

R Surender Reddy	-	Chairman
O Swaminatha Reddy	-	Member
D Venkatasubbiah	-	Member

STAKEHOLDERS RELATIONSHIP COMMITTEE:

G Mangilal Surana	-	Chairman
Narender Surana	-	Member
Devendra Surana	-	Member

CHIEF FINANCIAL OFFICER
Surendra Bhutoria

COMPANY SECRETARY
Badarish H Chimalgi

BANKERS

- State Bank of India
- Corporation Bank
- HDFC Bank Limited
- ICICI Bank Limited
- Ratnakar Bank Limited

STATUTORY AUDITORS
M/s. Sekhar & Co.,
Chartered Accountants
133/4, R. P. Road,
Secunderabad – 500 003.

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

COST AUDITORS
M/s. BVR & Associates
H.No. 6-3-628/3, Flat No. 101, R.V. Naipunya Apts
Anand Nagar Colony, Khairatabad
Hyderabad – 500 004

SECRETARIAL AUDITOR
Rakhi Agarwal, Company Secretary in Practice
A-10, Janata HSG. Society,
Opp.Pantaloons, Shyamlal Building,
Begumpet, Hyderabad -500 016

REGISTRAR & TRANSFER AGENT:
KARVY COMPUTERSHARE PRIVATE LIMITED
Karvy Selenium Tower B, Plot No 31 & 32
Gachibowli, Financial District, Nanakramguda
Serilingampally, Hyderabad - 500 032
Tel No.040-67162222
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

WORKS
Copper Division
(Auto Electric, Electrical & Solar Components)
Bhagyanagar India Limited
Plot No. P-9/13(1) & P-9/14,
IDA Nacharam, Hyderabad – 500076.

Harinam Wires
Plot No. P 9/13 (A),(B),(C)
Industrial Development Area,
Nacharam, Hyderabad – 500076.

Hardware Park
Plot No. 228, Raviyal Village,
Maheshwaram Mandal
R.R Dist, Hyderabad – 532 409

Non-Conventional Energy

Wind Power
Kapatgudda, Gadag District,
Karnataka – 582 101

REGISTERED OFFICE:
Bhagyanagar India Limited
5th Floor, Surya Towers,S.P. Road
Secunderabad, India- 500 003
Tel: +91 40 27845119, 44665750
Fax: +91 40 27818868
E-mail: surana@surana.com
Investor Complaints: cs@surana.com,
investorservices_bil@surana.com
Website: www.bhagyanagarindia.com, www.surana.com

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CONSOLIDATED FINANCIAL STATEMENTS

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Financial Highlights - 10 Years' Record

₹ in lacs

	2016-17	2015-16	2014-2015	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08
Turnover	**29278**	28242	25175	23622	20676	19796	18603	17453	18963	19,995
Total Income	**30170**	29375	26135	24432	21490	21,410	19235	18461	20149	22,073
Profit Before tax	**513**	248	240	300	457	107	1360	1459	1523	4,258
Profit After tax	**484**	202	205	263	412.62	55.25	1019	1335	1104	3,741
Equity dividend %	**NIL**	NIL	15%	15%	20%	20%	20%	20%	0	30%
Equity Share Capital	**639**	1279	1279	1279	1279	1279	1368	1379	1490	1,490
Reserve & Surplus	**9645**	19928	19594	19542	19888	20094	21703	21127	20614	20,380
Net Worth	**10285**	21208	20874	20822	21168	21374	23071	22506	22104	21,870
Gross Fixed Assets	**10455**	13432	13192	13062	11493	12754	12633	12554	12683	12,176
Net Fixed Assets	**4946**	7814	7922	8303	6759	8486	8623	8970	7433	7,341
Total Assets	**18860**	31797	33227	32199	30283	31124	30846	29499	31894	34,981
Contribution to National Exchequer	**4213**	4392	3600	3710	3442	2557	2884	2128	3498	3,998

Key Indicators

	2016-17	2015-16	2014-2015	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08
Earning per share- Basic	**1.51**	0.32	0.32	0.41	0.64	0.08	1.49	1.82	1.48	5.02
Book Value Per Share	**32.14**	33.14	32.62	32.58	33.08	33.4	33.73	32.64	29.67	29.36
Debt Equity Ratio	**0.26:1**	0.24:1	0.30:1	0.38:1	0.32:1	0.33:1	0.05:1	0.11:1	0.06:1	0.26:1

Note : For calculating Basic EPS and Book Value per share face value of equity share is taken as Rs 2 per share for the entire period to make it comparable

NOTICE OF 32nd ANNUAL GENERAL MEETING

NOTICE is hereby given that the **32nd Annual General Meeting** of the members of **BHAGYANAGAR INDIA LIMITED** will be held on Tuesday the 26th September, 2017 at 10.00 AM at the Grand Solitaire Hotel, 1-240, 41 & 43, S.D. Road, Parklane, Secunderabad, Telangana-500003 to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the audited financial statements (including the consolidated financial statements) of the Company for the year ended 31st March, 2017 and the Reports of the Board of Directors and Auditors thereon.

2. To not to fill the vacancy caused due to retirement of Director.

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

   "RESOLVED THAT the vacancy caused due to the retirement of Shri Narender Munoth (DIN: 00079581), Director under liable to retire by rotation, be not filled up."

3. To appoint Auditors of the Company and to fix their remuneration:

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

   "RESOLVED THAT pursuant to Sections 139 and142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, pursuant to the proposals of the Audit Committee of the Board and recommendation of the Board, M/s.Luharuka & Associates, Chartered Accountants (Firm Registration No.001882S) be and is hereby appointed as the Statutory Auditors of the Company, to hold office for a period of five consecutive years commencing from the conclusion of 32nd Annual General Meeting till the conclusion of 37th Annual General Meeting of the Company to be held in the year 2022 (subject to ratification of their appointment at every AGM), on a remuneration as may be decided by the Board of Directors.

SPECIAL BUSINESS:

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

   "RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, Shri N.Krupakar Reddy be and is hereby re-appointed as Whole-time Director of the Company subject to liable for retire by rotation and shall continue to act as Director-Operations/ Whole-time Director for a further period of 3 years with effect from 07th June, 2017 i.e., upto 06th June, 2020 with a remuneration of Rs.41,000 per month.

   RESOLVED FURTHER THAT Shri N.Krupakar Reddy, 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 the Board of Directors be and is hereby authorized to alter or vary the scope of remuneration of Shri N.Krupakar Reddy, Whole-time Director, including the monetary value thereof, to the extent recommended by the nomination and remuneration committee from time to time as may be considered appropriate, subject to the overall limits specified by this resolution and the Companies Act, 2013.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as in the absolute discretion, it may consider necessary, expedient or desirable and to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution or as may be otherwise considered by it to be in the best interests of the Company."

5. To consider and, if thought fit, to pass with or without modification, the following Resolution as a **SPECIAL RESOLUTION:**

   "RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force, the existing Article No. 121 be deleted and replaced with the following **Article121(1) & (2):**

   (1) Subject to provisions of the Act, the Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who became Directors on the same day, those who are to retire, shall in default of and subject to any agreement among themselves, be determined by lot.

(2) A Managing or Whole Time Director shall be liable to retirement by rotation (save as otherwise provided in a contract in terms of provisions of the Act or Rules made thereunder or in a resolution passed by Board or Shareholders of the Company). He shall, however, be subject to the same provisions as to resignation and removal as are applicable to the other Directors. He shall ipso facto immediately, cease to be a Managing or Whole Time Director if he ceases to hold the office of Director for any reason whatsoever save that if he shall vacate office whether by, retirement by rotation or otherwise under the provisions of the Companies Act 2013 at any Annual General Meeting and shall be reappointed as a Director at the same meeting, he shall not, by reason only of such vacation, cease to be a Managing or Whole Time Director."

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

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

"RESOLVED THAT pursuant to the provisions of Section 42, 62 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debenture) Rules, 2014 and all other applicable provisions of the Companies Act, 2013, as applicable, and/or Foreign Exchange Management Act, 1999 (including any statutory modification(s) or re-enactment thereof), the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India), Regulations, 2000, as amended, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Deposit Receipt Mechanism) Scheme, 1993, as amended and the applicable Rules, Regulations, Notifications and Circulars, if any, issued by Securities and Exchange Board of India (SEBI) from time to time, including the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the ICDR Regulations), Reserve Bank of India (RBI), Government of India or any other competent Authority and clarifications, if any, issued thereon from time to time by appropriate authorities, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other concerned and appropriate authorities, and other applicable laws, if any, and relevant provisions of the Memorandum and Articles of Association of the Company and subject to such approval(s), consent(s), permission(s) and / or sanction(s), if any, of the Government of India, RBI, SEBI and any other appropriate Authority(ies), Bank(s), Institution(s) or Body(ies), as may be necessary and subject to such conditions as may be prescribed by any of them in granting any such approval, consent, permission or sanction, as are accepted, the Board of Directors of the Company, (hereinafter referred to as the "Board", which term shall be deemed to include any duly constituted Committee thereof), be and is hereby authorized to create, offer, issue and allot Equity Shares/ Securities in one or more tranches, in the course of domestic or international offerings, by way of Follow-on Public Offer (FPO) and/or by way of a Qualified Institutions Placement (QIP) in terms of the Chapter VIII of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time and/ or Equity Shares in the form of Global Depository Receipts (GDRs), and/or American Depository Receipts (ADRs), and/ or External Commercial Borrowings (ECBs) with rights of conversion into shares, and/ or Foreign Currency Convertible Bonds (FCCBs) and/or Optionally or Compulsorily Convertible Redeemable Preference Shares (OCPS/CCPS), convertible into Equity Shares of the Company with voting rights or with differential rights as to voting, dividend or otherwise in accordance with such rules and subject to such conditions as may be prescribed or any other instrument convertible into Equity Shares with voting rights or with differential voting rights as to voting, dividend or otherwise (hereinafter referred to as the "Securities"), to be subscribed to, by International and/or Indian Banks, Institutions, Institutional Investors, Mutual Funds, companies, other Corporate Bodies, Resident/Non-Resident Indians, Foreign Nationals and other eligible Investors, as may be decided by the Board, (hereinafter referred to as "Investors"), whether or not such Investors are members of the Company or not (including the provisions for reservation on firm and/or competitive basis, of such part of issue and for such categories of persons including employees of the Company, group/associate company(ies) as may be permitted by the ICDR Regulations from time to time), at such time or times, at such price or prices, at discount / premium to the market or prices in such manner and on such terms and conditions including security, rate of interest etc. including the discretion to determine the categories of Investors to whom the offer, issue and allotment shall be made to the exclusion of all other categories of Investors, as may be determined by the Board at the time of such issue and allotment, considering the then prevailing market conditions and other relevant factors wherever necessary, upto an aggregate of **US$ 50 million** in any foreign currency or in Rupees (inclusive of such premium as may be determined) and such issue and allotment be made at such time or times, in such tranche or tranches, in such currency or currencies, in such manner and on such terms and conditions (including,

if necessary, in relation to security on convertible debt instruments) as may be decided and deemed appropriate by the Board in its sole discretion at the time of issue / allotment."

"RESOLVED FURTHER THAT in case of QIP, pursuant to Chapter VIII of the ICDR Regulations, the allotment of Equity Shares/ Securities shall only be made to Qualified Institutional Buyers at a price including a discount of not more than 5% (or such discount as may be prescribed by SEBI from time to time) within the meaning of Chapter VIII of ICDR Regulations and such securities shall be fully paid-up and the allotment of such Securities shall be completed within 12 months from the date of this Resolution."

"RESOLVED FURTHER THAT the Company and/or any agency or body authorized by the Company, may issue receipts/certificates representing the underlying securities and/ or Equity Shares issued by the Company with such features and attributes as are prevalent in International Capital Markets for instruments of this nature and provide for the tradability orfree transferability thereof as per the domestic/international practices, norms and regulations, and under the norms and practices prevalent in the International Markets."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot, from time to time, such number of Equity Shares at such premium as may be decided by the Board in its absolute discretion, upon conversion of such Securities or as may be necessary in accordance with the terms of the offering, including additional Equity Shares, and all such shares shall rank pari- passu with the then existing Equity Shares of the Company in all respects including to dividend."

"RESOLVED FURTHER THAT for the purpose of giving effect to any issue and/or allotment of Equity Shares in the Company or Securities or instruments or Securities representing or convertible into Equity Shares in the Company, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may at its discretion, deem necessary, appropriate or desirable for such purpose, including, without limitation, determining the form and manner of the issue, the class of investors to whom the Equity Shares/ Securities are to be issued and allotted, number of Equity Shares/Securities to be allotted in each tranche, issue price, face value, premium amount on issue/conversion of Securities/ exercise of warrants/redemption of Securities, rate of interest, redemption period, to appoint Lead Managers, Merchant Bankers, Global Business Coordinators, Book Runners, Underwriters, Guarantors, Financial and/or Legal Advisors, Depositories, Custodians, Registrars, Trustees, Bankers and all other agencies, to enter into or execute all such agreements/ arrangements /MOUs/documents with any such agencies, as may be necessary; to list the Securities and the Equity Shares to be issued on conversion of the said Securities on any Indian and/or Foreign Stock Exchange(s), as it may in its absolute discretion deem fit."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of Equity Shares or Securities and utilization of the issue proceeds as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the members or otherwise, with the intent that the members shall be deemed to have given their approval thereto expressly by the authority of the aforesaid Resolution."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors or Whole-time Director(s) or any Director(s) or any other Officer(s) of the Company to implement the aforesaid Resolution."

7. 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 148 and all other applicable provisions of the Companies Act, 2013 and the rules framed there underand subject to all other approvals, if any required, the Company be and is hereby authorized to pay an amount of Rs.25,000/- (Rupees Twenty Five Thousand Only) as remuneration to M/s. BVR & Associates, Cost Accountants in practice, the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year 2017-18.

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

By Order of the Board
For **BHAGYANAGAR INDIA LIMITED**

DEVENDRA SURANA
MANAGING DIRECTOR
DIN:00077296

Place : Secunderabad
Date : 31.07.2017

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 OF THE COMPANY. PROXIES, IN ORDER TO BE VALID AND EFFECTIVE, MUST BE DELIVERED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN FORTY-EIGHT HOURS BEFORE THE COMMENCMENT OF THE MEETING.

   Pursuant to provisions of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014 a person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights.

2. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising such representative to attend and vote on their behalf at the Meeting.

3. The Register of Members and Share Transfer Books of the Company will remain closed from 21.09.2017 to 26.09.2017 (both days inclusive) for the purpose of annual closure.

4. The Company's Equity shares are listed at BSE Limited, PhirozeJeejeebhoy Towers, Dalal Street, Mumbai – 400001 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.

5. 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.

6. Members holding shares in dematerialized form are requested to intimate all changes pertaining to nominations, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, Karvy Computershare Private Limited to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to Karvy Computershare Private Limited

7. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or Karvy Computershare Private Limited, the details of such folios together with the share certificates for consolidating their holding in one folio. A consolidated share certificate will be returned to such Members after making requisite changes thereon.

8. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

9. Members seeking any information with regard to 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.

10. Regulation 36 of SEBI (LODR) Regulations, 2015 permits sending of soft copies of annual reports to all those members who have registered their email addresses for the purpose.

    The Companies Act, 2013 has also recognized serving of documents to any member through electronic mode. In terms of the circular No.NSDL/CIR/II/10/2012 dated March 9, 2012 issued by National Securities Depository Limited, email addresses made available by the Depository for your respective DPs accounts as part of the beneficiary position downloaded from the Depositories from time to time will be deemed to be your registered email address for serving notices/documents including those covered under Section 101 and 136 of the Companies Act, 2013 read with Section 20 of the Companies Act, 2013 and the applicable rules.In light of the requirements prescribed by the aforesaid circulars, for those members whose Depository Participant accounts do not contain the details of their email addresses, printed copies of the Annual Report would be dispatched.

11. Shareholders are requested to furnish their e-mail IDs to enable the Company to forward all the requisite information in electronic mode and support the green initiative. 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 IDs unless communication is received to the contrary.

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. Pursuant to Section 108 of the Companies Act, 2013 read with relevant Rules under the Act, the Company is

pleased to provide the facility to the Members to exercise their right to vote through electronic voting. The members who have not cast their vote by remote e-voting shall be able to vote at the Annual General Meeting.

14. The members whose names appear on the Register of Members/ list of beneficial owners as on 19th September, 2017 are eligible to participate in e-voting on the resolutions set forth in this notice.

15. The Companies (Management and Administration) Rules, 2015 provide that the electronic voting period shall close at 5:00 PM, on the date preceding the AGM. Accordingly, the e-voting will be available at the https://evoting.karvy.com. The remote e-voting period will commence at 9:00 A.M. (IST) on 22nd September, 2017 and will end at 5:00 P.M. (IST) on 25th September, 2017. The remote e-voting will not be allowed beyond the aforesaid period and time, and the remote e-voting module shall be disabled by M/s Karvy Computershare Private Limited, the agency engaged by the company to provide e-voting facility.

16. The member(s) who have cast their vote by remote e-voting may also attend the meeting but shall not be entitled to cast their vote again. Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently.

17. In order to enable its members, who do not have access to e-voting facility, to send their assent or dissent in writing in respect of the resolutions as set forth in their Notice; the Company is enclosing a Ballot form with the Notice. Resolution (s) passed by the members through ballot forms, remote e-voting and voting at the AGM are deemed to have passed as if they have been passed at the AGM.

18. The Company has appointed Mrs. Rakhi Agarwal, Company Secretary in Practice, Hyderabad to act as Scrutinizer to scrutinize the poll at the Annual General Meeting, remote e-voting process and through ballot form in a fair and transparent manner.

19. The login ID and password for e-voting along with process, manner and instructions for e-voting is being sent to the members who have not registered their e-mail ids with the Company/their respective Depository Participant along with physical copy of the Notice. Those members who have registered their e-mail IDs with the Company/their respective Depository Participant are being forwarded the login ID and password for e-voting along with process, manner and instruction by e-mail.

20. 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, Karvy Selenium Tower B, Plot No 31&32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad-500032. 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 affecting the physical share transfer.

21. Any person who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice of AGM and holds shares as on the cut-off date of 19th September, 2017, may obtain User ID and Password by sending a request at evoting@karvy.com. However, if you are already registered with Karvy for e-voting, then you can use your existing User ID and Password for casting your vote.

22. Please note that, any queries pertaining to accounting related aspects may be posted /handed over to the Secretarial Department 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.

23. The relative Explanatory Statements pursuant to Section 102 of the Companies Act, 2013 in respect of Special Businesses set out above is annexed herewith.

By Order of the Board
For **BHAGYANAGAR INDIA LIMITED**

DEVENDRA SURANA
MANAGING DIRECTOR
DIN:00077296

Place : Secunderabad
Date : 31.07.2017

EXPLANATORY STATEMENT

Pursuant to Section 102(1) of the Companies Act, 2013

Item No. 4

Shri N.Krupakar Reddy was re-appointed as Whole-time Director of the Company by the Board of Directors for a further period of 3 years from 07.06.2017 to 06.06.2020, as per Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 on remuneration as mentioned in the resolution.

The said re-appointment was made keeping in view the vast knowledge and experience of Shri N.Krupakar Reddy which will be of immense value and benefit to the Company.

As per the provisions of Schedule V of the Companies Act, 2013 approval of shareholders through special resolution is required for re-appointment of the Whole-time Director. The Remuneration Committee at their meeting held on 16.05.2017 has approved the remuneration payable to Shri N.Krupakar Reddy.

The Board of Directors recommends the special resolution for your approval.

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

Item No. 5

Pursuant to Section 149(13) of Companies Act 2013, the independent directors are not liable to retire by rotation. Further Section 152 (6) stipulates that 2/3rd of the total number of directors of the public company should be liable to retire by rotation and out of such directors, 1/3rd should retire by rotation at every Annual General Meeting of the company.

To meet the requirement of the Companies Act, 2013, Company has to modify the relevant articles of its Articles of Association, which restrict the retirement of Managing Director (MD) by rotation. Accordingly Article 121 is proposed to be amended to provide that MD / WTD will also be liable to retire by rotation (save as otherwise provided in a contract in terms of provisions of the Act or Rules made hereunder or in a resolution passed by Board or Shareholders of the Company).

Item No. 6

The resolution contained in the AGM Notice relates to a proposal by the Company to create, offer, issue and allot Securities through further public offerings, preferential allotments, qualified institutions placements, issuance of Global Depository Receipts, American Depository Receipts and such other Securities in such manner as stated in there solution. The Company intends to issue Securities for a value of up to US$ 50 million. Subject to applicable laws and regulations, the Company intends to use the net proceeds of the Issue primarily for making acquisition, expansion and modernization of existing facilities, working capital requirements and general corporate purpose.

The Special Resolution also seeks to empower the Board of Directors to undertake a qualified institutions placement with qualified institutional buyers as defined by SEBI (ICDR) Regulations. The Board of Directors may in their discretion adopt this mechanism as prescribed under Chapter VIII of the SEBI (ICDR) Regulations for raising the funds for the expansion plans of the company, without the need for fresh approval from the shareholders. In case of an issuance of Securities to qualified institutional buyers, whether or not such investors are existingmembers of the Company, through a qualified institutions placement under Chapter VIII of the SEBI (ICDR) Regulations, the final price at which the Securities will be offered will be subject to investor response and prevailing market conditions, and computed in accordance with the relevant provisions of Chapter VIII of the SEBI (ICDR) Regulations. Furthermore, a discount of 5% to the floor price of the Equity Shares, or such other discount as may bepermitted under Chapter VIII of the SEBI (ICDR) Regulations may also be contemplated at the time of issuance, for which authorization is being taken from the shareholders of the Company through this Special Resolution.The detailed terms and conditions of the issue as and when made will be determined by the Board of Directors inconsultation with the Merchant Bankers, Lead Managers, Advisors and other experts in accordance with the applicable provisions of law.

The Special Resolution seeks to give the Board powers to issue Securities in one or more tranche or tranches, atsuch time or times, at such price or prices and to such person(s) including institutions, incorporated bodies or otherwise as the Board in its absolute discretion deem fit. The consent of the Shareholders is being sought pursuant to the provisions of Section 62(1)(c) and Section 42 of the Companies Act, 2013 and other applicable provisions and rules of the Companies Act, 2013, to the extent notified and in force, and in terms of the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 executed by the Company with the Stock Exchanges where the Equity Shares of the Company are listed i.e. BSE Limited and National Stock Exchange of India Limited. Section 62(1)(c) of the Companies Act, 2013 provides, inter-alia, that when it is proposed to increase the issued capital of the Company by allotment of further shares, such further shares shall be offered to the existing shareholders of the Company in accordance with the Act unless the shareholders in a general meeting decide otherwise. The special resolution seeks the consent and authorization of the members to the Board to make the proposed issue of Securities and in the event it is decided to issue Securities convertible into Equity Shares, to issue to the holders of such convertible Securities in such

manner and such number of Equity Shares on conversion as may be required tobe issued in accordance with the terms of the issue.

The Board of Directors believe that the issue of Securities to investors who are/ are not Shareholders of the Company is in the interest of the Company and therefore recommends the resolution for your approval.

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

Item No. 7

The Board of Directors, on recommendation of the Audit committee, at their meeting held on 18.05.2017 has approved the appointment and remuneration of the M/s. BVR & Associates, Cost Accountants in practice, as Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial year ending 31.03.2018 on a remuneration of Rs. 25,000/- (Twenty Five Thousand Only).

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 07 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31.03.2018.

The Board of Directors recommends the Ordinary Resolution for your approval.

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

By Order of the Board
For **BHAGYANAGAR INDIA LIMITED**

DEVENDRA SURANA
MANAGING DIRECTOR
DIN:00077296

Place : Secunderabad
Date : 31.07.2017

DIRECTORS' REPORT

To the Members of
Bhagyanagar India Limited

The Directors have pleasure in presenting the 32nd Annual Report of your Company and the Audited financial statements for the financial year ended 31st March 2017 together with Auditors' Report thereon.

FINANCIAL RESULTS:

The performance of the Company during the year has been as under: **(Amount in Rs.)**

Particulars	Standalone Results		Consolidated Results	
	2017	2016	2017	2016
Sales and other Income	**301,69,81,448**	293,74,76,172	**304,31,56,762**	296,02,21,956
EBIDTA	**21,05,11,931**	21,43,00,304	**22,55,25,588**	22,48,52,142
LESS :				
Loss on Foreign Exchange Fluctuation	**1,20,63,099**	4,04,82,164	**1,20,63,099**	4,04,82,164
Depreciation	**3,43,58,606**	5,05,82,033	**4,71,18,799**	6,36,95,881
Interest	**5,93,69,584**	7,61,52,011	**6,12,87,285**	7,61,57,333
Amortisation of FCMITDA	**1,08,44,686**	2,22,94,090	**1,08,44,686**	2,22,94,090
Extraordinary Items	**4,25,88,988**		**4,25,88,988**	
Profit before Taxation	**5,12,86,968**	2,47,90,006	**5,16,22,731**	2,22,22,674
Provision for Taxation : Current Tax	**1,03,74,911**	35,75,228	**1,04,54,117**	35,75,228
Deferred Tax	**20,97,640**	10,20,346	**(27,45,589)**	(67,99,704)
MAT Credit	**(95,97,782)**	-	**(95,97,782)**	-
Tax of earlier years			**745**	
Profit after Tax	**4,84,12,199**	2,01,94,432	**5,35,11,241**	2,54,47,150
Less: Minority Interest		--	**(18,76,517)**	(13,67,319)
Less: Change in Interest of Associate Companies		--	**5,27,657**	9,12,349
Less: Divestment on account of Demerger			**12,70,407**	-
Surplus brought forward from previous year	**75,15,89,062**	73,14,64,290	**76,79,37,442**	74,30,14,922
Dividend Tax of Earlier Years		(69,660)		(69,660)
Balance available for appropriation	**80,00,01,261**	75,15,89,062	**82,13,70,230**	76,79,37,442
Transfer to General Reserves	**2,31,99,230**	--	**2,31,99,230**	--
Balance c/f to Balance Sheet	**77,68,02,031**	75,15,89,062	**79,81,71,000**	76,79,37,442

PERFORMANCE AND OPERATIONS:

During the year 2016-17, the Company's total revenue is increased by 2.71% as that of last year. PBT increased by 106.88% as compared to last year. PAT also increased by 139.73% as compared to previous year.

SCHEME OF ARRANGEMENT (DEMERGER):

Hon'ble High Court of Judicature at Hyderabad for the State of Telangana and the State of Andhra Pradesh sanctioned the Scheme of Arrangement between Bhagyanagar India Limited ("Demerged company') and Surana Telecom and Power Limited ("1st Resulting Company/STPL') and Bhagyanagar Properties Limited ("2nd Resulting Company/BPL") vide its Order dated 21.11.2016. With effect from Appointed Date i.e. 1st April, 2016, all the assets and liabilities of Solar Division becomes assets & liabilities of Surana Telecom and Power Limited and all the assets and liabilities of Real Estate Division becomes assets & liabilities of Bhagyanagar Properties Limited as per the Scheme of Arrangement. In Consideration of vesting of solar division into STPL and real estate division into BPL, the equity shares have been allotted by resulting companies in the following share exchange ratio:

"For every 6 equity shares of Rs.2/- each of BIL as on record date, will continue to hold 3 equity shares of Rs.2/- each

of BIL, and will get 4 equity shares of Re.1/- each of STPL and 3 equity shares of Rs.2/- each of BPL."

Further the Company's paid up capital has been reduced to 50% from 6,39,90,000 equity shares of Rs.2/- each to 3,19,95,000 equity shares of Rs.2/- each as per the Scheme of Arrangement and the trading in the above said equity shares has commenced on the Stock Exchanges w.e.f. 17.05.2017.

OUTLOOK FOR THE YEAR 2017-18:

(i) Copper: The Company will remain focused on copper business. We will continue to add further value added products in line with the requirement of our OEM customers. We are looking at a minimum of 10% volume growth in this year. The situation post GST looks very promising and the company's disadvantage against tax free territories like Silvasa will no longer apply.

(ii) Wind Power: The Company currently has an overall installed capacity of 9 MW comprising of 7 wind turbines in state of Karnataka and 6.4 MW comprising 5 wind turbines in Tamilnadu through its Subsidiary viz., Solar Dynamics Private Limited. The said projects are giving steady income.

SUBSIDIARIES/ ASSOCIATES:

Your company has the following Subsidiary and Associate companies as mentioned below. Further there has been no material change in the nature of business of the Subsidiaries and Associates:

Name of the Company	Percentage of shareholding
Subsidiary Companies:	
Bhagyanagar Metals Limited	100.00
Solar Dynamics Private Limited	63.77
Associate Companies:	
Bhagyanagar Cables Private Limited	26.00

In terms of proviso to sub section (3) of Section 129 of the Act, 2013 read with Companies (Accounts) Rules, 2014, the salient features of the financial statement of the subsidiaries and Associates is set out in the prescribed Form AOC-1, which forms part of the annual report.

With effect of the Scheme of Arrangement, the following Companies have been ceased to continue as Subsidiaries of Bhagyanagar India Limited w.e.f. 01.04.2016 (Appointed date):

(i) Bhagyanagar Properties Limited

(ii) Scientia Infocom India Private Limited

(iii) Metropolitan Ventures India Limited

CONSOLIDATED FINANCIAL STATEMENTS:

The consolidated financial statements prepared and annexed in accordance with the Accounting Standards 21 and 23 as prescribed under Section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2014 and Guidelines issued by Securities and Exchange Board of India ("SEBI") also forms part of this Annual Report.

As per the provisions of Section 136 of the Companies Act, 2013, the Company has placed separate audited accounts of its subsidiaries on its website www.bhagyanagarindia.com and copy of separate audited financial statements of its subsidiaries will be provided to the shareholders at their request.

SHARECAPITAL:

With effect of the Scheme of Arrangement the Company's paid-up share capital has been reduced to 50% from Rs.12,79,80,000 to Rs.6,39,90,000. The paid-up Share Capital of the Company as on 31st March, 2017 is Rs.6,39,90,000 divided into 3,19,95,000 equity shares of Rs.2/- each.

DIVIDEND:

The Board of Directors have not recommended dividend for the financial year 2016-17 to retain the maximum possible cash in the system. The Company is constrained to skip the dividend in view of the impeding cash out flow on account of ECB repayment obligations.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The Management Discussion and Analysis forms an integral part of this Report and gives details of the overall industry structure, developments, performance and state of affairs of the Company's various businesses viz., Copper Products, renewable energy internal controls and their adequacy, risk management systems and other material developments during the financial year.

Management Discussion and Analysis Report is presented in a separate section forms part of the Annual Report as Annexure-II.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 134 of the Companies Act, 2013, with respect to the Directors' Responsibility Statement, the Board of Directors of the Company hereby confirms:

(a) That the preparation of the annual accounts for the financial year ended 31st March, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(b) That the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are 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 31st March, 2017 and of the profit and loss of the company for that period;

(c) That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in

accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) That the directors have prepared the annual accounts for the financial year 31st March, 2017 on a going concern basis; and

(e) That the directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and

(f) That the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS:

The independent directors have submitted the declaration of independence, as required pursuant to sub-section (7) of section 149 of the Companies Act, 2013 stating that they meet the criteria of independence as provided in sub-section(6) of Section 149.

NOMINATION AND REMUNERATION POLICY:

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy which lays down a framework in relation to selection, appointment and remuneration to Directors, Key Managerial Personnel and Senior Management of the Company. The details of Nomination and Remuneration Committee and Policy are stated in the Corporate Governance Report.

PARTICULARS OF LOANS, GUARANTEES OR SECURITIES OR INVESTMENTS:

The details of Loans, Guarantees Securities and Investments made during the financial year ended 31st March, 2017 are given in the notes to the Financial Statements in compliance with the provisions of Section 186 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014.

RELATED PARTY TRANSACTIONS:

All transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. All Related Party Transactions are placed before the Audit Committee as also the Board for approval, where ever required. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseeable and repetitive nature. A statement giving details of all related party transactions entered into pursuant to the omnibus approval so granted are placed before the Audit Committee and the Board of Directors on a quarterly basis. The Company has developed a Policy on Related Party Transactions for the purpose of identification and monitoring of such transactions. The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website www.bhagyanagarindia.com.

The particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188 is prepared in Form AOC-2 pursuant to clause (h) of the Companies (Accounts) Rules, 2014 and the same is annexed herewith as "Annexure-III" to this Report.

EXTRACT OF ANNUAL RETURN:

The Extracts of Annual Return as per the provisions of Section 92 of the Companies Act, 2013 and Rule 12 of Companies (Management and Administration) Rules, 2014 in Form MGT-9 are enclosed as Annexure - IV to this Report.

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

The information on Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and outgo required to be disclosed under Section 134(3)(m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014 are provided in the Annexure-I forming part of this Report.

RISK MANAGEMENT POLICY:

In terms of the requirement Section 134(3)(n) and Regulation 21 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with relevant provisions of the Companies Act 2013 the Company has developed and implemented the Risk Management Policy. The Audit Committee has additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The development and implementation of risk management policy has been covered in the management discussion and analysis, which forms part of this report. At present the Company has not identified any element of risk which may threaten the existence of the company.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

The Company is not covered under the criteria mentioned in the provisions of Companies Act, 2013. The Company, however over the years, is pursuing as part of its Corporate Social Responsibility for welfare and aspirations of the Community. The CSR activities of the Surana Group are guided by the vision and philosophy of its Founding Father, Shri G Mangilal Surana, who embodied the value of trusteeship in business and laid the Foundation for its ethical and value-based functioning. The core elements of

CSR activities include ethical functioning, respect for all stake-holders, protection of human rights, and care for the environment. The G.M. Surana Foundation is established purely for the purpose of providing medical relief to the people who are in below poverty line. It is being run by qualified and registered doctors.

BOARD EVALUATION

During the year under review, pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the evaluation of performance of all Directors is undertaken annually. The company has implemented a system of evaluating performance of the Board of Directors and of its Committees and individual Directors on the basis of a structured questionnaire which comprise evaluation criteria taking into consideration various performance related aspects.

The Board of Directors has expressed their satisfaction with the valuation process.

DIRECTORS:

During the financial year under review, Dr R.N.Sreenath, Independent Director resigned from the Board w.e.f. 10.02.2017.

Shri Narender Munoth, Director of the Company will retire by rotation at the ensuing Annual General Meeting and it is proposed to not to fill such vacancy.

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

Pursuant to the provisions of Section 203 of the Act, Shri Narender Surana and Shri Devendra Surana, Managing Directors and Shri N. Krupkar Reddy, Whole-time Director, Shri. Surendra Bhutoria, Chief Financial Officer and Shri. Badarish H Chimalgi, Company Secretary were formalized as the Key Managerial Personnel of the Company.

MEETINGS

During the financial year under review, 6(Six) Board Meetings and 4 (Four) Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the meetings was within the period of 120 days as prescribed under the Companies Act, 2013 and Regulation 17 of SEBI Listing Regulations, 2015.

DEPOSITS:

The Company has not accepted any deposits from the public in terms of Section 73 of the Companies Act, 2013 and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet.

STATUTORY AUDITORS

Under Section 139 of the Companies Act, 2013 and the Rules made thereunder, it is mandatory to rotate the statutory auditors on completion of the maximum term permitted under the said section. The Audit Committee of the Company has proposed and the Board of Directors has recommended the appointment of M/s. Luharuka & Associates, Chartered Accountants (Firm Registration No.001882S) as Statutory Auditors of the Company. M/s. Luharuka & Associates will hold office for a period of five consecutive years from the conclusion of the 32nd Annual General Meeting till the conclusion of the 37th Annual General Meeting to be held in 2022, subject to the approval of the shareholder of the Company. The first year of audit will be of the financial statements for the year ending 31st March, 2018.

M/s. Luharuka & Associates, Chartered Accountants (Registration No. 001882S) have confirmed that their appointment, if made, shall be in accordance with the provisions of Section 139 of the Companies Act, 2013. Accordingly, a resolution seeking member's approval on appointment of M/s. Luharuka & Associates, Chartered Accountants, as the Statutory Auditors of the Company for a period of five consecutive years is included at Item No. 3 of the Notice convening the Annual General Meeting.

AUDITORS' REPORT

There are no qualifications, reservations or adverse remarks made by M/s.Sekhar & Co, Chartered Accountants, Statutory Auditors in their report for the Financial Year ended 31st March, 2017.

The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company in the year under review.

INTERNAL AUDITORS

The Board of Directors of the Company have appointed M/s Luharuka & Associates, Chartered Accountants as Internal Auditors to conduct Internal Audit for the Financial Year ended 31st March, 2017.

COST AUDITORS

The Board of Directors, subject to the approval of the Central Government, re-appointed M/s BVR & Associates, Cost Accountants, holding certificate of practice No.16851, as a Cost Auditor for conducting the Cost Audit for the financial year 2017-18. Subject to section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 issued by the MCA, the Audit Committee recommended their re-appointment. The Company has also received a letter from the Cost Auditor, stating that the appointment, if made, will be within the limits prescribed pursuant to the section 141 of Companies Act, 2013.

CORPORATE GOVERNANCE:

The Company has implemented the procedures and adopted practices in conformity with the Code of Corporate Governance as per the requirements of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

A separate report on corporate governance practices followed by the Company together with a Certificate from the Company's Auditors confirming compliances forms an integral part of this Report.

VIGIL MECHANISM

The Company has adopted a Whistle Blower Policy establishing vigil mechanism, to provide a formal mechanism to the Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of Code of Conduct and Ethics. It also provides for adequate safeguards against the victimization of employees who avail of the mechanism and provides direct access to the Chairperson of the Audit Committee in exceptional cases. It is affirmed that no personnel of the Company has been denied access to the Audit Committee. The policy of vigil mechanism is available on the Company's website. The Whistle Blower Policy aims for conducting the affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior.

SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013, and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mrs. Rakhi Agarwal, Company Secretary in Practice as Secretarial Auditors to conduct Secretarial audit of the company for the financial year ended March 31, 2017.

The Secretarial Audit Report issued by Ms. Rakhi Agarwal, Company Secretary in Practice in Form MR-3 is enclosed as Annexure - V to this Annual Report.

The Secretarial Audit Report does not contain any qualifications, reservation or adverse remarks.

PARTICULARS OF EMPLOYEES

The Company has not employed any individual whose remuneration falls within the purview of the limits prescribed under the provisions of Section 197 of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

PARTICULARS OF REMUNERATION

The remuneration and perquisites provided to the employees and Management are at par with the industry levels. The remuneration paid to the Managing Director and senior executives are reviewed and recommended by the Nomination and Remuneration Committee.

(i) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;

Name of the Director	Ratio to Median Remuneration
Shri Devendra Surana, MD	27.62
Shri N. Krupakar Reddy, WTD	2.27

Note: Shri Narender Surana, MD and Shri Narender Munoth, WTD voluntarily not drawing salary from the Company.

(ii) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;

Name of Person	% increase in remuneration
Shri Devendra Surana, MD*	-44.44
Shri N.Krupakar Reddy, WTD	7.32
Shri Surendra Bhutoria, CFO	52.91
Shri Rohit Jain, CS**	NA

* Shri Devendra Surana, MD has voluntarily reduced his remuneration.

**Resigned as Company Secretary w.e.f 10.02.2017

(iii) The percentage increase in the median remuneration of employees in the financial year – 8.48%

(iv) The number of permanent employees on the rolls of company – 120.

(v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;

The average increase in salaries of employees other than managerial personnel in 2016-17 was 10.13%. Percentage increase in the managerial remuneration for the year was 1.97.

(vi) Affirmation that the remuneration is as per the remuneration policy of the company - Yes.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and

its subsidiaries. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

CHANGE IN NATURE OF BUSINESS

There is no change in nature of business of the Company.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURT:

Except the scheme of arrangement as sanctioned by the Hon'ble High Court, Hyderabad as mentioned above, there are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations

MATERIAL CHANGES AND COMMITMENTS

There are no material changes and commitments, affecting the financial position of the Company which occurred between the end of the financial year 31st March, 2017 to which the financial statements relates and the date of signing of this report.

HUMAN RESOURCES:

The industrial relations of the Company continued to be harmonious during the year under review.

ISO 9001-2008 CERTIFICATION:

Your Company continues to hold ISO 9001-2008 Certification by meeting all the requirements of Certification from time to time.

POLICY ON SEXUAL HARRASSEMENT

The Company has adopted policy on Prevention of Sexual Harassment of Women at Workplace in accordance with The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the financial year ended 31st March, 2017, the Company has not received any Complaints pertaining to Sexual Harassment.

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.

CAUTIONARY STATEMENT

Statements in the Board's Report and the Management Discussion & Analysis describing the Company's objectives, expectations or forecasts may be forward-looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic demand and supply conditions affecting selling prices of finished goods, input availability and prices, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

ACKNOWLEDGEMENTS:

The Directors take this opportunity to place on record their sincere thanks to the suppliers, customers, strategic partners, Banks and Financial Institutions, Insurance Companies, Central and State Government Departments and the shareholders for their support and co-operation extended to the Company from time to time. Directors are pleased to record their appreciation of the sincere and dedicated services of the employees and workmen at all levels.

For **and on behalf of the Board of Directors**

NARENDER SURANA	**DEVENDRA SURANA**
MANAGING DIRECTOR	**MANAGING DIRECTOR**
DIN-00075086	**DIN-00077296**

Place : Secunderabad
Date : 31.07.2017

ANNEXURE-I

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

(Information Under Section 134(3)(m) of The Companies Act, 2013, Read with Rules 8(3) of the Companies (Accounts) Rules, 2014)

FORM - A

1. CONSERVATION OF ENERGY:

(i) Energy Conservation measures : More introduction of Variable Frequency Drive (VFD) to reduce the Power Consumption

(ii) Total energy consumption : N.A.

2. 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 is carried out by the Company	:	NIL
2.	Benefits derived as a result of the above R & D	:	NIL
3.	Future plan of action	:	The Company plans to develop thinner Copper foils and commutator segments
4.	Expenditure on R & D		As no significant amount has been spent, the same has not being shown separately.

B. Technology absorption, adaptation and innovation:

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

3. FOREIGN EXCHANGE EARNINGS AND OUTGO:

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

Total Foreign Exchange used and earned:

Used	:	Rs. 1,240,028,063
Earned	:	Rs. 21,292,519

For and on behalf of the Board of Directors

	NARENDER SURANA	**DEVENDRA SURANA**
Place : Secunderabad	**MANAGING DIRECTOR**	**MANAGING DIRECTOR**
Date : 31.07.2017	**DIN-00075086**	**DIN-00077296**

ANNEXURE-II

MANAGEMENT DISCUSSION AND ANALYSIS

COMPANY'S OVERVIEW

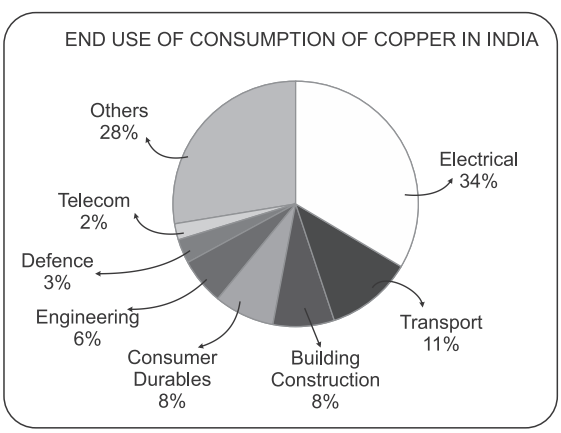
Bhagyanagar India Ltd (BIL) was incorporated in the year 1985, a flagship Company of Surana Group. BIL is among the oldest and largest companies producing copper products in India. Over the years the organisation has diversified into telecom products, solar products and non-conventional energy (wind power). BIL believes its industry knowledge, proactive research and specialized technology helps provide customers with improved products. The Company has steadily grown over the years with a continued focus on customer satisfaction, evolving itself into country's one of the most promising mid cap Companies.

PERFORMANCE OF KEY INDUSTRY SEGMENTS

1. Copper products

Introduction:

Copper is an important non-ferrous metal used in various forms for different applications. Copper is a vital and positive contributor to humankind and has improved our quality of life for centuries. Copper is essential for modern living. Copper's chemical, physical and aesthetic properties make it a material of choice in a wide range of domestic, industrial and high technology applications. By using copper for circuitry in silicon chips, microprocessors are able to operate at higher speeds, using less energy. Copper is used in construction industry as plumbing, taps, valves and fittings components. In Transportation industry copper is used in various components. It is used in a number of consumer products such as coinage, utensils, fixtures etc. Today, renewable sources provide nearly one-quarter of the world's power and copper play an important role in making it as efficient as possible, with minimal impact on the environment. Copper is essential for use in sustainable energy systems that harness wind, hydro, thermal and solar power. Over the years the use of copper has witnessed growth in electrical, transport, Consumer durables, engineering, construction, telecommunication etc. sectors.



Source: CRU

Global Business Scenario:

While 2015 was rough for copper, demand rebounded last year 2016, with global copper demand growing from 0.9% to 1.8% year over year. A 2.5% increase in apparent Chinese demand put the global refined copper market in a 50,000 mt deficit in 2016. At the end of 2016 there was a clear rebound of prices related to the overall change in the outlook for the entire commodity market and the acceleration of a global economy. World copper mine production had grown by 6% in 2016, aided by new and expanded capacities that came online in Mexico and Peru. Also, the frequency of supply disruptions at mines had witnessed significant decline in 2016, when compared with the year before.

Global copper mine production last year grew an estimated 5%, or 1 million mt, to 20.15 million mt, with concentrate production increasing by 7% and SX-EW declining by 2%. The main contributor to growth in world refined production was China (increase of 6%, or 470,000 mt), followed by the United States and Japan, where production increased by 7% and 5%, respectively, and by Mexico (16%) where expanded SX-EW capacity contributed to refined production growth.

According to ICSG, world apparent refined usage of the metal is expected to increase by nearly 2% in 2017 and 2018. The overall world copper mine production is expected to increase marginally by 1%, mainly on account of anticipated 5% year-over-year decline in SX-EW output. The refined copper output from scrap is expected to surge by 5% during the year. The production from scrap is likely to witness growth during the year. The increased availability of scrap will boost secondary refined production in 2018. China will continue to remain as the key contributor to refined production growth in 2017 and 2018.

As per ICSG Report, after growth of almost 6% in 2016, world mine production after adjusting for historical disruption factors, is expected to decline by 1% in 2017 and remain essentially unchanged in 2018. World refined copper market is likely to end in deficit of around 150,000 metric tonnes in 2017. The deficit is likely to increase further to 170,000 metric tonnes in 2018.

Indian Copper Industry and Demand Outlook:

India has limited copper ore reserve contributing about 2% of world reserves. Only 20,000 sq.km.area explored out of a potential 60,000 sq.km. Reserve to Production and Reserve to Resource ratio very low. Mining production is just 0.2% of world's production. Whereas refined copper production is about 4% of world's production. India has 4th global ranking in smelter production and 8th in refined consumption. Indian Refining capacity higher than local demand-net exporter of refined copper. There is an opportunity to increase ore production through expansion and green field exploration.

The decline in domestic coal prices in India was a major relief. Falling prices of copper in international markets

would also benefit India, as it is one of the world's biggest importers of the metal, alongside China, Japan, South Korea and Germany. As a consequence, volatility in prices of the metal on the LME has a significant bearing on Indian copper trading. India has a huge growth potential in copper consumption for the next 20-25 years as the government increases focus on smart cities, rapid urbanization and investments in infrastructure. India is expected to be the 6th largest copper market by 2020 with major consumption sectors being – Electrical, Transport and Telecommunications. Moreover, domestic production too remained strong, driven by higher production by the domestic custom smelters. It is a strategic sector where copper demands is and will be from smart cities, power, transmission and defence. This is expected to spur copper demand as the electrical and power sectors account for nearly one-third of the refined copper consumption. Demand from other industries such as transport, consumer and electronic goods and industrial machinery is also expected to remain strong on the back of increased end user demand and increasing investments.

Business outlook:

With the good macro-economic situation of our country we are expecting this year to be a very good year. The situation post GST introduction looks very favourable for our company and the company will have much higher competitiveness against our competition in territories like Silvasa, Baddi etc. New value added products introduced by the company is getting good traction from OEM customers across various sectors such as Automobile, Electrical Switch Gears, Heaters etc. The company always has exposure to foreign exchange against our imports. The macroeconomic factors and the stability in the rupee parity also augurs very well for the company.

2. Non-Conventional Energy - Wind Power:

Wind power generation capacity in India has significantly increased in recent years. A record level of 5,400 MW of wind power capacity added in 2016-17. With the addition of 5,400 MW, the country's wind power capacity stands at 31,177 MW mainly spread across the South, West and North regions. With 31 GW, India has the fourth highest wind installations in the world after China (145,362 MW), US (74,470 MW) and Germany (44,947 MW). The government aims to see 60,000 MW by 2022.The highest installations are likely to come from Andhra Pradesh, around 2,500 MW, Sarvesh Kumar said. Gujarat (around 1,000 MW) and Karnataka (700 MW) were the bigger markets this year. India wind power tariff follows solar route, falls to record low. Wind power tariffs fell to a record low in a 1 gigawatt (GW) tender by state-run Solar Energy Corporation of India (SECI), potentially placing India at the tipping point on the renewable energy front. Solar power tariffs had hit new lows at an auction earlier this month. The government plans to achieve 175 GW of renewable energy capacity by 2022 as part of its commitments to the Paris climate change agreement. The price gap between electricity generated from thermal, solar and wind projects has been narrowing. This is primarily due to costs of solar modules and wind turbine generators falling by 80% and 20%, respectively, over the past five years.

The Government of India has announced a laudable Renewable Energy target of 175GW by 2022 out of which 60GW will be coming from wind power. The Wind Potential in India was first estimated by National Institute of Wind Energy (NIWE) at 50m hub-height i.e. 49 GW but according to the survey at 80m hub height, the potential grows as much as 102 GW. Further a new study by NIWE at 100m height has estimated a potential 302GW.Ministry of New and Renewable Energy (MNRE) has launched Scheme for setting up of 1000 MW Wind Power Project connected to transmission network of Central Transmission Utility (CTU) with an objective to facilitate supply of wind power to the non-windy states at a price discovered through transparent bidding process.

One of the major advantages of wind energy is its inherent strength to support rural employment and uplift of rural economy. Further, unlike all other sources of power, wind energy does not consume any water-which in itself will become a scarce commodity.

OUTLOOK:

The Indian government has committed to a target of 175 GW of renewable energy by 2022, including 100 GW of solar capacity and 60 GW of cumulative wind power capacity. The government has also indicated its support for rapidly growing the power sector, renewables being a core part of this strategy. The government in its latest budget announcement for FY 2016-17 reduced the AD from 80% to 40%. Further, the Generation Based Incentive will come to an end in 2017. These two factors will likely contribute to a rush for installations of wind farms that could result in installations during the Indian fiscal year 2016-2017 of 4,000 MW. The current manufacturing capacity in the country is around 9,500 MW.

RISKS AND CONCERNS

Inadequate risk management is a primary cause of concern indicated by most organizations in India. To be in a position to have fully identified all risks associated with a project and have a response plan for each; that is clearly a benchmark most organizations acknowledge, nevertheless, do little about it. Risk Management by its very nature is flawed because it only identifies the things project managers know; it fails to appreciate the "unknown", "unknowns", the "un-controllable". That said, the more risks identified and planned for, the better position the project team is in to deliver a successful project. Risk Management has been identified as a best practice by most respondents. Moreover, there is a growing concern among Organizations about inaccurate risk identification. The project will yield continuous flow of revenue for the Company.

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 designs and maintains accounting and

internal control systems to provide reasonable assurance at reasonable cost that assets are safeguarded against loss from unauthorized use or disposition, and that the financial records are reliable for preparing financial statements and maintaining accountability for assets. These systems are augmented by written policies, an organizational structure providing division of responsibilities, careful selection and training of qualified personnel and a program of internal audits. 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:

A. FINANCIAL CONDITION:

Capital Structure:

The Equity Share Capital of the Company is Rs.6,39,90,000/- comprising of 3,19,95,000 Equity Shares of Rs. 2/- each fully paid.

Reserves and Surplus:

The Reserves and Surplus of the Company as on 31.03.2017 stand at Rs. 964,498,554 as compared to Rs. 1,992,821,522 in the previous year.

Fixed Assets:

During the year, the Company has added Fixed Assets amounting to Rs 7,764,755 making the gross fixed assets as on 31.03.2017 to Rs. 1,045,562,368.

Inventories:

Inventories, as on 31st March, 2017, amounting to Rs 510,093,282 as against Rs. 334,363,599 in the previous year.

Sundry Debtors:

Sundry debtors reduced to Rs. 330,843,059 as on 31st March, 2017 as against Rs. 293,298,318 in the previous year. These debtors are considered good and realizable.

Cash and Bank Balances:

Cash and Bank balances with Scheduled Banks stood to Rs. 52,393,002 as against Rs. 31,258,436 in the previous years which include amounts deposited with banks as Security.

Loans and Advances:

Long Term Loans and Advances increased to Rs.254,987,384 as against Rs. 1,179,912,040 in the previous year.

Short Long Term Loans and Advances increased to Rs. 89,089,432 as against Rs. 156,994,591 in the previous year.

Current Liabilities:

Current Liabilities for the F.Y. 2016-17 is Rs. 592,399,525 as against Rs. 551,427,738 in the previous Year.

B. OPERATIONAL RESULTS :

Turnover:

During the year 2016-2017 the turnover of the Company was Rs. 2,927,709,802 as compared to Rs. 2,828,445,718 in the previous year.

The Income from other sources as on 31st March, 2017 was Rs. 89,271,686 as compared to Rs.109,030,454 in the previous year.

Depreciation:

The Company has provided a sum of Rs. 34,358,606 towards depreciation for the year as against Rs. 5,0582,033 in the previous year.

Provision for Tax:

The Company has provided a current tax of Rs.10,374,911 as against Rs. 3,575,228 in the previous year.

Net Profit:

The Net Profit of the Company after tax is Rs. 48,412,199 as against Rs. 20,194,431 in the previous year.

Earnings Per Share:

The Earnings Per Share of the Company as on 31st March, 2017 is Rs.1.51 per share for Face Value of Rs. 2/- as against Rs. 0.32 per share for face value of Rs. 2/- in the previous year.

HUMAN RESOURCE DEVELOPMENT AND INDUSTRIAL RELATIONS:

The Company believes that the Company's growth and future success depend largely on the skills of the Company's workforce, including executives and officers, as well as the designers and engineers and the attraction of critical skills. The loss of the services of one or more of these employees could impair the Company's ability to continue to implement its business strategy. The Company's success also depends, on its continued ability to attract and retain experienced and qualified employees. The Company is committed to building the competencies of its employees and improving their performance through training and development. The Company focus is on identifying gaps in its employees' competencies and preparing employees for changes in competitive environments, as well as to meet organizational challenges.

Some of the focus areas in training in the last year centered on leadership, innovation management and internationalization besides other training programmes to drive a change in the Company's employees' outlook as it continue to develop as a global competitor.

CAUTIONARY STATEMENT:

Statements in the Management Discussion and Analysis describing the Company's objective, projections, estimates, 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, among others, economic conditions affecting demand / supply and price conditions in the domestic and overseas markets in which the Company operates changes in the Government regulations, tax laws and other statutes and incidental factors.

ANNEXURE-III

FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3)of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. Details of contracts or arrangements or transactions not at arm's length basis : No transactions.

2. Details of material contracts or arrangement or transactions at arm's length basis:

Sl. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or Transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
1	**Surana Solar Limited** (Common Directors are holding more than 2% of the Share Capital of the Company)	Purchase of Solar Modules	01.04.2016 to 31.03.2017	Sale of Module – Rs. 23.43 lakhs	24.05.2016	-
2	**Bhagyanagar Ventures Private Limited** (Director is a member of the Company)	Lease of Property	01.04.2016 to 31.03.2017	Lease of 5th Floor, Surya Towers, S.P.Road, Sec-bad. Rs.22,820/- per month.	24.05.2016	-
3	**Devendra Surana** (Director of the Company)	Lease of property	01.04.2016 to 31.03.2017	Lease of 2nd Floor, Surya Towers, S.P. Road, Sec-bad. Rs.6,667/- per month.	24.05.2016	-

ANNEXURE-IV

EXTRACT OF ANNUAL RETURN

as on the financial year ended 31.03.2017

[Pursuant to Section 92(3) of the Companies Act, 2013, and
Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

FORM NO. MGT – 9

I. REGISTRATION AND OTHER DETAILS:

CIN	L27201TG1985PLC012449
Registration Date	2nd September, 1985
Name of the Company	**BHAGYANAGAR INDIA LIMITED**
Category / Sub-Category of the Company	Company Limited by Shares/ Indian-Non Govt Company
Address of the Registered Office and contact details	5th Floor, Surya Towers, Sardar Patel Road, Secunderabad-500 003. Ph.No: 040-44665700
Whether listed company	Yes
Name, address and contact details of Registrar and Transfer Agent, if any	**Karvy Computershare Pvt. Ltd** Karvy Selenium Tower B, Plot No 31 & 32 Gachibowli, Financial District, Nanakramguda, Serilingampally Hyderabad – 500 008. Phone # +91-40-67162222, Fax # 91-40-23420814, Email ID: einward.ris@karvy.com Website: http//www.karvy.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the Business Activities contributing 10% or more of the total turnover of the Company shall be stated:

Name and Description of main Products / Services	NIC Code of the Product / Service	% to total turnover of the Company
Manufacture of Copper and other copper products and alloys	27201	97.30

II.PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATECOMPANIES:

Name and address of the Company	CIN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
Bhagyanagar Metals Limited	U27310TG2006PLC051252	Subsidiary	99.88	2(87)
Solar Dynamics Private Limited	U40108TG2010PTC070419	Subsidiary	63.77	2(87)
Bhagyanagar Cables Private Limited	U28112GA2015PTC007776	Associate	26.00	2(6)

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

i) Category-wise Shareholding:

	Category of Shareholder	No. of shares held at the beginning of the year 31/03/2016				No. of shares held at the end of the Year 31/03/2017				% Change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
(A)	PROMOTER AND PROMOTER GROUP									
(1)	INDIAN									
(a)	Individual /HUF	36448997	0	36448997	56.96	18422150	0	18422150	57.58	-0.62
(b)	Central Government/ State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	11090570	0	11090570	17.33	5552091	19347	5571528	17.41	-0.08
(d)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00

	Category of Shareholder	No. of shares held at the beginning of the year 31/03/2016				No. of shares held at the end of the Year 31/03/2017				% Change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(e)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total A(1) :	**47539567**	**0**	**47539567**	**74.29**	**23974241**	**19437**	**23993678**	**74.99**	**-0.70**
(2)	FOREIGN									
(a)	Individuals (NRIs/ Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total A(2) :	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
	Total A=A(1)+A(2)	**47539567**	**0**	**47539567**	**74.29**	**23974241**	**19437**	**23993678**	**74.99**	**-0.70**
(B)	**PUBLIC SHAREHOLDING**									
(1)	**INSTITUTIONS**									
(a)	Mutual Funds /UTI	0	10500	10500	0.02	0	5250	5250	0.02	0.00
(b)	Financial Institutions / Banks	1496171	0	1496171	2.34	748085	0	748085	2.34	0.00
(c)	Central Government / State Government(s)	176700	0	176700	0.28	88350	0	88350	0.28	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Foreign Institutional Investors	0	0	0	0.00	0	0	0	0.00	0.00
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total B(1) :	**1672871**	**10500**	**1683371**	**2.63**	**836435**	**5250**	**841685**	**2.63**	**0.00**
(2)	**NON-INSTITUTIONS**									
(a)	Bodies Corporate	1088210	12195	1100405	1.72	512279	6097	518376	1.62	0.10
(b)	Individuals									
(i)	Individuals holding nominal share capital upto Rs.2 lakh	7659342	768840	8428182	13.17	4332279	382367	4714646	14.74	-1.56
(ii)	Individuals holding nominal share capital in excess of Rs.2 lakh	4085028	0	4085028	6.38	1821044	0	1821044	5.69	0.69
(c)	Others									
	Clearing Members	6632	0	6632	0.01	1592	0	1592	0.00	0.01
	NBFC	26895	0	26895	0.04	10568	0	10568	0.03	0.01
	Non Resident Indians	1119420	0	1119420	1.75	90205	0	90205	0.28	1.47
	NRI Non-Repatriation	0	0	0	0.00	1960	0	1960	0.01	-0.01
	Trusts	500	0	500	0.00	250	646	896	0.00	0.00
(d)	Qualified Foreign Investor	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
	Sub-Total B(2) :	**13986027**	**781035**	**14767062**	**23.08**	**6770527**	**389110**	**7159637**	**22.38**	**0.70**
	Total B=B(1)+B(2)	**15658898**	**791535**	**16450433**	**25.71**	**7606962**	**394360**	**8001322**	**25.01**	**0.70**
	Total (A+B):	**63198465**	**791535**	**63990000**	**100.00**	**31581203**	**413797**	**31995000**	**100.00**	**0.00**

	Category of Shareholder	No. of shares held at the beginning of the year 31/03/2016				No. of shares held at the end of the Year 31/03/2017				% Change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(C)	**Shares held by custodians, against which Depository Receipts have been issued**									
(1)	Promoter and Promoter Group									
(2)	Public	0	0	0	0.00	0	0	0	0.00	0.00
	GRAND TOTAL (A+B+C) :	**63198465**	**791535**	**63990000**	**100.00**	**31581203**	**413797**	**31995000**	**100.00**	

***Note**: Pursuant to the Scheme of Arrangement the shareholding has been reduced to 50% from 6,39,90,000 equity shares of Rs.2/- each to 3,19,95000 equity shares of Rs.2/- each w.e.f. 17.03.2017.*

ii) Shareholding of Promoters:

Sl. No	Shareholders Name	Shareholding at the beginning of the year (as on 01.04.2016)			Shareholding at the end of the year (as on 31.03.2017)			% change in shareholding during the year
		No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Advait Surana	3,23,082	0.50	-	1,61,541	0.50	-	-
2	Bhagyanagar Securities Private Limited	1,18,349	0.18	-	81,223	0.25	-	0.07
3	Chand Kanwar	33,66,010	5.26	-	17,04,949	5.33	-	0.07
4	Devendra Surana	45,11,994	7.05	-	22,81,882	7.13	-	0.08
5	Devendra Surana (HUF)	1,35,000	0.21	-	67,500	0.21	-	-
6.	G M Surana (HUF)	3,57,550	0.56	-	1,78,775	0.56	-	-
7.	G M Surana (MHUF)	3,32,760	0.52	-	1,66,380	0.52	-	-
8.	GM Surana	34,21,980	5.35	-	17,10,990	5.35	-	-
9.	Manish Surana	49,38,433	7.72	-	24,66,704	7.71	-	0.01
10.	Mitali Surana	6,00,000	0.94	-	3,00,000	0.94	-	-
11.	Namrata Surana	37,30,166	5.83	-	18,70,335	5.85	-	0.02
12.	Narender Surana	51,80,082	8.10	-	26,86,954	8.40	-	0.30
13.	Narender Surana (HUF)	2,13,000	0.33	-	1,06,500	0.33	-	-
14.	Nivruthi Surana	6,95,000	1.09	-	3,47,500	1.09	-	-
15.	Rahul Surana	28,09,000	4.39	-	14,04,500	4.39	-	-
16.	Shresha Surana	11,59,227	1.81	-	5,80,613	1.81	-	-
17.	Sunita Surana	32,66,671	5.10	-	16,38,335	5.12	-	0.02
18.	Surana Infocom Pvt Ltd	86,81,890	13.57	-	43,45,139	13.58	-	0.01
19.	Surana Telecom and Power Limited	22,90,331	3.58	-	11,45,166	3.58	-	0
20.	Vinita Surana	14,09,042	2.20	-	7,48,692	2.34	-	0.14
	Total	**4,75,39,567**	**74.29**	**-**	**2,39,93,678**	**74.99**	**-**	**0.94**

***Note**: Pursuant to the Scheme of Arrangement the shareholding has been reduced to 50% w.e.f. 17.03.2017.*

i) Change in Promoters' Shareholding (Please specify, if there is no change):

Sl. No	Name of the Share Holder	Shareholding at the beginning of the year (as on 01.04.2016)		Increase / Decrease in shareholding (as on 31.03.2017)			Cumulative Shareholding during the Year	
		No of Shares	% of total shares of the company	Date	Reason	No. of shares	No of Shares	% of total shares of the company
1	Surana Infocom Private Limited	86,81,890	13.57	01/04/2016			86,81,890	13.57
				23/09/2016	Purchase	3500	86,85,390	13.57
				09/12/2016	Sale	-1	86,85,389	13.57
				16/12/2016	Sale	-22	86,85,367	13.57
				23/12/2016	Purchase	1	86,85,368	13.57
				30/12/2016	Sale	-13	86,85,355	13.57
				06/01/2017	Purchase	494	86,85,849	13.57
				13/01/2017	Purchase	5	86,85,854	13.57
				03/02/2017	Purchase	52	86,85,906	13.57
				10/02/2017	Purchase	2	86,85,908	13.57
				17/02/2017	Purchase	4570	86,90,478	13.58
				10/03/2017	Sale	-199	86,90,279	13.58
				17/03/2017	Reduction*	-43,45,139	43,45,139	13.58
				31/03/2017			43,45,139	13.58
2	Narender Surana	51,80,082	8.10	01/04/2016			51,80,082	8.10
				08/04/2016	Purchase	6	51,80,088	8.10
				15/04/2016	Purchase	1	51,80,089	8.10
				29/07/2016	Purchase	7	51,80,096	8.10
				05/08/2016	Purchase	2	51,80,098	8.10
				19/08/2016	Purchase	50	51,80,148	8.10
				02/09/2016	Purchase	1058	51,81,206	8.10
				16/09/2016	Purchase	4374	51,85,580	8.10
				23/09/2016	Purchase	1	51,85,581	8.10
				30/09/2016	Purchase	6456	51,92,037	8.11
				07/10/2016	Purchase	2605	51,94,642	8.12
				14/10/2016	Purchase	139	51,94,781	8.12
				21/10/2016	Purchase	245	51,95,026	8.12
				04/11/2016	Purchase	14790	52,09,816	8.14
				11/11/2016	Purchase	10586	52,20,402	8.16
				18/11/2016	Purchase	45706	52,66,108	8.23
				25/11/2016	Purchase	18235	52,84,343	8.26
				02/12/2016	Purchase	515	52,84,858	8.26
				09/12/2016	Purchase	1019	52,85,877	8.26
				16/12/2016	Purchase	355	52,86,232	8.26
				23/12/2016	Purchase	4626	52,90,858	8.27
				30/12/2016	Purchase	12962	53,03,820	8.29
				06/01/2017	Purchase	13633	53,17,453	8.31
				13/01/2017	Purchase	4127	53,21,580	8.32
				20/01/2017	Purchase	20	53,21,600	8.32
				27/01/2017	Purchase	1131	53,22,731	8.32
				03/02/2017	Purchase	14541	53,37,272	8.34
				10/02/2017	Purchase	535	53,37,807	8.34
				17/02/2017	Purchase	26779	53,64,586	8.38
				24/02/2017	Purchase	8916	53,73,502	8.40
				03/03/2017	Purchase	102	53,73,604	8.40

Sl. No	Name of the Share Holder	Shareholding at the beginning of the year (as on 01.04.2016)		Increase / Decrease in shareholding (as on 31.03.2017)			Cumulative Shareholding during the Year	
		No of Shares	% of total shares of the company	Date	Reason	No. of shares	No of Shares	% of total shares of the company
				10/03/2017	Purchase	305	53,73,909	8.40
				17/03/2017	Reduction*	-26,86,954	26,86,954	8.40
				31/03/2017			26,86,954	8.40
3	Manish Surana	49,38,433	7.72	01/04/2016			49,38,433	7.72
				22/07/2016	Sale	-1000	49,37,433	7.72
				28/10/2016	Sale	-5	49,37,428	7.72
				04/11/2016	Purchase	2816	49,40,244	7.72
				02/12/2016	Purchase	150	49,40,394	7.72
				16/12/2016	Purchase	155	49,40,549	7.72
				23/12/2016	Purchase	6	49,40,555	7.72
				30/12/2016	Purchase	1	49,40,556	7.72
				06/01/2017	Purchase	1	49,40,557	7.72
				13/01/2017	Purchase	1000	49,41,557	7.72
				03/02/2017	Purchase	52	49,41,609	7.72
				24/02/2017	Sale	-200	49,41,409	7.72
				03/03/2017	Purchase	5	49,41,414	7.72
				10/03/2017	Sale	-8005	49,33,409	7.71
				17/03/2017	Reduction*	-24,66,704	24,66,704	7.71
				31/03/2017			24,66,704	7.71
4	Devendra Surana	45,11,994	7.05	01/04/2016			45,11,994	7.05
				04/11/2016	Purchase	13900	45,25,894	7.07
				11/11/2016	Purchase	6000	45,31,894	7.08
				18/11/2016	Purchase	1200	45,33,094	7.08
				25/11/2016	Purchase	300	45,33,394	7.08
				09/12/2016	Purchase	4251	45,37,645	7.09
				16/12/2016	Purchase	2000	45,39,645	7.09
				23/12/2016	Purchase	4503	45,44,148	7.10
				30/12/2016	Purchase	9000	45,53,148	7.12
				06/01/2017	Purchase	4614	45,57,762	7.12
				13/01/2017	Purchase	6000	45,63,762	7.13
				03/03/2017	Purchase	2	45,63,764	7.13
				17/03/2017	Reduction*	-22,81,882	22,81,882	7.13
				31/03/2017			22,81,882	7.13
5	Namrata Surana	37,30,166	5.83	01/04/2016			37,30,166	5.83
				04/11/2016	Purchase	10003	37,40,169	5.84
				10/02/2017	Purchase	1	37,40,170	5.84
				17/02/2017	Purchase	501	37,40,671	5.85
				17/03/2017	Reduction*	-18,70,335	18,70,335	5.85
				31/03/2017			18,70,335	5.85
6	GM Surana	34,21,980	5.35	01/04/2016			34,21,980	5.35
				17/03/2017	Reduction*	-17,10,990	17,10,990	5.35
				31/03/2017			17,10,990	5.35
7	Chand Kanwar	33,66,010	5.26	01/04/2016			33,66,010	5.26
				04/11/2016	Purchase	17652	33,83,662	5.29
				11/11/2016	Purchase	30846	34,14,508	5.34
				25/11/2016	Purchase	3491	34,17,999	5.34

Sl. No	Name of the Share Holder	Shareholding at the beginning of the year (as on 01.04.2016)		Increase / Decrease in shareholding (as on 31.03.2017)			Cumulative Shareholding during the Year	
		No of Shares	% of total shares of the company	Date	Reason	No. of shares	No of Shares	% of total shares of the company
				06/01/2017	Purchase	100	34,18,099	5.34
				13/01/2017	Purchase	100	34,18,199	5.34
				27/01/2017	Purchase	1015	34,19,214	5.34
				27/01/2017	Sale	-8100	34,11,114	5.33
				17/03/2017	Reduction*	-17,04,949	17,04,949	5.33
				31/03/2017			17,04,949	5.33
8	Sunita Surana	32,66,671	5.10	01/04/2016			32,66,671	5.10
				04/11/2016	Purchase	10000	32,76,671	5.12
				17/03/2017	Reduction*	-16,38,335	16,38,335	5.12
				31/03/2017			16,38,335	5.12
9	Rahul Surana	28,09,000	4.39	01/04/2016			28,09,000	4.39
				17/03/2017	Reduction*	-14,04,500	14,04,500	4.39
				31/03/2017			14,04,500	4.39
10	Surana Telecom and Power Ltd	22,90,331	3.58	01/04/2016			22,90,331	3.58
				10/03/2017	Purchase	1	22,90,332	3.58
				17/03/2017	Reduction*	-11,45,166	11,45,166	3.58
				31/03/2017			11,45,166	3.58
11	Vinita Surana	14,09,042	2.20	01/04/2016			14,09,042	2.20
				08/04/2016	Purchase	18189	14,27,231	2.23
				24/06/2016	Sale	-50	14,27,181	2.23
				11/11/2016	Purchase	36200	14,63,381	2.29
				18/11/2016	Purchase	10000	14,73,381	2.30
				25/11/2016	Sale	-3	14,73,378	2.30
				16/12/2016	Purchase	945	14,74,323	2.30
				23/12/2016	Purchase	6270	14,80,593	2.31
				30/12/2016	Purchase	2000	14,82,593	2.32
				06/01/2017	Purchase	10323	14,92,916	2.33
				10/02/2017	Purchase	2	14,92,918	2.33
				17/02/2017	Purchase	4455	14,97,373	2.34
				24/02/2017	Purchase	12	14,97,385	2.34
				17/03/2017	Reduction*	-7,48,692	7,48,692	2.34
				31/03/2017			7,48,692	2.34
12	Shresha Surana	11,59,227	1.81	01/04/2016			11,59,227	1.81
				02/09/2016	Purchase	2000	11,61,227	1.81
				17/03/2017	Reduction*	-5,80,613	5,80,613	1.81
				31/03/2017			5,80,613	1.81
13	Nivruthi Surana	6,95,000	1.09	01/04/2016			6,95,000	1.09
				17/03/2017	Reduction*	-3,47,500	3,47,500	1.09
				31/03/2017			3,47,500	1.09
14	Mitali Surana	6,00,000	0.94	01/04/2016			6,00,000	0.94
				17/03/2017	Reduction*	-3,00,000	3,00,000	0.94
				31/03/2017			3,00,000	0.94
15	G M Surana	3,57,550	0.56	01/04/2016			3,57,550	0.56
				17/03/2017	Reduction*	-1,78,775	1,78,775	0.56
				31/03/2017			1,78,775	0.56

Sl. No	Name of the Share Holder	Shareholding at the beginning of the year (as on 01.04.2016)		Increase / Decrease in shareholding (as on 31.03.2017)			Cumulative Shareholding during the Year	
		No of Shares	% of total shares of the company	Date	Reason	No. of shares	No of Shares	% of total shares of the company
16	G M Surana	3,32,760	0.52	01/04/2016			3,32,760	0.52
				17/03.2017	Reduction*	-1,66,380	1,66,380	0.52
				31/03/2017			1,66,380	0.52
17	Advait Surana	3,23,082	0.50	01/04/2016			3,23,082	0.50
				17/03/2017	Reduction*	-1,61,541	1,61,541	0.50
				31/03/2017			1,61,541	0.50
18	Narender Surana	2,13,000	0.33	01/04/2016			2,13,000	0.33
				17/03/2017	Reduction*	-1,06,500	1,06,500	0.33
				31/03/2017			1,06,500	0.33
19	Devendra Surana	1,35,000	0.21	01/04/2016			1,35,000	0.21
				17/03/2017	Reduction*	-67,500	67,500	0.21
				31/03/2017			67,500	0.21
20	Bhagyanagar Securities Private Limited	1,18,349	0.18	01/04/2016			1,18,349	0.18
				08/04/2016	Purchase	5632	1,23,981	0.19
				15/04/2016	Purchase	77	1,24,058	0.19
				22/04/2016	Purchase	3486	1,27,544	0.20
				29/04/2016	Purchase	295	1,27,839	0.20
				06/05/2016	Purchase	17816	1,45,655	0.23
				13/05/2016	Purchase	437	1,46,092	0.23
				20/05/2016	Purchase	1538	1,47,630	0.23
				27/05/2016	Purchase	1406	1,49,036	0.23
				03/06/2016	Purchase	222	1,49,258	0.23
				10/06/2016	Purchase	4067	1,53,325	0.24
				17/06/2016	Purchase	2	1,53,327	0.24
				24/06/2016	Purchase	3846	1,57,173	0.25
				30/06/2016	Purchase	1628	1,58,801	0.25
				01/07/2016	Purchase	95	1,58,896	0.25
				08/07/2016	Purchase	52	1,58,948	0.25
				15/07/2016	Purchase	2	1,58,950	0.25
				22/07/2016	Purchase	217	1,59,167	0.25
				29/07/2016	Purchase	38	1,59,205	0.25
				05/08/2016	Purchase	392	1,59,597	0.25
				19/08/2016	Purchase	10	1,59,607	0.25
				26/08/2016	Purchase	10	1,59,617	0.25
				02/09/2016	Purchase	1828	1,61,445	0.25
				09/09/2016	Purchase	1000	1,62,445	0.25
				23/09/2016	Purchase	1	1,62,446	0.25
				17/03/2017	Reduction*	-81,223	81,223	0.25
				31/03/2017			81,223	0.25

***Note:** * Pursuant to the Scheme of Arrangement the shareholding has been reduced to 50% w.e.f. 17.03.2017.*

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

Sl. No.	Name of the Share Holder	Shareholding at the beginning of the Year		Increase / Decrease in shareholding			Cumulative Shareholding during the Year	
		No of Shares	% of total shares of the company	Date	No. of shares	Reason	No of Shares	% of total shares of the company
1	Sambhav Munoth	16,46,000	2.57	01/04/2016	16,46,000		16,46,000	2.57
				17/03/2017	-8,23,000	Reduction*	8,23,000	2.57
				31/03/2017	8,23,000		8,23,000	2.57
2	United India Insurance Company Limited	9,50,213	1.48	01/04/2016	9,50,213		9,50,213	2.57
				17/03/2017	-4,75,106	Reduction*	4,75,106	2.57
				31/03/2017	4,75,106		4,75,106	2.57
3	Narender M	7,36,872	1.15	01/04/2016	7,36,872		7,36,872	1.15
				17/03/2017	-3,68,436	Reduction*	3,68,436	1.15
				31/03/2017	3,68,436		3,68,436	1.15
4	Ujjwal Manohar Chawathe	7,73,872	1.21	01/04/2016	7,73,872		7,73,872	1.21
				17/03/2017	-3,83,967	Reduction*	3,83,967	1.20
				31/03/2017	3,83,967		3,83,967	1.20
5	Arun Kumar Jain	5,58,331	0.87	01/04/2016	5,58,331		5,58,331	0.87
				17/03/2017	-2,79,165	Reduction*	2,79,165	0.87
				31/03/2017	2,79,165		2,79,165	0.87
6	General Insurance Corporation of India	5,45,418	0.85	01/04/2016	5,45,418		5,45,418	0.85
				17/03/2017	-2,72,709	Reduction*	2,72,709	0.85
				31/03/2017	2,72,709		2,72,709	0.85
7	Vaibhav Mutha	5,15,000	0.80	01/04/2016	5,15,000		5,15,000	0.80
				17/03/2017	-2,57,500	Reduction*	2,57,500	0.80
				31/03/2017	2,57,500		2,57,500	0.80
8	Nikita Luharuka	0	0.00	01/04/2016	0		0	0.00
				04/11/2016	86,118	Purchase	86,118	0.13
				11/11/2016	56,732	Purchase	1,42,850	0.22
				18/11/2016	11,227	Purchase	1,54,077	0.24
				25/11/2016	1,692	Purchase	1,55,769	0.24
				02/12/2016	175	Purchase	1,55,944	0.24
				09/12/2016	25,666	Purchase	1,81,610	0.28
				16/12/2016	2,381	Purchase	1,83,991	0.29
				06/01/2017	8,528	Purchase	1,92,519	0.30
				13/01/2017	176	Purchase	1,92,695	0.30
				27/01/2017	-36,981	Sale	1,55,714	0.24
				03/02/2017	-6,101	Sale	1,49,613	0.23
				10/02/2017	-590	Sale	1,49,023	0.23
				10/03/2017	53,575	Purchase	2,02,598	0.32
				17/03/2017	-1,01,299	Reduction*	1,01,299	0.32
				31/03/2017	1,01,299		1,01,299	0.32
9	PCS Securities Ltd	1,18,977	0.19	01/04/2016	1,18,977		1,18,977	0.19
				09/12/2016	75,000	Purchase	1,93,977	0.30
				17/03/2017	-96,988	Reduction*	96,988	0.30
				31/03/2017	96,988		96,988	0.30
10	AP Industrial Development Corporation	1,76,700	0.28	01/04/2016	1,76,700		1,76,700	0.28
				17/03/2017	-88,350	Reduction*	88,350	0.28
				31/03/2017	88,350		88,350	0.28

***Note:** * Pursuant to the Scheme of Arrangement the shareholding has been reduced to 50% w.e.f. 17.03.2017*

v) Shareholding of Directors and Key Managerial Personnel:

Sl. No	Name of the Directors	Shareholding at the beginning of the year (as on 01.04.2016)		Change in Shareholding		Shareholding at the end of the year (as on 31.03.2017)	
		No. of Shares	% of total/ shares of the Company	Increase	Decrease	No. of Shares	% of total shares of the Company
1	G. M. Surana	3421980	5.35	-	-	17,10,990	5.35
2	Narender Surana	5180082	8.10	193827	-	26,86,954	8.40
3	Devendra Surana	4511994	7.05	51770	-	22,81,882	7.13
4	R. Surender Reddy	-	-	-	-	-	
5	O. Swaminatha Reddy	-	-	-	-	-	-
6	D. VenkataSubbiah	-	-	-	-	-	-
7	Narender Munoth	736872	1.15	-	1712	367580	1.15
8	N. Krupakar Reddy	-	-	-	-	-	-
9	Kamlesh Gandhi	-	-	-	-	-	-
10	Dr. R.N Sreenath	-	-	-	-	-	-
11	Madhumathi Suresh	-	-	-	-	-	-
Sl. No	**Name of the Key Managerial Personnel**	**Shareholding at the beginning of the year**		**Change in Shareholding**		**Shareholding at the end of the year**	
		No. of Shares	**% of total shares of the Company**	**Increase**	**Decrease**	**No. of Shares**	**% of total shares of the Company**
1.	SurendraBhutoria Chief Financial Officer	-	-	-	-	-	
2	Rohit Jain* Company Secretary	-	-	-	-	-	

** Resigned as Company Secretary w.e.f. 10.02.2017.*

***Note:** Pursuant to the Scheme of Arrangement the shareholding has been reduced to 50% w.e.f. 17.03.2017*

V. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment: (Amount in Rs.)

	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	956,302,981	430,753	-	956,733,734
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	8,627,837	-	-	8,627,837
Total (i+ii+iii)	**964,930,818**	**430,753**	**-**	**965,361,571**
Change in Indebtedness during the financial year				
Addition	258,890,751	-	-	258,890,751
Reduction	(481,059,078)	(378,843)	-	(481,437,921)
Net Change	**(222,168,327)**	**(378,843)**	**-**	**(222,547,170)**
Indebtedness at the end of the financial year				
i) Principal Amount	737,446,906	51,910	-	737,498,816
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	5,315,585	-	-	5,315,585
Total (i+ii+iii)	**742,762,491**	**51,910**	**-**	**742,814,401**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Narender Surana, Managing Director*	Devendra Surana, Managing Director	Narender Munoth, Whole Time Director	N.Krupakar Reddy, Whole Time Director	Total Amount (Rs.)
1	Gross Salary					
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	11,60,000	39,18,500	8,73,871	3,18,387	**62,70,758**
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	5,80,000	20,81,500	3,74,516	-	**30,36,016**
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-	-	-	-
2	Stock Options	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission - as % of profit - others, specify….					
5	Others, please specify	-	-	-	-	-
	Total (A)	**17,40,000**	**60,00,000**	**12,48,387**	**3,18,387**	**93,06,774**

* Shri Narender Surana, Managing Director voluntarily not drawing salary w.e.f. 24.05.2016

B. Remuneration to other Directors:

1. Independent Directors:

Sl. No.	Particulars of remuneration	Name of Director						Total Amount (Rs.)
		R.Surender Reddy	O.Swaminatha Reddy	D.Venkata Subbiah	Kamlesh Gandhi	Dr. R.N Sreenath	Madhumati Suresh	
1	Sitting Fee forattending Board/Committee Meetings	90,000	1,00,000	60,000	1,00,000	60,000	40,000	**4,50,000**
2	Commission	-	-	-	-	-	-	-
3	Others, please specify	-	-	-	-	-	-	-
	Total (B)(1)	**90,000**	**1,00,000**	**60,000**	**1,00,000**	**60,000**	**40,000**	**4,50,000**

2. Other Non-Executive Directors:

Particulars of remuneration	G M Surana, Director	Total Amount (Rs.)
-Fee for attending Board/Committee Meetings	1,00,000	1,00,000
- Commission	-	-
- Others, pleasespecify	-	-
Total	**1,00,000**	**1,00,000**

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD:

Sl. No.	Particulars of Remuneration	Surendra Bhutoria Chief Financial Officer	*Rohit Jain Company Secretary	Total Amount (Rs.)
1	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	13,24,000	3,52,000	**16,76,000**
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	-		-
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-		-
2	Stock Options	-		-
3	Sweat Equity	-		-

Sl. No.	Particulars of Remuneration	Surendra Bhutoria Chief Financial Officer	*Rohit Jain Company Secretary	Total Amount (Rs.)
4	Commission - as % of profit - Others, specify	-		-
5	Others, please specify	-		-
	Total (C)	**13,24,000**	**3,52,000**	**16,76,000**

** Resigned as Company Secretary w.e.f 10.02.2017.*

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/Compounding feesimposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty	None				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	None				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	None				
Punishment					
Compounding					

ANNEXURE-V

FORM NO MR3

SECRETARIAL AUDIT REPORT

Pursuant to Section 204 (1) of the Companies Act, 2013 and the Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

To

The members of
Bhagyanagar India Limited

I have conducted Secretarial Audit pursuant to Section 204 of the Companies Act 2013, on the compliance of applicable Statutory Provisions and the adherence to good corporate practices by M/s.Bhagyanagar India Limited (hereinafter called as "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

1. Based on our verification of the books, papers, minutes books, forms, returns filed and other records maintained by the Company and also the information and according to the examinations carried out by us and explanations furnished and representations made to us by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, I hereby report that in our opinion, the Company has during the audit period covering the Financial Year ended on 31st March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

2. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Companyfor the financial year ended on 31st March, 2017 ("Audit Period") according to the provisions of:

   i) The Companies Act, 2013 (the Act) and the rules made there-under;

   ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there-under;

   iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there-under;

   iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there-under to theExtent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

   v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act,1992 ('SEBI Act'):-

      (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

      (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

      (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; Not applicable during the audit period.

      (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; Not applicable during the audit period.

      (e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; Not applicable during the audit period

      (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations,2008; Not applicable during the audit period

      (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

      (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not applicable during the audit period

      (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not applicable during the audit period

vi) The Company's main business is into manufacture of copper and non-ferrous metals, non-conventional energy (wind and solar). Accordingly, the following industry specific major laws are applicable to the Company:

(a) The Electricity Act, 2003

(b) Hazardous Wastes (Management and Handling) Rules, 1989

(c) Environment Protection Act, 1986

vii) I have also examined compliance with the applicable clauses of the following:

(a) The Listing Agreement entered into by the Company with the Stock Exchanges and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(b) Secretarial Standards issued by the Institute of Company Secretaries of India in respect of Board and General Meetings of the Company.

During the period under review, the Company has complied with the provisions of the applicable Acts, Rules, Regulations and Guidelines etc. mentioned above.

3. I, further report that:

(a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

(b) Adequate Notice is given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least 7 days in advance. There is adequate system for seeking and obtaining further information and clarifications on the agenda items before the meeting and meaningful participation at the meeting. Majority decision is carried through and there were no instances of dissenting members in the Board of Directors.

(c) It is also noted that the Company has an Internal Audit System to constantly monitor the processfor efficient compliances.

4. I, further report that, with effect of the scheme of arrangement, the Company's issued, subscribed and paid up capital has been reduced from Rs.12,79,80,000 divided into 6,39,90,000 equity shares of face value of Rs.2/- each **to** Rs.6,39,90,000 divided into 3,19,95,000 equity shares of face value of Rs.2/- each w.e.f. 17.03.2017. Further all the assets and liabilities of Solar Division and Real Estate Division demerged from the Company and merged with Surana Telecom and Power Ltd and Bhagyanagar Properties Limited respectively w.e.f. 01.04.2016 (Appointed Date).

5. I, further report that during the audit period, there were no specific events/actions having a major bearing on the company's affairs in pursuance of the above referred laws, regulations, guidelines, standards, etc referred above.

RAKHI AGARWAL
COMPANY SECRETARY IN PRACTICE
FCS NO.7047
CPNO.6270

Place: Hyderabad
Date: 31.07.2017

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Bhagyanagar India Limited to set the highest standards of Corporate Governance right from its inception benchmarked with the best class practices across the globe. Effective Corporate Governance is the manifestation of professional beliefs and values, which configures the organizational values, credo and actions of its employees. The aim of "Good Corporate Governance" is to ensure commitment of the board in managing the company in a transparent manner for maximizing long-term value of the company for its shareholders and all other partners. It integrates all the participants involved in a process, which is economic, and at the same time social. The Company's score philosophy on the code of Corporate Governance is to ensure:

- Fair and transparent business practices;
- Accountability for performance;
- Compliance of applicable statute;
- Transparent and timely disclosure of financial and management information;
- Effective management control and monitoring of executive performance by the Board; and
- Adequate representation of promoter, executive and independent directors on the Board.

Hence it harmonizes the need for a company to strike a balance at all times between the need to enhance shareholders' wealth whilst not in any way being detrimental to the interests of the other stakeholders in the company.

2. BOARD OF DIRECTORS:

a) Composition and Category of Directors:

In terms of compliance with the regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 "SEBI Listing Regulations, 2015", the Company endeavour to have an optimum combination of Executive and Non-Executive Directors to maintain the independence of the Board and separate the functions of Governance and Management through Board and Committees. As at March 31, 2017, the Board of Directors ("Board") comprises of Ten Directors, of which six are Non-Executive Directors and four are Executive Directors. The Company has Five Independent Directors; Independent Directors comprise half of the total strength of the Board. The composition and category of the Board of Directors is as follows:

Sl. No	Name of Director	Designation	Category
1	Shri. G Mangilal Surana	Chairman Emeritus	Non-executive Director (Promoter)
2	Shri. Narender Surana	Managing Director	Executive Director (Promoter)
3	Shri. Devendra Surana	Managing Director	Executive Director (Promoter)
4	Shri. O Swaminatha Reddy	Director	Independent Director
5	Shri. R Surender Reddy	Director	Independent Director
6	Shri. Kamlesh Gandhi	Director	Independent Director
7	Dr R. N. Sreenath*	Director	Independent Director
8	Shri. D Venkata Subbaiah	Director	Independent Director
9	Smt. Madhumathi Suresh	Director	Independent Woman Director
10	Shri. Narender Munoth	Whole Time Director	Executive Director
11	Shri. N Krupakar Reddy	Whole Time Director	Executive Director

** Resigned from the Board w.e.f.10.02.2017.*

b) Attendance of each director at the Board meetings and at the last Annual General Meeting:

The particulars of attendance of Board Meetings and Annual General Meeting by Directors for the financial year ended 31.03.2017 has been set out here below:

Sl. No.	Name of Director	No. of Board Meetings		Attendance at last AGM on 30.09.2016
		Held	Attended	
1	Shri. G Mangilal Surana	6	5	Absent
2	Shri. Narender Surana	6	6	Present
3	Shri. Devendra Surana	6	6	Present
4	Shri. O Swaminatha Reddy	6	6	Present
5	Shri. R Surender Reddy	6	5	Present
6	Shri. Kamlesh Gandhi	6	6	Present
7	Dr R. N. Sreenath*	6	6	Present
8	Shri. D Venkata Subbaiah	6	6	Present
9	Smt. Madhumathi Suresh	6	4	Absent
10	Shri. Narender Munoth	6	6	Present
11	Shri. N Krupakar Reddy	6	5	Present

** Resigned from the Board w.e.f.10.02.2017.*

c) Number of Other Directorships, Committee Membership(s) & Chairmanship(s):

Sl. No.	Name of the Director	Other Directorships	Committee Membership	Committee Chairmanship
1	Shri. G Mangilal Surana	4	2	2
2	Shri. Narender Surana	17	3	-
3	Shri. Devendra Surana	17	3	-
4	Shri. O Swaminatha Reddy	10	2	5
5	Shri. R Surender Reddy	6	3	4
6	Shri. Kamlesh Gandhi	4	1	2
7	Dr. R.N. Sreenath*	5	3	-
8	Shri. D Venkata Subbaiah	3	2	3
9	Shri. Narender Munoth	0	-	-
10	Shri. N Krupakar Reddy	3	-	-
11	Smt. Madhumathi Suresh	2	-	-

** Resigned from the Board w.e.f.10.02.2017.*

- The number of total directorships is in accordance with Section 165 of the Companies Act, 2013.
- The Number of Directorships, Committee memberships and Chairmanships of all listed and unlisted companies are within the limits as per Regulation 26 of SEBI (LODR) Regulations, 2015 and erstwhile Clause 49(II)(D)(2) of the Listing Agreement.

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

In terms of compliance with the requirement of Regulation 17(2) of SEBI (LODR) Regulations, 2015, Six Board Meetings were held during the financial year ended 31.03.2017, as against the minimum requirement of four meetings. The maximum time gap between any of two consecutive meetings did not exceed One Hundred and Twenty days.

The dates on which the Board meetings were held are:

06.05.2016	24.05.2016	10.08.2016	30.09.2016	07.11.2016	10.02.2017

e) Disclosure of relationship between directors inter-se

Shri. G Mangilal Surana, Chairman-Emeritus is the father of Shri Narender Surana and Shri Devendra Surana, Managing Directors of the Company. Other than Shri. G Mangilal Surana, Chairman-Emeritus, Shri Narender Surana, Managing Director and Shri Devendra Surana, Managing Director, none of the Directors are related to any other Director.

f) Shares held by Non-Executive Directors

The number of equity shares of the Company held by the non-executive directors, as on 31.03.2017 are as follows:

Sl.No	Name of the Director	No of Equity Shares
1	Shri. G Mangilal Surana	17,10,990
2	Shri. O Swaminatha Reddy	Nil
3	Shri. R Surender Reddy	7,500
4	Shri. Kamlesh Gandhi	Nil
5	Dr R. N. Sreenath	Nil
6	Shri. D Venkata Subbaiah	Nil
7	Smt. Madhumathi Suresh	Nil

g) The details of familiarization programs imparted to independent directors is given below

Your Company follows a structured orientation and familiarisation programme through various reports/ codes/internal policies for all the Directors with a view to update them on the Company's policies and procedures on a regular basis. Periodic presentations are made at the Board Meetings on business and performance, long term strategy, initiatives and risks involved. The framework on familiarisation programme has been posted in the website of the Company. The details of familiarization program is available on the website:http://www.bhagyanagarindia.com/investor-relations.php

BOARD COMMITTEES:

Details of the Board Committees and other related information are provided hereunder:

1. AUDIT COMMITTEE:

(a) Brief description of terms of reference:

The role and terms of reference of the Audit Committee are set out in Regulation 18(3) read with Part C of Schedule II of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013, besides other terms as may be referred to by the Board of Directors of the Company. The terms of reference of the Audit Committee broadly are:

1. Review of financial reporting systems;
2. Ensuring compliance with regulatory guidelines;
3. Reviewing the quarterly, half yearly and annual financial results;
4. Approval of annual internal audit plan;
5. Review and approval of related party transactions;
6. Discussing the annual financial statements and auditor's report before submission to the Board with particular reference to the (i) Director's Responsibility Statement; (ii) major accounting entries; (iii) significant adjustments in financial statements arising out of audit findings; (iv) compliance with listing requirements etc.;
7. Interaction with statutory, internal and cost auditors;
8. Recommendation for appointment and remuneration of auditors; and
9. Reviewing and monitoring the auditor's independence and performance etc.

Further the Audit Committee also mandatorily reviews thefollowing information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses;
5. The appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the audit committee; and

6. Statement of deviations:

(a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI Listing Regulations;

(b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7) of SEBI Listing Regulations.

In addition to the above, the Audit Committee also reviews the financial statements, minutes and details of investments made by the subsidiary companies.

(b) Composition, Name of members and Chairman:

As on March 31, 2017, the Audit Committee of the Board comprises of three (3) Independent Directors and one (1) Non-executive Director. The Chairperson of the Audit Committee is Independent Director. The composition of the Committee is in compliance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations:

Sl.No	Name of Director	Designation
1	Shri. Kamlesh Gandhi	Chairman
2	Shri. O Swaminatha Reddy	Member
3	Shri. R Surender Reddy	Member
4	Shri. G Mangilal Surana	Member

- CFO, Statutory Auditors and Internal Auditors attend the Audit Committee meetings on invitation and the Company Secretary acts as the Secretary of the Committee.
- The minutes of the meetings of the Audit Committee are placed before the Board and discussed in the meeting.

(c) Meetings and attendance during the year:

- Four Audit Committee Meetings were held during the financial year ended March 31, 2017. The maximum time gap between any of the two meetings was not more than one Hundred and Twenty days.
- The Audit Committee meetings were held on

24.05.2016	10.08.2016	07.11.2016	10.02.2017

- **Attendance at the Audit Committee Meeting:**

Sl No	Name of the Director	Number of Meetings	
		Held	Attended
1.	Shri Kamlesh Gandhi	4	4
2.	Shri O Swaminatha Reddy	4	4
3.	Shri R Surender Reddy	4	4
4.	Shri G Mangilal Surana	4	4

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.

2. NOMINATION & REMUNERATION COMMITTEE:

a. Brief description of terms of reference

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director;
- Recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

- Carry on the evaluation of every director's performance;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity; and
- Any other matter as the Board may decide from time to time.

b. Composition, Name of members and Chairman:

The Nomination and Remuneration Committee was constituted by the Board with 3 Independent Directors. The following is the composition of the Board.

Sl. No	Name of Director	Designation
1.	Shri. R Surender Reddy	Chairman
2.	Shri. O Swaminatha Reddy	Member
3.	Shri. D Venkata Subbaiah	Member

- The Company Secretary acts as the Secretary of the Committee.
- The minutes of the meetings of the Nomination and Remuneration Committee are circulated to all the members of the Board.

c. Nomination and Remuneration Committee meetings

During the period from April 1, 2016 to March 31, 2017, Nomination and Remuneration Committee Meetings were held on 24.05.2016 and 10.02.2017.

S. No	Name of the Director	Number of Meetings	
		Held	Attended
1.	Shri. R Surender Reddy	2	2
2.	Shri. O Swaminatha Reddy	2	2
3.	Shri. D VenkataSubbaiah	2	2

d. Nomination and Remuneration policy

- The nomination and remuneration committee has adopted a Nomination and Remuneration Policy which, interalia, deals with the manner of selection of Board of Directors, KMP & other senior management and their remuneration. Executive Directors and KMP are eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The Executive Director and KMP remuneration is determined based on levels of responsibility and scales prevailing in the industry. The executive directors are not paid sitting fee for any Board/Committee meetings attended by them.
- The Non-executive directors are paid sitting fees for attending meetings of Board/Committee.

e. Performance evaluation of Directors.

During the year under review, pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the evaluation of performance of all Directors is undertaken annually. The company has implemented a system of evaluating performance of the Board of Directors and of its Committees and individual Directors on the basis of a structured questionnaire which comprise evaluation criteria taking into consideration various performance related aspects.

The Board of Directors has expressed their satisfaction with the valuation process.

INDEPENDENT DIRECTORS' MEETING:

During the year, meeting of Independent Directors was held on 10.02.2017 to review the performance of the Board as a whole on parameters of effectiveness and to assess the quality, quantity and timeliness of flow of information between the management and the Board.

5. Remuneration of Directors

(a) Details of Remuneration of Non – Executive Directors:

- There were no pecuniary transactions with any non-executive director of the Company.
- Non-Executive Directors are paid Sitting Fee for attending the Board and Committee Meetings.

Following are the details of sitting fees and commission paid to the Directors. The Company pays Sitting fees to all the Non-executive Directors at the rate of Rs.10,000/- 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 2016-17 are as follows:

S. No.	Name of Director	Sitting Fees paid (Rs.)
1.	Shri G Mangilal Surana	1,00,000
2.	Shri O Swaminatha Reddy	1,00,000
3.	Shri R Surender Reddy	90,000
4.	Dr. R.N. Sreenath	60,000
5.	Shri Kamlesh Gandhi	1,00,000
6.	Shri D.Venkata Subbaiah	60,000
7.	Smt. Madhumathi Suresh	40,000
Total		**5,50,000**

(b) Details of Remuneration of Executive Directors:

(Amount in Rs.)

Name of Director	Salary	HRA	Total
Shri. Narender Surana*	11,60,000	5,80,000	17,40,000
Shri.Devendra Surana	39,18,500	20,81,500	60,00,000
Shri.Narender Munoth**	8,73,871	3,74,516	12,48,387
Shri.N. Krupakar Reddy	3,18,387	Nil	3,18,387
TOTAL	**62,70,758**	**30,36,016**	**93,06,774**

**Shri Narender Surana voluntarily not drawing salary form the company w.e.f 24.05.2016.*

***Shri.Narender Munoth voluntarily not drawing salary form the company w.e.f 30.07.2016*

6. STAKEHOLDERS RELATIONSHIP COMMITTEE:

(a) Brief description of terms of reference:

The Stakeholders Relationship Committee oversees and reviews all matters connected with the share transfers and also looks into redressing of shareholders complaints like transfer of shares, non-receipt of annual report/ dividends etc. The committee oversees the performance of the Registrar of Transfer Agents and recommends measures for overall improvement in the quality of investor services. Email-id for Investor Grievances: investorservices_bil@surana.com or cs@surana.com

(b) Composition:

Sl.No.	Name of Director	Designation
1.	Shri. G M Surana	Chairman
2.	Shri. NarenderSurana	Member
3.	Shri. DevendraSurana	Member

(c) Name and Designation of Compliance Officer:

Shri Badarish H Chimalgi, Company Secretary is acting as Compliance Officer of the Company.

(d) Number of Shareholders complaints received so far.

During the financial year ended March 31, 2017, the Company has received and resolved 3 complaints.

(e) Number of complaints not resolved to the satisfaction of shareholders is Nil.

(f) There were no pending complaints as at the year end.

7. GENERAL BODY MEETINGS:

i) Location and Time, where last three Annual General Meetings held:

Year	Locations	Date	Time
31st AGM (2015-16)	The Grand Solitaire Hotel, 1-240, 41 & 43, SD Road, Parklane, Secunderabad – 500 003	30th September, 2016	10.00 A.M
30th AGM (2014-15)	The Grand Solitaire Hotel, 1-240, 41 & 43, SD Road, Parklane, Secunderabad – 500 003	30th September, 2015	10.00 A.M
29th AGM (2013-14)	KamatLingapur Hotel, 1-10-44/2, ChikotiGardens, Begumpet, Hyderabad – 500 016	22nd September,2014	12.00 NOON

ii. Whether any Special Resolutions passed in the previous 3 Annual General Meetings:

2015-16: In the AGM held on 30th September, 2016 the Company has passed Special Resolutions as follows:

(i) To authorize the Board to raise the funds through issue of convertible securities/GDRs/ADRs/FCCBs/ECBs etc.

2014-15: In the AGM held on 30th September, 2015 the Company has passed Special Resolutions as follows:

(i) Re-Appointment of Shri Narender Surana, Managing Director of the Company.

(ii) Re-Appointment of Shri Devendra Surana, Managing Director of the Company.

(iii) Adoption of New set of Articles of Association (AoA) as per companies Act, 2013.

(iv) To authorize the Board to raise the funds through issue of convertible securities/GDRs/ADRs/FCCBs/ECBs etc.

2013-14: In the AGM held on 22nd September, 2014 the company has passed Special Resolutions as follows:

(ii) To approve the Remuneration to be paid to Shri Narender Surana, Managing Director.

(iii) To approve the Remuneration to be paid to Shri Devendra Surana, Managing Director.

(iv) Re-appointment of Shri. N. Krupakar Reddy as Whole Time Director for a period of 3 years.

(v) To authorize the Board to borrow money in Excess of Paid-up Capital and Free Reserves under section 180 (1)(c) of Companies Act, 2013.

(vi) To authorize the Board to sell, lease or dispose of the undertaking u/s 180(1)(a) of Companies Act, 2013.

(vii) To authorize the Board to raise the funds through issue of convertible securities/GDRs/ADRs/FCCBs/ECBs etc.

ii) Special resolution passed last year through postal ballot:

Special Resolution was passed through Postal Ballot on 18.06.2016 for approval of scheme of arrangement between Bhagyanagar India Ltd (Demerged Company), Surana Telecom and Power Ltd (Resulting Company-1) and Bhagyanagar Properties Ltd (Resulting Company-2) and their respective shareholders and creditors.

8. MEANS OF COMMUNICATION:

(a) Financial / Quarterly Results:

The quarterly results of the Company are published in accordance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in widely circulated newspapers namely Business Standard/Financial Express (English daily) and Navatelangana (Telugu daily).

(b) Newspapers wherein results normally published

The results of the Company are published in widely circulated newspapers namely Business Standard/ Financial Express (English daily) and Navatelangana (Telugu daily).

(c) Any website, where displayed

The results of the Company are publishedon the Company's website: www.bhagyanagarindia.com.

(d) Whether it also displays official news releases

Official news releases along with quarterly results are displayed on the Company's website: www.bhagyanagarindia.com.

(e) Presentations made to institutional investors or to the analysts.

There are no presentations made to the investors/ analysts.

Website:

The website www.bhagyanagarindia.com. contains a separate dedicated section for the Company's "Investor Relations" where shareholders' information is available. The full Annual Report, shareholding pattern etc. is also available in the 'Investor Relations' sections on the website of the Company.

9. GENERAL SHAREHOLDER INFORMATION:

Annual General Meeting	**Date** : 26th September, 2017 **Time** : 10.00 AM **Venue** : Grand Solitaire Hotel, 1-240, 41 & 43, S.D. Road, Parklane, Secunderabad-500003
Financial Calendar	1st April to 31st March.
Date of Book Closure	21.09.2017 to 26.09.2017 (both days inclusive)
Dividend Payment Date	Nil
Listing on Stock Exchanges	BSE Ltd National Stock Exchange of India Limited
Scrip/Stock Code	512296 on BSE BHAGYANGR on NSE
ISIN Number for NSDL & CDSL	INE458B01036

The listing fees for the year 2017-18 has been paid to the above stock exchanges.

(a) MARKET PRICE DATA:

Month	NSE		BSE	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
Apr' 2016	20.35	16.25	18.75	16.50
May'2016	18.80	16.20	18.35	16.25
Jun' 2016	18.45	15.50	18.35	16.60
Jul' 2016	21.40	16.00	19.75	17.75
Aug' 2016	21.00	17.50	19.50	17.50
Sep' 2016	18.50	17.00	18.45	16.80
Oct' 2016	19.80	17.15	19.80	16.95
Nov' 2016	21.30	16.45	21.40	15.35
Dec' 2016	20.35	17.50	19.80	17.50
Jan' 2017	26.90	18.45	26.75	18.75
Feb' 2017	24.90	21.15	24.85	21.05
Mar' 2017	25.00	21.25	25.40	21.15

(b) Performance in comparison to BSE SENSEX:

The performance of the Company's scrip on the BSE as compared to the Sensex is as under:

	April, 2016	March, 2017	% Change
Company Share Price(closing)	16.50	24.35	47.58
SENSEX (closing)	25269.64	29620.50	17.22

(c) Suspension of trading in securities:

The trading in Company's shares were suspended from 10.03.2017 to 17.05.2017 due to procedural reasons as the Company's paid up capital has been reduced to 50% from Rs.12,79,80,000 divided into 6,39,90,000 equity shares of face value of Rs.2/- each to Rs.6,39,90,000 divided into 3,19,95,000 equity shares of face value of Rs.2/- each as per the Scheme of Arrangement.

(d) Registrar to an issue &Share Transfer Agents:

Registrar to an issue & Share Transfer Agents (for shares held in both Physical and Demat mode) are as follows:

M/s KARVY COMPUTERSHARE PRIVATE LIMITED

Karvy Selenium Tower B, Plot No 31 & 32,
Gachibowli, Financial District, Nanakramguda,
Serilingampally, Hyderabad – 500 032
Phone # +91-40-67161526
Email ID: einward.ris@karvy.com / nageswara.raop@karvy.com

(e) Share Transfer System

SEBI vide its Circular No. CIR/MIRSD/8/2012, dated July 5, 2012 has reduced the time-line for registering the transfer of shares to 15 days, the Physical share transfers are processed and the share certificates are returned to the shareholders within a maximum period of 15 days from the date of receipt, subject to the documents being valid and complete in all respects. In compliance with the Listing Agreement with the Stock Exchanges, a Practicing Company Secretary carries out audit of the system of transfer and a certificate to that effect is issued.

(f) Distribution of shareholding

Shareholding Pattern as on 31st March, 2017:

Sl.No	Description	Total Shares	% Equity
1	Promoters	1,84,22,150	57.58
2	Promoters Bodies Corporate	55,71,528	17.41
3	Banks	270	0.00
4	Clearing Members	1,592	0.00
5	Government	88,350	0.28
6	H U F	2,40,713	0.75
7	Indian Financial Institutions	7,47,815	2.34
8	Bodies Corporates	5,18,376	1.62
9	Resident Individuals	62,94,977	19.67
10	Trusts	896	0.00
11	Mutual Funds	5,250	0.02
12	NBFC	10,568	0.03
13	Non Resident Indians	90,205	0.28
14	Non Resident Indian Non-repatriable	1,960	0.01
15	Non Resident Indian Repatriable	350	0.00
	Total:	**3,19,95,000**	**100.00**

Distribution of shareholding as on 31.03.2017:

Shares holding of nominal value of	No. of Shareholders	No. of Shares	% of total shares
1 - 5000	10158	24,63,141	7.70
5001 - 10000	161	5,78,117	1.81
10001 - 20000	71	5,11,917	1.60
20001 - 30000	35	4,39,764	1.37
30001 - 40000	11	1,87,138	0.58
40001 - 50000	13	2,98,075	0.93
50001 - 100000	13	4,52,285	1.41
100001 & Above	39	2,70,64,563	84.59
Total	**10501**	**3,19,95,000**	**100.00**

(g) Dematerialisation of Shares & Liquidity

The Company's shares are available for dematerialisation with both the Depositories, National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

31,581,203 equity shares were dematerialized representing 98.71% of the total paid up equity share capital of the Company as on 31.03.2017.

(h) There are no outstanding Global Depository Receipts/ American Depository Receipts or Warrants or any convertible instruments as on the date of 31.03.2017.

(i) Commodity price risk or foreign exchange risk and hedging activities;

The Company is not carrying on any Commodity business and has also not undertaken any hedging activities hence same are not applicable to the Company.

(j) Plant Locations:

Copper Division **Bhagyanagar India Limited** Plot No. P-9/13(1) & P-9/14 IDA, Nacharam, Hyderabad – 500 076 **Harinam Wires (Copper Unit)** Plot No. P-9/13, (A), (B), (C), Industrial Development Area Nacharam, Hyderabad – 500 076.	**Hardware Park** Plot No. 22B, Raviryal Village, Maheshwaram Mandal, R. R Dist, Hyderabad – 532 409 **Wind Power Division** Kapatguda, Gadag District, Karnataka (9MW)

viii) 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.	**M/s. Karvy Computershare Pvt. ltd.** Karvy Selenium Tower B, Plot No 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032 Phone # +91-40-67161526 Email ID: einward.ris@karvy.com / nageswara.raop@karvy.com Website : www.karvy.com
2.	Investor Correspondence / Queries on Annual Report, Revalidation of Dividend Warrants, Sub-Division, etc.	**Company Secretary** Bhagyanagar India Limited 5th Floor, Surya Towers, S.P.Road, Secunderabad – 500 003. Ph Nos. 040 - 27845119/ 44665750 E-mail : cs@surana.com Investorservices_bil@surana.com Website: www.bhagyanagarindia.com

10. OTHER DISCLOSURES

(a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large;

Besides the transactions mentioned elsewhere in the Annual Report, there were no materially significant related party transactions during the year conflicting with the interest of the Company.

(b) Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years;

None.

(c) Details of establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel has been denied access to the audit committee;

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and Regulation 22 of the SEBI Listing regulations, 2015, the Company has formulated Whistle Blower Policy for vigil mechanism for Directors and employees to report to the management about the unethical behavior, fraud or violation of Company's code of conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee. The policy is available on the Company website, www.bhagyanagarindia.com. During the financial year under review, none of the Complaint has received.

(d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements;

The Company has complied with all the mandatory requirements of Corporate Governance as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Adoption of non-mandatory requirements pursuant to SEBI (LODR), 2015 is being reviewed by the Board from time to time.

(e) Web link where policy for determining 'material' subsidiaries is disclosed;

The policy for determining 'material' subsidiaries is available on the website of the Company http://www.bhagyanagarindia.com/investor-relations.php

(f) Web link where policy on dealing with related party transactions;

The policy on dealing with related party transactions is available on the website of the Company: http://www.bhagyanagarindia.com/investor-relations.php

(g) Disclosure of commodity price risks and commodity hedgingactivities:

Not applicable

11. The Company Complied with the requirements of the Schedule V Corporate Governance report sub-paras (2) to (10) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,2015.

12. Details of compliance with mandatory requirements and adoption of Discretionary Requirements

The Company has complied with all the mandatory requirements of Corporate Governance as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Adoption of non-mandatory requirements pursuant to SEBI (LODR), 2015 is being reviewed by the Board from time to time.

13. The Disclosures of the compliance with Corporate Governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 are as follows:

Regulation	Particulars of Regulation	Compliance Status (Yes/No)
17	Board of Directors	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stake Holders Relationship Committee	Yes
21	Risk Management Committee	Yes
22	Vigil Mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirement with respect of Subsidiary of Listed entity	Yes
25	Obligation with respect to Independent Director	Yes
26	Obligation with respect to Directors and Senior Management	Yes
27	Other Corporate Governance Requirement	Yes
46(2)(b) to (i)	Website	Yes

14. Code of Conduct

The Company has in place a comprehensive Code of Conduct applicable to all the employees and Non-executive Directors including Independent Directors. The Code is applicable to Non-executive Directors including Independent Directors to such extent as may be applicable to them depending on their roles and responsibilities. The Code gives guidance and support needed for ethical conduct of business and compliance of law. A copy of the Code has been posted on the Company's website.

15. CEO and CFO Certification

In line with the requirements of Schedule-V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Shri Narender Surana, Shri Devendra Surana, Managing Directors, Shri Surendra Bhutoria, Chief Finance Officer have submitted a certificate to the Board, certifying inter-alia, that the Financial Statements and the Cash Flow Statement for the year ended March 31, 2017 were reviewed to the best of their knowledge and belief, that they do not contain any material untrue statement, do not omit any material facts, are not misleading statements, together present a true and fair view and are in compliance with the applicable laws and regulations. The certificate further confirms that the transactions entered into by the Company for establishing internal control, financial reporting, evaluation of the internal control systems and making of necessary disclosures to the Auditors and the Audit Committee have been complied with.

16. Disclosure with respect to Demat suspense account/ unclaimed suspense account:

Pursuant to the SEBI Circular and Regulation 39 of the SEBI Listing Regulations, 2015, during the year under review, there are no outstanding shares in the demat suspense account.

17. Unclaimed Dividend:

Pursuant to the provisions of Section 124 of the Companies Act, 2013, Dividends for the financial year ended 31st March, 2010 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 124 of the Companies Act, 2013, Information in respect of the due date for transfer of such unclaimed dividend to the said fund is given below:

Financial Year	Date of Declaration	Due date for transfer	Unclaimed Dividend* (Amount in Rs)
2009-10	24.09.2010	23.10.2017	2,05,139
2010-11	21.09.2011	20.10.2018	2,42,677
2011-12	29.09.2012	28.10.2019	2,40,284
2012-13	27.09.2013	26.10.2020	2,81,768
2013-14	22.09.2014	21.10.2021	2,44,452
2014-15	30.09.2015	29.09.2022	2,46,518
TOTAL			**14,60,838**

** As on 31st March, 2017*

The members are advised to send all the unencashed dividend warrants pertaining to the above years to our RTA for revalidation or issuance of Demand Draft in lieu thereof and encash them before the due dates for transfer to the IEPF. 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.

18. Proceeds from public issues, rights issues, preferential issues, etc.

During the year ended March 31, 2017, there were no proceeds from public issues, rights issues, preferential issues, etc.

19. The Company has adopted the policy on dissemination of information on the material events to stock exchanges in accordance with the Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The said policy is available on the website of the Company http://www.bhagyanagarindia.com/investor-relations.php

20. The Company has adopted the policy on preservation of documents in accordance with the Regulation 9 of theSecurities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Documents Preservation Policy is available on the website of the Company: http://www.bhagyanagarindia.com/investor-relations.php

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

Pursuant to the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015, 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 in place a Code of Conduct which is approved by the Board.

The Managing Director is acting as Compliance Officer for the said purpose. The code is applicable to all such employees, officers, Directors and Promoters 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 others concerned the compliance of the same has been affirmed by them.

22. Particulars of Director(s), seeking re-appointment at the forthcoming Annual General Meeting:-

Name of Director	SHRI N.KRUPAKAR REDDY
Expertise in specific functional areas	He has got about 25 years of experience in running the industry. Presently inchargeof operations of Jelly Filled Telephone Cables.
Date of Birth	01.07.1956
Qualification	B.Com
List of other Companies in which Directorship is held as on 31st March, 2017.	1. InnovaInfrastructure Pvt Ltd 2. Royal Skyscrapers India Pvt Ltd 3. Metropolitan Ventures Pvt Ltd
Chairman/Member of the Committees of the Board of other Companies in which he is a Director as on 31st March, 2017.	Nil

DECLARATION OF COMPLIANCE OF CODE OF CONDUCT

As provided under Schedule-V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors and the Senior Management Personnel have confirmed compliance with the Code of Conduct and Ethics for the financial year ended March 31, 2017.

For **BHAGYANAGAR INDIA LIMITED**

Place : Secunderabad
Date : 31.07.2017

DEVENDRA SURANA
MANAGING DIRECTOR

CEO AND CFO CERTIFICATION

We hereby certify that:

a. we have reviewed financial statements and the cash flow statement for the Financial Year ended 31st March, 2017 and that to the best of our knowledge and belief:

   (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b. There are, to the best of our knowledge and belief no transactions entered into by the Company during the year which are fraudulent, illegal or violate of the Company's code of conduct.

c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d. We have indicated to the Auditors and the Audit Committee that there are no:

   (i) significant changes in internal control over financial reporting during the year;

   (ii) significant changes in accounting policies during the year requiring disclosure in the notes to the financial statements; and

   (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the company's internal control system over financial reporting.

For **Bhagyanagar India Limited**

	Narender Surana	**Devendra Surana**	**Surendra Bhutoria**
Date : 31.07.2017	**Managing Director**	**Managing Director**	**Chief Financial Officer**
Place : Secunderabad	**DIN:00075086**	**DIN:00077296**	

Auditors' Certificate on compliance with the conditions of Corporate Governance under Chapter IV of the Securities and Exchange Boardof India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Members of
Bhagyanagar India Limited

We have examined the compliance of conditions of corporate governance by Bhagyanagar India Limited ('the Company') for the year ended 31st March, 2017, as stipulated in Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Regulations").

The compliance of conditions of corporate governance is the responsibility of the Management. Our examination was limited to 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 Regulations.

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

For M/s. Sekhar & Co
Chartered Accountants
(FRN- 003695S)

G. GANESH
Partner
M.No. 211704

Date : 31.07.2017
Place : Secunderabad

INDEPENDENT AUDITORS' REPORT

To The Members of

Bhagyanagar India Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Bhagyanagar IndiaLimited ("the Company"), which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards andmatters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparationof the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company, as at March 31, 2017, and its profit and its cash flows for the year ended on that date.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure – A" a statement on matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143(3) of the Act, we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c. The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e. On the basis of written representations received from the directors as on 31st March, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2017, from being appointed as a director in terms of Section 164(2) of the Act.

f. With respect to the adequacy of the Internal Financial Controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

g. With respect to the other matters included in the Auditor's Report and in accordance with Rule 11 of Companies (Audit and Auditors) Rules, 2014 and in our opinion and to the best of our information and explanations given to us:

   i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 2.26 to the financial statements.

   ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

   iv. The Company has provided requisite disclosures inNote 2.33of its financial statements as to holdings as well as dealings in Specified Bank Notes during the period 8th November 2016 to 30th December 2016 and the disclosures are in accordance with the books of accounts maintained by the company.

For Sekhar & Co.,
Chartered Accountants
FRN: 003695-S

G. Ganesh
Partner
M.No.: 211704

Place: Secunderabad
Date:18-May-2017

Annexure A referred to in paragraph 1 of our report of even date

Re: Bhagyanagar India Limited

i. a) The Company has maintained proper records showing full particular including quantitative details and situation of fixed assets.

b) All the fixed assets have not been physically verified by the management during the year. In respect of fixed assets verified according to this program, which we consider reasonable, no material discrepancies were noticed on such verification.

c) The title deeds of immovable properties are held in the name of the company.

ii. The inventory, except Goods-in-transit, has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. In respect of inventory lying with third parties, these have substantially been confirmed by them. No material discrepancies were noticed on physical verification.

iii. The Company has granted unsecured loans to seven parties covered in the register maintained under section 189 of the Act. There are no firms/ LLPs/ other parties covered in the register maintained under Section 189 of the Act.

a) In respect of the aforesaid loans, the terms and conditions under which such loans were granted are not prejudicial to the company's interest.

b) In respect of the aforesaid loans, the schedule of repayment of principle and interest has not been stipulated. Due to absence of schedule of repayment, the regularity of the same could not be commented.

c) In absence of specific schedule of repayment of loans, we are of the opinion of no overdue amounts.

iv. In our opinion and according to the information and explanations given to us, the company has not advanced loans to directors/ to a company in which the director is interested to which, the provisions of Section 185 of the Companies Act, 2013 apply and hence not commented upon. In our opinion and according to the information and explanations given to us, the company has made investments and give guarantees / provided security which is in compliance with the provisions of section 186 of the companies act,2013.

v. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

vi. We have broadly reviewed the cost records maintained by the Company prescribed by the Central Government of India under Section 148(1) of the Act and are of the opinion that prima facie the prescribed accounts and records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii. a) According to information and explanations given to us and on the basis of our examination of the books of accounts and records, the Company has been generally regular in depositing undisputed statutory dues with appropriate authorities including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31,2017 for a period of more than six months from the date on when they become payable.

b) According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.

c) Details of dues of Duty of Excise, Duty of Customs and Income Tax which have not been deposited as on 31st March 2017 on account of disputes are given below:

Sl. No.	Name of Statute	Nature of Dues	Amount involved in dispute & not paid	Period to which it relates	Forum where dispute is pending
1	Central Excise Act, 1944	Excise Duty	22,24,926	2010	Appeal is pending against CESTAT
			20,00,000	2011	Appeal is pending against CESTAT

viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.

ix. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.

x. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the company or on the company by its officers or employees has been noticed or reported during the year.

xi. Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.

xii. In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.

xiii. In our opinion, all transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

xiv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the company and hence not commented upon.

xv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the company and hence not commented upon.

xvi. In our opinion, the company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the company and hence not commented upon.

For Sekhar & Co.,
Chartered Accountants
FRN: 003695-S

G. Ganesh
Partner
M.No.: 211704

Place: Secunderabad
Date:18-May-2017

Annexure B to the Auditor's Report:

Report on the Internal Financial Controls under the Clause (i) of sub section 3 of Section 143 of the Companies Act, 2013('the Act)

We have audited the internal financial controls financial reporting of Bhagyanagar India Limited ("the Company") as of 31 March 2017 in conjunction withour audit of the standalone financial statements of the Company for the year ended on that date.

Management's responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls base on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detention of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013("the Act").

Auditors' Responsibility:

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of the internal financial controls over the financial reporting included obtaining an understanding of the internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls systems over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of the financial reporting and the preparation of financial statements for external purposes in accordance it generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of the Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, orthat the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Sekhar & Co.,
Chartered Accountants
FRN: 003695-S

G. Ganesh
Partner
M.No.: 211704

Place: Secunderabad
Date:18-May-2017

BALANCE SHEET AS AT 31ST MARCH, 2017

(Amount in Rs.)

	Particulars	Note No.	As at 31.03.2017		As at 31.03.2016	
I	**EQUITY AND LIABILITIES**					
	(1) SHAREHOLDERS' FUNDS					
	(a) Share Capital	2.1	**63,990,000**		127,980,000	
	(b) Reserves and Surplus	2.2	**964,498,554**		1,992,821,523	
				1,028,488,554		2,120,801,523
	(2) NON-CURRENT LIABILITIES					
	(a) Long-Term Borrowings	2.3		**265,170,201**		507,441,150
	(3) CURRENT LIABILITIES					
	(a) Short-Term Borrowings	2.4	**400,952,705**		296,490,246	
	(b) Trade Payables (Includes due to SME's - Nil)	2.5	**16,027,029**		63,546,967	
	(c) Other Current Liabilities	2.6	**174,519,791**		190,490,525	
	(d) Short-Term Provisions	2.7	**900,000**		900,000	
				592,399,525		551,427,738
	TOTAL			**1,886,057,763**		3,179,670,443
II	**ASSETS**					
	(1) NON-CURRENT ASSETS					
	(a) Fixed Assets					
	(1) Tangible Assets	2.8	**494,640,353**		781,438,468	
	(b) Non-Current Investments	2.9	**14,016,539**		261,113,270	
	(c) Deferred Tax Assets (Net)	2.10	**2,120,629**		4,218,269	
	(d) Long-Term Loans and Advances	2.11	**254,987,384**		1,179,912,040	
				765,764,905		2,226,682,047
	(2) CURRENT ASSETS					
	(a) Inventories	2.12	**510,093,282**		334,363,599	
	(b) Trade Receivables	2.13	**330,843,059**		293,298,318	
	(c) Cash and Cash Equivalents	2.14	**52,393,002**		31,258,436	
	(d) Short-Term Loans and Advances	2.15	**89,089,432**		156,994,591	
	(e) Other Current Assets	2.16	**137,874,083**		137,073,452	
				1,120,292,858		952,988,396
	TOTAL			**1,886,057,763**		3,179,670,443
	Significant Accounting Policies and Notes to Accounts	1 & 2				

As per our report of even date attached

For Bhagyanagar India Limited

For Sekhar & Co
Chartered Accountants
Firm's Registration Number : 003695-S

G.Ganesh
Partner
Membership No: 211704

Narender Surana
Managing Director
DIN: 00075086

Devendra Surana
Managing Director
DIN: 00077296

Surendra Bhutoria
Chief Financial Officer

Badarish H Chimalgi
Company Secretary
Membership No: 32651

Place : Secunderabad
Date : May 18 , 2017

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST, MARCH 2017

(Amount in Rs.)

	Particulars	Note No.	For the year 31.03.2017		For the year 31.03.2016	
I	**REVENUE FROM OPERATIONS**					
	Sale of Products (Net of Sales Tax)		3,196,009,186		3,127,856,104	
	Infrastructure Leasing and Sales		18,614,304		8,149,550	
			3,214,623,490		3,136,005,654	
	Less: Excise Duty		286,913,688		307,559,936	
	NET REVENUE FROM OPERATIONS	2.17		2,927,709,802		2,828,445,718
II	**OTHER INCOME**	2.18		89,271,686		109,030,454
	TOTAL REVENUE			3,016,981,488		2,937,476,172
III	**EXPENSES**					
	Cost of Materials Consumed	2.19		2,493,376,976		2,254,654,627
	Changes in Inventories of Finished Goods, Work-in-Progress and Stock in Trade	2.20		43,775,044		195,468,718
	Employee Benefit Expenses	2.21		50,806,413		47,530,728
	Finance Costs	2.22		59,369,584		76,152,011
	Depreciation and Amortisation Expenses	2.23		34,358,606		50,582,033
	Other Expenses	2.24		230,574,223		266,003,959
	TOTAL EXPENSES			**2,912,260,846**		**2,890,392,076**
IV	**PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX**			**104,720,642**		**47,084,096**
V	**AMORTISATION OF INTANGIBLE ASSETS**			**(10,844,686)**		**(22,294,090)**
VI	**PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX**			**93,875,956**		**24,790,006**
VI	**EXTRAORDINARY ITEMS**			**(42,588,988)**		**-**
VII	**PROFIT BEFORE TAX**			**51,286,968**		**24,790,006**
VIII	**TAX EXPENSE**					
	1. Current Tax			10,374,911		3,575,228
	2. Deferred Tax			2,097,640		1,020,346
	3. MAT Entitlement Credit			(9,597,782)		-
IX	**PROFIT AFTER TAX**			48,412,199		20,194,432
X	**EARNINGS PER EQUITY SHARE**					
	1. Basic			1.51		0.32
	2. Diluted			1.51		0.32
	Significant Accounting Policies and Notes to Accounts	1 & 2				

As per our report of even date attached

For Bhagyanagar India Limited

For Sekhar & Co
Chartered Accountants
Firm's Registration Number : 003695-S

G.Ganesh
Partner
Membership No: 211704

Narender Surana
Managing Director
DIN: 00075086

Devendra Surana
Managing Director
DIN: 00077296

Surendra Bhutoria
Chief Financial Officer

Badarish H Chimalgi
Company Secretary
Membership No: 32651

Place : Secunderabad
Date : May 18 , 2017

Cash Flow Statement for the year March 31, 2017

(Amount in Rs.)

	Particulars	2016-17		2015-16	
A.	**Cash Flow From Operating Actvities**				
	Net Profit before tax as per annexed profit and loss account		**51,286,968**		**24,790,006**
	Adjustments for :				
	Depreciation	**33,845,976**		50,069,403	
	Foreign Exchange Reserve Amortised	**10,844,686**		22,294,090	
	Lease Rents Amortised	**512,630**		512,630	
	Bad Debts Written Off & Provision for Bad Debts	**3,163,036**		1,827,173	
	Balances / Provisions no longer required written back	**(1,220,104)**		(967,028)	
	(Profit)/Loss on Sale of Investments	**(26,341,460)**		(26,937,456)	
	Profit & Loss on Sale of Assets	**(135,333)**		(7,828,597)	
	Interest Paid	**59,369,584**		76,152,011	
	Interest Received	**(60,643,117)**		(61,686,604)	
	Dividends Received	**(401,748)**	**18,994,150**	(6,920,790)	46,514,832
	Operating Profit before working Capital Changes		**70,281,118**		71,304,838
	(Less)/ Add Adjustments for Working Capital Changes				
	Inventories	**(175,729,683)**		83,247,703	
	Loans and Advances	**(25,941,337)**		(13,734,526)	
	Other Current Assets	**(6,456,266)**		5,766,562	
	Sundry Debtors	**(53,234,623)**		5,752,990	
	Trade Payables and Other Liablities	**(24,241,899)**		72,546,837	
	Advance from Customers	**13,918,213**	**(271,685,595)**	(8,295,137)	145,284,429
	Cash Generated from Operations		**(201,404,477)**		216,589,267
	Direct Taxes Paid for Current Year (Net)	**(6,318,913)**		(12,891,843)	
	Taxes of Earlier Years			-	
			(6,318,913)		(12,891,843)
	Net Cash (used in)/from operating Activities (A)		**(207,723,390)**		203,697,424
B.	**Cash Flow From Investing Actvities**				
	Purchase of Fixed Assets & Changes in CWIP	**(7,764,755)**		(30,703,978)	
	Sale of Fixed Assets	**150,000**		7,915,000	
	Investment in of Shares & Other Investments (Net)	**138,077,367**		36,668,578	
	Dividend Received	**401,748**		6,920,790	
	Interest Received	**83,099,636**		62,449,680	
	Loans to Joint Ventures and Subsidiaries	**97,331,464**		(15,491,723)	
	Net Cash (used in)/from Investing Activities (B)		**311,295,460**		67,758,347

Cash Flow Statement for the year March 31, 2017

(Amount in Rs.)

	Particulars	2016-17		2015-16	
C.	**Cash Flow From Financing Actvities**				
	Proceeds from borrowings (net of re-payments)	**(19,163,259)**		(224,417,752)	
	Interest Paid	**(62,681,836)**		(77,736,984)	
	Dividend Paid	**(592,407)**		(22,790,316)	
	Decrease (increase) in restricted deposits	**(18,126,121)**		45,975,404	
	Net Cash (used in)/from Financing Activities (C)		**(100,563,623)**		(278,969,648)
	Net Increase /(Decrease) in Cash and Cash Equivalents (A+B+C)		**3,008,447**		(7,513,877)
	Reconciliation- See Note 2 below				
	Cash and Cash Equivalents Opening Balance		**3,382,199**		10,896,076
	Cash and Cash Equivalents Closing Balance		**6,390,646**		3,382,199
	Net Increase /(Decrease) in Cash and Cash Equivalents		**3,008,447**		(7,513,877)

Notes:

1	Components of Cash and Cash Equivalents	2016-17	2015-16	Change Over previous Year
	Cash in Hand	**181,407**	677,571	(496,164)
	Balances with Bank	**6,209,239**	2,704,628	3,504,611
	Total	**6,390,646**	3,382,199	3,008,447

2 Previous Year Figures are regrouped wherever required.

3 Notes to Accounts form an integral part of Cash Flow Statement

As per our report of even date attached

For Bhagyanagar India Limited

For Sekhar & Co
Chartered Accountants
Firm's Registration Number : 003695-S

G.Ganesh
Partner
Membership No: 211704

Place : Secunderabad
Date : May 18 , 2017

Narender Surana
Managing Director
DIN: 00075086

Devendra Surana
Managing Director
DIN: 00077296

Surendra Bhutoria
Chief Financial Officer

Badarish H Chimalgi
Company Secretary
Membership No: 32651

1. Significant Accounting Policies

i. Basis of Preparation of Financial Statements

The financial statements of Bhagyanagar India Limited ('the company') have been prepared under the historical cost convention on the accrual basis with the generally accepted accounting principles in India and the provisions of the Companies Act, 2013.

ii. Use of Estimates

The Preparation of Financial Statements requires estimates and assumptions to be made that effect the reported amount of assets 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 amortized over the lease period and the annual lease rentals are charged to Profit and Loss Account in the year it accrues.

v. Deferred Revenue Expenditure

Expenses which in the opinion of the management will give a benefit beyond three years are Deferred Revenue Expenditure and amortized over 3 to 5 years.

vi. Depreciation

With effect from 01.04.2014, in accordance with part A of schedule II of the Companies Act 2013, the Company has reassessed the remaining life of the fixed assets and charged the depreciation under SLM Method. Accordingly, adjustments have been made in the fixed assets schedule.

vii. 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.

viii. Investments

Current Investments are carried at the lower of cost and quoted / fair value, computed category wise. Long Term Investments are stated at cost less any permanent diminution in value, determined separately for each individual investment 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.

ix. 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 releasable value whichever is lower. Cost includes Direct Material, Labour cost and appropriate overheads.

x. Foreign Currency Transactions

- Gains and Loses on account of exchange differences existing out of reporting of long term foreign currency monetary items at rates different from those at which they were initially recorded during the period or reported in previous financial statements , in so far as they relate to the acquisition of a depreciable capital asset can be added or deducted from the cost of asset and shall be depreciated over the balance life of asset and in other cases ,it can be accumulated in a "foreign currency monetary item transaction Difference Account" in the enterprises financial statements and amortized over the balance period of such long asset/liability.
- In respect of Purchases / Sales in normal course of business, the Gain / Loss is charged to Profit and Loss Account.

xi. 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 actuarial valuation on actual entitlement of eligible employees at the end of the year.

xii. Provision, Continent 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.

xiii. Turnover

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

xiv. Revenue Recognition

Dividend income is recognized when the unconditional right to receive the income is established. Income from sale of VER is accounted as and when sold to customers.

xv. Government Grants

Grants received against capital items carrying cost of asset is adjusted against the cost of the asset on actual receipt of the money from the government.

Assets received as grant free of cost are recorded at nominal value of Rs.1 transfer of possession.

Compensation / Reimbursement of specific revenue items are adjusted in the year of receipt against the respective revenue items on receipt basis.

xvi. 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.

Inter-Segment transfers are done at cost.

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 Ministry of Corporate Affairs.

xvii. 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.

xviii. 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.

xix. Sundry Debtors, Loans and Advances

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

xx. Borrowing Costs

Borrowing Costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets in accordance with Accounting Standard-16 (AS-16) prescribed under Rule 7 of Accounting Standard Rules, 2014. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Borrowing cost are ceased to be capitalized when the asset is ready for its intended use or there is cessation of development for the extended period and charged to Profit & Loss Account.

xxi. Earnings per Share

The Company reports basic and diluted earnings per share in accordance with Accounting Standard-20 (AS-20) prescribed under Rule 7 of Accounting Standard Rules, 2014. 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.

A. Notes to Balance Sheet

(Amount in Rs)

Note : 2.1

Particulars	Sub note	As at 31.03.2017	As at 31.03.2016
Share Capital			
(a) Authorized Capital :125,000,000 Equity Shares of Rs.2/- each		**250,000,000**	250,000,000
(b) Issued, Subscribed and Paid Up 31,995,000 Equity Shares (Previous year 63,990,000 shares) of Rs.2 each at par fully paid carrying equal rights and obligations		**63,990,000**	127,980,000
(Options, contracts and commitments outstanding -Nil)			
(c) Particulars of Shareholders holding more than 5% of issued sharecapital (5% of 31,995,000 (PY 63,990,000)) = 1,599,750 (PY 3,199,500)			

Name of Shareholder	%	(PY %)	No.of shares	No.of shares
Surana Infocom Private Limited	**13.58**	(13.57)	4,345,139	8,681,890
Narender Surana	**8.73**	(8.43)	2,793,454	5,393,082
Manish Surana	**7.71**	(7.71)	2,466,704	4,938,433
Devendra Surana	**7.34**	(7.26)	2,349,382	4,646,994
Namrata Surana	**5.85**	(5.83)	1,870,335	3,730,166
G.M.Surana	**6.43**	(6.43)	2,056,145	4,112,290
Chand Kanwar Surana	**5.33**	(5.26)	1,704,949	3,366,010
Sunita Surana	**5.12**	(5.10)	1,638,335	3,266,671

Upon the Scheme of demerger becoming effective the issued,subscribed and paid up share capital of the company has been reorganised and reduced from present 12,79,80,000/- comprising of 6,39,90,000 equity shares of Rs.2/- each fully paid up to Rs.6,39,90,000/- comprising of 3,19,95,000 equity shares of Rs.2/- each fully paid up.

Reconciliation of shares outstanding at the beginning & at the end of the Reporting Period

Particulars	No.	As at 31.03.2017	No.	As at 31.03.2016
At the beginning of the year	**63,990,000**	**127,980,000**	63,990,000	127,980,000
Less: Reduction of Share Capital	**319,95,000**	**63,990,000**	-	-
outstanding at the end of the year	**319,95,000**	**63,990,000**	63,990,000	127,980,000

Note : 2.2

(Amount in Rs)

Particulars	Sub note	As at 31.03.2017	As at 31.03.2016
Reserves and Surplus			
General Reserves			
Balance as per Last Account	Refer Note 2.25	**1,278,776,407**	1,278,776,407
Add:Transferred from Profit & Loss Account		**23,199,230**	-
Add:Reduction in paid up Share Capital		**63,990,000**	
Less:Net Assets Transferred on account of Demerger		**(1,160,754,723)**	
Less:Cancellation of Investment in Surana Telecom &		**-**	-
Power Limited & Bhagyanagar Properties Limited		**(55,210,914)**	-
		150,000,000	1,278,776,407
Foreign Currency Monetary Item Translation Difference Account	**2.2(a)**		
Balance as per Last Account		**75,240,469**	88,458,335
Add/(Less): Foreign Currency Monetary Item Translation Difference During the Year		**(12,962,958)**	36,253,257
Less: Amortisation during the year		**(10,844,686)**	(22,294,090)
Less:Loss on repayments during the year		**(62,362,631)**	(27,177,033)
Less:Balance Transferred to P & L Account		**10,929,805**	-
Balance at the year end		**-**	75,240,469
Balance at the year end		**150,000,000**	1,203,535,938

Note : 2.2 (Cont....)

(Amount in Rs)

Particulars	Sub note	As at 31.03.2017	As at 31.03.2016
Capital Reserves			
Balance as per Last Account		**16,676,523**	16,676,523
Balance at the year end		**16,676,523**	16,676,523
Capital Redumption Reserve			
Balance as per Last Account		**21,020,000**	21,020,000
Balance at the year end		**21,020,000**	21,020,000
Surplus			
Balance of Profit & Loss account available for appropriation		**751,589,062**	731,464,290
Add: Profit during the year/period		**48,412,199**	20,194,432
Less: Dividend Tax of Earlier Year		**-**	(69,660)
Amount available for Appropriation		**800,001,261**	751,589,062
Transfer to General Reserve		**23,199,230**	-
Balance at the year end		**776,802,031**	751,589,062
TOTAL		**964,498,554**	1,992,821,523

Notes:

2.2(a) Foreign Currency Monetary Item Translation Difference Account

1 The FCMTD Account has become NIL due to reduction in year end exchange rate vis-à-vis USD as compared to the previous year ended 31st March,2016 and prepayment of ECB.

Note : 2.3

(Amount in Rs)

Particulars	Sub note	As at 31.03.2017	As at 31.03.2016
Long-Term Borrowings			
(a) Term loan			
from ICICI Bank	2.3(a)	**265,170,201**	456,514,033
from State Bank of India	2.3(b)	**-**	50,927,117
TOTAL		**265,170,201**	507,441,150

Notes:

2.3(a) Term Loan From ICICI Bank: Long Term Foreign Currency Monetary Item

1 ICICI Bank provided ECB amounting to USD 13,560,000 carrying a fixed interest rate of 6.96%. ECB is secured by first charge on certain fixed assets of the company and personal guarantee of Managing Directors. Long Term ECB liability as at 31.03.2017 amounting to USD 40,84,880 is valued at Rs.64.84 per USD against Rs. 66.33 per USD. as on 31st March,2016.

2 The company has prepaid USD 22,45,341 amounting to Rs. 1500 lakhs, besides 4 instalments being repaid during the current Financial Year amounting to USD 36,16,997. The total repayment during the Financial year is Rs.2355 lakhs.

2.3(b) Term Loan from State Bank of India availed for 5MW Solar Power Plant is transferred to M/s Surana Telecom and Power Limited as part of Scheme of Demerger.

Note: 2.4

(Amount in Rs)

Particulars	Sub note	As at 31.03.2017	As at 31.03.2016
Short-Term Borrowings			
WCDL	2.4 (a)	**60,000,000**	**-**
Cash Credit from Bank		**48,445,081**	**202,686,245**
Buyers Credit from Bank		**292,507,624**	**93,804,001**
TOTAL		**400,952,705**	**296,490,246**

Notes:

2.4 (a) Short Term Borrowings represents Working Capital facilities availed from various banks and are 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 Managing Directors.

Note: 2.5

(Amount in Rs)

Particulars	Sub note	As at 31.03.2017	As at 31.03.2016
Trade Payables			
Sundry Creditors	2.5(a)/2.5(b)	**16,027,029**	63,546,967
TOTAL		**16,027,029**	63,546,967

Notes:

2.5(a) Due to Related Parties	Balance as on 31.03.2017	Balance as on 31.03.2016
Name of the Company		
Surana Solar Limited	-	20,413,963

2.5(b) As per the information available with the company about the industrial status of the Creditor there are no dues to any micro and small enterprises under the micro small and medium enterprises development act 2006

Note: 2.6

(Amount in Rs)

Particulars	Sub note	As at 31.03.2017	As at 31.03.2016
Other Current Liabilities			
(a) Current Maturities on Long Term Debt			
(i) Term loan - ICICI Bank	2.6(a)	**71,324,000**	121,603,585
(ii) Term loan - SBI		**-**	30,768,000
(iii) Intercorporate Liability	2.6(b)	**53,980,758**	-
(iv) Deferred Sales Tax	2.6(c)	**51,910**	430,753
(b) Provision for Interest on Term Loan	2.6(d)	**4,874,720**	8,374,100
(c) Provision for Interest on Buyers Credit from Banks		**440,865**	253,737
(d) Unclaimed Dividends		**1,460,838**	2,053,245
(e) Lease Deposits		**8,106,000**	9,106,000
(f) Other Liabilities		**13,652,788**	11,191,406
(g) Advance from Customers		**20,627,912**	6,709,699
TOTAL		**174,519,791**	190,490,525

Notes:

Current maturities on long term debt

2.6(a) The principal amount of ECB from ICICI Bank amounting to USD 1100000 repayable during the Financial Year 2017-2018 is grouped under the head Current Liabilities (Also See Note.2.3(a))

2.6(b) Intercorporate Liability represents amount payable to Bhagyanagar Properties Limited -Rs. 4,48,28,185 and Surana Telecom & Power Limited - 91,52,573 for the business carried on behalf of these companies from 01.04.2016 to 23.01.2017,the effective date on which the court order was filed with the Registrar of Companies.

2.6(c) The amount of Deferred Sales Tax repayable during during the Financial Year 2017-2018 is grouped under the head Current Liabilities (Also See Note.2.3 (c))

Provision for Interest on Term Loan

2.6(d) Provision for interest on ECB from ICICI Bank has been made till 31.03.2017.Payment of interest is due on 15th April,2017

Note: 2.7

(Amount in Rs)

Particulars	Sub note	As at 31.03.2017	As at 31.03.2016
Other Current Liabilities			
(a) Provision for Employee Benefits-Bonus		900,000	900,000
TOTAL		900,000	900,000

Note : 2.8 Tangible Assets

(Amount in Rs)

	Free Hold Land	Lease Hold Land	Buildings	Plant & Machinery	Electrical Installations	Office Equipment	Vehicles	Furniture & Fixtures	Computers	Library	Total
Gross Block											
As at 1-Apr-2015	157,808,705	10,047,204	58,926,263	982,693,180	33,560,141	15,659,198	37,406,859	16,057,959	7,096,182	2,010	1,319,257,701
Additons	568,440	-	-	34,928,101	2,029,254	137,612	1,943,600	49,237	240,381	-	39,896,625
Disposals	-	(512,630)		(15,064,534)	-	-	(336,499)	-	-	-	(15,913,663)
As at 31-Mar-2016	**158,377,145**	**9,534,574**	**58,926,263**	**1,002,556,747**	**35,589,395**	**15,796,810**	**39,013,960**	**16,107,196**	**7,336,563**	**2,010**	**1,343,240,663**
Additons	-	-	-	4,770,223	972,149	210,420	1,533,426	72,484	206,053	-	7,764,755
Disposals	-	(512,630)	-	-	-	-	(488,039)	-	-	-	(1,000,669)
Adjustments on Demerger	(8,064,191)	-	(308,694)	(296,069,496)	-	-		-	-	-	(304,442,381)
As at 31-Mar-2017	**150,312,954**	**9,021,944**	**58,617,569**	**711,257,474**	**36,561,544**	**16,007,230**	**40,059,347**	**16,179,680**	**7,542,616**	**2,010**	**1,045,562,368**
Accumulated Depreciation											
As at 1-Apr-2015	-	-	29,892,243	411,319,786	27,423,877	13,064,424	26,381,896	12,318,836	6,646,749	2,010	527,049,820
Charge for the year	-	-	1,270,748	44,139,799	836,766	818,850	2,086,049	747,180	170,011	-	50,069,403
Disposals	-	-	-	(15,023,495)	-	-	(293,533)	-	-	-	(15,317,028)
As at 31-Mar-2016	**-**	**-**	**31,162,991**	**440,436,090**	**28,260,643**	**13,883,274**	**28,174,412**	**13,066,016**	**6,816,760**	**2,010**	**561,802,195**
Charge for the year	-	-	1,265,928	27,865,640	905,883	614,155	2,212,162	753,555	228,652	-	33,845,976
Disposals	-	-	-	-	-	-	(473,373)	-	-	-	(473,373)
Adjustments on Demerger	-	-	(13,618)	(44,239,165)	-	-	-	-	-	-	(44,252,783)
As at 31-Mar-2017	**-**	**-**	**32,415,301**	**424,062,565**	**29,166,526**	**14,497,429**	**29,913,201**	**13,819,571**	**7,045,412**	**2,010**	**550,922,016**
Net Block											
As at 31-Mar-2016	158,377,145	9,534,574	27,763,272	562,120,657	7,328,752	1,913,536	10,839,548	3,041,180	519,803	-	781,438,468
As at 31-Mar-2017	**150,312,954**	**9,021,944**	**26,202,268**	**287,194,909**	**7,395,018**	**1,509,801**	**10,146,146**	**2,360,109**	**497,204**	**-**	**494,640,353**

Note: 2.9 (Amount in Rs)

Particulars	Sub note	As at 31.03.2017	As at 31.03.2016
Non-Current Investments			
A) Unquoted Securities			
1) In Equity Instruments			
a) In companies under the same management			
Bhagyanagar Infrastructure Limited		-	9,158,750
NIL Equity share of Rs 10 each fully paid up -(P Y 2,750,000)			
Surana Infocom Private Limited		-	100,500,000
NIL Equity share of Rs 10 each fully paid up (P Y 125,000)			
SUB - TOTAL		-	109,658,750
b) In Subsidiary Companies			
Bhagyanagar Properties Pvt. Limited		-	40,000,000
NIL Equity shares of Rs 10each fully paid up(P Y 4,000,000)			
Bhagyanagar Metals Limited		**500,000**	500,000
50,000 Equity shares of Rs 10each fully paid up(P Y 50,000)			
Scientia Infocom India Pvt. Limited		-	30,400,000
3,004,000 Equity shares of Rs 10each fully paid up(P Y 3,004,000)			
Metropolitan Ventures India Limited		-	5,649,910
500,000 Equity shares of Rs 10each fully paid up(P Y 370,000)			
Solar Dynamics Private Limited		**13,041,300**	14,800,000
13,04,130 Equity shares of Rs 10 each fully paid up(P Y 14,80,000)			
SUB - TOTAL		**13,541,300**	91,349,910
c) In Associate Companies			
Bhagyangar Entertainment and Infra Development Co. Pvt. Ltd.		-	235,000
23,500 Equity share of Rs 10 each fully paid up (P Y 23,500)			
Globecom Infraventures India Pvt Ltd		-	50,000
5,000 Equity share of Rs 10 each fully paid up (P Y 5,000)			
GMS Realtors Pvt. Limited		-	50,000
5,000 Equity share of Rs 10 each fully paid up (P Y 5,000)			
Bhagyanagar Cables Pvt Limited		**26,000**	26,000
260 Equity share of Rs 100 each fully paid up (P Y 260)			
SUB - TOTAL		**26,000**	361,000
d) In other Companies			
Mana Effluent Treatment Plant		**200,000**	200,000
200 Equity share of Rs 1,000 each fully paid up (P Y NIL)			
SUB - TOTAL		**200,000**	200,000
B) Quoted securities			
1) In Equity Instruments			
a) In companies under the same management			
Surana Telecom and Power Limited		**187,521**	15,398,435
17,051 Equity share of Rs 1 each fully paid up (P Y 9,412,201 of Rs.1 each)			
Surana Solar Limited		-	44,100,000
NIL Equity share of Rs 5 each fully paid up (P Y 11,575,892 of Rs.5 each)			
SUB - TOTAL		**187,521**	59,498,435
b) In other Companies			
Sree Vasavi Industries Limited		-	45,175
NIL Equity share of Rs 10 each fully paid up (P Y 14,000)			
Maruti Suzuki India Limited		**4,295**	-
1 Equity share of Rs 5 each fully paid up (P Y NIL)			
Pokarna Limited		**57,423**	-
60 Equity share of Rs 10 each fully paid up (P Y NIL)			
SUB - TOTAL		**61,718**	45,175
Aggregate Market value of quoted investments Rs. 148,984/-			
GRAND TOTAL		**14,016,539**	261,113,270

Upon the Demerger Scheme becoming effective the investments held in Subsidiary Companies i.e. Bhagyanagar Properties Pvt Limited,Scientia Infocom India Pvt Limited and Metropolitan Ventures India Limited has been transferred by the company to Bhagyanagar Properties Limited. Also the investment in Surana Telecom and Power Limited and Surana Solar Limited is transferred Surana Telecom & Power Limited.

Note: 2.10

(Amount in Rs)

Particulars	Sub note	As at 31.03.2017	As at 31.03.2016
Deferred Tax Assets (Net)			
Deferred Tax Asset at the beginning of the year		**4,218,269**	5,238,615
Less:Deferred Tax Asset (Liability) for the year-on account of timing difference.		**(2,097,640)**	(1,020,346)
TOTAL		**2,120,629**	4,218,269

Note: 2.11

(Amount in Rs)

Particulars	Sub note	As at 31.03.2017	As at 31.03.2016
Long-Term Loans and Advances			
(a) Statutory Advances			
(i) Taxes Paid Under Protest		**-**	20,060,932
(b) Security Deposits			
(i) Deposits		**9,131,077**	11,365,034
(c) Loans and Advances to Related Parties			
(i) Advances to Subsidiary Co's	2.11(a)	**228,508,890**	1,140,736,439
(d) Others			
(i) MAT Credit Entitlement		**17,347,417**	7,749,635
TOTAL		**254,987,384**	1,179,912,040

2.11(a) Advances to Subsidiary Co's: It includes

(Amount in Rs)

Name of the Company	Balance as on 31.03.2017	Balance as on 31.03.2016
Scientia Infocom India Pvt. Ltd	**-**	282,133,353
Bhagyanagar Properties Pvt. Ltd (Wholly Owned)	**-**	561,085,555
Metropolitan Ventures India Pvt. Ltd (Wholly Owned)	**-**	65,362,043
Bhagyanagar Metals Ltd (Wholly Owned)	**8,937,819**	8,400,000
Solar Dynamics Pvt.Limited	**219,571,071**	223,755,488
	228,508,890	1,140,736,439

Scientia Infocom India Pvt Ltd,Bhagyanagar Properties Pvt Ltd,and Metropolitan Ventures India Pvt Ltd have ceased to be Subsidiaries w.e.f 01.04.2016 pursuant to the Scheme of Arrangement approved by the High Court of Juricature of Telangana and Andhra Pradesh. The Loans given to them have been transferred to the resulting company Bhagyanagar Properties Limited.

Note: 2.12

(Amount in Rs)

Particulars	Sub note	As at 31.03.2017	As at 31.03.2016
Inventories			
Raw Materials		**455,779,997**	214,607,910
Work-in-Progress		**51,533,772**	73,157,751
Finished Goods		**-**	16,399,143
Material in Transit Raw Materials		**-**	21,667,360
Closing Stock - Stores & Spares		**1,812,100**	5,789,435
Material in Transit - Stores and Spares		**967,413**	2,742,000
TOTAL		**510,093,282**	334,363,599

Note: 2.13

(Amount in Rs)

Particulars	Sub note	As at 31.03.2017	As at 31.03.2016
Trade Receivables			
(a) Aggregate amount of Trade Receivables outstanding for a period less than six months			
Unsecured, considered good		**315,876,813**	290,058,074
(b) Aggregate amount of Trade Receivables outstanding for a period exceeding than six months			
Unsecured, considered good		**14,966,246**	3,240,244
TOTAL		**330,843,059**	293,298,318

Note: 2.14

(Amount in Rs)

Particulars	Sub note	As at 31.03.2017	As at 31.03.2016
Cash and cash Equivalents			
(a) Cash & Cash Equivalents			
(i) Balances in current account		**6,209,239**	2,704,628
(ii) Cash On Hand		**181,402**	677,571
(b) Other Balances			
(i) In Dividend account		**1,460,839**	2,053,246
(ii) Deposit held to the extent of margin money		**44,541,522**	25,822,994
TOTAL		**52,393,002**	31,258,439

Note: 2.15

(Amount in Rs)

Particulars	Sub note	As at 31.03.2017	As at 31.03.2016
Short-Term Loans and Advances			
(i) Loans And Advances To Related Parties - Associates & Others	2.15(a)	**-**	116,141,385
(ii) Advances To Suppliers		**67,310,075**	28,905,803
(iii) Sundry Advances		**21,779,357**	11,947,403
TOTAL		**89,089,432**	156,994,591

2.15(a) Loans to Associate & Others: It includes

(Amount in Rs)

Name of the Company	Balance as on 31.03.2017	Balance as on 31.03.2016
Surana Solar Limited	**-**	116,141,385
	-	116,141,385

Note: 2.16

(Amount in Rs)

Particulars	Sub note	As at 31.03.2017	As at 31.03.2016
Other Current Assets			
(i) Loans Against pledge of Securities			
Unsecured, considered good	2.16(a)	**38,048,730**	48,884,632
(ii) Balances with Statutory Authorities		**82,130,614**	66,438,083
(iii) Income tax Receivable (Net of Provisions)		**17,694,739**	21,750,737
TOTAL		**137,874,083**	137,073,452

Notes:

2.16(a) Loan against pledge of securities is partly secured and repayable on demand without any end-use specification.

B.Notes to Profit & Loss Account

Note: 2.17

(Amount in Rs)

Particulars	Sub note	For the Year 31.03.2017	For the Year 31.03.2016
Revenue from Operations			
(a) Sale of Products			
Copper Products		**3,271,492,566**	3,134,566,857
Sale of Wind Power		**60,132,036**	57,895,534
Sale of Solar Power		**-**	60,917,544
Sale of Traded Goods		**-**	3,138,654
Scrap & Misc Sales		**-**	-
SUB - TOTAL		**3,331,624,602**	3,256,518,589
Less: Inter-Unit Sales		**12,055,524**	566,080
GROSS SALES		**3,319,569,078**	3,255,952,509
Less: Sales Tax		**123,559,892**	128,096,405
NET SALES		**3,196,009,186**	3,127,856,104
(b) Infrastructure Leasing and Sales		**18,614,304**	8,149,550
TOTAL		**3,214,623,490**	3,136,005,654

Note: 2.18

(Amount in Rs)

Particulars	Sub note	For the Year 31.03.2017	For the Year 31.03.2016
Other Income			
(a) Interest Income			
Interest on Loans,Deposits and Others		**60,643,117**	61,686,604
(b) Dividend Income		**401,748**	6,920,790
(c) Profit on Sale of Sundry Assets		**135,333**	7,833,961
(d) Profit on sale of Investments		**26,341,460**	26,944,556
(f) Other Non-Operating Income			
Miscellaneous Income		**529,924**	669,659
Balances no Longer Payable Written Back		**1,220,104**	967,028
Customs Duty of Earlier Years Reversed		**-**	4,007,856
TOTAL		**89,271,686**	109,030,454

Note: 2.19

(Amount in Rs)

Particulars	Sub note	For the Year 31.03.2017	For the Year 31.03.2016
Cost of Raw Material Consumed			
Opening Stock Raw Materials		**214,607,910**	124,054,255
Opening Stock Material - In - Transit		**21,667,360**	-
Add:Purchases net of Modvat		**2,724,937,227**	2,367,441,722
Less:Closing Stock Raw Materials		**455,779,997**	214,607,910
Less: Material in Transit Raw Materials		**-**	21,667,360
Less:Inter-Unit Purchases		**12,055,524**	566,080
Raw Material Consumed		**2,493,376,976**	2,254,654,627

Note: 2.20

(Amount in Rs)

Particulars	Sub note	For the Year 31.03.2017	For the Year 31.03.2016
Changes in Inventories			
Opening Stock WIP		**73,157,751**	283,538,444.00
Opening Stock Finished Goods		**16,399,143**	4,518,700
Material in Transit - Stores and Spares		**2,742,000**	-
Opening Stock Stores and Spares		**5,789,435**	5,499,903
Add:Purchases of Traded Goods		**-**	-
Less: :Closing Stock WIP		**51,533,772**	73,157,751
Less: :Closing Stock Stores and Spares		**1,812,100**	5,789,435
Less: Closing Stock Finished Goods		**-**	16,399,143
Less: Material in Transit - Stores and Spares		**967,413**	2,742,000
(Increase)/Decrease in Stock		**43,775,044**	195,468,718

Note: 2.21

(Amount in Rs)

Particulars	Sub note	For the Year 31.03.2017	For the Year 31.03.2016
Employee Benefits Expense			
Salaries, Wages and Other Employee Benefits		**46,631,593**	44,132,480
Contribution To Provident And Other Funds		**4,174,820**	3,398,248
TOTAL		**50,806,413**	47,530,728

Note: 2.22

(Amount in Rs)

Particulars	Sub note	For the Year 31.03.2017	For the Year 31.03.2016
Finance Costs			
Interest Expense			
Cash Credit & Others		**15,625,390**	13,672,056
Other Borrowing Costs			
Long Term Loan		**32,440,148**	54,006,948
Financial Charges		**11,304,046**	8,473,007
TOTAL		**59,369,584**	76,152,011

Note: 2.23

(Amount in Rs)

Particulars	Sub note	For the Year 31.03.2017	For the Year 31.03.2016
Depreciation and Amortisation Expenses			
Depreciation		**33,845,976**	50,069,403
Amortisation Expenses - Lease Rent		**512,630**	512,630
TOTAL		**34,358,606**	50,582,033

Note: 2.24

(Amount in Rs)

Particulars	Sub note	For the Year 31.03.2017	For the Year 31.03.2016
Other Expenses			
Consumption Of Stores And Spare Parts		**10,592,031**	13,502,880
Power And Fuel		**95,015,860**	82,973,181
Rent		**1,690,658**	2,804,685
Repairs			
Buildings		**224,941**	765,796
Machinery		**35,313,078**	41,022,047
Others		**3,600,355**	3,621,238
Insurance		**1,444,976**	932,593
Rates And Taxes		**1,318,179**	1,348,391
Packing And Forwarding		**25,640,987**	22,937,938

Note: 2.24 (Cont....) (Amount in Rs)

Particulars	Sub note	For the Year 31.03.2017	For the Year 31.03.2016
Remuneration To Directors		**9,485,227**	23,200,000
Loss on			
Sale Of Fixed Asset		**-**	5,364
Sale Of Investment		**-**	7,100
Foreign Exchange Fluctuation		**12,063,099**	40,482,164
Taxes Paid			
Service Tax		**421,852**	598,943
Other Miscellaneous Expenses		**32,781,980**	30,849,291
Sitting Fees To Directors		**541,000**	512,348
Payments To The Auditor			
for Statutory Audit		**260,000**	260,000
for Tax Audit		**70,000**	70,000
for Taxation/Other Matters		**70,000**	70,000
for Reimbursement Of Expenses		**40,000**	40,000
TOTAL		**230,574,223**	266,003,959

Note: 2.25

Demerger of Solar Power Unit and Real Estate Unit of the company with M/s Surana Telecom and Power Limited and Bhagyanagar Properties Limited respectively.

Persuant to Scheme of Arrangement under section 391 to 394 of the Companies Act,1956 ,the company has demerged its Solar Power business and Real Estate business and vested into M/s Surana Telecom and Power Limited (STPL) and M/s Bhagyanagar Properties Limited (BPL) respectively with effect from 1st April 2016,the appointed date, on going concern basis. The scheme has been approved inter alia by shareholders of M/s Bhagyanagar India Limited (BIL) and Hon'ble High Court of Juricature of Telangana and Andhra Pradesh, has become effective on 23rd January 2017,the date on which the court order was filed with the Registrar of Companies.

In terms of Scheme,the shareholders shall get 3 shares of Bhagyanagar India Limited ,3 shares of Bhagyanagar Properties Limited in the ratio of 1:1 and 4 shares of Surana Telecom & Power Limited in the ratio of 3:2 for every 6 shares of Bhagyanagar India Limited held by them.

Transfer and vesting of assets and liabilities of the Solar Power Business and Real Estate Business of BIL to STPL and BPL respectively has been effected at the values appearing in the books of accounts of BIL as at 1st April, 2016 and recorded as such in the books of accounts of STPL and BPL.

Previous Year Figures are not comparable on account of the above Demerger.

Consequently, necessary adjustments have been made in the General Reserve,which has come down by Rs.115,19,75,637 . The details of net Assets transferred to STPL and BPL with effect from 1st April 2016 are as follows:

Particulars	Solar Power Business (Amount Rs.)	Real Estate Business (Amount Rs.)	Total	Remaining in BIL(Amount Rs.)
Fixed Assets(Net)	260,189,598	-	260,189,598	**494,640,353**
Sundry Debtors	12,526,846	-	12,526,846	**330,843,059**
Loans & Advances	1,599,637	908,580,951	910,180,588	**254,987,384**
Investment	44,100,000	36,049,910	80,149,910	**14,016,539**
Other Current Assets			-	**791,570,423**
Total Assets	**318,416,081**	**944,630,861**	**1,263,046,942**	**1,886,057,758**
Lesss: Liabilities & Provisions	102,292,219	-	102,292,219	**857,569,726**
Net Assets Transferred/Remaining	216,123,862	944,630,861	1,160,754,723	**1,028,488,032**
Add: Cancellation of Investment in Surana Telecom & Power Limited & Bhagyanagar Properties Limited			55,210,914	
Less: Reduction in Share Capital			63,990,000	
Adjustment in General Reserve			**1,151,975,637**	

Note: 2.26

(Amount in Rs)

	Particulars	Sub note	As at 31.03.2017	As at 31.03.2016
	Commitments and Contingent Liabilities			
	Commitments/Contingent Liabilities			
(i)	Counter Guarantees given to the Banks against Guarantee issued by them		**24,176,877**	37,376,877
(ii)	Letters of Credit opened by Banks		**-**	2,921,600
	Sub Total (A)		**24,176,877**	40,298,477
	Claims against the company not acknowledged as debts in respect of			
(iii)	Customs Duty/Excise Duty matters under Dispute		**4,224,926**	18,040,837
(iv)	Demand raised by Income-Tax Authorities contested by the Company		**-**	10,536,490
(v)	Civil Cases		**811,070**	-
	Sub Total (B)		**5,035,996**	28,577,327
	Grand Total (A+B)		**29,212,873**	68,875,804
(vi)	Balance in Trade Receivables, Trade Payables,loans against shares and dues from statutory authorities are subject to reconciliation and confirmations. Changes if any will recognise in the financial statements of respective years as and when they arise.			

Note: 2.27

(Amount in Rs)

Particulars	As at 31.03.2017	As at 31.03.2016
Earnings Per Share (EPS)		
Earnings		
Net profit after tax for the period	**48,412,199**	20,194,432
Shares		
Number of shares at the beginning of the year	**63,990,000**	63,990,000
Less:Reduction of Shares.	**31,995,000**	-
Number of shares at the end of the year.	**31,995,000**	63,990,000
Weighted average no. of Equity shares - Basic	**31,995,000**	63,990,000
Weighted average no. of Equity shares - Diluted	**31,995,000**	63,990,000
Nominal Value of each equity share (Rs.)	**2**	2
Earnings Per Share (EPS) - Basic (Rs.)	**1.51**	0.32
Earnings Per Share (EPS) - Diluted (Rs.)	**1.51**	0.32

Note: 2.28

Related Party Disclosures

A. Relationship

Entities in which significant influence exists and with whom transactions have taken place during the year	Subsidiary Companies	Associates	Key Management Personnel	Relatives of Key Management Personnel
Surana Telecom and Power Limited	Bhagyanagar Metals Limited	Bhagyanagar Cables Pvt Limited	G M Surana	Namrata Surana
Surana Solar Systems Private Limited	Solar Dynamics Private Limited		Narender Surana	Nivriti Surana
Bhagyanagar Ventures Private Limited			Devendra Surana	
Metropolitan Ventures India Limited.			Narender Munoth	
Bhagyanagar Properties Private Limited				
Scientia Infocom India Private. Limited			Surendra Bhutoria	
Surana Solar Limited			Badarish H Chimalgi	

B. Summary of Significant Related Party Transactions

((Amount in Rs.)

Nature of Transaction	Entities in which Significant influence exists		Subsidiary companies		Associates		Key Management Personnel		Relatives of key management personnel	
	FY 2016-17	FY 2015-2016	FY 2016-17	FY 2015-2016	FY 2016-17	FY 2015-2016	FY 2016-17	FY 2015-2016	FY 2016-17	FY 2015-2016
Purchase of Modules	**2,343,060**	**18,139,065**								
Surana Solar Limited	2,343,060	18,139,065	-	-	-	-	-	-	-	-
Purchase of Solar Power	**43,534,545**	**34,253,254**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Surana Solar Systems Private Limited	43,534,545	34,253,254	-	-	-	-	-	-	-	-
Interest Received	**8,517,335**	**16,447,637**	**19,857,961**	**18,004,013**	**-**	**-**	**-**	**-**	**-**	**-**
Surana Solar Limited	8,517,335	16,447,637	-	-	-	-	-	-	-	-
Solar Dynamics Private Limited			19,857,961	18,004,013	-	-	-	-	-	-
Advances Given	**166,251,815**	**93,585,051**	**46,151,404**	**33,066,735**	**-**	**-**	**-**	**-**	**-**	**-**
Surana Solar Limited	77,800,000	69,793,533					-	-	-	-
Scientia Infocom India Private Limited	1,350,457	23,336,869			-	-	-	-	-	-
Bhagyanagar Metals Limited			537,819	2,700,000	-	-	-	-	-	-
Solar Dynamics Private Limited			45,613,585	30,366,735	-	-	-	-	-	-
Surana Solar Systems Private Limited	33,900,000	454,649								
Bhagyanagar Properties Limited	53,171,358	-								
Metropolitan Ventures India Limited	30,000	-								
Advances Received Back	**289,148,598**	**66,335,000**	**49,800,000**	**50,817,267**	**-**	**-**	**-**	**-**	**-**	**-**
Surana Solar Limited	189,768,598	66,335,000	-	-	-	-	-	-	-	-
Solar Dynamics Private Limited			49,800,000	50,817,267	-	-	-	-	-	-
Scientia Infocom India Private Limited	21,800,000									
Bhagyanagar Properties Limited	77,550,000									
Metropolitan Ventures India Limited	30,000									
Remuneration	**-**	**-**	**-**	**-**	**-**	**-**	**11,057,614**	**24,782,900**	**1,080,000**	**1,080,000**
Narender Surana	-	-	-	-	-	-	1,740,000	10,800,000	-	-
Devendra Surana	-	-	-	-	-	-	6,400,000	8,800,000	-	-
Narender Munoth	-	-	-	-	-	-	1,345,227	3,600,000	-	-
N.K.Reddy	-	-	-	-	-	-	318,387	448,900	-	-
Surendra Bhutoria							1,254,000	1,134,000	-	-
Namrata Surana	-	-	-	-	-	-	-	-	600,000	600,000
Nivrithi Surana	-	-	-	-	-	-	-	-	480,000	480,000
Rent Paid	**-**	**273,840**					**-**	**80,000**		
Bhagyanagar Ventures Limited	-	273,840								
Devendra Surana							-	80,000		

1 Figures in Bold represents the total figures in each case.

Note: 2.29

Particulars of Loans and Advances in the nature of loans as required by Clause 32 of the listing Agreement. (Value in Rs.)

	Name of the Company	Balance as at		Maximum Outstanding during	
		31.03.2017	31.03.2016	31.03.2017	31.03.2016
A.	**Subsidiaries**				
	Bhagyanagar Metals Limited	**8,937,819**	8,400,000	**8,937,819**	8,400,000
	Solar Dynamics Private Limited	**219,571,071**	223,755,488	**226,976,042**	223,755,488
B.	**Associates**				
	Bhagyanagar Cables Pvt Limited	**-**	-	**-**	-
C.	**Advances in the nature of Loans where there is no repayment schedule**				
	Bhagyanagar Metals Limited	**8,937,819**	8,400,000	**8,937,819**	5,700,000
	Solar Dynamics Private Limited	**219,571,071**	223,755,488	**226,976,042**	223,755,488
D.	**Advances in the nature of Loans where interest is below section 186 of Companies Act,1956**	**NIL**	NIL	**NIL**	NIL
E.	**Advances in the nature of Loans to Firms/ Companies in which directors are interested**	**NIL**	NIL	**NIL**	NIL

Note: 2.30

Retirement and other Employee Benefits

1 The Company's employee benefits primarily cover provident fund, gratuity and leave encashment.

2 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.

3 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.

4 The company has an overfunded position for its gratuity plans and accordingly,no provision has been made as at 31.03.2017

The following Table sets out the status of the gratuity plan as required under AS-15.

A. Expenses recognised in the Profit & Loss Account **(Value in Rs.)**

Particulars	Gratuity	
	2016-17	2015-16
Current service cost	**741,327**	630,540
Interest Cost	**820,303**	709,765
Expected Return on Planned Assets	**953,593**	851,534
Net actuarial loss / (gain) on obligation	**(9,501,502)**	171,934
B. Change in Defined Benefit obligation during the year ended 31st March,2017		
Opening Present value of obligation	**10,253,785**	8,872,061
Interest Cost	**820,303**	709,765
Current service cost	**741,327**	630,540
Benefits Paid	**(790,494)**	(252,230)
Expected liability at the year end	**-**	-
Closing Present value of obligation	**1,523,419**	10,132,070
C. Change in Fair Value of Plan Assets during the year ended 31st March,2017		
Opening Fair value of Plan Assets	**11,831,054**	10,238,986
Expected Return on Planned assets	**953,593**	851,534
Contribution made during the year	**964,334**	743,799
Benefits Paid	**(790,494)**	(252,230)
Actuarial gain on planned Assets	**-**	-
Closing Fair value of Plan Assets	**12,958,488**	11,582,089

D.	Actuarial assumption		
	Discount rate used	**8%**	8%
	Salary escalation	**6%**	4%

Note: 2.31

Unhedged Foreign Currency Exposure

The Company has the following un-hedged exposure in foreign currency at the year end:

Particulars	2016-17		2015-2016	
	USD	Rs.	USD	Rs.
Buyers Credit	**3,135,911**	**203,332,454**	1,414,202	93,804,001
Secured Loans	**5,184,880**	**336,494,201**	8,706,876	578,117,618
TOTAL	**8,320,791**	**539,826,655**	10,121,078	671,921,619

Hedged Foreign Currency Exposure

The Company has the following hedged exposure in foreign currency at the year end:

Particulars	2016-17		2015-2016	
	USD	Rs.	USD	Rs.
Buyers Credit	**1,333,566**	**89,175,170**	-	-
TOTAL	**1,333,566**	**89,175,170**	-	-

Note: 2.32

A Raw Material Consumed

Particulars	Unit	Quantity		(Value in Rs.)	
		2016-17	2015-16	2016-17	2015-16
Copper	MTs	**3,744**	4,436	**1,378,762,300**	1,621,221,500
Scrap	MTs	**3,890**	2,118	**1,029,418,400**	579,916,900
Others		**-**	-	**85,196,276**	53,516,227
Inter Unit Transfers					
(a) Copper Rod / Wires	MTs	**25**	-	**11,137,500**	-
(b) Others				**918,000**	566,000
SUB - TOTAL		**7,658**	6,553	**2,505,432,476**	2,255,220,627
Less:Inter Unit Purchases				**12,055,500**	566,000
TOTAL		**7,658**	6,553	**2,493,376,976**	2,254,654,627

B VALUE OF RAW MATERIALS,STORES & SPARE PARTS CONSUMED:

Particulars	2016-2017		2015-2016	
	(Value in Rs.)	Value Percentage	(Value in Rs.)	Value Percentage
Raw Materials & Components				
(a) Imported	**938,030,180**	38	**341,873,900**	15
(b) Indigenous	**1,555,346,796**	62	**1,913,346,727**	85
TOTAL	**2,493,376,976**	100	**2,255,220,627**	100
Stores & Spare Parts (including Consumed for Repair)				
(a) Imported	**15,585,882**	40	**8,604,274**	24
(b) Indigenous	**23,090,624**	60	**27,975,091**	76
TOTAL	**38,676,506**	100	**36,579,365**	100

C TRANSACTIONS IN FOREIGN EXCHANGE:

Particulars	2016-17 (Value in Rs.)	2015-16 (Value in Rs.)
Imports (on CIF Basis)		
(a) Raw Materials/Traded Gooods	938,030,104	353,997,959
(b) Stores & Spares	9,833,960	11,635,806
Export Sales	21,292,519	-
Expenditure in Foreign Currency (Travelling)	539,113	919,247
Expenditure in Foreign Currency (Interest on ECB)	32,440,148	43,616,386
Expenditure in Foreign Currency (Repayment of ECB)	259,184,738	112,625,902

Note: 2.33

Disclosure of Specified Bank Notes (SBN) held and transacted during the period from 8th November,2016 to 30th December,2016

Particulars	SBN's	Other Denomination	Total
Closing Cash in hand as on 08.11.2016	**1,086,500**	**468,106**	**1,554,606**
(+) Permitted Receipts	-	380,000	380,000
(-) Permitted Payments	-	800,053	800,053
(-) Amount deposited in Banks	1,086,500	-	1,086,500
Closing Cash in hand as on 30.12.2016			**48,053**

Note: 2.34

As per Accounting Standard(AS) 17 on "Segment Reporting", segment information has been provided under the Notes to Consolidated Financial Statements.

As per our report of even date attached

For Bhagyanagar India Limited

For Sekhar & Co
Chartered Accountants
Firm's Registration Number : 003695-S

G.Ganesh
Partner
Membership No: 211704

Place : Secunderabad
Date : May 18 , 2017

Narender Surana
Managing Director
DIN: 00075086

Devendra Surana
Managing Director
DIN: 00077296

Surendra Bhutoria
Chief Financial Officer

Badarish H Chimalgi
Company Secretary
Membership No: 32651

INDEPENDENT AUDITORS' REPORT

To The Members of

Bhagyanagar India Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements ofBhagyanagar IndiaLimited("hereinafter referred to as "the Holding Company"),its subsidiaries, (the Holding company and its subsidiaries together referred as the Group") which comprise the Consolidated Balance Sheet as at 31 March 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referredto as "the consolidated financial statements").

Management's Responsibility for the Financial Statements

The Holding Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014("the Rules") (particularly Accounting Standard 21 - Consolidated Financial Statements).The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards andmatters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparationof the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2017, and its consolidated profit and its consolidated cash flows for the year ended on that date.

Report on other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, we report, to the extent applicable, that:

    a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

    c. The consolidated Balance Sheet, the consolidated Statement of Profit and Loss, and consolidated Cash Flow Statement

dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of consolidated financial statements.

d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e. On the basis of written representations received from the directors as on 31st March, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2017, from being appointed as a director in terms of Section 164(2) of the Act.

f. With respect to the adequacy of the Internal Financial Controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

g. With respect to the other matters included in the Auditor's Report and in accordance with Rule 11 of Companies (Audit and Auditors) Rules, 2014 and in our opinion and to the best of our information and explanations given to us:

   i. The holding Company has disclosed the impact of pending litigations on its consolidated financial position in its consolidated financial statements – Refer Note 2.29 to the consolidated financial statements and also included in the Emphasis of matter paragraph above;

   ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and its associates.

   iv. The company has provided requisite disclosures in Note 2.36of its financial statements as to holdings as well as dealings in Specified Bank Notes during the period 8th November 2016 to 30th December 2016 and the disclosures are in accordance with the books of accounts maintained by the company.

For Sekhar & Co.,
Chartered Accountants
FRN: 003695-S

G. Ganesh
Partner
M.No.: 211704

Place: Secunderabad
Date:18-May-2017

Annexure A to the Auditor's Report:

Report on the Internal Financial Controls under the Clause (i) of sub section 3 of Section 143 of the Companies Act, 2013('the Act)

In conjunction with our audit of the consolidated financial statements of Bhagyanagar India Limited ("the Holding Company") as of and for the year ended 31 March 2017, we have audited the internal financial controls over financial reporting of the Holding Company and its subsidiary companies incorporated in India as of that date.

Management's responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Holding Company and its subsidiary companies incorporated in India considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility:

Our responsibility is to express an opinion on the Holding Company and its subsidiary companies incorporated in India, internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financialcontrols, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of the internal financial controls over the financial reporting included obtaining an understanding of the internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and audit evidence obtained by other auditor in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company and its subsidiary company incorporated in India, internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of the financial reporting and the preparation of financial statements for external purposes in accordance it generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of the Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, orthat the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the holding Company and its subsidiary companies incorporated in India, has in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Sekhar & Co.,
Chartered Accountants
FRN: 003695-S

G. Ganesh
Partner
M.No.: 211704

Place: Secunderabad
Date:18-May-2017

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH,2017

(Amount in Rs.)

	Particulars	Note No.	As at 31.03.2017		As at 31.03.2016	
I	**EQUITY AND LIABILITIES**					
	(1) SHAREHOLDERS' FUNDS					
	(a) Share Capital	2.1	**63,990,000**		127,980,000	
	(b) Reserves and Surplus	2.2	**971,552,902**	**1,035,542,902**	2,083,388,224	2,211,368,224
	(2) MINORITY INTEREST	**2.3**		**11,154,729**		15,567,606
	(3) NON-CURRENT LIABILITIES					
	(a) Long-Term Borrowings	2.4		**288,711,551**		572,741,143
	(4) CURRENT LIABILITIES					
	(a) Short-Term Borrowings	2.5	**400,952,705**		296,490,635	
	(b) Trade Payables	2.6	**20,298,348**		68,274,902	
	(c) Other Current Liabilities	2.7	**175,353,394**		193,931,413	
	(d) Short-Term Provisions	2.8	**900,000**		900,000	
				597,504,447		559,596,950
	TOTAL			**1,932,913,118**		3,359,273,924
II	**ASSETS**					
	(1) NON-CURRENT ASSETS					
	(a) Fixed Assets					
	(1) Tangible Assets	2.9	**724,045,711**		2,056,092,041	
	(2) Capital Work-in-Progess		**-**		7,120,257	
	(b) Non-Current Investments	2.10	**1,002,896**		257,754,483	
	(c) Deferred Tax Assets (Net)	2.11	**24,865,122**		22,119,533	
	(d) Long-Term Loans and Advances	2.12	**26,478,494**		39,175,601	
				776,392,225		2,382,261,915
	(2) CURRENT ASSETS					
	(a) Inventories	2.13	**510,093,282**		334,363,599	
	(b) Trade Receivables	2.14	**364,444,746**		314,641,033	
	(c) Cash and Cash Equivalents	2.15	**54,280,644**		33,839,334	
	(d) Short-Term Loans and Advances	2.16	**89,828,138**		157,094,591	
	(e) Other Current Assets	2.17	**137,874,083**		137,073,452	
				1,156,520,893		977,012,009
	TOTAL			**1,932,913,118**		3,359,273,924
	Significant Accounting Policies and Notes to Accounts	1 & 2				

As per our report of even date attached

For Sekhar & Co
Chartered Accountants
Firm's Registration Number : 003695-S

G.Ganesh
Partner
Membership No: 211704

Place : Secunderabad
Date : May 18 , 2017

For Bhagyanagar India Limited

Narender Surana
Managing Director
DIN: 00075086

Devendra Surana
Managing Director
DIN: 00077296

Surendra Bhutoria
Chief Financial Officer

Badarish H Chimalgi
Company Secretary
Membership No: 32651

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH,2017 (Amount in Rs.)

	Particulars	Note No.	For the year 31.03.2017		For the year 31.03.2016	
I	**REVENUE FROM OPERATIONS**					
	Sale of Products (Net of Sales Tax)		**3,242,042,421**		3,168,245,902	
	Infrastructure Leasing and Sales		**18,614,304**		3,950,000	
			3,260,656,725		3,172,195,902	
	Less: Excise Duty		**286,913,688**		307,559,936	
	NET REVENUE FROM OPERATIONS	2.18		**2,973,743,037**		2,864,635,966
II	**OTHER INCOME**	2.19		**69,413,725**		95,585,990
	TOTAL REVENUE			**3,043,156,762**		2,960,221,956
III	**EXPENSES**					
	Cost of Materials Consumed	2.20		**2,493,376,976**		2,254,654,627
	Changes in Inventories of Finished Goods,					
	Work-in-Progress and Stock in Trade	2.21		**43,775,044**		195,468,718
	Employee Benefit Expenses	2.22		**50,806,413**		48,515,728
	Finance Costs	2.23		**61,287,285**		76,157,333
	Depreciation and Amortisation Expenses	2.24		**47,118,799**		63,695,881
	Other Expenses	2.25		**241,735,840**		277,212,905
	TOTAL EXPENSES			**2,938,100,357**		2,915,705,192
IV	**PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY**					
	ITEMS AND TAX			**105,056,405**		44,516,764
V	**AMORTISATION OF FCMITD RESERVE**			**(10,844,686)**		(22,294,090)
VI	**PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX**			**94,211,719**		22,222,674
VII	**EXTRAORDINARY ITEMS**			**(42,588,988)**		-
VIII	**PROFIT BEFORE TAX**			**51,622,731**		22,222,674
IX	**TAX EXPENSES**					
	1. Current Tax			**10,454,117**		3,575,228
	2. Deferred Tax			**(2,745,589)**		(6,799,704)
	3. MAT Entitlement Credit			**(9,597,782)**		-
	4. Tax of earlier years			**745**		-
X	**PROFIT AFTER TAX**			**53,511,241**		25,447,150
XI	**EARNINGS PER EQUITY SHARE**					
	Basic & Diluted			**1.75**		0.39
	Significant Accounting Policies and Notes to Accounts	1 & 2				

As per our report of even date attached

For Sekhar & Co
Chartered Accountants
Firm's Registration Number : 003695-S

G.Ganesh
Partner
Membership No: 211704

Place : Secunderabad
Date : May 18 , 2017

For Bhagyanagar India Limited

Narender Surana
Managing Director
DIN: 00075086

Devendra Surana
Managing Director
DIN: 00077296

Surendra Bhutoria
Chief Financial Officer

Badarish H Chimalgi
Company Secretary
Membership No: 32651

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR MARCH 31ST, 2017

(Amount in Rs.)

Particulars	2016-17		2015-16	
A. Cash Flow From Operating Actvities				
Net Profit before tax as per annexed profit and loss account		**51,622,731**		22,222,674
Adjustments for:				
Depreciation	**46,606,169**		63,183,251	
Foreign Exchange Reserve Amortised	**10,844,686**		22,294,090	
Lease rents Amortised	**512,630**		512,630	
Bad Debts Written Off & Provision for Bad Debts	**3,263,036**		1,928,763	
Balances / Provisions no longer required written back	**(1,220,104)**		(982,973)	
(Profit)/Loss on Sale of Investments(Net)	**(26,341,460)**		(26,937,456)	
Profit & Loss on Sale of Assets	**(135,333)**		(7,828,597)	
Interest Paid	**61,287,285**		76,157,333	
Interest Received	**(40,785,156)**		(43,682,591)	
Dividends Received	**(401,748)**	**53,630,005**	(6,920,790)	77,723,660
Operating Profit before working Capital Changes		**105,252,736**		99,946,334
(Less)/ Add Adjustments for Working Capital Changes				
Inventories	**(175,729,683)**		83,247,703	
Loans and Advances	**(26,680,043)**		(13,834,781)	
Other Current Assets	**(6,456,266)**		5,766,562	
Sundry Debtors	**(65,819,845)**		2,222,865	
Trade Payables and other Liablities	**(24,585,693)**		76,272,159	
Advance from Customers	**13,918,213**		(8,295,137)	145,379,371
		(285,353,317)		
Cash Generated from Operations				245,325,705
		(180,100,581)		
Income Tax & Fringe Benefit Tax Paid	**(6,398,863)**		(12,891,876)	
Taxes of earlier years	**-**		-	
Prior Period Adjustments		**(6,398,863)**		(12,891,876)
Net Cash (used in)/from operating Activities (A)				232,433,829
		(186,499,444)		
B. Cash Flow From Investing Actvities				
Purchase of Fixed Assets & Changes in CWIP	**(9,310,955)**		(40,390,530)	
Sale of Fixed Assets	**150,000**		7,915,000	
Investment in of Shares & Other Investments (Net)	**136,318,667**		36,668,578	
Dividend Received	**401,748**		6,920,790	
Interest Received	**40,785,156**		21,226,072	
Loans to Joint Ventures and Subsidiaries	**119,787,983**		(3,458,533)	
Net Cash (used in)/from Investing Activities (B)		**288,132,599**		28,881,377

Particulars	2016-17		2015-16	
C. Cash Flow From Financing Actvities				
Proceeds from Issue of Shares to minority	**1,758,700**		-	
Proceeds from borrowings (net of re-payments)	**(15,787,500)**		(213,167,363)	
Interest Paid	**(64,599,537)**		(77,742,307)	
Dividend Paid	**(592,407)**		(22,790,316)	
Decrease(Increase) in restricted deposits	**(18,126,121)**		45,975,404	
Net Cash (used in)/from Financing Activities (C)		**(97,346,865)**		(267,724,582)
Net Increase /(Decrease) in Cash and Cash Equivalents (A+B+C)		**4,286,290**		(6,409,376)

Reconciliation- See Note 2 below		
Cash and Cash Equivalents Opening Balance	**3,991,993**	12,372,470
Cash and Cash Equivalents Closing Balance	**8,278,283**	5,963,094
Net Increase /(Decrease) in Cash and Cash Equivalents	**4,286,290**	(6,409,376)

Notes:

1	**Components of Cash and Cash Equivalents**	**2016-17**	**2015-16**
	Cash in Hand	**305,077**	919,197
	Balances with Bank	**7,973,206**	5,043,897
	Total	**8,278,283**	5,963,094
2	Previous Year Figures are regrouped wherever required.		
3	Notes to Accounts form an integral part of Cash Flow Statement		

As per our report of even date attached
For Sekhar & Co
Chartered Accountants
Firm's Registration Number : 003695-S

G.Ganesh
Partner
Membership No: 211704

Place : Secunderabad
Date : May 18 , 2017

For Bhagyanagar India Limited

Narender Surana
Managing Director
DIN: 00075086

Devendra Surana
Managing Director
DIN: 00077296

Surendra Bhutoria
Chief Financial Officer

Badarish H Chimalgi
Company Secretary
Membership No: 32651

1. Significant Accounting Policies

i. 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 Ministry of Corporate Affairs .

ii. 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 Ministry of Corporate Affairs.

iii. 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.

iv. Investments other than in subsidiary and associates has been accounted as per AS-13 "Accounting for Investments" issued by Ministry of Corporate Affairs.

v. Other significant Accounting Policies:

These are set out under significant accounting policies as given in the stand-alone financial statements of Bhagyanagar India Limited.

A. Notes to Consolidated Balance Sheet

Note : 2.1

(Amount in Rs)

Particulars	Sub note	As at 31.03.2017	As at 31.03.2016
Share Capital			
(a) Authorized Capital :12,50,00,000 Equity Shares of Rs.2 each		**250,000,000**	**250,000,000**
(b) Issued, Subscribed and Paid Up 31,995,000 Equity Shares (Previous year 63,990,000 shares) of Rs.2 each at par fully paid carrying equal rights and obligations		**63,990,000**	**127,980,000**
(Options, Contracts and Commitments outstanding -Nil)			

(c) Particulars of Shareholders holding more than 5% of Issued Share Capital (5% of 31,995,000 (PY 63,990,000)) = 1,599,750(PY 3,199,000)

Name of Shareholder	%	(PY %)	No.of shares	No.of shares
Surana Infocom Private Limited	13.58	(13.57)	4,345,139	8,681,890
Narender Surana	8.73	(8.43)	2,793,454	5,171,910
Manish Suarana	7.71	(7.71)	2,466,704	4,938,433
Devendra Surana	7.34	(7.26)	2,349,382	4,502,977
Namrata Surana	5.85	(5.83)	1,870,335	3,730,166
G.M.Surana	6.43	(6.43)	2,056,145	3,421,980
Chand Kanwar Surana	5.33	(5.26)	1,704,949	3,366,010
Sunita Surana	5.12	(5.10)	1,638,335	3,266,671

Upon the Scheme of demerger becoming effective the issued,subscribed and paid up share capital of the company has been reorganised and reduced from present 12,79,80,000/- comprising of 6,39,90,000 equity shares of Rs.2/- each fully paid up to Rs.6,39,90,000/- comprising of 3,19,95,000 equity shares of Rs.2/- each fully paid up.

Reconciliation of shares outstanding at the beginning & at the end of the Reporting Period

Particulars	As at 31.03.2017		As at on 31.03.2016	
	No.	Rs.	No.	Rs.
At the beginning of the year	63,990,000	127,980,000	63,990,000	127,980,000
Less: Reduction of Share Capital	31,995,000	63,990,000	-	-
Outstanding at the end of the year	31,995,000	63,990,000	63,990,000	127,980,000

Note : 2.2

(Amount in Rs)

Particulars	Sub note	As at 31.03.2017	As at 31.03.2016
Reserves and Surplus			
General Reserves	Note 2.26		
Balance as per Last Account		**1,289,682,388**	1,289,682,388
Add:Transferred from Profit and Loss Account		**23,199,230**	-
Add:Reduction in paid up Share Capital		**63,990,000**	
Less:Net Assets Transferred on account of Demerger		**(1,160,754,723)**	
Less:Cancellation of Investment in Surana Telecom & Power Limited & Bhagyanagar Properties Limited		**(55,210,914)**	
Add:Created on account of discontinuation of Associates		**(25,220,602)**	-
		135,685,379	1,289,682,388
Foreign Currency Monetary Item Translation Difference Account	2.2(a)		
Balance as per Last Account		**75,240,469**	88,458,335

Note : 2.2 (Cont....)

(Amount in Rs)

Particulars	Sub note	As at 31.03.2017	As at 31.03.2016
Add: Foreign Currency Monetary Item Translation Difference During the Year		**(12,962,958)**	36,253,257
Less: Amortisation during the year		**(10,844,686)**	(22,294,090)
Less:Loss on repayments during the year		**(62,362,631)**	(27,177,033)
Less:Balance Transferred to P & L Account		**10,929,805**	-
Closing Balance		**-**	75,240,469
Balance at the year end		**135,685,379**	1,214,441,919
Capital Reserves			
Balance as per Last Account		**79,988,863**	103,968,644
Add: Created on account of consolidation of new Associates		**(63,312,340)**	(23,979,781)
Balance at the year end		**16,676,523**	79,988,863
Capital Redumption Reserve			
Balance as per Last Account		**21,020,000**	21,020,000
Add: Created for Buyback of Equity Shares during the year		**-**	-
Balance at the year end		**21,020,000**	21,020,000
Surplus			
Balance of Profit & Loss account available for appropriation		**767,937,442**	743,014,922
Add: Profit during the year/period		**53,511,241**	25,447,150
Less: Dividend Tax of Earlier Year		**-**	69,660
Less: Minority Interest(Current year's profit/(loss))		**1,876,517**	1,367,319
Add: Change in Interests of Associate Companies		**527,657**	912,349
Add : Divestment on account of demerger		**1,270,407**	-
Amount available for Appropriation		**821,370,230**	767,937,442
Less: Transfer to General Reserve		**23,199,230**	-
Balance at the year end		**798,171,000**	767,937,442
TOTAL		**971,552,902**	2,083,388,224

Notes:

2.2(a) Foreign Currency Monetary Item Translation Difference Account

The FCMTD Account has become NIL due to reduction in year end exchange rate vis-à-vis USD as compared to the previous year ended 31st March,2016 and prepayment of ECB.

Note : 2.3

(Amount in Rs)

Particulars	Sub note	As at 31.03.2017	As at 31.03.2016
Minority Interest			
Opening Balance as at 01.04.2016	2.3(a)	**15,567,606**	14,200,287
Add: Increase in Minority Interest of Subsidiary (Solar Dynamics Private Limited)		**1,758,700**	-
Less: Minority Interest acquired in a subsidiary (Scientia Infocom India Private Limited)		**(9,600,000)**	-
Add: Earlier year's profit/loss		**1,551,906**	
Current year's Profit & Loss Account		**1,876,517**	1,367,319
TOTAL		**11,154,729**	15,567,606

Notes: (Amount in Rs)

2.3(a)	Particulars	Sub note	As at 31.03.2017	As at 31.03.2016
	Minority Interest			
	In Share Capital		**7,408,700**	15,250,000
	In Current Year's Profit (Loss)		**1,876,517**	1,367,319
	In Earlier Year's Profit (Loss)		**1,869,512**	(1,049,713)
	Balance as at close of the year		**11,154,729**	15,567,606

Note : 2.4

(Amount in Rs)

Particulars	Sub note	As at 31.03.2017	As at 31.03.2016
Long-Term Borrowings			
(a) Term loans			
from ICICI Bank	2.4(a)	**265,170,201**	456,514,033
from SBI	2.4(b)	**-**	50,927,117
(b) Loan from minority stake holders		**23,541,350**	65,299,993
TOTAL		**288,711,551**	572,741,143

Notes:

2.4(a) **Term Loan From ICICI Bank: Long Term Foreign Currency Monetary Item**

1 ICICI Bank provided ECB amounting to USD 13,560,000 carrying a fixed interest rate of 6.96%. ECB is secured by first charge on certain fixed assets of the company and personal guarantee of Managing Directors. Long Term ECB liability as at 31.03.2017 amounting to USD 40,84,880 is valued at Rs.64.84 per USD against Rs. 66.33 per USD. as on 31st March,2016

2 The company has prepaid USD 22,45,341 amounting to Rs. 1500 lakhs, besides 4 instalments being repaid during the current Financial Year amounting to USD 36,16,997. The total repayment during the Financial year is Rs.2355 lakhs.

2.4(b) Term Loan from State Bank of India availed for 5MW Solar Power Plant is transferred to M/s Surana Telecom and Power Limited as part of Scheme of Demerger.

Note: 2.5 (Amount in Rs)

Particulars	Sub note	As at 31.03.2017	As at 31.03.2016
Short-Term Borrowings			
WCDL		**60,000,000**	-
Cash Credit from Bank		**48,445,081**	202,686,634
Buyers Credit from Bank	2.5 (a)	**292,507,624**	93,804,001
TOTAL		**400,952,705**	296,490,635

Notes:

2.5(a) Short Term Borrowings represents Working Capital facilities availed from various banks and are 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 Managing Directors.

Note: 2.6

(Amount in Rs)

Particulars	Sub note	As at 31.03.2017	As at 31.03.2016
Trade Payables			
Sundry Creditors	2.6 (a)	20,298,348	68,274,902
TOTAL		20,298,348	68,274,902

Notes:

2.6(a)	Due to Related Parties	Balance as on 31.03.2017	Balance as on 31.03.2016
	Name of the Company		
	Surana Solar Limited	-	20,413,963

2.6(b) As per the information available with the company about the industrial status of the Creditor there are no dues to any micro and small enterprises under the micro small and medium enterprises development act 2006

Note: 2.7

(Amount in Rs)

Particulars	Sub note	As at 31.03.2017	As at 31.03.2016
Other Current Laibilities			
(a) Current Maturities on Long Term Debt			
(i) Term loan - ICICI Bank	2.7 (a)	**71,324,000**	121,603,585
(ii) Term loan - SBI		**-**	30,768,000
(iii) Inter Corporate Liability	2.7 (b)	**53,980,758**	-
(iv) Deferred Sales Tax	2.7 (c)	**51,910**	430,753
(b) Provision for Interest on Term Loan	2.7 (d)	**4,874,720**	8,374,100
(c) Provision for Interest on Buyers Credit from Banks		**440,865**	253,737
(d) Unclaimed Dividends		**1,460,838**	2,053,245
(e) Lease Deposits		**8,106,000**	9,106,000
(f) Other Liabilities		**14,486,391**	14,632,294
(g) Advance from Customers		**20,627,912**	6,709,699
TOTAL		**175,353,394**	193,931,413

Notes: Current Maturities on Long Term Debt

2.7 (a) The principal amount of ECB from ICICI Bank amounting to USD 1100000 repayable during the Financial Year 2017-2018 is grouped under the head Current Liabilities (Also See Note.2.3(a))

2.7 (b) Intercorporate Liability represents amount payable to Bhagyanagar Properties Limited -Rs. 4,48,28,185 and Surana Telecom & Power Limited - 91,52,573 for the business carried on behalf of these companies from 01.04.2016 to 23.01.2017,the effective date on which the court order was filed with the Registrar of Companies.

2.7 (c) The amount of Deferred Sales Tax repayable during during the Financial Year 2017-2018 is grouped under the head Current Liabilities (Also See Note.2.3 (c))

Provision for Interest on Term Loan

2.7 (d) Provision for interest on ECB from ICICI Bank has been made till 31.03.2017.Payment of interest is due on 15th April,2017

Note: 2.8

(Amount in Rs)

Particulars	Sub note	As at 31.03.2017	As at 31.03.2016
Short-Term Provisions			
(a) Provision for Employee Benefits-Bonus		**900,000**	900,000
TOTAL		**900,000**	900,000

Note :2.9 Tangible Assets

(Amount in Rs)

	Free Hold Land	Lease Hold Land	Buildings	Plant & Machinery	Electrical Installations	Office Equipment	Vehicles	Furniture & Fixtures	Computers	Library	Total
Gross Block											
As at 1-Apr-2015	1,181,477,190	10,047,204	59,869,613	1,242,845,200	33,560,141	15,659,198	37,406,859	16,057,959	7,096,182	2,010	2,604,021,556
Additons	25,585,919	-	-	34,928,101	2,029,254	137,612	1,943,600	49,237	240,381	-	64,914,104
Disposals	-	(512,630)	-	(15,064,534)	-	-	(336,499)	-	-	-	(15,913,663)
As at 31-Mar-2016	**1,207,063,109**	**9,534,574**	**59,869,613**	**1,262,708,767**	**35,589,395**	**15,796,810**	**39,013,960**	**16,107,196**	**7,336,563**	**2,010**	**2,653,021,997**
Additons	1,546,200	-	-	4,770,223	972,149	210,420	1,533,426	72,484	206,053	-	9,310,955
Disposals	-	(512,630)	-	-	-	-	(488,039)	-	-	-	(1,000,669)
Adjustments	(1,041,914,105)	-	(1,252,044)	(296,069,496)	-	-	-	-	-	-	(1,339,235,645)
As at 31-Mar-2017	**166,695,204**	**9,021,944**	**58,617,569**	**971,409,494**	**36,561,544**	**16,007,230**	**40,059,347**	**16,179,680**	**7,542,616**	**2,010**	**1,322,096,638**
Accumulated Depreciation											
As at 1-Apr-2015	-	-	30,297,630	432,928,312	27,423,877	13,064,424	26,381,896	12,318,836	6,646,749	2,010	549,063,733
Charge for the year	-	-	1,624,403	56,899,992	836,761	818,855	2,086,049	747,180	170,011	-	63,183,251
Disposals	-	-	-	(15,023,495)	-	-	(293,533)	-	-	-	(15,317,028)
As at 31-Mar-2016	**-**	**-**	**31,922,033**	**474,804,809**	**28,260,638**	**13,883,279**	**28,174,412**	**13,066,016**	**6,816,760**	**2,010**	**596,929,956**
Charge for the year	-	-	1,265,928	40,625,833	905,883	614,155	2,212,162	753,555	228,652	-	46,606,169
Disposals							(473,373)				(473,373)
Adjustment			(772,660)	(44,239,165)							(45,011,825)
As at 31-Mar-2017	**-**	**-**	**32,415,301**	**471,191,477**	**29,166,521**	**14,497,434**	**29,913,201**	**13,819,571**	**7,045,412**	**2,010**	**598,050,928**
Net Block											
As at 31-Mar-2016	1,207,063,109	9,534,574	27,947,580	787,903,958	7,328,757	1,913,531	10,839,548	3,041,180	519,803	-	2,056,092,041
As at 31-Mar-2017	166,695,204	9,021,944	26,202,268	500,218,017	7,395,023	1,509,796	10,146,146	2,360,109	497,204	-	724,045,711

Note: 2.10

(Amount in Rs)

Particulars	Sub note	As at 31.03.2017	As at 31.03.2016
Non-Current Investments			
A) Unquoted securities			
1) In Equity Instruments			
a) In companies under the same management			
Bhagyanagar Infrastructure Limited		**-**	30,502,015
NIL Equity share of Rs 10 each fully paid up -(P Y 2,750,000)			
Surana Infocom Private Limited		**-**	100,500,000
NIL Equity share of Rs 10 each fully paid up (P Y 125,000)			
SUB-TOTAL		**-**	131,002,015
b) In Associate Companies			
Bhagyanagar Cables Pvt Ltd		**553,657**	26,000
2600 Equity share of Rs 10 each fully paid up (P Y 2600)			
SUB-TOTAL		**553,657**	26,000
c) In other Companies			
Mana Effluent Treatment Plant		**200,000**	200,000
SUB - TOTAL		**200,000**	200,000
B) Quoted securities			
1) In Equity Instruments			
a) In companies under the same management			
Surana Telecom and Power Limited		**187,521**	15,398,435
17,051 Equity share of Rs 1 each fully paid up (P Y 9,412,201 of Rs.1 each)			
Surana Solar Limited		**-**	111,082,858
NIL Equity share of Rs 5 each fully paid up (P Y 11,575,892 of Rs.5 each)			
SUB - TOTAL		**187,521**	126,481,293
b) In other Companies			
Shree Vasavi Industries Ltd		**-**	45,175
NIL Equity share of Rs 10 each fully paid up (P Y 14,000)			
Maruti Suzuki India Limited		**4,295**	-
1 Equity share of Rs 5 each fully paid up (P Y NIL)			
Pokarna Limited		**57,423**	-
60 Equity share of Rs 10 each fully paid up (P Y NIL)			
SUB - TOTAL		**61,718**	45,175
Aggregate Market value of quoted investments Rs 148,984/-			
Grand Total		**1,002,896**	257,754,483

Upon the Demerger Scheme becoming effective the investments held in Subsidiary Companies i.e. Bhagyanagar Properties Pvt Limited,Scientia Infocom India Pvt Limited and Metropolitan Ventures India Limited has been transferred by the company to Bhagyanagar Properties Limited. Also the investment in Surana Telecom and Power Limited and Surana Solar Limited is transferred Surana Telecom & Power Limited.

Note: 2.11

(Amount in Rs)

Particulars	Sub note	As at 31.03.2017	As at 31.03.2016
Deferred Tax Assets (Net)			
Deferred Tax Asset at the beginning of the year		**22,119,533**	15,319,829
Less:Deferred Tax (Liability) for the year-on account of timing difference.		**2,745,589**	6,799,704
TOTAL		**24,865,122**	22,119,533

Note: 2.12

(Amount in Rs)

Particulars	Sub note	As at 31.03.2017	As at 31.03.2016
Long-Term Loans and Advances			
(a) Statutory Advances			
(i) Taxes Paid Under Protest		**-**	20,060,932
(b) Security Deposits			
(i) Deposits		**9,131,077**	11,365,034
(c) Others			
(i) MAT Credit Entitlement		**17,347,417**	7,749,635
TOTAL		**26,478,494**	39,175,601

Note: 2.13

(Amount in Rs)

Particulars	Sub note	As at 31.03.2017	As at 31.03.2016
Inventories			
(At cost or net realisable value whichever is lower)			
Raw Materials		**455,779,997**	214,607,910
Work-in-Progress		**51,533,772**	73,157,751
Finished Goods		**-**	16,399,143
Material in Transit Raw Materials		**-**	21,667,360
Closing Stock - Stores & Spares		**1,812,100**	5,789,435
Material in Transit - Stores and Spares		**967,413**	2,742,000
TOTAL		**510,093,282**	334,363,599

Note: 2.14

(Amount in Rs)

	Sub note	As at 31.03.2017	As at 31.03.2016
Trade Receivables			
(Unsecured, considered good)			
(a) Aggregate amount of Trade Receivables outstanding for a period less than six months		**336,184,340**	311,400,789
(b) Aggregate amount of Trade Receivables outstanding for a period exceeding than six months		**28,260,406**	3,240,244
TOTAL		**364,444,746**	314,641,033

Note: 2.15

(Amount in Rs)

Particulars	Sub note	As at 31.03.2017	As at 31.03.2016
Cash and cash Equivalents			
(a) Cash & Cash Equivalents			
(i) Balances in current account		**7,973,206**	5,043,897
(ii) Cash on hand		**305,077**	919,197
Sub-Total - (A)		**8,278,283**	5,963,094
(b) Other Balances			
(i) In Dividend account		**1,460,839**	2,053,246
(ii) Deposit held to the extent of margin money		**44,541,522**	24,808,351
(iii) Accrued interest on Fixed Deposits with Banks		**-**	1,014,643
Sub-Total - (B)		**46,002,361**	27,876,240
TOTAL (A+B)		**54,280,644**	33,839,334

Note: 2.16

(Amount in Rs)

Particulars	Sub note	As at 31.03.2017	As at 31.03.2016
Short-Term Loans and Advances			
(a) Loans and advances to related parties - Associates & Others	2.16(a)	**-**	116,141,385
(b) Advances to suppliers		**67,310,075**	29,005,803
(c) Sundry Advances		**22,518,063**	11,947,403
TOTAL		**89,828,138**	157,094,591

Notes:

2.16 (a) Loans to Associate & Others: It includes

(Amount in Rs)

Name of the Company	Balance as on 31.03.2017	Balance as on 31.03.2016
Surana Solar Limited (Formerly Surana Ventures Ltd)	-	116,141,385
	-	116,141,385

Note: 2.17

(Amount in Rs)

Particulars	Sub note	As at 31.03.2017	As at 31.03.2016
Other Current Assets			
(a) Loans Against pledge of Securities			
Unsecured, considered good	2.17 (a)	**38,048,730**	48,884,632
(b) Balances with statutory Authorities		**82,130,614**	66,438,083
(c) Income tax receivable (Net of Provisions)		**17,694,739**	21,750,737
TOTAL		**137,874,083**	137,073,452

Notes:

2.17 (a) Loan against pledge of securities is partly secured and repayable on demand without any end-use specification.

B.Notes to Consolidated Profit & Loss Account

Note: 2.18

(Amount in Rs)

Particulars	Sub note	For the year 31.03.2017	For the year 31.03.2016
Revenue from Operations			
(a) Sale of Products			
Copper Products		**3,271,492,566**	3,134,566,857
Sale of Wind Power		**106,165,271**	98,285,332
Sale of Solar Power		**-**	60,917,544
Sale of Traded Goods		**-**	3,138,654
SUB - TOTAL		**3,377,657,837**	3,296,908,387
Less: Inter-Unit Sales		**12,055,524**	566,080
GROSS SALES		**3,365,602,313**	3,296,342,307
Less: Sales Tax		**123,559,892**	128,096,405
NET SALES		**3,242,042,421**	3,168,245,902
(b) Infrastructure Leasing and Sales		**18,614,304**	3,950,000
TOTAL		**3,260,656,725**	3,172,195,902

Note: 2.19

(Amount in Rs)

Particulars	Sub note	For the year 31.03.2017	For the year 31.03.2016
Other Income			
(a) Interest Income			
Interest on Loans,Deposits and Others	2.20 (a)	**40,785,156**	43,682,591
(b) Dividend Income		**401,748**	6,920,790
(c) Profit on Sale of Sundry Assets		**135,333**	7,833,961
(d) Profit on sale of Investments		**26,341,460**	26,944,556
(e) Other Non-Operating Income			
Miscellaneous Income		**529,924**	687,463
Rental Income		**-**	4,525,800
Balances no Longer Payable Written Back		**1,220,104**	982,973
Customs Duty of Earlier Years Reversed		**-**	4,007,856
TOTAL		**69,413,725**	95,585,990

Note: 2.20

(Amount in Rs)

Particulars	Sub note	For the year 31.03.2017	For the year 31.03.2016
Cost of Raw Material Consumed			
Opening Stock Raw Materials		**214,607,910**	124,054,255
Opening Stock Material - In - Transit		**21,667,360**	-
Purchases net of Modvat		**2,724,937,227**	2,367,441,722
Closing Stock Raw Materials		**455,779,997**	214,607,910
Material - In - Transit Raw Material		**-**	21,667,360
Less:Inter-Unit Purchases		**12,055,524**	566,080
Raw Material Consumed		**2,493,376,976**	2,254,654,627

Note: 2.21

(Amount in Rs)

Particulars	Sub note	For the year 31.03.2017	For the year 31.03.2016
Changes in Inventories			
Opening Stock WIP		**73,157,751**	283,538,444
Opening Stock Finished Goods		**16,399,143**	4,518,700
Material in Transit - Stores and Spares		**2,742,000**	-
Opening Stock Stores and Spares		**5,789,435**	5,499,903
Less: Closing Stock WIP		**51,533,772**	73,157,751
Less: :Closing Stock Stores and Spares		**1,812,100**	5,789,435
Less: Closing Stock Finished Goods		**-**	16,399,143
Less: Material in Transit - Stores and Spares		**967,413**	2,742,000
Increase/(Decrease) in Stock		**43,775,044**	195,468,718

Note: 2.22

(Amount in Rs)

Particulars	Sub note	For the year 31.03.2017	For the year 31.03.2016
Employee Benefits Expense			
Salaries, Wages and Other Employee Benefits		**46,631,593**	45,112,480
Contribution To Provident And Other Funds		**4,174,820**	3,403,248
TOTAL		**50,806,413**	48,515,728

Note: 2.23

(Amount in Rs)

Particulars	Sub note	For the year 31.03.2017	For the year 31.03.2016
Finance Costs			
Interest Expense			
Cash Credit & Others		**15,625,390**	13,672,056
Other Borrowing Costs			
Long Term Loan		**34,353,878**	54,006,948
Financial Charges		**11,308,017**	8,478,329
TOTAL		**61,287,285**	76,157,333

Note: 2.24

(Amount in Rs)

Particulars	Sub note	For the year 31.03.2017	For the year 31.03.2016
Depreciation and Amortisation Expenses			
Depreciation		**46,606,169**	63,183,251
Amortisation Expenses - Lease Rent		**512,630**	512,630
TOTAL		**47,118,799**	63,695,881

Note: 2.25

(Amount in Rs)

Particulars	Sub note	For the year 31.03.2017	For the year 31.03.2016
Other Expenses			
Consumption of Stores and Spare Parts		**10,592,031**	13,502,880
Power and Fuel		**95,015,860**	83,024,342
Rent		**1,690,658**	2,804,685
Repairs			
Buildings		**224,941**	765,796
Machinery		**45,261,766**	50,992,620
Others		**3,600,355**	3,680,259
Insurance		**1,708,346**	1,210,225
Rates And Taxes		**1,430,613**	1,789,856

Note: 2.25 (Cont....) (Amount in Rs)

Particulars	Sub note	For the year 31.03.2017	For the year 31.03.2016
Packing And Forwarding		**25,640,987**	22,937,938
Remuneration To Directors		**9,485,227**	23,200,000
Loss on			
Sale of Investments		**-**	5,364
Sale of Fixed Asset		**-**	7,100
Foreign Exchange Fluctuation		**12,063,099**	40,482,164
Taxes paid			
Service Tax		**421,852**	598,943
Other Miscellaneous Expenses		**33,584,605**	31,189,685
Sitting Fees to Directors		**541,000**	512,348
Payments to the Auditor			
for Statutory Audit		**286,500**	320,800
for Tax Audit		**75,000**	75,000
for Taxation/Other Matters		**73,000**	72,900
for Reimbursement of Expenses		**40,000**	40,000
TOTAL		**241,735,840**	277,212,905

Note: 2.26

Demerger of Solar Power Unit and Real Estate Unit of the company with M/s Surana Telecom and Power Limited and Bhagyanagar Properties Limited respectively.

Persuant to Scheme of Arrangement under section 391 to 394 of the Companies Act,1956 ,the company has demerged its Solar Power business and Real Estate business and vested into M/s Surana Telecom and Power Limited (STPL) and M/s Bhagyanagar Properties Limited (BPL) respectively with effect from 1st April 2016,the appointed date, on going concern basis. The scheme has been approved inter alia by shareholders of M/s Bhagyanagar India Limited (BIL) and Hon'ble High Court of Juricature of Telangana and Andhra Pradesh, has become effective on 23rd January 2017.

In terms of Scheme,the shareholders shall get 3 shares of Bhagyanagar India Limited ,3 shares of Bhagyanagar Properties Limited in the ratio of 1:1 and 4 shares of Surana Telecom & Power Limited in the ratio of 3:2 for every 6 shares of Bhagyanagar India Limited held by them.

Transfer and vesting of assets and liabilities of the Solar Power Business and Real Estate Business of BIL to STPL and BPL respectively has been effected at the values appearing in the books of accounts of BIL as at 1st April, 2016 and recorded as such in the books of accounts of STPL and BPL.

Previous Year Figures are not comparable on account of the above Demerger.

Consequently, necessary adjustments have been made in the General Reserve,which has come down by Rs.115,19,75,637 . The details of net Assets transferred to STPL and BPL with effect from 1st April 2016 are as follows:

Particulars	Solar Power Business (Amount Rs.)	Real Estate Business (Amount Rs.)	Total	Remaining in BIL (Amount Rs.)
Fixed Assets(Net)	260,189,598	-	**260,189,598**	**494,640,353**
Sundry Debtors	12,526,846	-	**12,526,846**	**330,843,059**
Loans & Advances	1,599,637	908,580,951	**910,180,588**	**254,987,384**
Investment	44,100,000	36,049,910	**80,149,910**	**14,016,539**
Other Current Assets			**-**	**791,570,423**
Total Assets	318,416,081	944,630,861	**1,263,046,942**	**1,886,057,758**
Lesss: Liabilities & Provisions	102,292,219	-	**102,292,219**	**857,569,726**
Net Assets Transferred/Remaining	216,123,862	944,630,861	**1,160,754,723**	**1,028,488,032**
Add: Cancellation of Investment in Surana Telecom & Power Limited & Bhagyanagar Properties Limited			**55,210,914**	
Less: Reduction in Share Capital			**63,990,000**	
Adjustment in General Reserve			**1,151,975,637**	

Note: 2.27

Subsidiaries Considered for Consolidation (Value in Rs.)

Name of the Company	Paid up capital	Extent of Holding as at 31st March,2017(%)	Equity Investment	Loans & Advances	Maximum Outstanding during the year
Bhagyanagar Metals Limited	500,000	100	500,000	8,937,819	-
Solar Dynamics Private Limited	20,450,000	63.77	13,041,300	219,571,071	-

2.27(a) Upon the Demerger Scheme becoming effective the investments held in Subsidiary Companies i.e. Bhagyanagar Properties Pvt Limited,Scientia Infocom India Pvt Limited and Metropolitan Ventures India Limited has been transferred by the company to Bhagyanagar Properties Limited.

Note: 2.28

Associates Companies (Value in Rs.)

Name of the Company	Paid up capital	Extent of Holding as at 31st March,2017(%)	Equity Investment	Loans & Advances	Maximum Outstanding during the year
Bhagyanagar Cables Pvt Ltd	100,000	26	26,000	-	-

Note: 2.29

(Amount in Rs)

	Particulars	Sub note	As at 31.03.2017	As at 31.03.2016
	Commitments and Contingent Liabilities			
(i)	Counter Guarantees given to the Banks against Guarantee issued by them		**24,176,877**	37,376,877
(ii)	Letters of Credit opened by Banks		**-**	2,921,600
	Sub Total (A)		**24,176,877**	40,298,477
	Claims against the company not acknowledged as debts in respect of			
(iii)	Customs Duty/Excise Duty matters under Dispute		**4,224,926**	18,040,837
(iv)	Demand raised by Income-Tax Authorities contested by the Company		**-**	10,536,490
(v)	Civil Cases		**811,070**	
	Sub Total (B)		**5,035,996**	28,577,327
	Grand Total (A+B)		**29,264,873**	68,875,804

(v) Balance in Trade Receivables, Trade Payables,loans against shares and dues from statutory authorities are subject to reconciliation and confirmations. Changes if any will recognise in the financial statements of respective years as and when they arise.

Note: 2.30

(Amount in Rs)

Particulars	Sub note	As at 31.03.2017	As at 31.03.2016
Earnings Per Share (EPS)			
Earnings			
Net profit after tax for the period		**53,511,241**	25,447,150
Minority Interest		**1,876,517**	(1,367,319)
Share in Profit of associate Companies		**527,657**	912,349
Consolidated Net profit after tax for the period		**55,915,416**	24,992,180
Shares			
Number of shares at the beginning of the year		**63,990,000**	63,990,000
Less: Reduction of shares during the year.		**31,995,000**	-
Number of shares at the end of the year - Basic & Diluted		**31,995,000**	63,990,000
Nominal Value of each equity share (Rs.)		**2**	2
Earnings Per Share (EPS) - **Basic** (Rs.)		**1.75**	0.39
Earnings Per Share (EPS) - **Diluted** (Rs.)		**1.75**	0.39

Note: 2.31

Related Party Disclosures

A. Relationship

Entities in which significant influence exists and with whom transactions have taken place during the year	Subsidiary Companies	Associates	Key Management Personnel	Relatives of Key Management Personnel
Surana Telecom and Power Limited	Bhagyanagar Metals Limited	Bhagyanagar Cables Private Limited	G M Surana	Namrata Surana
Surana Solar Systems Private Limited	Solar Dynamics Private Limited		Narender Surana	Nivriti Surana
Bhagyanagar Ventures Private Limited			Devendra Surana	
Metropolitan Ventures India Limited.			Narender Munoth	
Bhagyanagar Properties Private Limited			Surendra Bhutoria	
Scientia Infocom India Private. Limited			Badarish H Chimalgi	
Surana Solar Limited				

B. Summary of Significant Related Party Transactions (Amount in Rs)

Nature of Transaction	Entities in which Significant influence exists		Subsidiary companies		Associates		Key Management Personnel		Relatives of key management personnel	
	FY 2016-2017	FY 2015-2016	FY 2016-2017	FY 2015-2016	FY 2016-2017	FY 2015-2016	FY 2016-2017	FY 2015-2016	FY 2016-2017	FY 2015-2016
Purchase of Modules	**2,343,060**	**18,139,065**								
Surana Solar Limited	2,343,060	18,139,065	-	-	-	-	-	-	-	-
Purchase of Solar Power	**43,534,545**	**34,253,254**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Surana Solar Systems Private Limited	43,534,545	34,253,254	-	-	-	-	-	-	-	-
Interest Received	**8,517,335**	**16,447,637**	**19,857,961**	**18,004,013**	**-**	**-**	**-**	**-**	**-**	**-**
Surana Solar Limited	8,517,335	16,447,637	-	-	-	-	-	-	-	-
Solar Dynamics Private Limited			19,857,961	18,004,013	-	-	-	-	-	-
Advances Given	**166,251,815**	**93,585,051**	**46,151,404**	**33,066,735**	**-**	**-**	**-**	**-**	**-**	**-**
Surana Solar Limited	77,800,000	69,793,533			-	-	-	-	-	-
Scientia Infocom India Private Limited	1,350,457	23,336,869	-	-	-	-	-	-	-	-
Bhagyanagar Metals Limited	-	-	537,819	2,700,000	-	-	-	-	-	-
Solar Dynamics Private Limited	-	-	45,613,585	30,366,735	-	-	-	-	-	-
Surana Solar Systems Private Limited	33,900,000	454,649	-	-						
Bhagyanagar Properties Limited	53,171,358	-	-	-						
Metropolitan Ventures India Limited	30,000	-	-	-						
Advances Received Back	**289,148,598**	**66,335,000**	**49,800,000**	**50,817,267**	**-**	**-**	**-**	**-**	**-**	**-**
Surana Solar Limited	189,768,598	66,335,000	-	-	-	-	-	-	-	-
Solar Dynamics Private Limited	-	-	49,800,000	50,817,267	-	-	-	-	-	-
Scientia Infocom India Private Limited	21,800,000	-								
Bhagyanagar Properties Limited	77,550,000	-								
Metropolitan Ventures India Limited	30,000	-								
Remuneration	**-**	**-**	**-**	**-**	**-**	**-**	**11,057,614**	**24,782,900**	**1,080,000**	**1,080,000**
Narender Surana	-	-	-	-	-	-	1,740,000	10,800,000	-	-
Devendra Surana	-	-	-	-	-	-	6,400,000	8,800,000	-	-
Narender Munoth	-	-	-	-	-	-	1,345,227	3,600,000	-	-
N.K.Reddy	-	-	-	-	-	-	318,387	448,900	-	-
Surendra Bhutoria							1,254,000	1,134,000		
Namrata Surana									600,000	600,000
Nivrithi Surana	-	-	-	-	-	-	-	-	480,000	480,000
Rent Paid		**273,840**					**-**	**80,000**		
Bhagyanagar Ventures Limited		273,840								
Devendra Surana							-	80,000		

1. Figures in Bold represents the total figures in each case.

Note: 2.32

Particulars of Loans and Advances in the nature of loans as required by Clause 32 of the listing Agreement.

(Value in Rs.)

	Name of the Company	Balance as at		Maximum Outstanding during	
		31.03.2017	31.03.2016	31.03.2017	31.03.2016
A.	**Subsidiaries**				
	Bhagyanagar Metals Limited	8,937,819	8,400,000	8,937,819	8,400,000
	Solar Dynamics Private Limited	219,571,071	223,755,488	226,976,042	223,755,488
B.	**Associates**				
	Bhagyanagar Cables Pvt Limited	-	-	-	-
C.	**Advances in the nature of Loans where there is no repayment schedule**				
	Bhagyanagar Metals Limited	8,937,819	8,400,000	8,937,819	5,700,000
	Solar Dynamics Private Limited	219,571,071	223,755,488	226,976,042	223,755,488
D.	**Advances in the nature of Loans where interest is**				
	below section 372A of Companies Act,1956	NIL	NIL	NIL	NIL
E.	**Advances in the nature of Loans to Firms/ Companies in which directors are interested**	NIL	NIL	NIL	NIL

Note: 2.33

Retirement and other Employee Benefits

1 The Company's employee benefits primarily cover provident fund, gratuity and leave encashment.

2 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.

3 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.

4 The company has an overfunded position for its gratuity plans and accordingly,no provision has been made as at 31.03.2017

The following Table sets out the status of the gratuity plan as required under AS-15.

(Value in Rs.)

	Particulars	Gratuity	
		2016-17	2015-16
A.	**Expenses recognised in the Profit & Loss Account**		
	Current service cost	**741,327**	630,540
	Interest Cost	**820,303**	709,765
	Expected Return on Planned Assets	**953,593**	851,534
	Net actuarial loss / (gain) on obligation	**(9,501,502)**	171,934
B.	**Change in Defined Benefit obligation during the year ended 31st March,2017**		
	Opening Present value of obligation	**10,253,785**	8,872,061
	Interest Cost	**820,303**	709,765
	Current service cost	**741,327**	630,540
	Benefits Paid	**(790,494)**	(252,230)
	Closing Present value of obligation	**1,523,419**	10,132,070
C.	**Change in Fair Value of Plan Assets during the year ended 31st March,2017**		
	Opening Fair value of Plan Assets	**11,831,054**	10,238,986
	Expected Return on Planned assets	**953,593**	851,534
	Contribution made during the year	**964,334**	743,799
	Benefits Paid	**(790,494)**	(252,230)
	Actuarial gain on planned Assets	**-**	-
	Closing Fair value of Plan Assets	**12,958,488**	11,582,089
D.	**Actuarial assumption**		
	Discount rate used	**8%**	8%
	Salary escalation	**6%**	4%

Note: 2.34

Unhedged Foreign Currency Exposure

The Company has the following un-hedged exposure in foreign currency at the year end:

Particulars	2016-17		2015-16	
	USD	Rs.	USD	Rs.
Buyers Credit	**3,135,911**	**203,332,454**	1,414,202	93,804,001
Secured Loans	**5,184,880**	**336,494,201**	8,706,876	578,117,618
TOTAL	**8,320,791**	**539,826,655**	10,121,078	671,921,619

Hedged Foreign Currency Exposure

The Company has the following hedged exposure in foreign currency at the year end:

Particulars	2016-17		2015-2016	
	USD	Rs.	USD	Rs.
Buyers Credit	**1,333,566**	**89,175,170**	-	-
TOTAL	**1,333,566**	**89,175,170**	-	-

Note: 2.35

Additional Information Pursuant to the provisions of Paragraph 3, 4C and 4D of the Part II of Schedule VI of the Companies Act,1956.

A Raw Material Consumed

Particulars	Unit	Quantity		(Value in Rs.)	
		2016-17	2015-16	2016-17	2015-16
Copper	MTs	**3,744**	4,436	**1,378,762,300**	1,621,221,500
Scrap	MTs	**3,890**	2,118	**1,029,418,400**	579,916,900
Others		**-**	-	**85,196,276**	53,516,227
Inter Unit Transfers					
(a) Copper Rod / Wires	MTs	**25**	-	**11,137,500**	-
(b) Others				**918,000**	566,000
Sub - Total		**7,658**	6,553	**2,505,432,476**	2,255,220,627
Less:Inter Unit Purchases				**12,055,500**	566,000
Total		**7,658**	6,553	**2,493,376,976**	2,254,654,627

B Particulars	2016-17		2015-16	
	(Value in Rs.)	Value Percentage	(Value in Rs.)	Value Percentage
Raw Materials & Components				
(a) Imported	**938,030,180**	**38**	341,873,900	15
(b) Indigenous	**1,555,346,796**	**62**	1,913,346,727	85
TOTAL	**2,493,376,976**	**100**	2,255,220,627	100
Stores & Spare Parts (including Consumed for Repair)				
(a) Imported	**15,585,882**	**40**	8,604,274	24
(b) Indigenous	**23,090,624**	**60**	27,975,091	76
TOTAL	**38,676,506**	**100**	36,579,365	100

C TRANSACTIONS IN FOREIGN EXCHANGE:

Particulars	2016-17 (Value in Rs.)	2015-16 (Value in Rs.)
Imports (on CIF Basis)		
(a) Raw Materials/Traded Gooods	**938,030,104**	353,997,959
(b) Stores & Spares	**9,833,960**	11,635,806
Export Sales	**21,292,519**	-
Expenditure in Foreign Currency (Travelling)	**539,113**	919,247
Expenditure in Foreign Currency (Interest on ECB)	**32,440,148**	43,616,386
Expenditure in Foreign Currency (Repayment of ECB)	**259,184,738**	112,625,902

Note: 2.36

Disclosure of Specified Bank Notes (SBN) held and transacted during the period from 8th November,2016 to 30th December,2016

Particulars	SBN's	Other Denomination	Total
Closing Cash in hand as on 08.11.2016	1,176,000	468,487	**1,644,487**
(+) Permitted Receipts	-	480,000	**480,000**
(-) Permitted Payments	-	800,053	**800,053**
(-) Amount deposited in Banks	1,176,000	-	**1,176,000**
Closing Cash in hand as on 30.12.2016			**148,434**

As per our report of even date attached

For Sekhar & Co
Chartered Accountants
Firm's Registration Number : 003695-S

G.Ganesh
Partner
Membership No: 211704

Place : Secunderabad
Date : May 18 , 2017

For Bhagyanagar India Limited

Narender Surana
Managing Director
DIN: 00075086

Devendra Surana
Managing Director
DIN: 00077296

Surendra Bhutoria
Chief Financial Officer

Badarish H Chimalgi
Company Secretary
Membership No: 32651

Note: 2.37 Segemnt information

Information about business segments

(Value in Rs.)

S No	Particulars	Copper Products		Renewable Energy		Others		Others		Total	
		31.03.2017	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016
1	**REVENUE**										
	External Sales (Net of Exciseduty)	3,135,877,150	2,698,344,000	106,165,271	162,341,798			-	-	2,955,128,733	2,860,685,798
	Other Operating income	-	-	-	-	18,614,304	3,950,000	-	-	18,614,304	3,950,000
	Total Revenue	**3,135,877,150**	**2,698,344,000**	**106,165,271**	**162,341,798**	**18,614,304**	**3,950,000**	**-**	**-**	**2,973,743,037**	**2,864,635,798**
2	**RESULTS**										
	Segment results	104,645,524	54,562,894	45,969,216	76,425,369	8,246,891	2,841,727	-	-	158,861,631	133,829,990
	Unallocable income/ Expenses									(45,955,586)	(35,449,983)
	Operating Profit									112,906,045	98,380,007
	Interest Expenses									61,283,314	76,157,333
	Profit from Ordinary Activities									51,622,731	22,222,674
	Net Profit									**51,622,731**	**22,222,674**
3	**Other Information**										
	Segment Assets	1,088,242,933	812,643,952	759,712,611	1,096,679,267	-	2,037,760,173			1,847,955,544	3,947,083,392
	Unallocable Assets									308,785,351	534,540,716
	Total Assets									**2,156,740,896**	**4,481,624,108**
	Segment Liabilities	390,960,831	363,823,460	248,785,228	292,165,775	-	960,082,182			639,746,059	1,616,071,417
	Unallocable Liabilities									136,220,983	138,717,364
	Total Liabilities									**775,967,042**	**1,754,788,781**

S No	Particulars	Copper Products		Renewable Energy		Others		Others		Total	
		31.03.2017	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016
	Capital Expenditure	7,508,925	5,595,962	-	21,805,718	-	10,357,308			7,508,925	37,758,988
	Unallocable Capital Expenditure									255,830	2,137,637
	Total Capital Expenditure									**7,764,755**	**39,896,625**
	Depreciation	5,456,935	4,977,247	35,899,576	52,879,882	1,962,029	1,927,120			43,318,540	59,784,249
	Unallocable Depreciation									3,287,630	3,399,002
	Total Depreciation									46,606,169	63,183,251

As per our report of even date attached
For Sekhar & Co
Chartered Accountants
Firm's Registration Number : 003695-S

G.Ganesh
Partner
Membership No: 211704

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Company Secretary
Membership No: 32651

Form AOC - 1

(Pursuant to First proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014) Statement containing salient features of the financial statement of subsidiaries/associate companies / joint ventures

Part "A": Subsidiaries

1	Sl. No.	1	2
2	Name of the Subsidiary	Solar Dynamics Private Limited	Bhagyanagar Metals Limited
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as holding Company	Same as holding Company
4	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries	N/A	N/A
5	Share Capital	20,450,000	500,000
6	Reserves & Surplus	10,442,165	(169,446)
7	Total Assets	279,098,009	9,279,873
8	Total Liabilities	248,205,844	8,949,319
9	Investments	-	-
10	Turnover	46,033,235	-
11	Profit before taxation	415,667	(79,904)
12	Provision for taxation	(4,764,024)	(745)
13	Profit after taxation	5,179,691	(80,649)
14	Proposed Dividend	-	-
15	% of shareholding	63.77%	99.88%

1 Names of subsidiaries which are yet to commence operations - **Bhagyanagar Metals Ltd.**

2 Names of subsidiaries which have been ceased to be Subsidiaries during the year -**Bhagyanagar Properties Pvt Ltd, Scientia Infocom India Pvt Ltd, Metropolitan Ventures India Ltd**

Part "B"

Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

			Name of Associates/Joint Ventures	Bhagyanagar Cables Pvt Limited
1			Latest Audited Balance Sheet Date	31.03.2017
2			Shares of Associates/Joint Ventures held by the company on the year end (in No.)	2,600
			Amount of Investment in Associates/Joint Venture	26,000
			Extend of Holding %	26.00%
3			Description of how there is significant influence	as per share holding
4			Reason why the associate/joint venture is not consolidated	N/A
5			Net worth attributable to shareholding as per latest audited Balance Sheet	553,657
6			Profit / Loss for the year	2,029,451
	i.		Considered in Consolidation	527,657
	ii.		Not Considered in Consolidation	1,501,794
	1		Names of Associates which are yet to commence operations - NIL	
	2		Names of Associates which have been ceased to be Associates during the year -**Bhagyanagar Entertainment & Infra Development Company Pvt Ltd, Globecom Infra Ventures Pvt Ltd, Bhagyanagar Infrastructure Ltd, GMS Realtors Pvt Ltd, Surana Solar Ltd**	

As per our report of even date attached
For Sekhar & Co
Chartered Accountants
Firm's Registration Number : 003695-S

G.Ganesh
Partner
Membership No: 211704

Place : Secunderabad
Date : May 18 , 2017

For Bhagyanagar India Limited

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Managing Director
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DIN: 00077296

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Membership No: 32651

BHAGYANAGAR INDIA LIMITED

Regd. Office: 5th Floor, Surya Towers, Sardar Patel Road, Secunderabad - 500 003.
(CIN: L27201TG1985PLC012449) Ph: 040-44665700, Fax : 040-27818868,
E-mail: investorservices_bil@surana.com ; URL: www.bhagyanagarindia.com

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Attendance Slip

Folio No./DP ID and Client ID:	No. of Shares:

Name and address of
First/Sole Member :

I certify that I am a member/proxy for a member of the Company. I hereby record my presence at the 32nd Annual General Meeting of the Company, at Grand Solitaire Hotel, 1-240, 41 & 43, S.D.Road, Parklane, Secunderabad, Telangana - 500003 at 10.00 A.M on Tuesday, the 26th September, 2017.

Name of the Member/Proxy
(Block Letters)

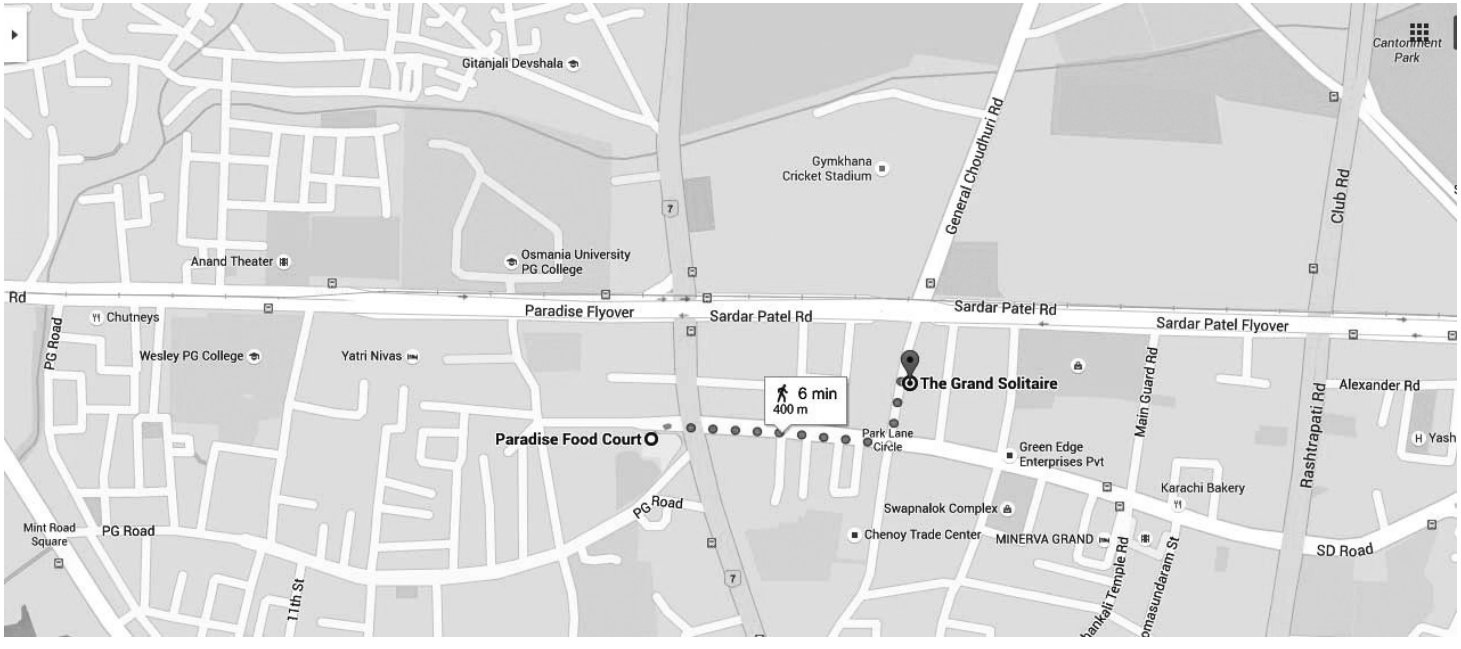
Signature of the Member/Proxy

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.
3. Applicable for Investors holding shares in electronic form.
4. Strike out whichever is not applicable.

AGM VENUE

The Grand Solitaire Hotel,
1-240, 41 & 43, S.D. Road, Parklane, Secunderabad, Telangana - 500003



BHAGYANAGAR INDIA LIMITED

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32ND ANNUAL REPORT 2016-17

Proxy Form

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3)
of the Companies (Management and Administration) Rules, 2014)

Name of the Member(s): _____

Registered Address:_____

_____

E-mail ID:_____ Folio No./Client Id:_____ DP ID:_____

I/We, being member(s) of Bhagyanagar India Limited, holding _____shares of the Company, hereby appoint:

A Name : _____

Address : _____

E-mail Id :_____Signature:_____

Or failing him/her

B Name : _____

Address : _____

E-mail Id :_____Signature:_____

Or failing him/her

I/We hereby exercise my/our vote in respect of the Resolution(s) to be passed for the business stated in the notice dated 31st July, 2017, convening the 32nd Annual General Meeting of the Company to be held on 26th September, 2017, by conveying my/our assent or dessent to the said Resolution(s) by placing the tick (√) mark at the appropriate box below:

Item Nos.	Resolutions		Vote (see note d.) (Please mention no. of shares)		
			For	Against	Abstain
1.	Adoption of Financial Statements of the Company for the year ended 31st March, 2017 including Balance Sheet as at 31st March, 2017 and the Statement of Profit & Loss, Reports of the Board of Directors and Auditors thereon.	Ordinary Resolution			
2.	Retirement of Shri. Narender Munoth (DIN -00079581) who retires by rotation, be not filled up.	Ordinary Resolution			
3.	Appointment of M/s Luharuka & Associates (Firm Registration No. 001882S) as Statutory Auditors of the Company and to fix their remuneration.	Ordinary Resolution			
4.	Appointment of Shri N. Krupakar Reddy (DIN-00006580) as Whole Time Director	Special Resolution			
5	Alteration of clause 121 of Articles of Association of the Company	Special Resolution			
6	Raise Funds through Issue of Convertible Securities/GDR's/ADR's/ FCCB's/ECB's etc	Special Resolution			
7	To approve the Remuneration to be paid to M/s. BVR & Associates, Cost Auditors of the Company	Ordinary Resolution			

Place :

Date :

Revenue Stamp

Signature of the Shareholder

Notes:

a) Proxy need not be a member of the Company.

b) The Proxy Form in order to be effective shall be duly filled in and signed by the member(s) across Revenue Stamp and should reach the Company's Registered Office: 5th Floor, Surya Towers, Sardar Patel Road, Secunderabad - 500 003 at least 48 hours before the commencement of the meeting.

c) Corporate members intending to send their authorised representative(s) to attend the meeting are requested to send a certified copy of the Board resolution authorizing their representative(s) to attend and vote on their behalf at the meeting.

d) It is optional to indicate your preference. If you leave the for, against or abstain column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may think appropriate.

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OUR VALUES

Quality

We have established our brand as a quality manufacturer over the last 30 years. Total Quality Management (TQM) is integral to our operations and helps optimize our end to end process in response to feedback from customers, suppliers and other stakeholders.

Cost

We take pride in being one of the most cost efficient manufacturers of copper products in the global market. Our streamlined processes and engineering ensure cost efficiency and enable us to price our products at very competitive rates.

Delivery

Our state of the art manufacturing facility and experienced personnel ensure the lead time for orders is short and our customers receive orders on time.

Service

Customer satisfaction is paramount at our company. Our design, development and engineering are eager to meet the diverse needs of the electrical and auto industry.



If undelivered please return to:

Secretarial Department

BHAGYANAGAR INDIA LIMITED

Registered Office :
Surya Towers, 5th Floor,
Sardar Patel Road, Secunderabad - 500 003, India
Tel. : +91-040-27845119, 44665700, 27841198
Fax : +91-040-27818868
CIN: L27201TG1985PLC012449
E-mail : surana@surana.com
Investor Complaints: cs@surana.com, investorservices_bil@surana.com
Website : www.surana.com, www.bhagyanagarindia.com