Neueon Towers Limited

(Formerly known as Sujana Towers Limited)

Date: 6th October, 2017

To

The Department of Corporate Services – CRD BSE Limited P.J.Towers, Dalal Street MUMBAI – 400 001	National Stock Exchange of India Ltd 5th Floor, Exchange Plaza Bandra (E) MUMBAI – 400 051
Scrip Code: 532887	**Scrip Symbol: NTL**

Dear Sir/Madam,

Sub: Annual Report for the Financial Year 2016-17 - Reg.

Pursuant to the Regulation 34 of the SEBI (LODR) Regulations, 2015, please find enclosed herewith the Annual Report of the Company for the Financial Year 2016-17 for your information and record.

Kindly acknowledge the same.

Thanking you,

Yours faithfully,
For NEUEON TOWERS LIMITED

CH. MALLIKARJUNA
COMPANY SECRETARY

NEUEON TOWERS LTD. HYDERABAD

Encl: as above.

CIN: L40109TG2006PLC049743
Regd. Office:
Survey No.321,
Turkala Khanapur(V),
Hatnur (M), Medak Dist. - 502 201.
Telangana, India.
T + 91-08458-288964/965,
www.neueontowers.com

Corp.&Admin. Office:
Plot No.5/A, Vengalrao Nagar,
Hyderabad - 500038,
Telangana, India.
T +91-40-23815530/31/32
F +91-40-23815534.



10th ANNUAL REPORT

2016 - 2017

NEUEON TOWERS LIMITED

(Formerly known as Sujana Towers Limited)



CORPORATE INFORMATION

BOARD OF DIRECTORS

NON-EXECUTIVE CHAIRMAN	:	Shri M. V. Bhaskara Rao *
MANAGING DIRECTOR	:	Shri G. Srinivasa Raju
DIRECTORS	:	Shri S. Hanumantha Rao Shri A. S. Anand Kumar * Shri L. V. Rao* Shri Saravanan Muthu # **Independent,Non-Executive Directors* *# Nominee from IDBI Bank*
AUDIT COMMITTEE	:	Shri A. S. Anand Kumar Shri S. Hanumantha Rao Shri M. V. Bhaskara Rao Shri L. V. Rao
MANAGEMENT COMMITTEE	:	Shri G. Srinivasa Raju Shri S. Hanumantha Rao Shri M. V. Bhaskara Rao
CORPORATE SOCIAL RESPONSIBILITY COMMITTEE	:	Shri G. Srinivasa Raju Shri S. Hanumantha Rao Shri M. V. Bhaskara Rao
NOMINATION AND REMUNERATION COMMITTEE	:	Shri S. Hanumantha Rao Shri A. S. Anand Kumar Shri M. V. Bhaskara Rao
RISK MANAGEMENT COMMITTEE	:	Shri G. Srinivasa Raju Shri S. Hanumantha Rao Shri M. V. Bhaskara Rao
SHARE TRANSFER COMMITTEE	:	Shri G. Srinivasa Raju Shri M. V. Bhaskara Rao Shri S. Hanumantha Rao
SHAREHOLDERS' GRIEVANCES COMMITTEE	:	Shri G. Srinivasa Raju Shri S. Hanumantha Rao Shri M. V. Bhaskara Rao
VICE-PRESIDENT (FINANCE)	:	Smt S. Kalyani
COMPANY SECRETARY	:	Shri Ch. Mallikarjuna
STATUTORY AUDITORS	:	M/s. Venugopal & Chenoy Chartered Accountants, Tilak Road, Hyderabad.
INTERNAL AUDITORS		Shri M. Balarama Krishnaiah Chartered Accountant, Hyderabad.

NEUEON TOWERS LIMITED

COST AUDITORS	:	M/s Nageswara Rao & Co. Cost Accountants, Hyderabad
BANKERS	:	Andhra Bank Central Bank of India Exim Bank Limited IDBI Bank Limited Karnataka Bank Ltd Punjab National Bank UCO Bank
REGISTERED OFFICE	:	Survey No.321, Turkala Khanapur (V), Hatnur (M), Sanga Reddy Dist - 502 296 Telangana, India
CORPORATE OFFICE	:	5/A, Vengalrao Nagar, Hyderabad, Telangana- 500 038 Website: www.sujana.com
WORKS	:	(i) Plot No. 128 Part, Sy.No.172/B, I.D.A. Bollaram - 502 325, Jinnaram Mandal, Sanga Reddy Dist, Telangana. (ii) Plot No. 10, 11 and 12, Sy. No.172 I.D.A. Bollaram - 502 325, Jinnaram Mandal, Sanga Reddy Dist, Telangana. (iii) Plot No. 9, Sy. No.172/EE, U, UU, I.D.A. Bollaram - 502 325, Jinnaram Mandal, Sanga Reddy Dist, Telangana. (iv) Plot No.8 B & C, Sy. No.172/EE, U, UU I.D.A. Bollaram - 502 325, Jinnaram Mandal, Sanga Reddy Dist, Telangana. (v) Sy. No. 321, Turkala Khanapur Village - 502 296, Hatnur Mandal, Sanga Reddy Dist, Telangana.
LISTING	:	**EQUITY** **BSE Limited (BSE)** PhirozeJeejeebhoy Towers Dalal Street, Mumbai - 400 001 **National Stock Exchange of India Limited (NSE)** 5th Floor, Exchange Plaza Bandra (E), Mumbai - 400 051
REGISTRAR & SHARE TRANSFER AGENT	:	**M/s. Bigshare Services Private Limited** 306, Right Wing, 3rd Floor, Amrutha Ville, Opp: Yashoda Hospital, Raj Bhavan Road, Somajiguda, Hyderabad - 500 082 Phone No. 040-2337 4967 Email: bsshyd@bigshareonline.com Website: bigshareonline.com

NOTICE

NOTICE is hereby given that the 10th Annual General Meeting of the Members of Neueon Towers Limited (formerly known as Sujana Towers Limited) will be held on Friday the 29th day of September, 2017, at the Registered Office of the Company at "Survey No.321, Turkala Khanapur (V), Hatnur (M), Sanga Reddy Dist-502296, Telangana, India, at 4.00 P.M., to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the standalone and consolidate financial statements of the Company for the financial year ended 31st March, 2017, including the audited Balance Sheets as at 31st March, 2017, the Statements of Profit and Loss and Cash Flow Statements for the financial year ended on that date and the report of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Shri G. Srinivasa Raju (DIN: 00132249), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s Venugopal & Chenoy (Regn. No.004671S), Chartered Accountants, Hyderabad, as Statutory Auditors, in this regard to consider and if thought fit to pass with or without modifications(s), the following resolution as an ordinary resolution:

   "RESOLVED THAT pursuant to provisions of Section 139 of the Companies Act, 2013 (as amended or re-enacted from time to time) read with Rule No.3 of the Companies (Audit and Auditors) Rules, 2014 and considering the recommendations made by the Audit Committee, the consent of the members of the Company be and is hereby accorded that, M/s Venugopal & Chenoy (Regn. No.004671S), Chartered Accountants, Hyderabad, be and are hereby re-appointed as the auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the 15th Annual General Meeting to be held in year 2022, subject to ratification by the members at every Annual General Meeting hereafter."

   "RESOLVED FURTHER THAT Shri G. Srinivasa Raju, Managing Director, Shri S. Hanumantha Rao, Director and Shri Ch. Mallikarjuna, Company Secretary of the Company be and are hereby authorized severally to file Form ADT-1 with the Registrar of Companies within the prescribed time."

SPECIAL BUSINESS

4. **To ratify the remuneration of the Cost Auditors for the financial year ending 31st March, 2018 and in this regard to consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications(s) or re- enactment thereof, for the time being in force), the remuneration of Rs. 25,000/- (Rupees Twenty Five Thousand Only) plus Service tax as applicable and reimbursment of actual expenses and out of packet expenses to be paid to M/s. Nageswara Rao & Co, (Membership No: 000332) Cost Auditors of the Company, for the financial year 2017-18, as approved by the Board of Directors of the Company, be and is hereby ratified.

   RESOLVED FURTHER THAT the Board be and is hereby severally authorised 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

G. Srinivasa Raju
Managing Director
(DIN: 00132249)

Place : Hyderabad
Date : 14th August, 2017

NOTES:

1. The Explanatory Statements pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special businesses set out in the Notice are annexed.

2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty (50) members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report.

3. Corporate Members intending to send their authorised representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorising their representative(s) to attend and vote on their behalf at the Meeting.

4. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.

5. Members/ proxies should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.

6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.

7. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours up to the date of the Meeting.

8. The Share Transfer Books and Register of Members of the Company will remain closed on 28th September, 2017 (One Day only).

9. Details under SEBI (Listing Obligations & Disclosure Requirements) 2015 in respect of the Directors seeking appointment/ re-appointment at the Annual General Meeting, forms integral part of the notice. The directors have furnished the requisite declarations for their appointment/ re-appointment.

10. Shareholders desiring any information as regards the accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready at the meeting.

11. The registration of share transfers and other related correspondence will be dealt at M/s. Bigshare Services Private Limited of Mumbai, having its branch office at 306, Right Wing, 3rd Floor, Amruta Ville, Opp: Yashoda Hospital, Raj Bhavan Road, Somajiguda, Hyderabad - 500 082 and Section 136 of the Companies Act, 2013 read with relevant Rules issued there under, Companies can serve Annual Reports and other communications through electronic mode to those shareholders who have registered their email address either with the Company or with the Depository. It is a welcome move for the society at large, as this will reduce paper consumption to a great extent and allow shareholders to contribute towards a greener environment. This is a golden opportunity for every shareholder of the Company on to contribute to the cause of Green Initiative. Members who have not registered their e-mail address with the Company are requested to register the same by submitting the letter to Companies RTA. The Members holding shares in electronic form are requested to register their e-mail address with their Depository Participants only. The Members of the Company, who have registered their e-mail address, are

entitled to receive communications in physical form, upon request.

12. Electronic copy of the Annual Report for 2016-17 (including Notice of the 10th Annual General Meeting of the Company along with Attendance Slip and Proxy Form) is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2016-17 is being sent in the permitted mode.

13. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates with their respective Depository Participants to receive all the communications in electronic mode. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company RTA.

14. Members may also note that the Notice of the 10th Annual General Meeting and the Annual Report for 2016-17 will also be available on the Company's website www.sujana.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days.

15. Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, circulars, etc., from the Company electronically.

16. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.

17. Instructions for members for voting electronically are as under:-

- In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 '(Amended Rules 2015') and Regulation 44 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 10th Annual General Meeting by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the Annual General Meeting ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

- The facility for voting through ballot paper shall be made available at the Annual General Meeting and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

- The members who have cast their vote by remote e-voting prior to the Annual General Meeting may also attend the Annual General Meeting but shall not be entitled to cast their vote again.

- The remote e-voting period commences on 25th September, 2017 at (9:00 A.M.) and ends on 28th September, 2017 (5:00 P.M.). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22nd September, 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

- Shri Y. Ravi Prasada Reddy, Practicing Company Secretary, Hyderabad, has been appointed as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

- The Chairman shall, at the Annual General Meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the Annual General Meeting but have not cast their votes by availing the remote e-voting facility.
- The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the Annual General Meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- The results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.sujana.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorised by him in writing. The results shall also be immediately forwarded to the stock exchanges at which the shares of the Company are listed.

The process and manner for remote e-voting are as under:

(a) In case a Member receives an e-mail from NSDL (for members whose e-mail ID's are registered with the Company/Depository Participant(s)):

(i) Open e-mail and open PDF file with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.

(ii) Launch internet browser by typing the following URL: https://www. evoting. nsdl.com/

(iii) Click on Shareholder – Login

(iv) Put user ID and password as initial password noted in step (i) above. Click Login.

(v) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(vi) Home page of e-Voting opens. Click on e-Voting: Active Voting Cycles.

(vii) Select "EVEN" of Sujana Towers Limited

(viii) Now you are ready for e-Voting as Cast Vote page opens

(ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.

(x) Upon confirmation, the message "Vote cast successfully" will be displayed

(xi) Once you have voted on the resolution, you will not be allowed to modify your vote

(xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail yravifcs@gmail.com with a copy marked to evoting@nsdl.co.in.

(b) In case of Shareholders' receiving Physical copy of Notice [for members whose email IDs are not registered with the Company/ Depository Participants(s) or requesting physical copy]:

(i) Initial password is provided at the bottom of the Attendance Slip.

(ii) Please follow all steps from Sl. No.(ii) to Sl. No. (xii) above, to cast vote.

(c) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for

Shareholders available at the Downloads section of www.evoting.nsdl.com.

(d) If you are already registered with NSDL for e-voting then you can use your existing user ID and password for casting your vote.

(e) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

(f) The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 22nd September, 2017.

(g) Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 22nd September, 2017, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/ RTA.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

By order of the Board

G. Srinivasa Raju
Managing Director
(DIN: 00132249)

Place : Hyderabad
Date : 14th August, 2017

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013 ("the Act"):

The following statement sets out all material facts relating to the business mentioned in Item No. 04 of the accompanying Notice:

Item No. 4:

To ratify the remuneration of the cost auditors for the financial year ending 31st March, 2018:

The Board of Directors, on recommendation of the Audit Committee, at their meeting held on 30th May, 2017, has approved the appointment and remuneration of M/s. Nageswara Rao & Co, (Member Ship No: 000332) Cost Accountants in practice, as Cost Auditors of the Company to conduct the audit of the cost records of the Company across various segments, for the financial year ending 31st March, 2018 on a remuneration of Rs. 25,000/- (Rupees Twenty Five Thousand Only) plus Service tax as applicable and reimbursment of actual expenses and out of packet expenses.

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. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2018.

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

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the shareholders.

By order of the Board

G. Srinivasa Raju
Managing Director
(DIN: 00132249)

Place : Hyderabad
Date : 14th August, 2017

Details of the Directors seeking appointment/re-appointment in the forthcoming Annual General Meeting
(in pursuance of Regulation 36 (3) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015):

Name of Director	Shri G. Srinivasa Raju
Date of Birth	20-10-1963
DIN	00132249
Date of Appointment	06-04-2006
Expertise in specific functional areas	He is a Promoter-Director of the Company. He holds Bachelor's Degree in Mechanical Engineering from Chaitanya Bharathi Institute of Technology, Hyderabad. He also holds a Master Degree in Engineering from Roorke University. Shri G. Srinivasa Raju has about 30 plus years of professional experience in manufacturing sector and immense knowledge in the steel & related products business. He also possesses a deep understanding of all the aspects of business administration.
Qualifications	Master Degree in Engineering
Directorship held in other public companies (excluding foreign companies)	1. Splendid Metal Products Limited 2. Sujana Universal Industries Limited 3. Sujana Holding Limited 4. Sujana Projects Limited 5. Sujana Energy Limited 6. Sujana Power (India) Limited
Membership/Chairmanship of Committees of other Listed entities C=Chairman, M=Member	Audit Committee: 1. Splendid Metal Products Limited (M) Shareholders' Grievance Committee: 1. Splendid Metal Products Limited (C) 2. Sujana Universal Industries Limited (M) Management Committee: 1. Sujana Universal Industries Limited (M) 2. Splendid Metal Products Limited (M) Corporate Social Responsibility Committee: 1. Sujana Universal Industries Limited (M) 2. Splendid Metal Products Limited (M) Risk Management Committee: 1. Sujana Universal Industries Limited (M) 2. Splendid Metal Products Limited (M) Share Transfer Committee: 1. Sujana Universal Industries Limited (C) 2. Splendid Metal Products Limited (M)
Shareholdings in the Company	10184 Equity Shares @ Rs. 10/- Each
Relationship between Directors inter-se	Nil

DIRECTORS' REPORT

TO THE SHAREHOLDERS

The Directors have pleasure in presenting their Report and the Audited Financial Statements of your Company for the year ended 31st March, 2017.

Company's Performance:

Your Company has achieved a turnover of Rs. 20,706.05 lakhs for the year ended 31st March, 2017, as against the turnover of Rs. 1,40,143.81 lakhs for the previous year ended 31st March, 2016, the highlights of the financial results are as follows:

(Rs. in lakhs)

Particulars	**Financial Year ended 31st March, 2017**	Financial Year ended 31st March, 2016
Profit before Depreciation and Interest	**(7268.26)**	23,572.30
Interest	**29246.53**	25,795.56
Depreciation	**9488.52**	7,830.51
Profit before tax	**(46003.31)**	(10,053.77)
Provision for		
- Current tax	**-**	-
- Deferred tax	**3188.91**	4,501.99
Profit after tax	**(49192.22)**	(14,555.76)
Dividend on CRPS	**-**	-
Profit carried to Balance Sheet	**(49192.22)**	(14,555.76)

Review of Operations:

Operations stood at an all time low, since the inception of the Company. Not withstanding positive market conditions, your Company is unable to capitalize on them due to the financial constraints. Its inability to complete the existing contracts on hand is also acting as an impediment in procuring new contracts. However, all these are expected to be obliterated once the present debt-restructuring initiative gets completed. Most of the capacity of the Company remain unutilized for want of resources. Your Directors hope and wish to report a good performance in the years to come.

Subsidiary Companies:

Your Company has the following Wholly Owned Subsidiaries:

A) Digitech Business Systems Ltd:

The operations of M/s. Digitech Business Systems Limited have commenced in a small way. We have stepped up the marketing activities under the aegis of this Company and we hope to clock good turnover during the next year. Company has started looking for a strategic investor either to sell off or to join as a partner.

B) Telesuprecon Limited:

Your Company had acquired 51% of the shareholdings of M/s Telesuprecon Limited, a GBL 2 Company incorporatedin Mauritius. M/s Telesuprecon Limited has branches in three countries viz., Malawi, Zambia and Kenya, providing telecom infrastructure services to Telecom operators. The Telecom Business in Africa was slowdown and many contracts were kept pending due to Global recession. We hope for the improvement of the situation during the next year. As per the law prevailing in Mauritius, financial statements of M/s Telesuprecon Limited are not required to be audited.

C) STL Africa Limited:

As of date the concentration is more on CAD/ CAM contracts and Company is planning to enter into Execution Contracts across Eastern Africa and has already started working in this direction.

Consolidated Financial Statements:

As required under the Listing Agreements entered into with the Stock Exchanges, a consolidated financial statement of the Company and all its subsidiaries is attached. The consolidated financial statement has been prepared in accordance with the relevant accounting standards as prescribed under Section 133 of the Companies Act, 2013. The consolidated financial statement discloses the assets, liabilities, income, expenses and other details of the Company and its subsidiaries.

As per the provisions of Companies Act, 2013 annual accounts of the subsidiary companies and the related detailed information will be made available to the holding and subsidiary companies' investors seeking such information at any point of time. The annual accounts of the subsidiary companies will also be kept for inspection by any investor at its Registered Office and that of the subsidiary companies concerned. A gist of the

financial performance of the subsidiaries in the prescribed Form AOC-1 is enclosed to this annual report as **Annexure-I**.

Particulars of Loans, Guarantees or Investments:

Particulars of Loans, Guarantees and Investments as required under the provisions of Section 186 of the Companies Act, 2013 are provided in the notes to the Financial Statements.

Deposits:

The Company has not accepted any deposits covered under chapter V of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 for the year under review.

Industrial Relations:

Your directors are happy to report that during the year there were very cordial and extremely good industrial relations at all levels.

Meetings:

During the year under review 5 (Five) board meetings were held on 30th May, 2016, 27th August, 2016, 14th September, 2016, 14th December, 2016 and 13th February, 2017. The maximum time-gap between any two consecutive meetings was within the period prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

Directors:

During the year under review, the Board has appointed Smt A. Syamala Reddy, as an Additional Director (Independent Director) w.e.f. 27th August, 2016 and the members of the Company at their 9th Annual General Meeting held on 30th September, 2016 regularised and appointed her as an Independent Director under Section 149 of the Companies Act, 2013 to hold office for 5 (Five) consecutive years w.e.f. 30th September, 2016.

Smt A.Syamala Reddy, an Independent and Non Executive Director of the Company resigned from the Board of Directors with effect from 29th June, 2017. The Board placed on record its sincere appreciation and thanks to Smt A. Syamala Reddy for her support and guidance provided from time to time during her tenure as a Director of the Company.

The IDBI Bank substituted their nominee Shri Saravanan Muthu in place of Shri Yashpal Gupta as a Nominee Director of the Company w.e.f. 14th February, 2017 and the same was noted and approved by the Board of Directors in the Board Meeting held on 13th February, 2017.

Pursuant to the provisions of Section 152 of the Companies Act, 2013 and in accordance with the Articles of Association of the Company, Shri G.Srinivasa Raju, the Managing Director of the Company will retire by rotation at the ensuing Annual General Meeting and, being eligible, offers himself for re-appointment.

The Resolutions proposing their reappointment/ appointments as Directors will be placed before the Shareholders for their approval at the ensuing Annual General Meeting of the Company.

The Company has received declarations from all the Independent Directors of the Company confirming that they continue to meet with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and under Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

None of the Directors of your Company is disqualified under Section 162 (2) of the Companies Act, 2013. As required by law, this position is also reflected in the Auditors' Report.

The following persons are Key Managerial Personnel of the Company:

1. Shri G. Srinivasa Raju, Managing Director
2. Smt. S. Kalyani, Vice-President (Finance)
3. Shri Ch. Mallikarjuna, Company Secretary

During the year Shri P. Apser Hussen resigned as Company Secretary and Shri Ch. Mallikarjuna has been appointed as Company Secretary w.e.f. 14th December, 2016.

For Directors seeking appointment/re-appointment in the forthcoming Annual General Meeting of the Company; the particulars as required to be disclosed in accordance with Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, forms part of this Report.

Related Party Transactions:

The Board of Directors, on recommendation of the Audit Committee framed a policy for Related Party Transaction which includes matters covered u/s 178(3) of the Companies Act, 2013. The details of the same are provided in the Corporate Governance Report. The Policy is also posted in the Investors section of the Company's website.

All Related Party Transactions that were entered into during the financial year were on an arm's

length basis and were 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. The requisite details of the related party transactions entered into during the financial year are provided in **Annexure-II** included in this report.

Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements. 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 on a quarterly basis.

None of the Directors, other than to the extent of their shareholding, receipt of remuneration / commission, has any pecuniary relationships or transactions vis-à-vis the Company.

Audit Committee:

Your Company has constituted an Audit Committee as per the requirements of Section 177 of the Companies Act, 2013. The details of the composition of the Audit Committee as required under the provisions of Section 177(8) of the Companies Act, 2013, is given in the Corporate Governance Report furnished as part of the Annual Report. During the year under review, the Board has accepted all the recommendations of the Audit Committee.

Sexual Harassment Policy:

The Company as required under the provisions of "The Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013" has framed a Policy on Prohibition, Prevention and Redressal of Sexual Harassment of Women at Workplace and matters connected therewith or incidental thereto.

In the year under review, the Company has not received any complaint under the said Policy.

Corporate Social Responsibility:

The Board of Directors, on recommendation of the Corporate Social Responsibility Committee framed a Corporate Social Responsibility Policy in consonance with Section 135 of the Companies Act, 2013 read with the rules framed there under duly indicating the activities to be undertaken by the Company as specified in the Schedule VII of the Companies Act, 2013. The Corporate Social Responsibility Policy is posted in the Investors section of the Company's website.

The Annual Report on CSR activities is annexed herewith as **Annexure - III** and forms part of this report.

Risk Management:

The Risk Management programme at the Company is focused on ensuring that risks are known and addressed. The Board of Directors, on recommendation of the Audit Committee, established a robust Risk Management framework by framing a Risk Management Policy to deal with all risks including possible instances of fraud and mismanagement, if any. The Risk Management Policy details the Company's objectives and principles of Risk Management along with an overview of the Risk Management process, procedures and related roles and responsibilities.

The Board is of the opinion that there are no elements of risks that may threaten the existence of the Company. The board periodically tracks the progress of implementation of the Risk Management policy.

Directors' Responsibility Statement:

Directors' Responsibility Statement as required under the provisions of Section 134(3)(c) of the Companies Act, 2013, is given in the **Annexure - IV** attached hereto and forms part of this Report.

Statutory Auditors:

M/s. Venugopal & Chenoy (Regn. No.004671S), Chartered Accountants, Hyderabad, will hold the office up to the conclusion of this 10th Annual General Meeting as per the provisions of the Companies Act, 2013.

M/s Venugopal & Chenoy have been appointed as the statutory auditors of the Company from financial year 2011-12 onwards and was re-appointed for the term of three financial years from 2014-15 to 2016-17 at the 7th AGM held on 30th September 2014.

As per the provisions of Section 139 of the Act, read along with rules framed there under, no listed company can appoint or re-appoint an audit firm as

auditors for more than two terms of five consecutive years each.

In view of the above, M/s Venugopal & Chenoy being eligible for re-appointment for another 5 years and hence, it is proposed to recommend their appointment as the statutory auditors of the Company for a further period of 5 financial years (i.e. from 2017-18 to 2021-22) for the 2nd term, subject to ratification by the members at every Annual General Meeting hereafter.

M/s. Venugopal & Chenoy, Chartered Accountants, Hyderabad has furnished written consent and a certificate of their eligibility obtained as required under second proviso of Section 139(1) of the Companies Act, 2013 read with the rules made thereunder. In terms of the SEBI (LODR) Regulations, 2015 they have confirmed that they hold a valid certificate.

Your Board of Directors recommended the re-appointment of M/s Venugopal & Chenoy, Chartered Accountants (Registration No. 004671S), Hyderabad, as Statutory Auditors of your Company. Your approval for such appointment is solicited.

The Audit Report issued by the Statutory Auditors for the financial year ended 31st March, 2017 forms part of this Report. There are no qualifications, reservations or adverse remarks made by the Statutory Auditors which requires explanation or comments from the Board.

Cost Auditors:

M/s. Nageswara Rao Co., Cost Accountants, (Member Ship No Firm No.000332) Hyderabad were re-appointed as Cost Auditors of the Company for the Year 2017-18 as per the provisions of the Companies Act, 2013 and the rules made there under.

The Cost Auditor has submitted the report along with their observations and suggestions, and Annexure to the Central Government/stipulated authority within stipulated time period.

Members are requested to ratify the remuneration payable to the Cost Auditors at the ensuing Annual General Meeting of the company, in accordance with Section 148 of the Companies Act 2013.

Secretarial Auditors:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules framed there under, the Board of Directors, on recommendation of the Audit Committee, appointed Shri Y Ravi Prasada Reddy, Practicing Company Secretary (CP. No 5360) to undertake the Secretarial Audit of the Company. The Secretarial Audit Report issued by Shri Y Ravi Prasada Reddy Practicing Company Secretaries for the financial year ending 31st March, 2017 is given in the **Annexure-V** attached hereto and forms part of this Report. There are no qualifications, reservations or adverse remarks made by the secretarial auditor and the observation made is self explanatory and requires no further explanation from the Board.

Extract of Annual Return:

Pursuant to the provisions of Section 92 of the Companies Act, 2013 and rules framed there under, the extract of the Annual Return in form MGT-9 is annexed herewith as **Annexure-VI** and forms part of this Report.

Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Particulars with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as required under Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 are given in the **Annexure-VII** attached hereto and forms part of this Report.

Environment and Social Obligation:

The Company's plants comply with all norms set up for clean and better environment by the competent authorities. The Company undertakes regular checks / inspections including certification for the maintenance of the environment. The Company values environmental protection and safety as the major considerations in its functioning.

Particulars of Employees:

The information required pursuant to the provision of Section 197 read with Rule, 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, are set out in **Annexure-VIII** of this Report.

Vigil Mechanism:

The Board of Directors, on recommendation of the Audit Committee, established a vigil mechanism

by framing a Whistle Blower Policy to deal with instance of fraud and mismanagement, if any. The Vigil Mechanism framework ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination shall be meted out to any person for a genuinely raised concern. The designated officer/ Audit Committee Chairman can be directly contacted to report any suspected or confirmed incident of fraud/ misconduct.

Remuneration Policy:

The Board of Directors, on recommendation of the Nomination and Remuneration Committee framed a Nomination and Remuneration policy for selection, appointment and remuneration of Directors, KMP and Senior Management and matters covered u/s 178(3) of the Companies Act 2013. The details of the same are provided in the Corporate Governance Report.

The Policy is also posted in the Investors section of the Company's website www.sujana.com

Board Evaluation:

Board of Directors evaluated the annual performance of the Board as a whole, its committee's and the directors individually in accordance with the provisions of the Companies Act, 2013 in the following manner:

- Structured evaluation forms, after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance, for evaluation of the performance of the Board, its Committee's and each director were circulated to all the members of the Board along with the Agenda Papers.
- The members of the Board were requested to evaluate by filling the evaluation forms and the duly filled in evaluation forms were required to be sent to the Company Secretary in a sealed envelope or personally submitted to the Chairman at the concerned meeting.
- The Board also provided an individual feedback to the concerned director on areas of improvement, if any.
- A separate meeting of Independent Directors was held on 30th March, 2017 to evaluate the performance of the Chairman, the Non Independent Directors, the Board and flow of information from management.

Human Resource Management:

Human Capital has gained prime importance in last few years. Our Company believes that the human capital is of utmost importance to sustain the market leadership in all product segments and also to capture new markets. We have changed the Organisation Structure to optimise best resources & to leverage the market potential. We have identified the high Performers and rewarded them appropriately, which has helped to achieve better employee engagement.

Dividend:

As per the terms of issue of Cumulative Redeemable Preference Shares (CRPS), your Company is required to pay the dividend of Rs. 2,96,800/- (Previous year Rs. 1,24,203/-) which represents 1% on 2,96,795 Cumulative Redeemable Preference Shares(CRPS) of Rs.100/- each to the holders of Cumulative Redeemable Preference Shares for the year under review. However, the Company has also not provided any provision of dividend tax.

With an unprecedented raise costs and interrupted supplies and power cuts, operations are severely hit. The Company's operations also hampered during the year. As a result the profit of the Company was declined and your director's are not proposing any equity dividend during the year.

Quality:

Your Company accord to high priority to quality, safety, training, development, health and environment. The Company endeavors to ensure continuous compliance and improvements in this regard.

Material Changes and Commitments:

During the year, the Management has considered opportunities to cede some of the business verticals of the Company i.e. '(a) Unit – I: Plot No. 9, Survey No. 172/E,U,UU, IDA Bollaram, Jinnaram Mandal, Sanga Reddy Dist., Telangana; (b) Unit - II: Plot No. 10 A, Survey No.172, IDA Bollarum, Jinnaram Mandal, Sanga Reddy Dist., Telangana; (c) Unit – III: Plot No. 128/A, Survey No. 172/B, IDA Bollaram,

Jinnaram Mandal, Sanga Reddy Dist, Telangana; (d) Unit – V: Survey No. 321, Turkala Khanapur, Hathnoora Mandal, Sanga Reddy Dist, Telangana'.

It is proposed to hive-off/sell/transfer the above business verticals to M/s. Agarwal Steel Structures (India) Private Limited (Buyer). This hive-off is subjective the approval of Competition Commission of India (CCI), The Buyer is under process of obtaining the same.

Details of significant and material Orders passed by the regulators or courts or tribunals impacting the going concern status of the Company and the Company's operations in future:

There are no significant and material orders passed during the year.

Internal Control Systems and their adequacy:

Your Company has an effective Internal Control System to prevent fraud and misuse of Company's resources and protect shareholders' interest. Your Company has an independent Internal Audit Department to monitor and review and focus on the compliances of various business processes. The internal audit report alongwith audit findings and tracking of process improvements & compliances is presented for review to the Audit Committee of Board of Directors.

Corporate Governance:

Your Company has complied the applicable regulations of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 regarding Corporate Governance. Management Discussion and Analysis report given as **Annexure - IX.** A report on the Corporate Governance practices, the practicing Company Secretary' Certificate on compliance of mandatory requirements thereof and are given as **Annexure - X** to this report.

Acknowledgment:

The Board of Directors places on record their appreciation for the co-operation and support extended by all stakeholders in the Company including the Shareholders, Bankers, Suppliers and other Business Associates.

The Directors also wish to place on record their appreciation for all the employees for their commitment and contribution towards achieving the goals of the Company.

The Directors also thank the Governments of various Countries, Government of India, State Governments in India and concerned Government Departments/Agencies for their co-operation.

BY ORDER OF THE BOARD

G.Srinivasa Raju	**S.Hanumantha Rao**
Managing Director	Director
(DIN: 00132249)	(DIN: 00118801)

Place: Hyderabad
Date: 14th August, 2017

Route Map to the AGM Venue : 5A, Vengal Rao Nagar, Ameerpet to Hatnur, Telangana, India.



Annexure - I

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

(Information in respect of each subsidiary to be presented with amounts in Rs. In lakhs)

1.	Sl.No.	1	2	3
2.	Name of the Subsidiary	Digitech Business Systems Limited	STL Africa Limited	Telesuprecon Limited
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01.04.2016 to 31.03.2017	01.04.2016 to 31.03.2017	01.04.2016 to 31.03.2017
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	1USD = Rs.64.84	1USD = Rs.64.84	1USD = Rs.64.84
5.	Share Capital	19,385.44	0.07	0.65
6.	Reserves & Surplus	429.99	13,386.10	(8,315.79)
7.	Total Assets	19,815.43	13,386.17	804.02
8.	Total Liabilities	19,815.43	13,386.17	804.02
9.	Investments	-	-	-
10.	Turnover	4,165.53	-	-
11.	Profit before taxation	111.31	-	-
12.	Provision for taxation	-	-	-
13.	Profit after taxation	111.31	-	-
14.	Proposed Dividend	-	-	-
15.	% of shareholding	100	100	51

Part "B": Associates and Joint Ventures

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

NOT APPLICABLE

By order of the Board

G.Srinivasa Raju
Managing Director
(DIN: 00132249)

S.Hanumantha Rao
Director
(DIN: 00118801)

Place: Hyderabad
Date : 14th August, 2017

Annexure - II

Details of Related Party Transactions

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.	(a) Name(s) of the related party and nature of relationship	(b) Nature of contracts/ arrangements/ transactions	(c) Duration of the contracts/ arrangements/ transactions	(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	(e) Date(s) of approval by the Board, if any:	(f) Amount paid as advances, if any:
1	Splendid Metal Products Ltd, Common Director	Sales	One year	Rs. 517.27 Lakhs	Not Applicable	Nil
2	Splendid Metal Products Ltd, Common Director	Purchases	One year	Rs. 342.57 Lakhs	Not Applicable	Nil
3	Sujana Universal Industries Limited, Common Director	Sales	One year	-	Not Applicable	Nil
4	Sujana Universal Industries Limited, Common Director	Purchases	One year	-	Not Applicable	Nil

By order of the Board

Place: Hyderabad
Date : 14th August, 2017

G.Srinivasa Raju
Managing Director (DIN: 00132249)

S.Hanumantha Rao
Director (DIN: 00118801)

Annexure - III

Annual Report on Corporate Social Responsibility (CSR) activities

1. A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes.

The Board of Directors, on recommendation of the Corporate Social Responsibility (CSR) Committee framed a Corporate Social Responsibility Policy which is posted in the Investors section of the Company's website www.sujana.com the Company proposes to take up the CSR activity by making donations to "Sujana Foundation" which is a registered non government organization to take up projects or programmes under one or more of the activities as prescribed under Schedule VII of the Companies Act, 2013, as amended from time to time.

2. Composition of the CSR Committee:

a. Shri S Hanumantha Rao (Non- Executive Director)
b. Shri G Srinivasa Raju (Managing Director)
c. Shri M V Bhaskara Rao (Independent Director)

3. Average net profit of the Company for last three financial years: Rs. (93.29) lakhs

4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above): Rs. Nil lakhs

5. Since the Company is in lossess, there is no requirement of expenditure towards CSR.

6. The CSR Committee Confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and policy of the company.

By order of the Board

Place: Hyderabad
Date : 14th August, 2017

G.Srinivasa Raju
Managing Director (DIN: 00132249)

S.Hanumantha Rao
Director (DIN: 00118801)

Annexure - IV

Directors' Responsibility Statement

Pursuant to the requirement of Section 134(3)(c) of the Companies Act, 2013, and on the basis of compliance certificate received from the executives of the Company and subject to disclosures in the Annual Accounts, as also on the basis of the discussion with the Statutory Auditors of the Company from time to time, and to the best of their knowledge and information furnished, the Board of Directors states:

I. That in preparation of the Annual Accounts for the year ended 31st March, 2017; all the applicable Accounting Standards prescribed by the Institute of Chartered Accountants of India have been followed along with proper explanation relating to material departures, if any.

II. That the Directors have adopted such accounting policies, as selected in consultation with Statutory Auditors, and applied them consistently and made judgements 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 and of the loss of the Company is Rs. 49122.22 lakhs for the financial year ended 31st March, 2017.

III. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

IV. That the Annual Accounts for the year ended 31st March, 2017, has been prepared on a going concern basis.

V. That proper internal financial control were in place and that the financial controls were adequate and were operating effectively.

VI. That systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

By order of the Board

G.Srinivasa Raju	**S.Hanumantha Rao**
Managing Director	Director
(DIN: 00132249)	(DIN: 00118801)

Place: Hyderabad
Date : 14th August, 2017

Annexure - V

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2017

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members of **M/s. Neueon Towers Limited** (Formerly known as Sujana Towers Ltd)
Sy. No.321, Turkala Khanapur Village, Hatnur Mandal, Sanga Reddy Dist., Telangana – 502296.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Neueon Towers Limited (hereinafter called 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.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the Financial Year ended on 31st March, 2017 (i.e. from 1st April, 2016 to 31st March, 2017) generally 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:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2017 according to the provisions of:
    a. The Companies Act, 2013 (the Act) and the rules made there under;
    b. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
    c. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
    d. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
    e. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
        i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
        ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
2. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company under the financial year under report:-
    a. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
    b. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
    c. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
    d. 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;
    e. The Securities and Exchange Board of India(Delisting of Equity Shares) Regulations, 2009; and The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
3. The Company is into general manufacturing sector.
4. We have also examined compliance with the applicable clauses/regulations of the following:
    (i) Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI)
    (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and

the Uniform Listing Agreements entered into with BSE Limited (BSE) and National Stock Exchange of India Limited (NSE);

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

5. The Company Petition i.e. C.P. 137/2013, u/s 433 of the Companies Act, 1956 filed against the Company by M/s. Bhiragacha Finance Company Private Limited is not admitted by the Hon'ble High Court of Judicature at Hyderabad for the State of Telangana and Andhra Pradesh. The said Company Petition was dismissed by the Hon'ble Court on 04-08-2014 for non-representation by the Counsel for the Petitioner. However as informed by the Company, Petitioners have preferred appeal against the Order of 04.08.2014. The said petition is pending for admission and hearing.

We further report that

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 period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance as required, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For RPR & ASSOCIATES
Company Secretaries

Place: Hyderabad
Date: 29th May, 2017.

Y. Ravi Prasada Reddy, Proprietor
FCS No.5783, CP No. 5360

This Report is to be read with our letter of even date which is annexed as Annexure and forms part of this report.

ANNEXURE

To
The Members of **M/s. Neueon Towers Limited** (Formerly known as Sujana Towers Ltd)
Sy. No.321, Turkala Khanapur Village, Hatnur Mandal, Sanga Reddy Dist., Telangana – 502296

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices followed by us provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the Management representations about the compliance of laws, rules and regulations and happening of events etc.,
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For RPR & ASSOCIATES
Company Secretaries

Place: Hyderabad
Date: 29th May, 2017.

Y. Ravi Prasada Reddy, Proprietor
FCS No.5783, CP No. 5360

Annexure - VI

EXTRACT OF ANNUAL RETURN

As on Financial Year Ended on 31.03.2017

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

FORM No. MGT – 9

I. REGISTRATION AND OTHER DETAILS:

CIN	L40109TG2006PLC049743
Registration Date	04-06-2006
Name of the Company	NEUEON TOWERS LIMITED
Category/Sub-category of the Company	COMPANY LIMITED BY SHARES
	INDIAN NON-GOVERNMENT COMPANY
Address of the Registered office & contact details	Survey No.321, Turkala Khanapur (V), Hatnur (M), Sanga Reddy Dist - 502 296, Telangana, India.
Whether listed company	YES
Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s Bigshare Services Pvt.Ltd. 306, Right Wing, 3rd Floor, Amrutha Ville, Opp: Yashoda Hospital, Raj Bhavan Road, Somajiguda, Hyderabad - 500 082. Phone No: 040 – 2337 4967 Email: bsshyd@bigshareonline.com Website: www.bigshareonline.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:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Galvanised Steel Products	72161000	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1	Digitech Systems Private Limited	NA	HOLDING	51	Section 2(87)
2	STL Africa Limited	NA	HOLDING	100	Section 2(87)
3	Telesuprecon Limited	NA	HOLDING	100	Section 2(87)

*WOFS - Wholly Owned Foreign Subsidiary.

IV) SHAREHOLDING PATTERN (Equity Share Capital Breakp as percentage of Total Equity)

(i) Category-wise Shareholding

Category code	Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2016)				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	Total	
(A)	**Promoter and Promoter Group**									
1	Indian									
(a)	Individuals/ Hindu Undivided Family	5,62,841	1,357	5,64,198	1.00	2,02,841	1,357	2,04,198	0.36	(0.64)
(b)	Central Government/ State Government(s)									
(c)	Bodies Corporate	2,30,10,245	-	2,30,10,245	40.69	2,08,70,245	-	2,08,70,245	36.91	(3.78)
(d)	Financial Institutions/ Banks	0	-	-			-	-		
(e)	Any Other (specify)	0	-	-	-	-	-	-		
	Sub-Total (A)(1)	**2,35,73,086**	**1,357**	**2,35,74,443**	**41.69**	**2,10,73,086**	**1,357**	**2,10,74,443**	**37.27**	**(4.42)**
2	Foreign									
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0	-	-	-	-	-	-		
(b)	Bodies Corporate	0	-	-	-	-	-	-		
(c)	Institutions	0	-	-	-	-	-	-		
(d)	Qualified Foreign Investor	0	-	-	-	-	-	-		
(e)	Any Other (Specify)	0	-	-	-	-	-	-		
	Sub-Total (A)(2)	**-**	**-**	**-**	**-**				**-**	
	Total Shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)	**2,35,73,086**	**1,357**	**2,35,74,443**	**41.69**	**2,10,73,086**	**1,357**	**2,10,74,443**	**37.27**	**(4.42)**
(B)	**Public Shareholding**									
1	Institutions	0	-	-		0	-	-		
(a)	Mutual Funds/ UTI	0	-	-		0	-	-		
(b)	Financial Institutions/Banks	5,95,500	100	5,95,600	1.05	5,00,000	100	5,00,100	0.88	(0.17)
(c)	Central Government/State Government(s)	0	-	-	-	0	-	-		
(d)	Venture Capital Funds	0	-	-		0	-	-		
(e)	Insurance Companies	0	-	-		0	-	-		
(f)	Foreign Institutional Investors	80,000	-	80,000	0.14	0	-	-	-	(0.14)
(g)	Foreign Venture Capital Investors	0	-	-		0	-	-		
(h)	Qualified Foreign Investor	0	-	-		0	-	-		
(i)	Any Other (specify)	0	-	-		0	-	-		
	Sub-Total (B)(1)	**6,75,500**	**100**	**6,75,600**	**1.19**	**5,00,000**	**100.00**	**5,00,100**	**0.88**	**(0.31)**
B2	Non-Institutions									
(a)	Bodies Corporate	76,74,966	4,600	76,79,566	13.58	72,95,949	24,582	73,20,531	12.95	(0.63)
(b)	Individuals –									
I	i. Individual shareholders holding nominal share capital up to Rs.2 lakh.	1,06,49,422	3,18,550	1,09,67,972	19.40	1,22,68,284	2,96,818	1,25,65,102	22.22	2.82
II	ii. Individual shareholders holding nominal share capital in excess of Rs.2 lakh.	1,27,15,146	-	1,27,15,146	22.49	1,33,72,344	-	1,33,72,344	23.65	1.16
(c)	Qualified Foreign Investor	0	-	-	-	-	-	-		
(d)	Foreign Body Corporate	0	-	-	-	-	-	-		
(d1)	Clearing Members	5,35,139	-	5,35,139	0.95	12,00,172	-	12,00,172	2.12	1.18
(d2)	NRI	3,96,686	-	3,96,686	0.70	4,79,700	-	4,79,700	0.85	0.15
(d3)	OCB's	0	-	-	-	0	-	0		
(d4)	Trust	0	-	-	-	0	-	0		
(d5)	GDR	0	-	-		0		0		
	Sub-Total (B)(2)	**3,19,71,359**	**3,23,150**	**3,22,94,509**	**57.11**	**3,46,16,449**	**3,53,560**	**3,49,70,009**	**61.85**	**4.73**
	Total Public Shareholding (B) = (B1 +B2)	3,26,46,859	3,23,250	3,29,70,109	58.31	3,51,16,449	3,53,660	3,54,70,109	62.73	4.42
	TOTAL (A) + (B)	5,62,19,945	3,24,607	5,65,44,552	100.00	5,61,89,535	3,55,017	5,65,44,552	100.00	-
(C)	**Shares held by Custodians and against which Depository Receipts have been issued.**	**0**	**-**	**-**		**0**	**0**	**-**		
	Sub-Total (C)	**0**	**-**	**-**		**0**	**0**	**-**		
	GRAND TOTAL (A)+(B)+(C)	**5,62,19,945**	**3,24,607**	**5,65,44,552**	**100.00**	**5,61,89,535**	**3,55,017**	**5,65,44,552**	**100.00**	**-**

(ii) SHARE HOLDING OF PROMOTERS

Shareholders Name	Shareholding at the beginning of the year - 01.04.2016			Shareholding at the end of the year - 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	
Shri Y.S.Chowdary	3,75,657	0.66	0.66	1,85,657	0.33	0.33	(0.34)
Shri G Srinivasa Raju	1,80,184	0.32	0.32	10,184	0.02	0.02	(0.30)
Shri S Hanumantha Rao(trustee for 1357 fraction of shares)	8,357	0.01	0.01	8,357	0.01	0.01	-
Sujana Finance and Trading Private Limited	5,16,435	0.91	0.91	3,76,435	0.67	0.67	(0.25)
Yelamanchili Finance and Trading (p) Ltd	47,67,500	8.43	8.43	47,67,500	8.43	8.43	-
Sujana Holdings Limited	1,21,29,629	21.45	21.45	1,01,29,629	17.91	17.91	(3.54)
Foster Infin and Trading Private Limited	50,95,999	9.01	9.01	50,95,999	9.01	9.01	-
Sujana Capital Services Limited	682	0.00	0.00	682	0.00	0.00	(0.00)
Sujana Pumps and Motors Private Limited	5,00,000	0.88	0.88	5,00,000	0.88	0.88	-
TOTAL	**2,35,74,443**	**41.69**	**41.69**	**2,10,74,443**	**37.27**	**37.27**	**(4.42)**

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	At the beginning of the year	01-04-2016		2,35,74,443	41.69%	-	-
2	Changes during the year	21-03-2017	Invocation	1,40,000	24.76%	2,34,34,443	41.69%
		22-03-2017	Invocation	23,60,000	4.17%	2,10,74,443	37.27%
3	At the end of the year	31-03-2017		-	-	2,10,74,443	37.27%

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

Sl. No.	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year 01-04-2016		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	SRIHARI BABU KANCHERLA						
	At the beginning of the year	01-04-2016		1,008,318	1.78%		
	Changes during the year	Nil			-	10,08,318	1.78%
	At the end of the year	31-03-2017			-	10,08,318	1.78%
2	ESHAN FINANCIAL SERVICES PVT LTD						
	At the beginning of the year	01-04-2016		847,800	1.50%		
	Changes during the year	Nil				8,47,800	1.50%
	At the end of the year	31-03-2017				8,47,800	1.50%
3	AJITKUMAR JOGENDARPRASAD SINGH						
	At the beginning of the year	01-04-2016		827,051	1.46%		
	Changes during the year	08-04-2016	Transfer	51,650	0.09%	878,701	1.55%
		15-04-2016	Transfer	620	0.00%	879,321	1.56%
		22-04-2016	Transfer	1,439	0.00%	880,760	1.56%
		29-04-2016	Transfer	(36,493)	-0.06%	844,267	1.49%
		06-05-2016	Transfer	(88,608)	-0.16%	755,659	1.34%

		13-05-2016	Transfer	(118,188)	-0.21%	637,471	1.13%
		20-05-2016	Transfer	(110,958)	-0.20%	526,513	0.93%
		03-06-2016	Transfer	(870)	-0.00%	525,643	0.93%
		10-06-2016	Transfer	(141,960)	-0.25%	383,683	0.68%
		30-06-2016	Transfer	94,310	0.17%	477,993	0.85%
		08-07-2016	Transfer	22,007	0.04%	500,000	0.88%
		16-09-2016	Transfer	(10,000)	-0.02%	490,000	0.87%
		23-09-2016	Transfer	(240,000)	-0.42%	250,000	0.44%
		21-10-2016	Transfer	200,000	0.35%	450,000	0.80%
		28-10-2016	Transfer	(200,000)	-0.35%	250,000	0.44%
		18-11-2016	Transfer	(250,000)	-0.44%	-	0.00%
	At the end of the year	31-03-2017			0.00%	-	0.00%
4	RELIGARE FINVEST LTD						
	At the beginning of the year	01-04-2016		518,637	0.92%		
	Changes during the year	Nil				518,637	0.92%
	At the end of the year	31-03-2017		-	0.00%	518,637	0.92%
5	VIMGI INVESTMENTS PVT LTD						
	At the beginning of the year	01-04-2016		512,284	0.91%		
	Changes during the year	13-05-2016	Transfer	(120,000)	-0.21%	392,284	0.69%
		14-10-2016	Transfer	(25,000)	-0.04%	367,284	0.65%
		25-11-2016	Transfer	150,000	0.27%	517,284	0.91%
		02-12-2016	Transfer	(150,000)	-0.27%	367,284	0.65%
		13-01-2017	Transfer	(16,619)	-0.03%	350,665	0.62%
		20-01-2017	Transfer	(37,665)	-0.07%	313,000	0.55%
		17-02-2017	Transfer	5,750	0.01%	318,750	0.56%
		24-02-2017	Transfer	(5,750)	-0.01%	313,000	0.55%
		31-03-2017	Transfer	(200,000)	-0.35%	113,000	0.20%
	At the end of the year	31-03-2017			0.00%	113,000	0.20%
6	PRATIBHA R MHATRE						
	At the beginning of the year	01-04-2016		147,126	0.26%		
	Changes during the year	24-06-2016	Transfer	18,810	0.03%	165,936	0.29%
		30-06-2016	Transfer	16,313	0.03%	182,249	0.32%
		22-07-2016	Transfer	34,939	0.06%	217,188	0.38%
		29-07-2017	Transfer	281,300	0.50%	498,488	0.88%
		05-08-2016	Transfer	1,200	0.00%	499,688	0.88%
		19-08-2016	Transfer	1,000	0.00%	500,688	0.89%
	At the end of the year	31-03-2017			0.00%	500,688	0.89%
7	INDIAN OVERSEAS BANK						
	At the beginning of the year	01-04-2016		500,000	0.88%		
	Changes during the year	Nil				500,000	0.88%
	At the end of the year	31-03-2017		-	0.00%	500,000	0.88%
8	SMC GLOBAL SECURITIES LIMITED						
	At the beginning of the year	01-04-2016		406,663	0.72%		
	Changes during the year	08-04-2016	Transfer	(214,656)	-0.38%	192,007	0.34%
		15-04-2016	Transfer	(500)	-0.00%	191,507	0.34%
		22-04-2016	Transfer	50	0.00%	191,557	0.34%
		06-05-2016	Transfer	(575)	-0.00%	190,982	0.34%
		13-05-2016	Transfer	475	0.00%	191,457	0.34%
		20-05-2016	Transfer	(1,253)	-0.00%	190,204	0.34%
		27-05-2016	Transfer	217232	0.38%	407,436	0.72%
		03-06-2016	Transfer	(100)	-0.00%	407,336	0.72%
		10-06-2016	Transfer	2,020	0.00%	409,356	0.72%

		17-06-2016	Transfer	(1,300)	-0.00%	408,056	0.72%
		24-06-2016	Transfer	(2,550)	-0.00%	405,506	0.72%
		30-06-2016	Transfer	1,000	0.00%	406,506	0.72%
		08-07-2016	Transfer	20500	0.04%	427,006	0.76%
		15-07-2016	Transfer	(100)	-0.00%	426,906	0.75%
		22-07-2016	Transfer	(3,531)	-0.01%	423,375	0.75%
		29-07-2016	Transfer	2,173	0.00%	425,548	0.75%
		05-08-2016	Transfer	(2,221)	-0.00%	423,327	0.75%
		12-08-2016	Transfer	(400)	-0.00%	422,927	0.75%
		19-08-2016	Transfer	1,751	0.00%	424,678	0.75%
		26-08-2016	Transfer	(8,050)	-0.01%	416,628	0.74%
		02-09-2016	Transfer	(5,000)	-0.01%	411,628	0.73%
		09-09-2016	Transfer	18,012	0.03%	429,640	0.76%
		16-09-2016	Transfer	(7,762)	-0.01%	421,878	0.75%
		23-09-2016	Transfer	(701)	-0.00%	421,177	0.74%
		29-09-2016	Transfer	8,410	0.01%	429,587	0.76%
		30-09-2016	Transfer	(600)	-0.00%	428,987	0.76%
		07-10-2016	Transfer	9,630	0.02%	438,617	0.78%
		14-10-2016	Transfer	(10,130)	-0.02%	428,487	0.76%
		21-10-2016	Transfer	1,000	0.00%	429,487	0.76%
		28-10-2016	Transfer	(3,250)	-0.01%	426,237	0.75%
		04-11-2016	Transfer	11,900	0.02%	438,137	0.77%
		11-11-2016	Transfer	1,030	0.00%	439,167	0.78%
		18-11-2016	Transfer	(400)	-0.00%	438,767	0.78%
		25-11-2016	Transfer	740	0.00%	439,507	0.78%
		02-12-2016	Transfer	(1,899)	-0.00%	437,608	0.77%
		09-12-2016	Transfer	(7,561)	-0.01%	430,047	0.76%
		16-12-2016	Transfer	(1,700)	-0.00%	428,347	0.76%
		23-12-2016	Transfer	(13,691)	-0.02%	414,656	0.73%
		31-12-2016	Transfer	200	0.00%	414,856	0.73%
		06-01-2017	Transfer	(1,000)	-0.00%	413,856	0.73%
		13-01-2017	Transfer	480	0.00%	414,336	0.73%
		20-01-2017	Transfer	500	0.00%	414,836	0.73%
		27-01-2017	Transfer	1,000	0.00%	415,836	0.74%
		03-02-2017	Transfer	500	0.00%	416,336	0.74%
		10-02-2017	Transfer	(7,312)	-0.01%	409,024	0.72%
		17-02-2017	Transfer	(3,838)	-0.01%	405,186	0.72%
		10-03-2017	Transfer	9,130	0.02%	414,316	0.73%
		17-03-2017	Transfer	(300)	-0.00%	414,016	0.73%
		24-03-2017	Transfer	520	0.00%	414,536	0.73%
		31-03-2017	Transfer	10,170	0.02%	424,706	0.75%
	At the end of the year	31-03-2017		-	0.00%	424,706	0.75%
9	VARA LAKSHMI G						
	At the beginning of the year	01-04-2016		410,367	0.73%		
	Changes during the year	Nil				410,367	0.73%
	At the end of the year	31-03-2017		-	0.00%	410,367	0.73%
10	MRKR CONSTRUCTIONS PRIVATE LIMITED						
		01-04-2016		500,000	0.88%		
	Changes during the year	Nil				500,000	0.88%
	At the end of the year	31-03-2017		-	0.00%	500,000	0.88%

(v) Shareholding of Directors and Key Managerial Personnel:

S. No.	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	**G Srinivasa Raju - Managing Director**						
	At the beginning of the year	01-04-2016		1,80,184	0.32%	-	-
	Changes during the year	22-03-2017	Invocation	1,70,000	0.30%	10,184	0.02%
	At the end of the year	31-03-2017		-	-	10,184	0.02%
2	**S.Hanumantha Rao - Director**						
	At the beginning of the year	01-04-2016		7,000	0.01%	-	-
	Changes during the year	Nil		-	-	7,000	0.01%
	At the end of the year	31-03-2017		-	-	7,000	0.01%
3	**M V Bhaskara Rao - Independent Director**						
	At the beginning of the year	01-04-2016		Nil	-	-	-
	Changes during the year	Nil		-	-	-	-
	At the end of the year	31-03-2017		-	-	Nil	-
4	**Shri A.S.Anand Kumar - Independent Director**						
	At the beginning of the year	01-04-2016		Nil	-	-	-
	Changes during the year	Nil		-	-	-	-
	At the end of the year	31-03-2017		-	-	Nil	-
5	**Shri L V Rao - Independent Director**						
	At the beginning of the year	01-04-2016		Nil	-	-	-
	Changes during the year	Nil		-	-	-	-
	At the end of the year	31-03-2017		-	-	Nil	-
6	**Shri Saravanan Muthu - Nominee Director (IDBI)**						
	At the beginning of the year	01-04-2016		Nil	-	-	-
	Changes during the year	Nil		-	-	-	-
	At the end of the year	31-03-2017		-	-	Nil	-
7	**Smt S. Kalyani - Vice President (Finance)**						
	At the beginning of the year	01-04-2016		Nil	-	-	-
	Changes during the year	Nil		-	-	-	-
	At the end of the year	31-03-2017		-	-	Nil	-
8	**Shri Ch. Mallikarjuna - Company Secretary**						
	At the beginning of the year	01-04-2016		-	0.00%	-	-
	Changes during the year	Nil		-	-	-	-
	At the end of the year	31-03-2017		-	-	100	0.00%

V. INDEBTEDNESS (Amount in Lakhs)

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

Particulars	Secured Loans excluding deposits	Unsecured Loans	Depo-sits	Total Indebtness
Indebtedness at the beginning of the financial year				
i) Principal Amount	172815.88	29795.07	-	2,02,610.95
ii) Interest due but not paid	29147.35	-	-	29,147.35
iii) Interest accrued but not due	-		-	-
Total (i+ii+iii)	2,01,963.23	29795.07	-	2,31,758.30
Change in Indebtedness during the financial year				
*Addition	29373.8	3324.42	-	32,698.22
*Reduction	-99.18	-	-	(99.18)
Net Change	29274.62	3,324.42	-	32,599.04

Indebtedness at the end of the financial year					
i)	Principal Amount	202189.71	33,119.49	-	2,35,309.20
ii)	Interest due but not paid	29246.53		-	29,246.53
iii)	Interest accrued but not due	-	-	-	-
Total (i+ii+iii)		231436.24	33,119.49	-	2,64,555.73

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
	Name	Shri G. Srinivasa Raju	(Rs. in Lakhs)
	Designation	Managing Director	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission		-
	- as % of profit	-	-
	- others, specify	-	-
5	Others, please specify	-	-
	Total (A)	-	-
	Ceiling as per the Act	The overall ceiling is as per limits stipulated in Schedule V / Section 197 of the Companies Act, 2013 the Act	

B. Remuneration to other Directors

S. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Shri M V Bhaskara Rao	Shri A S Anand Kumar	Shri L V Rao	Smt A. Syamala Reddy	Shri Yashpal Gupta	(Rs in lakhs)
1	Independent Directors						
	Fee for attending board committee meetings	1,00,000	1,00,000	1,00,000	Nil	30,000	3,30,000
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total	1,00,000	1,00,000	1,00,000	Nil	30,000	3,30,000
	Overall Ceiling as per the Act	The overall ceiling is as per limits stipulated in Schedule V / Section 197 of the Companies Act, 2013					

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD/Company Secretary

S. No.	Particulars of Remuneration	Name of Key Managerial Personnel	Total Amount
	Name	Smt. S. Kalyani	(Rs. in lakhs)
	Designation	VP	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	30.00	30.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- others, specify	-	-
5	Others, please specify	-	-
	Total	30.00	30.00

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]
A. COMPANY				
Penalty	NONE			
Punishment				
Compounding				
B. DIRECTORS				
Penalty	NONE			
Punishment				
Compounding				
C. OTHER OFFICERS IN DEFAULT				
Penalty	NONE			
Punishment				
Compounding				

Annexure - VII

Statement of particulars of the conservation of energy, technology absorption, foreign exchange earnings and outgo as per Rule 8 of Companies (Accounts) Rules, 2014

A) Conservation of energy:

Electricity, Coal & Furnace Oil — purchased for manufacture of re-rolled products and galvanized towers parts

		2016-17	2015-16
1.	**Electricity**		
	Units (KWH)	**1828172**	1954546
	Total amount (Rs.)	**21167841**	20820852
	Rate/units (Rs.)	**11.58**	10.65
2.	**Coal**		
	Quantity (Tonnes)	**2371.06**	2240.11
	Total Cost (Rs.)	**13075218**	10556927
	Average Rate (Rs.)	**5514.50**	4712.68
3.	**Furnace Oil**		
	Quantity (Ltrs.)	**20560**	-
	Total Cost (Rs.)	**450455**	-
	Average Rate (Rs.)	**21.90**	-
	Electricity (KWH)	**-**	145.17
	Coal (Tonnes)	**0.23**	0.20

a. Steps taken or impact on conservation of energy: NA

b. Steps taken by the company for utilising alternate sources of energy: NA

c. Capital investment on energy conservation equipment: NA

B) Technology absorption:

a. Efforts made towards technology absorption; NA

b. The benefits derived like product improvement, cost reduction, product development or import substitution Nil

c. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): N/A

d. Details of the expenditure incurred on Research and Development: Nil

C) Foreign exchange earnings and Outgo:

The Foreign Exchange earned in terms of actual inflows during the year is Rs. Nil lakhs and the Foreign Exchange outgo is Rs Nil lakhs during the year in terms of actual outflows.

Annexure - VIII

Details pertaining to remuneration as required u/s 197(12) of The Companies Act, 2013 read with rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2016-17, percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year 2016-17, and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

S. No.	Name of the Director/ KMP (Designation)	Remuneration for FY 2016-17 (in lakhs)	Ratio of remuneration to the median remuneration of the employees	% increase in remuneration in the FY 2016-17
01	G Srinivasa Raju (Managing Director) *	Nil	-	-
02	S. Kalyani (Vice President)	30.00	12.50	Nil
03	P. Apser Hussen (Company Secretary upto 14.12.2016 and continue as Vice president since 15.12.2016 onwards)	18.19	7.58	Nil
04	Ch. Mallikarjuna (Company Secretary w.e.f.14.12.2016)	2.28	0.95	Nil

- None of the other directors except as disclosed above draws any remuneration in the Company.

  The median remuneration of employees of the Company during the financial year 2016-17 was 2.40 lakhs against the median remuneration of 2.35 lakhs during the previous year signifying an increase of 0.45% in the financial year;

  As on 31st March 2017, there were 64 Number of permanent employees on the rolls of Company;

2. **The relationship between average increase in remuneration and company performance:**

   The average increase in remuneration during the financial year 2016-17 is Nil. The total employees cost for the financial year ended 31st March, 2017 is Rs. 482.43 lakhs against Rs. 535.56 lakhs for the financial year ended 31st March 2016. The total net revenue of the company for financial year ended 31st March 2017 is Rs. 20327.68 lakhs as against Rs. 139890.25 lakhs for the financial year ended 31st March 2016. The total employees cost as a percentage of net total revenue was 2.37 % (last year 0.38%). The performance was decreased 85.47 % during the financial year compared to last year.

3. **Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company:**

Rs. in lakhs

Particulars	**2016-17**	2015-16
Aggregate Remuneration of KMP in Financial Year	**32.28**	30.00
Revenue	**20327.68**	139890.25
Remuneration of KMP (as % of revenue)	**0.159**	0.021

4. Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the company came out with the last public offer:

Sl. No.	Description	Rs. in lakhs
1	**Market Capitalisation**	
	Mcap at 31st March 2017	2929.01
	Mcap at 31st March 2016	5762.56
	Variation in Mcap in FY 2017 (%)	(50.83%)
2	**Price Earnings Ratio (PE Ratio) – (Mkt Price / EPS)**	
	PE at 31st March 2017	(0.06)
	PE at 31st March 2016	(0.41)
	Variation in PE in FY 2017 (%)	(14.63)
3	**% Increase/Decrease from last Public Offer**	Not Applicable^
	FPO price per share	
	Market price as at 31 March, 2017	
	% decrease from last FPO	

^ The Company was demerged from M/s. Sujana Metal Products Limited with approval of Hon'ble High Court.

5. Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year: Nil

6. The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy of the Company: N.A.

7. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: N.A.

8. Particulars of employees as required under rule 5 (2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014: Nil

9. It is hereby confirmed that the remuneration paid is as per the Remuneration Policy of the Company.

Annexure - IX

MANAGEMENT DISCUSSION AND ANALYSIS

Pursuant to Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 your directors wish to report as follows:

It is a matter of pride for all of us to learn that keeping in line with the motto "Make In India" our country has emerged as one of the fastest growing major economies in the world as per the data released by the Central Statistics Organisation (CSO) and International Monetary Fund (IMF). Various estimates by the Governmental agencies tell us that the rate of growth during the financial under review is likely to be between 6.75% to 7.5%. This, no doubt, augurs well for your Company.

However we wish that this buoyancy percolates into the operations of your Company, the ground reality stood otherwise. The expected take off in the infrastructure sector has not taken off as it should have been on account of the ROW issues and general cash flow restrictions faced by the power industry in general and transmission sector in particular. This common phenomenon has affected your company as it did to the other peers.

Global Market opportunities:

Undaunted by the stagnant commercial prospects for the transmission business in the Country, your Company has started looking for export markets and also diversifying into design and manufacture of the Solar Structures for the local markets. Your Company believes that subject to unforeseen circumstances, there is good opportunity in MENA countries for the products of the Company. While the seeding operations are already in place, the pace of these would be accelerated when the efforts of your Company to restructure its debt portfolio bears fruit.

Infrastructure Sector - Government's Initiatives:

Government of India has initiated many steps to remove the obstacles plaguing this sector from so long. The most notable is the comprehensive land acquisition reforms put in place by the GOI are likely to reduce the vexatious issues being faced by the transmission industry to a great extent. It is believed that this initiative would de-lock the projects held up at various stages of implementation due to litigations in Courts. Once these reforms get rooted, we expect that the project completion ratio would go upto 90% to 95%. This development would release locked up financial assets as the held up projects would soon be completed. Your Directors whole heartedly thank GOI for this game changing initiative. This gives your Company a new hope and vigor to overcome the current financial log-jam at the earliest.

Road Ahead:

Your Company is witnessing a paradigm shift in the power generation and consumption patterns owing to the recent technological changes. We are observing rapid development of Solar Generation and other alternate energy generation programs, including wind power. Further, the advent of Smart Cities is going to drastically change the energy consumption patterns. The resolve of the government to end the Petrol / diesel / LPG driven automobiles by 2030 creates another niche for the power distribution systems manufactured by your Company. All these technology driven changes call for a complete over-haul of the existing power transmission and distribution systems in the country. This factor alone, your Company believes, would be a game changer in the near future.

The recent decision of the power utilities in the country to place an embargo on the Chinese manufactured equipment, due to the quality concerns and long term durability issues is likely to open some windows, if not doors for your Company.

Coupled with the optimistic outlook of the Indian Economy as enunciated by international and multi lateral agencies like World Bank etc., your Company feels that there are green shoots visible to it.

However, all this gets translated into reality, only if your Company can put in place, as soon as possible,

a debt re-structuring programme. Without the active support of the Banks and financial institutions, it is impossible for any commercial entity to survive, especially where the cash to cash cycles are normally stretched over long periods.

In this direction, your Company is leaving no stone unturned and your Company is working closely with the Banks and other agencies to resolve the matter. It is a matter of concern that earlier initiatives of the Company have not met with success.

Opportunities and Threats:

Your Company has earlier contemplated to divest some of its manufacturing facilities in view of the constraints faced by it, as mentioned in the previous report(s) to the members. Unfortunately, these efforts have not borne fruit. Your Company is still convinced that it would be good to divest some of the business segments or to scout for a strategic investor to tide over the current situation and to forge ahead in the new markets to give it the necessary teeth to prevent the slippages in executing the orders.

It may not be out of place to mention that your Company is still being over looked by many customers while placing new orders on account of the acknowledged financial constraints. Thus, our efforts to revive the financial fortunes are continuing unabated to overcome this situation. The concern, that has arisen out of watching the reluctance of the customers' to place further orders on account of the reference of your Company to the CDR Mechanism, is still continues unabated.

Company Position:

As you are aware, your Company was a dominant player in the Power Transmission Infra sector and in this short period, has earned a niche for itself. In anticipation of a buoyant market situation, your Company has invested large sums of money to create a world class facility to manufacture Power Transmission Towers upto 1200 kVA, which is the World's highest transmission voltage.

Company prefers to borrow a passage from its previous report -- Very distressingly, the Infrastructure Industry in general and Power Transmission Industry in particular has witnessed very rough operating environment in the last three years. We have seen that almost all projects are plagued by delays on account of extraneous factors such as ROW (Right of Way) issues and cash flow niggles. The situation has turned from bad to worse in the last 6 quarters and your company is no exception to this global tsunami engulfing the Steel Sector, of which your Company is a part of.

While your company is being buffeted by these extraneous happenings which are neither in its anticipation nor under control, the Bankers to the Company have invoked various arbitrary powers vested in their hands by virtue of the omnibus loan documents and are actively considering reviving your Company through SDR (Strategic Debt Re-structuring) & COM (Change of Management) methods. Under this scheme, there going to be substantial breathing time being accorded to your company to recoup its strengths and to regain the past glory by leveraging its comparative advantages over the other similar players. – Unquote.

It is not worthy that a bouquet of audits and studies conducted on your Company on behest of various lenders and investors have returned an unanimous opinion that your Company can be and should be revived. It is a common fabric running across these reports that the extraneous factors are to be blamed for the current imbroglio.

As our proposals for re-structuring of the debts and allied proposals are under active consideration by the Banks and other lenders, we are confident of a positive outcome. It is anticipated that these efforts would infuse a new life and vigor to your Company.

We are confident that all these measures would result in enhancing the share holder value and the image of the Company in the near future.

Risk and Concerns:

Your Company has put in place, a comprehensive risk management policy for identification and assessment of risks which is monitored by the risk management committee of the Company. The Committee closely monitors the process and suggests suitable measures to mitigate the risks. While the risks caused or likely

to be caused by the internal happenings are promptly identified and dealt with by the Company. While the external factors still remain imponderable and are still not yet under the control of the Company.

Business Risk:

The business risk is in general is the risk imposed by the competition from the competitors. There is always as possibility of the new entrants into this sector and predatory pricing by them to get the orders. The technological obsolescence is another risk factor, your Company has to cope with, In the times to come. Your Company always holds these factors in sight while arriving at any major decision.

Interest Rate Risk:

This aspect, while constitutes a certain risk, is beyond the control of the Company owing to it having availed credit facilities from various banks. As such, we categorize the interest rate fluctuation as an inherent risk associated with the business of your Company. The mitigation of this risk lies in our accelerating the cash to cash cycle to offset the negative impact caused by such rate increase, if any.

Market Risk:

This is an inherent risk that is to be faced by any company, forever and cannot be wished away. India as such abhors any monopolistic business practices and actively encourages competition. Your company never believed in aggressive pricing as a tool to capture the market. On the other hand it trusts that quality and customer service are only tools which give great dividends in the long run and ensure that the Company remains a long term player in the market.

Liquidity Risk:

The liquidity risk is a major risk being faced by your Company due to one or the other reasons. Whenever there is blockage of funds in the hands of customers, the liquidity crunch is likely to happen and indeed is happening, which is crippling the operations of the Company and your Company is trying to mitigate this risk by exploring for other avenues for liquidity, including scouting for a new investor or to cede some its business lines, as explained elsewhere.

Financial Risk:

Increase in cost of operations as well as fluctuations in raw material cost pose financial risk to the Company. The impact of this risk is to some extent minimized with the escalation clause in majority of domestic orders. Even though Company is not facing any major hurdles on this front due to its short term contracts, this risk is not entirely ruled out, till your Company can implement various mitigation strategies like purchase in bulk as well as import of raw materials etc. to minimize the impact of this ever present risk.

Growth Plans:

As stated earlier, your Company is going through a difficult phase due to various reasons, including its unsuccessful efforts in disposing some of its business segments. It is approaching the customers with very cautious outlook and is definitely not in an aggressive mode. Due to the non availability of the BGs, Company is unable to participate in tenders and had to contend with being a sub-contractor to others.

Plainly speaking, any new marketing strategy can only be finalised after the present debt restructuring programme is successfully concluded. Your Company has not shifted its commitment from its professed ethos such as fast and quality execution, cost reduction, obtaining of financial support from banks with competitive interest rates etc.,

Neueon's Competitive Strengths:

Even though this is not the time to be boastful, your Company feels that it still enjoys many inherent competitive advantages due to various inherent elements such as huge installed capacity; track record of supplies; comparative advantage due to the vertically integrated manufacturing facilities and approvals by the end customers. Company is yet to face an environment, wherein all these are put to test.

Outlook and Opportunities:

Company is modest in assessing its outlook in view of the aforementioned factors. We are looking for an early resolution of the debt-restructuring issues to gain from tremendous opportunities in future for the products of the Company.

Internal Control Systems and their Adequacy:

The internal control systems as prevailing in the Company are commensurate with the size and nature of business of the Company. The Company has the system of Internal Audit.

Internal Auditors do regularly make assessment of internal control in various areas of operation and report to the Audit Committee with their suggestions for the improvement of the same. Accordingly, the suggestions for improvement wherever deemed necessary are implemented immediately. As usual,, the management keeps a continuous watch on internal control systems of the company.

Human Resource and Industrial Relations:

The relations between the Company and the employees are cordial. Company recognizes that the key to achieving its plans and sustaining them is none other than having best human resources pool.

Your Company endeavors in recruiting the best of talent, motivating and retaining them and considers development of this biggest asset as its primary responsibility.

Highlights of the Financial Results:

During the financial year, Your Company has achieved a turnover of Rs. 20,706.05 lakhs for the year ended 31st March, 2017, as against the turnover of Rs. 1,40,143.81 lakhs for the previous year ended 31st March, 2016.

Segment Wise Performance & Geographical Information:

The Company primarily engaged in the business of Iron & Steel products, more specifically Transmission/ Telecom Towers and TSF products, which constitute a single segment in the context of accounting standard-17 on “Segment Reporting”. Geographically, all the manufacturing facilities of the Company are situated within India, while its marketing operations spread over many countries.

Statutory Compliance:

Your Company gives priority to comply all of the statutory requirements in time and the management regularly discusses the same with all the departmental heads. The Company Secretary, as the compliance officer, ensures timely compliance with the SEBI’s Regulations and provisions of listing agreements.

Corporate Social Responsibility (CSR):

While your Company, through Sujana Foundation, the CSR arm of the Sujana Group, strives to do what best it can do in this direction. However, it is regretted to report that in view of the losses during the year under review, no major CSR activities were taken up. The Company has in place, a Corporate Social Responsibility (CSR) Committee in compliance with the provisions of the Companies Act, 2013.

Cautionary Statement:

Statements in the Management Discussion and Analysis describing the Company’s objectives, expectations or predictions may be forward looking within the meaning of applicable securities, law and regulations. The Company assumes no responsibility to publicly amend, modify or revise forward looking statements, on the basis of subsequent event or development. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company’s operations, to mention some, are the selling price of finished goods, input availability and price, changes in government regulations, tax laws, economic development within and outside the country and other factors such as litigation and industrial relations.

ANNEXURE - X

REPORT ON CORPORATE GOVERNANCE

(Pursuant to Regulation 34 (3) and Schedule V (C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

1. THE COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE :

The Company's Philosophy is that Corporate Governance is a process which enables the Company to operate in a systemic manner to meet its ethical, legal and business expectations and at the same time fulfil its social responsibilities. The core value of Corporate Governance lies in integrity, transparency, high degree of disclosures, emphasis on product quality, adopting best business practices.

Your Company confirms the compliance of Corporate Governance as contained in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, the details of which are given below:

2. BOARD OF DIRECTORS:

2.1 Appointment and Tenure:

The Directors of the Company (except Nominee Directors) are appointed by the shareholders at General Meetings. All Executive Directors are subject to retirement by rotation and at every Annual General Meeting, 1/3rd of such Directors as are liable to retire by rotation, if eligible, generally offer themselves for re-election, in accordance with the provisions of Section 152 of the Companies Act, 2013 and that of the Articles of Association of the Company.

2.2. Board composition, category of Directors, meetings and attendance Record of each director:

The Company has a balanced mix of Executive and Non-Executive Independent Directors to maintain the independence of the board and to separate the board functions of governance and management. As at March 31st ,2016, the Board of Directors comprises of Seven (7) members, out of which one (1) is Promoter & Managing Director, four (4) of them are Independent and Non-Executive Directors, one (1) Non-Executive Director and one (1) is a Nominee Director of IDBI Shri Yashpal Gupta. All Independent Directors are persons of eminence and bring a wide range of expertise and experience to the Board thereby ensuring the best interest of stakeholders and the Company.

The Chairman is an Independent & Non-Executive Director of the Company. The number of Independent Directors are 4 which is in compliance with the requirements of Regulations 17 of the SEBI (Listing Obligations and Disclosures Requirements), Regulations 2015. The number of Non-Executive Directors is more than 50% of the total number of Directors.

All Independent Directors meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (Hereinafter referred to as the "Listing Regulations, 2015").

No Director is related to any other Director on the Board in terms of the definition of "relative" as defined in Section 2(77) of the Companies Act, 2013. None of the Directors on the Board are Independent Directors of more than seven listed companies and none of the Whole-time Directors are Independent Directors of any listed company.

None of the Directors on the Board is a member of more than 10 committees and Chairman of more than 5 committees (as specified in Regulation 26 of the Listing Regulations, 2015) across all the Companies in which he/she is a Director.

The information stipulated under Schedule II of the Listing Regulations, 2015 is being made available to the Board.

The details of composition of the Board of Directors as at 31st March, 2017, the attendance record of the Directors at the Board Meetings held during the financial year 2016-17 and at the last Annual General Meeting (AGM) and as also the number of Directorships, Committee Chairmanships and Memberships held by them in other Companies are given below are as given below:

Sl. No.	Name of the Director	Other Director-ships	Committee positions in other companies		No. of Board Meetings attended	Attendance of each Director at the last A.G.M.
			As Chairman	As member		
1.	Shri G. Srinivasa Raju, Promoter & Managing Director	14	1	2	5	Attended
2.	Shri S. Hanumantha Rao, Non-Executive Director	9	0	3	5	Attended
3.	Shri A. S. Anand Kumar, Independent & Non - Executive Director	4	Nil	Nil	5	Not Attended
4.	Shri M.V.Bhaskara Rao, Independent & Non -Executive Director	1	Nil	Nil	5	Attended
5.	Shri L.V. Rao, Independent & Non -Executive Director	2	Nil	Nil	5	Attended
6.	*Shri Yashpal Gupta, Nominee director from IDBI	1	Nil	Nil	3	N.A.
7.	#Smt A.Syamala Reddy, Independent & Non – Executive Director	4	N.A.	N.A.	0	Not Attended
8.	**Shri Saravanan Muthu, Nominee Director from IDBI	Nil	N.A.	N.A.	N.A.	N.A.
9.	@Smt B. Sandhyasri, Independent & Non - Executive Director	Nil	Nil	Nil	N.A.	N.A.

Change in Composition of Board of Directors since the date of last AGM held on 30th September, 2016:

@ Smt. B.Sandhyasri resigned as a Director w.e.f. 30/05/2016.

* Shri Yashpal Gupta resigned as Nominee Director w.e.f. 13/02/2017.

**Shri Saravanan Muthu appointed as a Nominee Director in the Place of Shri Yashpal Gupta w.e.f 14/02/2017.

#Smt. A. Syamala Reddy appointed as a Director w.e.f. 27/08/2016 and resigned w.e.f. 29/06/2017.

2.3. Board Meetings, Board Committee Meetings and Procedures:

The Board of Directors oversees the overall functioning of the Company. The Board provides and evaluates the strategic direction of the Company, management policies and their effectiveness and ensures that the long-term interests of the stakeholders are being served. The Chairman and Managing Director are assisted by the Executive Directors/ Senior Managerial Personnel in overseeing the functional matters of the Company.

The Company believes that a Vibrant and Independent Board should be at the helm of affairs to ensure the highest levels of Corporate Governance. Accordingly your Company has always had adequate competent Independent Directors. For effective discharge of its functions and proper deliberations, Board has constituted various committees.

A minimum of four Board Meetings are held every year. Dates for the Board Meetings in the ensuing quarter are decided well in advance and communicated to the Directors. The Agenda along with the explanatory notes are sent in advance to the Directors. Additional meetings of the Board are held when deemed necessary to address the specific needs of the Company. In case of business exigencies or urgency of matters, resolutions are passed by circulation.

While preparing the Agenda, Notes on Agenda, Minutes etc. of the meeting(s), adequate care is taken to ensure adherence to all applicable laws and regulations including the Companies Act, 2013, read with the Rules made there under.

Five (5) Board Meetings were held during the year 2016-17 and the gap between two meetings did not exceed four months. The dates on which the Board Meetings were held were as follows:

(1) 30th May, 2016

(2) 27th August, 2016

(3) 14th September, 2016

(4) 14th December, 2016

(5) 13th February, 2017

In addition to items which are mandated to be placed before the Board for its noting and/or approval, information is provided on various significant items.

The Board periodically reviews compliance reports of all laws applicable to the Company. Steps were taken by the Company to rectify instances of non-compliance, if any.

Independent Directors Meeting:

The Independent Directors met on 30th March, 2017 without the presence of Non- Independent Directors and members of the Management. At this meeting, the Independent Directors evaluated the performance of the Non-Independent Directors and the Board of Directors as a whole, evaluated the performance of the Chairman of the Board and discussed aspects relating to the quality, quantity and timeliness of the flow of information between the Company, the Management and the Board.

Familiarization programme for Independent Directors:

The Company has held familiarization programme for the Independent Directors by way of presentations by business heads of the Company from time to time and deliberations held on major developments in legal and regulatory areas, particularly regarding Companies Act, 2013 and Regulation 25(7) of SEBI (LODR) Regulations, 2015.

3. BOARD COMMITTEES:

In addition to functional Committees, your Board has constituted the following Committees as stipulated under the SEBI (LODR) Regulations, 2015.

3.1 Audit Committee:

The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of the SEBI (LODR) Regulations, 2015 read with Section 177 of the Companies Act, 2013. The terms of reference, role and powers of the Audit Committee are as mentioned in Regulation 18(3) of the SEBI (LODR) Regulations, 2015 read with Section 177 of the Companies Act, 2013 and includes overseeing of the Company's financial reporting process, reviewing with the management of the financial statements and the adequacy of the internal audit function, internal control and to discuss significant internal audit findings, statutory compliance and issues related to risk management and compliances.

Composition and Procedure of the Audit Committee:

The audit committee shall meet at least four times in a year and not more than four months shall elapse between two meetings.

The quorum for the audit committee shall be either two members or one third of the members whichever is higher and minimum of at least two independent directors.

The Audit Committee of your Company comprises of Four (4) members, out of which Three (3) are independent and non-executive directors and one (1) Non-Executive Director. The Members

possess adequate knowledge of Accounts, Audit, Finance, etc. The composition of the Audit Committee meets with the requirements of Section 177 of the Companies Act, 2013 and of Regulation 18 of the SEBI (LODR) Regulations, 2015.

During the financial year 2016-17, the audit committee met Five times on the following dates:

(1) 30th May, 2016
(2) 27th August, 2016
(3) 14th September, 2016
(4) 14th December, 2016
(5) 13th February, 2017

The necessary quorum was present at the meetings.

The Constitution of the existing Audit Committee and the attendance of each Member are asgiven below :

Sl. No.	Name of the Director & position in Committee	Category	No.of Meetings attended
1.	Shri A.S. Anand Kumar – Chairman	Independent and Non-Executive Director	5
2.	Shri M.V. Bhaskara Rao - Member	Independent and Non-Executive Director	5
3.	Shri L.V. Rao – Member	Independent and Non-Executive Director	5
4.	Shri S. Hanumantha Rao – Member	Non-Executive Director	5

Change in Composition of Audit Committee since the date of last AGM held on 30th September, 2016: Nil

Audit Committee meetings are attended by the Vice-President (Finance), Representatives of Statutory Auditors, Representatives of Cost Auditors and Representatives of Internal Auditors. The Company Secretary acts as the Secretary of the Audit Committee.

3.2. Nomination and Remuneration Committee (Formerly known as Remuneration Committee)

Nomination and Remuneration Committee has been reconstituted by the Board of Directors. In compliance with Section 178 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 19 of SEBI (LODR) Regulations, 2015 Remuneration Committee were renamed “Nomination and Remuneration Committee” of the Board of Directors of the Company.

The Scope of Nomination & Remuneration Committee is to review the remuneration package payable to Executive Director(s) and Executives in the top level Management of the Company and gives its recommendation to the Board and acts in terms of reference of the Board from time to time.

The Remuneration Committee of your Company comprises of three (3) members, all of them are non-executive directors, the chairman of the committee being an independent director.

The existing Committee comprises of:

Sl. No.	Name of the Director & Position in the Committee	Category
1.	Shri A S Anand Kumar	Independent and Non-Executive Director
2.	Shri M V Bhaskara Rao	Independent and Non-Executive Director
3.	Shri S Hanumantha Rao	Non-Executive Director

No Nomination and Remuneration Committee meeting was held during the year.

There were no changes in composition of Nomination and Remuneration Committee since the date of last AGM held on 30th September, 2016.

Remuneration Policy:

The remuneration recommendations about the remuneration of Directors are subject to the approval of the Members of the Company and the remuneration of the key managerial persons is to be recommended by the Nomination and Remuneration Committee to the Board.

Sitting Fee details:

Sl. No.	Name of the Director	Sitting fee paid During the year (Rs)
1	Shri M. V. Bhaskara Rao	1,00,000
2	Shri A. S. Anand Kumar	1,00,000
3	Shri L. V. Rao	1,00,000
4	Shri Yashpal Gupta	30,000

The Company pays sitting fees at the rate Rs. 10,000/- for each meeting of the Board and sub-committees attended by them.

Statement showing number of Equity Shares held by the Non-Executive Directors as on 31st March, 2017:

Sl. No.	Name of the Director	Designation	No. of Shares held
1.	Shri M.V. Bhaskara Rao	Independent & Non Executive Director	Nil
2.	Shri A. S. Anand Kumar	Independent & Non Executive Director	Nil
3.	Shri L. V. Rao	Independent & Non Executive Director	Nil
4.	Shri Saravanan Muthu	Nominee Director (IDBI)	Nil
5.	Shri S. Hanumantha Rao	Promoter & Non Executive Director	7000

3.3. Shareholders' Grievances Committee:

Scope of the Shareholders' Grievance Committee:

The Shareholders' Grievance Committee of your Company shall look into the redressing of shareholder and investor complaints like transfer of shares, non-receipt of Balance Sheet, non receipt of declared Dividend, etc.

Constitution and Composition of the Shareholders' Grievance Committee:

The Shareholders' Grievance Committee of your Company comprises of three (3) members.

No Shareholders' Grievance Committee Meeting was held during the financial year 2016-17.

The existing Committee consists of Three Directors, The details of the same are:

Sl. No.	Name of the Director & position in the Committee	Category
1.	Shri G. Srinivasa Raju – Chairman	Promoter and Executive Director
2.	Shri S. Hanumantha Rao – Member	Non-Executive Director
3.	Shri M. V. Bhaskara Rao - Member	Independent and Non-Executive Director

Name and Designation of the Compliance Officer :

The name and designation of the Compliance Officer of your Company is Shri Ch. Mallikarjuna, Company Secretary of the Company.

Status of the Complaints:

Number of Shareholders Complaints received during the Financial Year 2016-17	1
Number of Complaints not solved to the satisfaction of the Shareholders	Nil
Number of pending Complaints	Nil

3.4. Share Transfer Committee:

The share transfer committee comprises of Shri G. Srinivasa Raju, Shri S. Hanumantha Rao and Shri M.V. Bhaskara Rao. Shri G. Srinivasa Raju is the Chairman of the Committee. The role, terms of reference, the authority and powers of the Share Transfer Committee are in conformity with the provisions of the Companies Act, 2013. During the period under review 7 (Seven) meetings of Share Transfer Committee were held.

There are no share transfers pending for more than a fortnight.

3.5. Management Committee:

The Management Committee comprises of Shri G. Srinivasa Raju, Shri S. Hanumantha Rao and Shri M.V. Bhaskara Rao. The role, terms of reference and the authority and powers of the Management Committee are in conformity with the provisions of the Companies Act, 2013. During the period under review, the Management Committee met 4 (four) times.

3.6 CSR Committee as per the provisions of Section 135 of Companies Act, 2013:

As per the Section 135 of the Companies Act, 2013, the Company is required to constitute a Committee viz., 'Corporate Social Responsibility (CSR) Committee of the Board of Directors of the Company consisting of three or more Director, out of which at least one Director should be Independent Director. In this connection, the CSR Committee was constituted by the Board Meeting held on 30th May, 2014 with the following Directors:

Sl. No.	Name of the Director & Position in the Committee	Category
1	Shri S. Hanumantha Rao – Chairman	Non-Executive Director
2	Shri G. Srinivasa Raju – Member	Promoter & Executive Director
3.	Shri M. V. Bhaskara Rao – Member	Independent & Non-Executive Director

The terms of reference of CSR Committee shall, inter-alia, include the following:

a) To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Companies Act, 2013;

b) To review and recommend the amount of expenditure to be incurred on the activities to beundertaken by the Company;

c) To monitor the CSR policy of the Company from time to time;

d) Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time".

The quorum for the CSR Committee Meeting shall be one-third of its total strength (any fraction contained in that one-third be rounded off as one) or two members, whichever is higher".

No CSR committee was held during the year 2016-17.

The Company Secretary to the Company shall act as Secretary to the CSR Committee.

3.7. Risk Management Committee pursuant to Regulation 21 of the Listing Regulations, 2015:

As per the Regulation 21 of the Listing Regulations, 2015, the Company is required to constitute a Committee viz., 'Risk Management Committee of the Board of Directors of the Company consisting of three or more Director. In this connection the Committee was constituted with the following Directors in the Board Meeting held on 30th May, 2014:

Sl. No.	Name of the Director & Position in the Committee	Category
1	Shri S. Hanumantha Rao – Chairman	Non-Executive Director
2	Shri G. Srinivasa Raju – Member	Promoter & Executive Director
3.	Shri M. V. Bhaskara Rao – Member	Independent & Non-Executive Director

The Risk Management Committee shall be responsible for framing, implementing & monitoring the risk management plan of the Company.

4. GENERAL BODY MEETINGS:

4.1 Details of Last three AGMS held :

Sl. No.	No. of Annual General Meeting	Date of the Annual General Meeting	Venue	Time	Details of Special Resolutions passed
1	9TH	30th September, 2016	Katriya Hotel and Towers, No.8, Raj Bhavan Road, Somajiguda, Hyderabad-500082.	02.00 P.M.	1. To consider and approve the increase of Authorised Share Capital of the Company from Rs.100 crores to Rs.1500 crores. 2. To consider and approve the issue of Cumulative Redeemable preference shares (CRPS). 3. To approve and confirm the Strategic Debt Restructuring scheme (SDR)/outside SDR formulated by Reserve Bank of India.
2	8TH	30th September, 2015	Katriya Hotel and Towers, No.8, Raj Bhavan Road, Somajiguda, Hyderabad - 500082.	02.00. P.M.	1. To consider and appoint Shri G. Srinivasa Raju, as Managing Director & Key Managerial Person of the Company. 2. To alter Clause 145 of the Articles of Association of the Company under Section 14 of the Companies Act, 2013 by replacing new Clause 145
3	7TH	30th September, 2014	Kohinoor Taj Deccan, Road No.1, Banjara Hills Hyderabad - 500 034	12.30. P.M.	1. To approve the Borrowing limits along with guarantee or counter guarantee. 2. To mortgage and/or charge any of its movable and / or immovable properties wherever situated both present and future. 3. To approve and adopt the new set of Articles of Association of the Company.

4.2 No Extra-ordinary General Meeting of the shareholders was held during the year.

4.3 Details of resolutions passed in the last year through postal ballot:

Your Company passed a special resolution through postal ballot during the period (01st April, 2016 to 31st March, 2017). However the members have approved the following resolutions through postal ballot on 08th September, 2016.

Resolution No.	Particulars
1	To change the name of the Company from "Sujana Towers Limited" to "Neueon Towers Limited" and consequent alteration to Memorandum of Association and Articles of Association of the Company.
2	To shift the Registered office of the Company within the same State.

5. DISCLOSURES:

(i) Materially Significant related party transactions:

There were no materially significant related party transactions during the year having potential conflict with the interest of the Company at large. The Company has formulated the Policy on Materiality of Related party transactions to decide the materiality for the related party transaction and to deal with related party transaction.

The said Policy has been posted on the website of the Company www.sujana.com. All transactions were carried out on an arms-length basis and were not prejudicial to the interest of the Company.

(ii) Compliances:

The Company has complied with the requirements of the Stock Exchanges, SEBI and other Statutory Authorities on all matters relating to capital markets during the last three years. No penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other Statutory Authorities relating to the above.

(iii) Risk Management:

The Company has laid down procedures to inform the Board of Directors about the Risk Assessment and Minimization Procedure. These procedures are periodically reviewed by the Board to ensure that Executive management controls risk through means of a properly defined framework.

(iv) Code of Conduct:

The Company has adopted a Code of Conduct as required under SEBI (LODR) Regulations, 2015, which applies to all the Board Members and Senior Management of the Company. The Board Members and Senior Management personnel have affirmed their compliance with the Code on annual basis and their confirmations have been received in this regard. The Code of Conduct has been posted on the Company's website. A separate declaration to this effect signed by the Managing Director is attached.

(v) Vigil Mechanism:

In line with requirement of the Companies Act, 2013 and of Regulation 22 of SEBI (LODR) Regulations, 2015, the Board of Directors, on recommendation of the Audit Committee, established a vigil mechanism by framing a Whistle Blower Policy to deal with instance of fraud and mismanagement, if any. The Vigil Mechanism framework ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination shall be meted out to any person for a genuinely raised concern. The designated officer/ Audit Committee Chairman can be directly contacted to report any suspected or confirmed incident of fraud/misconduct.

(vi) Disclosure of Accounting Treatment:

In the preparation of the financial statements, the Company has followed Accounting Standards notified by Ministry of Corporate Affairs. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements..

(vii) CEO & CFO Certification:

Shri G. Srinivasa Raju, Managing Director and Smt S. Kalyani, Vice-President (Finance) of the Company have given annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of SEBI (LODR) Regulations, 2015. The Managing Director and the Vice-President (Finance) also given quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2)(a) of Listing Regulations, 2015.

(viii) Details of Non-Compliance and Penalties:

There was no non-compliance during the last three years by the Company on any matter related to Capital Market. There were no penalties imposed nor strictures passed on the Company by any Stock Exchanges, Securities and Exchange Board of India or any Statutory Authority relating to the capital markets.

(ix) Compliance Certificate:

Compliance Certificate for Corporate Governance from the Practicing Company Secretary is annexed hereto and forms part of this Report.

(x) Details of the Compliance with Mandatory and Non-mandatory requirements of the Listing Regulations, 2015:

During the Financial year under review, your Company has duly complied with all the mandatory requirements of the SEBI (LODR) Regulations, 2015.

Following is the status of the compliances with Non-mandatory requirements.

During the year under review there is no audit qualification on the Company's financial statements.

The Chairman of the Board as a Non-executive Chairman and his position is separate from that of the Managing Director and CEO of the Company.

The Internal Auditor reports to the Audit Committee of the Company.

(xi) It is confirmed that no personnel has been denied access to the Audit Committee.

(xii) Disclosure under Regulation 53(f) read with Schedule V of SEBI (LODR) Regulations, 2015:

(a). None of the Independent/Non-Executive Directors has any pecuniary relationship or transactions with the Company which in the judgment of the Board may affect the independent of the director except receiving sitting fee for attending Board/Committee meetings.

(b) None of the non-executive director except Shri S. Hanumantha Rao is holding any shares in the Company.

(xiii) Management Discussion and Analysis Report:

A management Discussion and Analysis Report form part of this Annual Report and is in accordance with the requirements as laid down in the SEBI (LODR) Regulations, 2015.

(xiv) Shareholders Information:

(a) Appointment/Re-appointment of Directors: The brief resume of directors retiring by rotation, appointment of Directors and re-appointment of directors, including nature of their experience in specific functional areas, names of companies in which they hold directorship and membership of committees of the Board is appended to the Notice for calling Annual General Meeting.

(b) None of the Directors are related to each other.

(xv) Prevention of Insider Trading:

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Company Secretary is responsible for implementation of the Code.

6. MEANS OF COMMUNICATION:

(i) Publication of Quarterly/Annual Financial Results in daily newspapers – Andhra Prabha (Telugu) or Financial Express (English) or Business Standard (English) and the same will be updated in the Company's Website at www.sujana.com.

(ii) Furnishing the Quarterly / Annual Financial Results to Stock Exchanges in which Company's shares are listed.

(iii) Sending Balance Sheet, Profit & Loss Account, Directors' Report & Auditors' Report to Shareholders through Post/Courier/Email.

(iv) Company's Corporate Website :

The Company's website www.sujana.com is a comprehensive reference on Neueon Towers Limiteds' management, vision, mission, policies, corporate governance, corporate sustainability, investor relations, sales network, updates and news. The Section on 'Investor Relations' serves to inform the shareholders, by giving complete financial details, shareholding patterns, corporate benefits, information relating to stock exchanges, registrars, share transfer agents and frequently asked questions. Investors can also submit their queries and get feedback through online interactive forms. The Section on 'Newsrooms' includes all major press reports and releases, awards, campaigns.

(v) Uploading on NEAPS & BSE Listing Centre: The quarterly results, quarterly compliances and all other corporate communications to the Stock Exchanges are filed electronically on NEAPS for NSE and on BSE listing Centre for BSE.

(vi) Annual Report: Annual Report containing, inter alia, Audited Annual Accounts, Consolidated Financial Statements, Directors' Report, Auditor's Report and other important information is circulated to members and others entitled thereto. The Management Discussion and Analysis (MD&A) Report forms part of the Annual Report.

(vii) SEBI Complaints Redress System (SCORES):

SCORES is a system implemented by SEBI which enables investors to lodge their complaints electronically on the SEBI website. The investor complaints are processed in a centralized web based complaints redressal system. The salient features of this system are Centralised database of all complaints, online uploading of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status. All complaints received through SCORES are resolved in a timely manner by the Company, similar to other complaints.

(viii) Chairman's Communiqué: Printed copy of the Chairman's Speech is distributed to all the shareholders at the Annual General Meetings.

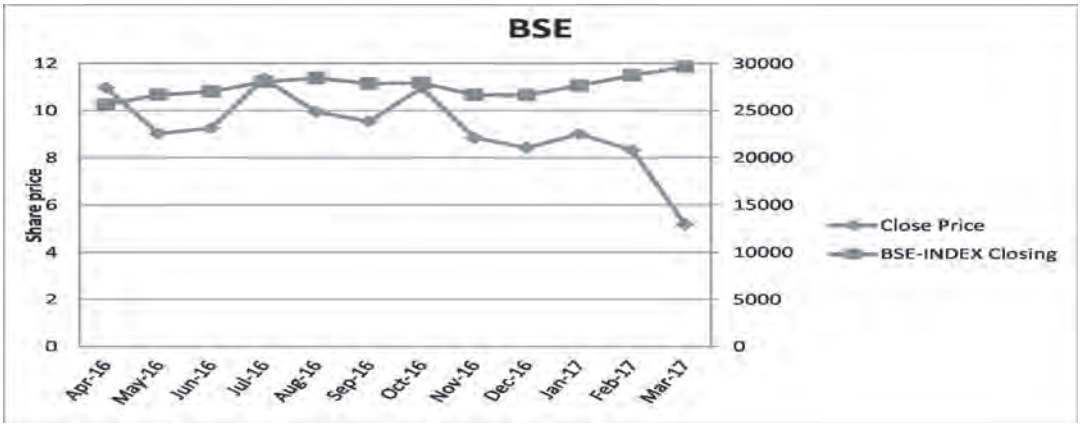
7. GENERAL SHAREHOLDERS INFORMATION:

1.	Date	29th September, 2017
2.	Time	04.00 P.M.
3.	Venue	Survey No.321, Turkala Khanapur (V), Hatnur (M), Sanga Reddy Dist-502296, Telangana, India
4.	Financial year	2016-2017 (Consisting of 12 months from 01.04.2016 to 31.03.2017)
5.	Book Closure Date	28th September, 2017 (One day Only)
6.	Dividend Payment Date	Not Applicable
7.	Listing on Stock Exchanges	BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001 National Stock Exchange of India Ltd Exchange Plaza, Bandra-Kurla Complex, Bandra(E), Mumbai - 400051.
8.	Stock code	(a) BSE Scrip Code : 532887 NSE Symbol : NTL (b) Demat ISIN for equity shares : INE333I01036 (c) Corporate Identity Number (CIN) : L40109TG2006PLC049743
9	Listing Fee	The Company has paid annual listing fees to each of the above Stock Exchanges for the financial year 2016-17.
10.	E-voting facility	Website: www.evoting.nsdl.com Open Date: 25th September, 2017 at 09.00 A.M. Closing Date: 28th September, 2017 at 05.00 P.M. cut-off date: 22nd September, 2017.
11.	Company's Website	www.sujana.com

Market Price Data:

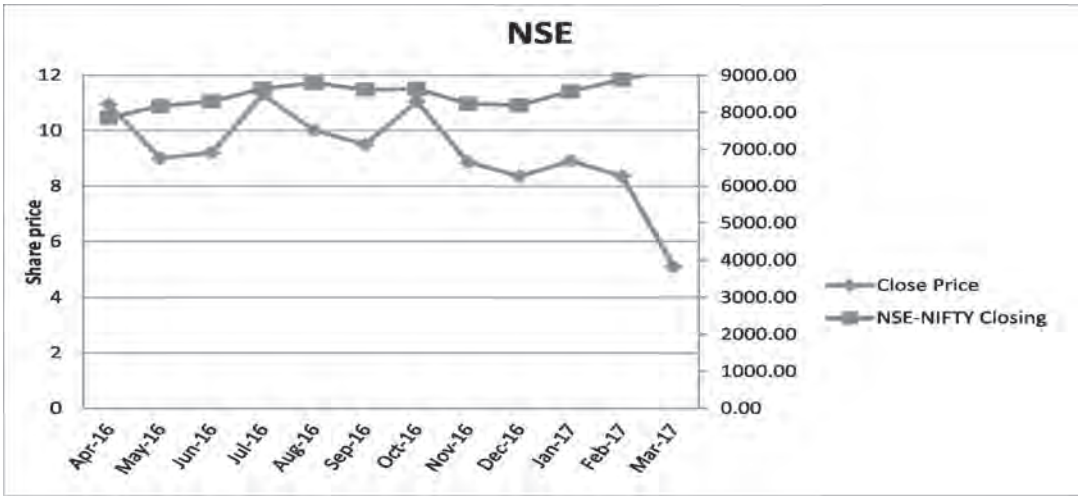
The monthly high and low stock prices during the financial year 2016-17 and performance in comparison to the Board-based indices such as BSE-Sensex is provided hereunder.

Month	High Price	Low Price	Close Price	BSE SENSEX (Closing)
April 2016	12.40	10.71	10.97	25606.62
May 2016	11.08	8.58	9.02	26667.96
June 2016	10.03	8.00	9.25	26999.72
July 2016	13.05	9.00	11.36	28051.86
August 2016	11.78	9.50	9.94	28452.17
September 2016	12.40	9.05	9.53	27865.96
October 2016	11.87	8.50	10.97	27930.21
November 2016	11.22	8.14	8.84	26652.81
December 2016	10.24	8.26	8.42	26626.46
January 2017	9.50	8.20	9.00	27655.96
February 2017	9.68	7.68	8.31	28743.32
March 2017	8.86	4.20	5.18	29620.50



The monthly high and low stock prices during the financial year 2016-17 and performance in comparison to the Board-based indices such as NSE-Nifty is provided hereunder.

Date	High Price	Low Price	Close Price	NSE - Nifty Closing
April 2016	11.40	10.85	10.95	7849.80
May 2016	9.55	8.95	9.00	8160.10
June 2016	9.50	9.15	9.20	8287.75
July 2016	11.95	10.30	11.30	8638.50
August 2016	10.05	9.70	10.00	8786.20
September 2016	9.65	8.85	9.50	8611.15
October 2016	11.15	10.70	11.05	8625.70
November 2016	8.90	8.65	8.85	8224.50
December 2016	8.60	8.35	8.35	8185.80
January 2017	9.45	8.80	8.90	8561.30
February 2017	8.50	7.95	8.35	8879.60
March 2017	5.40	4.95	5.10	9173.75



Share Transfer System :

Your Company has appointed M/s. Bigshare Services Private Limited for dealing in with the shares of the Company in physical and electronic mode. Presently they are completing the process of transfer within a period of 10 to 15 days from the date of receipt, subject to the documents being valid and complete in all respects. Pursuant to Regulation 40 of SEBI (LODR) Regulations 2015, certificates, on half-yearly basis, have been given by a Practicing Company Secretary duly certifying compliance of shares transfer formalities.

Dematerialization of Shares :

99.43% of the Company's Paid-up capital has been dematerialized upto 31st March, 2017 as per the following details.

Particulars	Number of shares	% of share capital
NSDL	29464731	52.11
CDSL	26756964	47.32
Physical	322857	0.57
Total	56544552	100.00

Distribution of Shareholding :

As on 31st March, 2017, the Distribution Shareholding was as follows:

Range (Rs)	No. of Shares	% of Shareholding	No. of Shareholders	% of Shareholders
Upto - 5,000	1926521	3.41	17671	80.53
5,001 - 10,000	1278899	2.26	1519	6.92
10,001 - 20,000	1515131	2.68	975	4.44
20,001 - 30,000	1058142	1.87	409	1.86
30,001 - 40,000	744717	1.32	206	0.94
40,001 - 50,000	1175344	2.08	245	1.12
50,001-1,00,000	3077056	5.44	412	1.88
1,00,001 and above	45768742	80.94	501	2.31
Total	56544552	100.00	21938	100.00

Shareholding pattern as on 31st March, 2017 (Face Value of Rs.10/- each):

Sl.No.	Category	No.of Holders	No.of Shares	% to Equity
1	Promoters and Promoters Group	9	21074443	37.27
2	Bodies Corporate	417	7320531	12.95
3	Public – Individuals	21244	25937446	45.87
4	NRIs	169	479700	0.85
5	Financial Institutions/Banks	2	500100	0.88
6	Clearing Members	95	1200172	2.12
7	Trust	2	32160	0.06
	Total	21938	56544552	100.00

Outstanding GDR/ADR/Warrants or any convertible instruments, conversion date and impact on equity:

There are no outstanding GDR/ADR/Warrants or any convertible instruments as on the date of this report.

Reconciliation of Share Capital Audit Report:

SEBI has vide its circular no: CIR/MRD/DP/30/2010 dated: 06.09.2010 renamed the Secretarial Audit Report as the Reconciliation of Share Capital Audit Report.

Reconciliation of Share Capital Audit Report in terms of SEBI Guidelines vide Circular No. CIR/ MRD/ DP/30/2010 dated 06th September, 2010, confirming that the total issued capital of the Company is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) is placed before the board on a quarterly basis and is also submitted to the Stock Exchanges where the shares of the Company are listed.

Plant Location:

S.No.	State	Location
1	Telangana	Plot No.128 Part, Sy. No. 172/B, I.D.A., Bollaram - 502 325, Jinnaram Mandal, Sanga Reddy Dist.
2	Telangana	Plot No.10, 11 and 12 Part, Sy. No.172, I.D.A., Bollaram - 502 325, Jinnaram Mandal, Sanga Reddy Dist.
3	Telangana	Plot No. 9, Sy. No.172/EE, U, UU, I.D.A., Bollaram - 502 325, Jinnaram Mandal, Sanga Reddy Dist.
4	Telangana	Plot No. 8, B & C, Sy. No.172/EE, U, UU, I.D.A., Bollaram - 502 325, Jinnaram Mandal, Sanga Reddy Dist.
5	Telangana	Sy.No.321, Turkala Khanapur Village - 502 296, Hatnur Mandal, Sanga Reddy Dist.

Address for Correspondence :

Registered Office	Survey No.321, Turkala Khanapur (V), Hatnur (M), Sanga Reddy Dist - 502296, Telangana, India
Corporate and Administrative Office	5/A, Vengalrao Nagar, Hyderabad, Telangana - 500 038, India, Telephone No. +91-40-23815530/31/32, Website: www.sujana.com
Registrars and Share Transfer Agents	M/s. Bigshare Services Private Limited, 306, Right Wing, 3rd Floor, Amruta Ville, Opp: Yashoda Hospital, Raj Bhavan Road, Somajiguda, Hyderabad—500082, Telangana, India. Phone No. : 040-2337 49670

DECLARATION ON COMPLIANCE WITH CODE OF BUSINESS CONDUCT AND ETHICS IN TERMS OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.

I hereby declare that the Company has obtained affirmation from all the members of the Board and Senior Management Personnel that they have complied with the Code of Business Conduct & Ethics for Board Members/ Senior Management Personnel in respect of the financial year 2016-17, pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I further declare that the said Code of Conduct have been posted on the website of the Company in accordance with the Listing Regulations, 2015.

G. Srinivasa Raju
Managing Director
DIN: 00132249

Place: Hyderabad
Date: 14th August, 2017

CERTIFICATE UNDER REGULATION 17(8) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

A. We have reviewed financial statements and the cash flow statement of our Company for the financial year ended 31st March, 2017, and that to the best of our knowledge and belief we hereby certify that:

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

   (2) These statements together present a true and fair view of our 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 our 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 have evaluated the effectiveness of internal control systems of our 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.

D. We have indicated to the auditors and the Audit committee

   (1) Significant changes in internal control over financial reporting during the year;

   (2) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   (3) Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

Place: Hyderabad	**S KALYANI**	**G SRINIVASA RAJU**
Date: 30th May, 2017	(Vice-President-Finance)	Managing Director

Certificate on Corporate Governance

To

The Members of Neueon Towers Limited,

We have examined the compliance of conditions of Corporate Governance by M/s. Neueon Towers Limited ("the Company"), for the financial year ended 31st March, 2017, as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["SEBI (LODR) Regulations, 2015"].

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 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 my knowledge and according to the explanations given to me, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations.

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

For RPR& Associates
Company Secretaries

Y Ravi Prasada Reddy
Proprietor
CP No. 5360
Membership No. 5783

Place: Hyderabad
Date: 30th May, 2017

INDEPENDENT AUDITORS' REPORT

To
The Members,
Neueon Towers Limited.

Report on the Standalone Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **Neueon Towers Limited, ('the Company'),** which comprise the balance sheet as at 31 March 2017, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "standalone Ind AS financial statements").

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting 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 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 Standalone Ind AS 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 Standalone Ind AS financial statements based on our audit.

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

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 Standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Standalone Ind AS 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 the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Standalone Ind AS 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 Standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS 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 including Ind AS, of the financial position of the Company as at 31 March, 2017, and its financial performance including other comprehensive income, its cash flows and the changes in equity 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") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A to this report, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
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, the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
   d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder;
   e) on the basis of the written representations received from the directors as on 31 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"; and
   g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion, and to the best of our information and according to the explanations given to us:
      i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS financial statements – Refer Note No. vii(b);
      ii. The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
      iii. There were no amounts, required to be transferred to the Investor Education and Protection Fund by the Company.
      iv. The Company had provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the company. Refer Note No. 20 to the Standalone Ind AS financial Statements.

For VENUGOPAL & CHENOY
Chartered Accountants,
FRN: 004671S

(P.V. SRI HARI)
Partner
Membership No.021961

Place: Hyderabad
Date: 30-05-2017

ANNEXURE - A TO THE INDEPENDENT AUDITORS' REPORT

The Annexure A referred to in our Independent Auditor's Report to the members of the Company on the standalone financial statements for the year ended March 31, 2017, we report that:

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

(b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies have been noticed on such physical verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

ii) a) The inventories have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable.

b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

c) The Company has maintained proper records of the said stocks. As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to the book records.

iii) The Company has granted a loan aggregating to Rs 1114.79 lakhs a company covered under the register maintained under section 189 of The Act. . The rate of interest and other terms and conditions are prima facie not prejudicial to the interests of the company.

iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.

v) The Company has not accepted any deposits, within the meaning of provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under

vi) We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub–section (1) of Section 148 of the Act in respect of the activities carried on by the Company, wherever applicable and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records

vii) (a) According to the information and explanations given to us and on the basis of examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts are payable in respect of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax or cess and other material statutory dues were in arrears as at 31 March 2017 for a period of more than six months from the date they became payable except:

Rs. In Lakhs

Income Tax (2009-2010)	151.14
Income Tax (2010-2011)	2688.45
Income Tax (2011-2012)	2447.15
Income Tax (2012-2013)	129.69
Income Tax (2013-2014)	102.20

(b) According to information and explanations given to us, the following dues (amounts) have not been deposited by the Company on account of disputes/assessment:

Name of the Statute (Nature of the Dues)	Period to which the amount relates	Forum where matter is pending	Amount
Excise Department:			
Excise Duty on Job Work	2010-2011	Additional Commissioner of central Excise	Rs. 30.98 lacs (paid Rs.15.49 lacs during the year 2010-2011
Sales Tax Department:			
Submission of C Forms	2011-2012	Appellate Deputy Commissioner	Rs. 72.02 lacs
Submission of C Forms	2012-2013	Appellate Deputy Commissioner	Rs. 8.27 lacs

viii) According to the information and explanations given to us and on the basis of examination of the records, the company has not defaulted in the repayment of loans along with interest to the Banks/ financial institutions.

ix) The Company did not raise any money from public during the year.

x) According to the information and explanations given to us, no material fraud by the company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not paid managerial remuneration to its Managing Director.

xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares and has complied with Section 42 of the Companies Act, 2013, and has used the money for the purposes for which it is raised.

xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For VENUGOPAL & CHENOY
Chartered Accountants,
FRN: 004671S

(P.V. SRI HARI)
Partner
Membership No. 021961

Place: Hyderabad
Date: 30.05.2017

ANNEXURE - B TO THE AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of NEUEON TOWERS LIMITED ("the Company") as of 31 March 2017 in conjunction with our 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 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 ('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 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 Companies Act, 2013.

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 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 of internal financial controls over financial reporting included obtaining an understanding of 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 the assessed risk. 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.

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 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 financial reporting and the preparation of financial statements for external purposes in accordance with 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or

timely detection of unauthorised 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, or that the degree of compliance with the policies or procedures may deteriorate.

The Company needs to document procedures and controls vis-à-vis internal controls over Financial Reporting.

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 VENUGOPAL & CHENOY
Chartered Accountants,
FRN: 004671S

(P.V. SRI HARI)
Partner
Membership No. 021961

Place: Hyderabad
Date: 30.05.2017

NEUEON TOWERS LIMITED

BALANCE SHEET AS AT 31.03.2017

(Rupees in Lakhs)

Particulars	Note No.	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
A ASSETS				
1 Non- Current Assets				
(a) Property,Plant and Equipment	2.01	**156,544.64**	165,898.04	43,158.94
(b) Capital Work-in-Progress		**-**	-	-
(c) Other Intangible Assets		**2.36**	5.14	7.91
(d) Financial Assets				
(i) Investments	2.02	**13,993.74**	13,993.74	13,993.74
(ii) Trade Receivables				
(iii) Loans	2.03	**1,114.79**	1,114.79	1,114.79
(iv) Others				130,560.36
(d) Deferred tax asset	2.13	**-**	-	-
(e) Other non-current assets	2.04	**1,095.38**	1,095.38	1,095.38
		172,750.90	182,107.09	189,931.13
2 Current Assets				
(a) Inventories	2.05	**2,206.70**	3,032.81	3,804.86
(b) Financial Assets				
(i) Trade receivables	2.06	**128,908.20**	134,634.04	142,037.78
(ii) Cash and cash equivalents	2.07	**84.72**	109.37	54.85
(c) Other current assets	2.08	**4,994.44**	2,057.00	2,146.88
		136,194.06	139,833.22	148,044.37
TOTAL		**308,944.96**	321,940.30	337,975.50
B EQUITY AND LIABILITIES				
1 EQUITY				
(a) Equity Share Capital	2.09	**5,781.29**	5,778.91	5,340.01
(b) Other Equity		**10,340.73**	59,532.95	72,051.67
		16,122.02	65,311.85	77,391.68
LIABILITIES				
2 Non-Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	2.11	**64,941.72**	70,168.74	70,460.15
(ii) Trade Payables		**-**	-	26,994.25
(iii) Other Financial Liabilities	2.11	**33,424.16**	30,099.74	28,750.60
(b) Provisions	2.12	**204.27**	185.50	220.69
(c) Deferred tax liabilities (Net)	2.13	**14,432.91**	11,243.99	6,742.00
(d) Other non-current liabilities		**-**	-	-
		113,003.06	111,697.97	133,167.69
3 Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	2.14	**123,854.05**	96,148.30	64,446.00
(ii) Trade payables	2.15	**6,989.92**	7,008.86	33,974.35
(iii) Other financial liabilities	2.16	**42,908.48**	35,718.30	22,639.11
(b) Provisions	2.12	**5,604.55**	5,632.49	5,698.62
(c) Other current liabilities	2.17	**462.89**	422.53	658.05
		179,819.89	144,930.47	127,416.13
Total Equity and Liabilities		**308,944.96**	321,940.30	337,975.50

See accompanying notes forming part of the financial statements

As per our report of even date

For and on behalf of the Board

M/s. Venugopal & Chenoy
Chartered Accountants
Firm's Registration No: 004671S

G. Srinivasa Raju
Managing Director

S. Hanumantha Rao
Director

P.V. Sri Hari
Partner
Membership No. 21961

S. Kalyani
Vice-President (Finance)

Ch. Mallikarjuna
Company Secretary

Place: Hyderabad
Date: May 30, 2017

Place: Hyderabad
Date: May 30, 2017

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2017

(Rs. In Lakhs)

	Particulars	Note No	For the Year Ended	
			2017	2016
I	**Revenue**			
	Revenue from Operations	2.18	**20,706.05**	140,143.81
	Other Income	2.19	**15.50**	109.62
	Total Revenue		**20,721.55**	140,253.43
II	**Expenses**			
	Cost of Materials Consumed	2.20	**3,024.86**	2,277.27
	Excise duty		**393.87**	363.18
	Purchase of Stock-in-Trade		**15,730.02**	111,184.03
	Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	2.21	**661.72**	685.84
	Employee Benefit Expenses	2.22	**482.43**	535.56
	Finance Costs	2.23	**29,246.53**	25,795.56
	Depreciation and Amortization Expenses	2.01	**9,488.52**	7,830.50
	Other Expenses	2.24	**7,696.91**	1,635.25
	Total Expenses		**66,724.86**	150,307.19
III	**Profit Before Exceptional Items and Tax (I - II)**		**(46,003.31)**	(10,053.76)
IV	**Exceptional Items**		**-**	-
V	**Profit Before Tax (III - IV)**		**(46,003.31)**	(10,053.76)
VI	**Tax Expense:**			
	Current tax		**-**	-
	Deferred tax		**3,188.91**	4,502.00
VII	**Profit for the Year (V - VI)**		**(49,192.22)**	(14,555.76)
VIII	**Other Comprehensive Income**			
IX	**Other comprehensive income (Net of taxes)**		**-**	-
X	**Total comprehensive income for the Year (VIII + IX)**		**(49,192.22)**	(14,555.76)
XI	**Earnings Per Equity Share of Rs.10 each**			
	(a) Basic		**(87.00)**	(27.20)
	(b) Diluted		**(87.00)**	(27.20)

See accompanying notes forming part of the financial statements

As per our report of even date

M/s. Venugopal & Chenoy
Chartered Accountants
Firm's Registration No: 004671S

P.V. Sri Hari
Partner
Membership No. 21961

Place: Hyderabad
Date: May 30, 2017

For and on behalf of the Board

G. Srinivasa Raju
Managing Director

S. Hanumantha Rao
Director

S. Kalyani
Vice-President (Finance)

Ch. Mallikarjuna
Company Secretary

Place: Hyderabad
Date: May 30, 2017

NEUEON TOWERS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2017

(Rs. in Lakhs)

	Particulars	For the year ended 31st March 2017	2016
A	**Cash flows from Operating activities**		
	Net Pofit / (Loss) Before Tax for the year	**(46,003.31)**	(10,053.76)
	Adjustments for		
	Depreciation	**9,488.52**	7,830.51
	Finance Costs	**29,246.53**	25,795.56
	Interest & other income	**(7.85)**	(9.85)
	Provision for Gratuity & Leave Encashment	**7.29**	29.17
	Provision for doubtful debts	**6,626.61**	-
	Operating Profit Before Working Capital Changes	**(642.20)**	23,591.62
	Movements in Working Capital		
	Adjustments for (increase) / decrease in operating assets:		
	Inventories	**826.11**	772.05
	Trade Receivables	**5,725.84**	7,403.74
	Loans & Advances	**-**	-
	Other Financial Assets	**-**	-
	Other Assests	**(2,937.45)**	89.88
	Adjustments for increase / (decrease) in operating liabilities:		
	Trade Payables	**(18.94)**	(26,965.49)
	Provisions	**18.77**	(24.33)
	Financial Laibilities	**6,614.45**	15,153.78
	Other Liabilities	**16,618.21**	(666.59)
	Cash Generated from Operations	**26,204.79**	19,354.66
	Less: Taxes paid	**-**	-
	Cash from Operating Activities (A)	**26,204.79**	19,354.66
B	**Cash flows from Investing activities**		
	Purchase of Fixed Assets	**(144.02)**	(6.59)
	Interest Received	**7.85**	0.12
	Cash from Investment Activities (B)	**(136.17)**	(6.47)
C	**Cash flows from Financing activities**		
	Proceeds from Borrowings	**-**	-
	Interest & Financial Charges Paid	**(26,064.92)**	(19,285.69)
	Net Cash from financing activities (C)	**(26,093.28)**	(19,293.66)
	Net Increase in cash and cash equivalent (A+B+C)	**(24.66)**	54.53
	Cash and Cash Equivalents at the beginning of the year	**109.38**	54.85
	Cash and Cash Equivalent at the end of the year	**84.72**	109.38

See accompanying notes forming part of the financial statements

As per our report of even date

M/s. Venugopal & Chenoy
Chartered Accountants
Firm's Registration No: 004671S

P.V. Sri Hari
Partner
Membership No. 21961

Place: Hyderabad
Date: May 30, 2017

For and on behalf of the Board

G. Srinivasa Raju
Managing Director

S. Kalyani
Vice-President (Finance)

Place: Hyderabad
Date: May 30, 2017

S. Hanumantha Rao
Director

Ch. Mallikarjuna
Company Secretary

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1. General Information

2. First time adoption of Indian Accounting Standards (Ind-AS)

All companies (listed or unlisted) having net worth of Rs 5,000 Million or more are required to adopt Ind AS. Accordingly, the company has adopted Ind-AS, in accordance with Notification dated February 16, 2015 issued by Ministry of Corporate Affairs, Government of India, with effect from April 01, 2016 with a transition date on April 01, 2015. The details of transition from previous GAAP to Ind-AS is given at Note 56 &59

3. Basis of preparation of Financial Statements

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind-AS) as notified by Ministry of Corporate Affairs, Government of India vide Notification dated February 16, 2015. Accounting policies have been applied consistently to all periods presented in these financial statements. The Financial Statements are prepared under historical cost convention from the books of accounts maintained under accrual basis except for certain financial instruments which are measured at fair value and in accordance with the Indian Accounting Standards prescribed under the Companies Act, 2013

These financial statements are presented in Indian rupees, the national currency of India, which is the functional currency of the Company. All amounts included in the financial statements are reported in Indian rupees (in Rupees) except number of equity shares and per share data, unless otherwise stated.

The significant accounting policies are given at Note.

4. Use of estimates and judgment

The preparation of financial statements requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised

5. Commitments

a. Capital Commitments: Estimated amount of contracts including foreign currency contracts net of advances remaining to be executed on capital account and not provided for is RS.NIL (P.Y. Rs. NIL).

b. Commitment related to Investment Properties: Estimated amount of contracts including foreign currency contracts net of advances remaining to be executed on account of external projects and not provided for is Rs. NIL (P.Y. RS.NIL).

c. Other Commitments: Estimated amount of contracts including foreign currency contracts net of advances remaining to be executed on account of external projects and not provided for is Rs. NIL (P.Y. Rs. NIL).

6. General Disclosures :-

7. Additional information pursuant to Schedule III of the Companies Act, 2013

Value of Materials Consumed during the year

Description	For the year ended 31.03.2017			For the Year ended 31.03.2016		
	Mts.	Rs. (in Lakhs)	%	Mts.	Rs. (in Lakhs)	%
Iron Steel						
Indigenous	11468	3024.87	100	6790.28	1934.06	100
Imported						

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Tower Parts						
Indigenous	-	-	100	829.06	343.21	100
Imported						
Others						
Indigenous						
Imported						
Total		3024.87			2277.27	100

Value of bought-out material consumed (Rs. in Lakhs)

Description	For the year ended 31.03.2017			For the Year ended 31.03.2016		
	Mts.	Rs. (in Lakhs)	%	Mts.	Rs. (in Lakhs)	%
Iron Steel						
Indigenous	25767	11138.18	100	141766	56713.62	100
Imported						
Tower Parts						
Indigenous	8946	4591.83	100	124726	54470.42	100
Imported						
Others						
Indigenous						
Imported						
Total		15730.01			111184.03	

Value of Consumables, Stores and Spares consumed during the period (Rs in Lakhs)

Description	For the year ended 31.03.2017	%	For the year ended 31.03.2016	%
Consumables(Indigenous)	507.98	100	820.78	100
Consumables(Imported)		-		-
Total	507.98	100	820.78	100

8. Financial Instruments- Fair Values and Risk Management

i. Financial Instruments by Categories

The following tables show the carrying amounts and fair values of financial assets and financial liabilities by categories. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(Amount in Rs. in Lakhs as of March 31, 2017)

Particulars	Cost	Financial assets / liabilities at FVTPL	Financial assets / liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:					
Investments in Equity Instruments			-	-	
Cash & Cash Equivalents (Ref Note No. 2.07)	84.72	-	-	84.72	-
Trade Receivable (Ref Note No. 2.06)	128908.20	-	-	128908.20	-
Loans & Advances (Ref Note No. 2.03)	1114.79	-		1114.79	-
Liabilities:	-	-		-	-
Trade Payable (Ref Note No. 2.15)	6989.82	-	-	6989.82	-
Borrowings	188795.77	-		188795.77	
Other Financial Liabilities (Ref Note No. 2.11 & 2.16)	76333.63	-	-	76333.63	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

The carrying amounts are considered to be the same as their fair values, due to their short-term nature

The carrying value and fair value of financial instruments by categories were as follows as on March 31, 2016:

(Amount in Rs. in Lakhs as of March 31, 2016)

Particulars	Cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:					
Investments in Equity Instruments	-	-	-	-	
Cash & Cash Equivalents (Ref Note No. 2.07)	109.37	-	-	109.37	-
Trade Receivable (Ref Note No. 2.06)	134634.04	-	-	134634.04	-
Loans & Advances (Ref Note No. 2.03)	1114.79	-		1114.79	-
Liabilities:					
Trade Payable (Ref Note No. 2.15)	7008.86	-	-	7008.86	-
Borrowings	166317.04	-		166317.04	
Other Financial Liabilities (Ref Note No. 2.11 & 2.16)	65818.04	-	-	65818.04	-

The carrying amounts are considered to be the same as their fair values, due to their short-term nature

The carrying value and fair value of financial instruments by categories were as follows as on April 01, 2015:

(Amount in Rs. in Lakhs as of April 1, 2015)

Particulars	Cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:					
Investments in Equity Instruments			-	-	
Cash & Cash Equivalents (Ref Note No. 2.07)	54.85	-	-	54.85	-
Trade Receivable (Ref Note No. 2.06)	142037.78	-	-	142037.78	-
Loans & Advances (Ref Note No. 2.03)	1114.79	-		1114.79	-
Other Financial Assets (Refer Note No.)	130560.36			130560.36	
Liabilities:					
Trade Payable (Ref Note No. 2.15)	60968.60	-	-	60968.60	-
Borrowings	134906.15	-		134906.15	
Other Financial Liabilities (Ref Note No. 2.11 & 2.16)	51389.71	-	-	51389.71	-

The carrying amounts are considered to be the same as their fair values, due to their short-term nature

8.2 Financial risk management

The company's activities expose it to the following financial risks:

- market risk
- credit risk and
- liquidity risk

The company has not arranged funds that have any interest rate risk.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

a. Market risk

Foreign Exchange Risk

The company does not deal with import and export transactions and hence foreign exchange risk is not applicable to the Company.

b. Credit Risk

Credit risk refers to the risk of default on its obligation by a counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Accordingly, credit risk from trade receivables has been separately evaluated from all other financial assets in the following paragraphs.

Trade Receivables

The company has outstanding trade receivables amounting to Rs 128908.20 lakhs and Rs134634.04 lakhs as of March 31, 2017 and March 31, 2016, respectively. Trade receivables are typically unsecured and are derived from revenue earned from customers.

Impairment on trade receivables is recognized based on expected credit loss in accordance with provisions of IndAS 109. The company's historical experience for customers, present economic condition and present performance of the customers, future outlook for the industry etc are taken into account for the purposes of expected credit loss.

Credit risk exposure

An analysis of age of trade receivables at each reporting date is summarized as follows:

(As at 31st March 2017, Amount in Lakhs)

Particulars	Gross amount	Impairment	Carrying Value
Not past due	128908.20	-	-
Past due less than 30 days		-	50.55
Past due more than 30 days but not more than 60 days	-	-	53.66
Past due more than 60 days but not more than 90 days	-	-	76.69
Past due more than 90 days but not more than 120 days	-	-	4053.16
Past due more than 120 days			124674.14
Total	128908.20		128908.20

(As at 31st March, 2016, Amount in Lakhs)

Particulars	Gross amount	Impairment	Carrying Value
Not past due	134634.04	-	-
Past due less than 30 days	-	-	4777.45
Past due more than 30 days but not more than 60 days	-	-	5735.35
Past due more than 60 days but not more than 90 days	-	-	6694.28
Past due more than 90 days but not more than 120 days	-	-	7059.21
Past due more than 120 days	-	-	110367.75
Total	134634.04		134634.04

(As at 1st April, 2015, Amount in Lakhs)

Particulars	Gross amount	Impairment	Carrying Value
Not past due	142037.78	-	-
Past due less than 30 days	-	-	15405.16
Past due more than 30 days but not more than 60 days	-	-	11303.33
Past due more than 60 days but not more than 90 days	-	-	7041.13
Past due more than 90 days but not more than 120 days	-	-	31300.44
Past due more than 120 days	-	-	76987.72
Total	142037.78		142037.78

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Trade receivables are generally considered credit impaired after three years past due (except government dues), unless the amount is considered receivable, when recoverability is considered doubtful based on the recovery analysis performed by the company for individual trade receivables. Owing to the non completion of majority of the contracts taken from the customers by the Company, Company is currently facing a log jam in the cash flows and recovery from the debtors, especially in the cases where the dues are past 120 days. There is a significant chance of pushing these amounts into litigation, if supplies are not completed in the near future. Since Company believes that there is every possibility of commencing the operations soon with the help of the financing institutions, by way of a suitable re-structuring of the debt or such other mechanism; Company is not making any provisions in so far as these amounts are concerned as the company considers that all the above financial assets are not impaired and past due for each reporting dates under review are of good credit quality.

With regard to trade receivable on certain transactions, the company has equivalent trade payables to associate suppliers which are payable on realization of trade receivables. Such trade receivables are considered not impaired though past due.

Other financial assets

There are no impairment provisions as at each reporting date against financial assets. We consider all the financial assets as at the reporting dates to be of good credit quality.

c) Liquidity Risk

Our liquidity needs are monitored on the basis of monthly and yearly projections. The company's principal sources of liquidity are cash and cash equivalents, cash generated from operations and availability of funding through an adequate amount of committed credit facilities to meet obligations when due.

Due to the dynamic nature of underlying businesses, the company maintains flexibility in funding by maintaining availability under committed credit lines.

Short term liquidity requirements consists mainly of sundry creditors, expense payable, employee dues arising during the normal course of business as of each reporting date. The company strives to maintain sufficient balance in cash and cash equivalents to meet short term liquidity requirements.

The company assesses long term liquidity requirements on a periodical basis and manages them through internal accruals, promoters' contribution & unsecured loans and committed credit lines etc.,

The table below provides details regarding the contractual maturities of non-derivative financial liabilities. The table has been drawn up based on the undisclosed cash flows of financial liabilities based on the earliest date on which the company can be required to pay. The table includes both principal & interest cash flows.

(Amount in Lakhs as of March 31, 2017)

Particulars	Less than 6 months	6 months to 1 year	1-3 years	3-5 years	More than 5 years	Total
Trade Payables	-	284.75	6705.16	-	-	6989.91
Short term borrowings (cash credit)*	-	-	64941.72	-	-	64941.72
Long Term Borrowings	-	-	123854.05	-	-	123854.05
Other Financial Liabilities	-	-	76332.64	-	-	76332.64
Total		284.75	271833.57			272118.33

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

*Includes interest accrued on borrowings (Amount in Lakhs as of March 31, 2016)

Particulars	Less than 6 months	6 months to 1 year	1-3 years	3-5 years	More than 5 years	Total
Trade Payables	168.55	884.82	5955.48	-	-	7008.85
Short term borrowings (cash credit)*	-	-	70168.74	-	-	70168.74
Long Term Borrowings	-	-	96148.30	-	-	96148.30
Other Financial Liabilities	-	-	65818.04	-	-	65818.04
Total	168.55	884.82	238090.56			239143.93

*Includes interest accrued on borrowings

(Amount in Lakhs as of 1st April, 2015)

Particulars	Less than 6 months	6 months to 1 year	1-3 years	3-5 years	More than 5 years	Total
Trade Payables	486.75	4571.99	28915.61	-	-	33974.35
Short term borrowings (cash credit)*	-	-	70460.15	-	-	70460.15
Long Term Borrowings	-	-	64446.00	-	-	64446.00
Other Financial Liabilities	-	-	51389.71	-	-	51389.71
Total	486.75	4571.99	215211.47			220270.21

*Includes interest accrued on borrowings

9. Disclosure in respect of Indian Accounting Standard (Ind AS)-21 "The Effects of changes in Foreign Exchange Rates"

The company had not entered into any foreign currency transactions during the year

10. Disclosure in respect of Indian Accounting Standard (Ind AS)-23 "Borrowing Costs"

- ❖ The amount capitalized with Property, Plant & Equipments as borrowing cost is RS. NIL & RS. NIL for the year ended March 31, 2017 & March 31, 2016 respectively.
- ❖ The amount is capitalized using the capitalization rate of NIL%.

11. Disclosure in respect of Indian Accounting Standard (Ind AS)-36 "Impairment of assets"

During the year, the company assessed the impairment loss of assets and is of the opinion.

12. Disclosure in respect of Indian Accounting Standard (Ind AS)-19 "Employee Benefits"

General description of various defined employee's benefits schemes are as under:

a. Provident Fund:

The Company's contribution paid/payable during the year to Provident Fund and the liability is recognized on accrual basis.

b. Gratuity:

Gratuity is a unfunded defined benefit plan and the gratuity scheme provides for a lump sum benefit, subject to a vesting period of 5 years in case of early separation, based on final last drawn salary and completed years of service.

c. Leave Encashment:

Provident Fund(Defined Contribution Obligation):

Contributions to Provident Fund, a defined contribution plan, are made in accordance with the statute and are recognized as an expense when employees have rendered service entitling them to the contributions.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Net defined benefit obligation

Particulars		Gratuity	Leave Encashment
Defined Benefit Obligation	C.Y.	167.74	30.02
	P.Y.	167.77	46.89
Fair Value of Plan Assets	C.Y.	-	-
	P.Y.	-	-
Funded Status [Surplus/(Deficit)]	C.Y.	-	-
	P.Y.	-	-
Effect of asset ceiling	C.Y.	-	-
	P.Y.	-	-
Net Defined Benefit Assets (Liabilities)	C.Y.	167.74	30.02
	P.Y.	167.77	46.89

Movement in defined benefit obligation

Particulars	Gratuity		Leave Encashment	
	For the year ended 31.03.2017	For the year ended 31.03.2016	For the year ended 31.03.2017	For the year ended 31.03.2016
Present value of obligations as at beginning of year	167.77	164.44	46.89	84.08
Interest Cost	11.30	12.83	4.31	7.69
Current service cost	3.67	22.70	(10.25)	(37.18)
Benefits paid	(1.00)	(20.57)	(0)	(30.98)
Actuarial loss/(Gain)	(14.00)	(11.63)	15.02	23.29
Present value of obligations at year end	167.74	167.77	30.02	46.89
Current Liability	6.00	5.87	-	-
Non-Current Liability	161.74	161.90	-	-

Movement in plan asset (Amount in Rs)

Particulars		Gratuity
Fair value of plan assets at beginning of year	C.Y.	-
	P.Y.	-
Interest income	C.Y.	-
	P.Y.	-
Employer contributions	C.Y.	-
	P.Y.	-
Benefits paid	C.Y.	-
	P.Y.	-
Re-measurements - Actuarial (loss)/ gain	C.Y.	-
	P.Y.	-
Re-measurements – Return on plan assets greater/(less) than discount rate	C.Y.	-
	P.Y.	-
Fair value of plan assets at end of year	C.Y.	-
	P.Y.	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Amount Recognized in Statement of Profit and Loss

Particulars	Gratuity		Leave Encashment	
	For the year ended 31.03.2017	For the year ended 31.03.2016	For the year ended 31.03.2017	For the year ended 31.03.2016
Net Gratuity Cost for the year ended 31.03.16				
Current service cost	3.67	22.70	(10.25)	(37.18)
Interest Cost	11.30	12.83	4.31	7.69
Expected return on plan assets	(0.60)	(1.43)	-	-
Net Actuarial (Gain)/Loss	(14.00)	(11.62)	15.02	23.29
Expense recognized in the year	1.37	22.47	(9.08)	(6.20)
Assumptions in accounting for the Gratuity Fund				
Discount Rate	8.00%	7.90%	8.00%	7.90%
Salary Escalation Rate	10%	10%	10%	10%
Expected Average remaining working lives of employees (years)	18	18	18	18

Actuarial Assumption

Particulars		Gratuity	Leave Encashment
Method used	C.Y.	Projected Unit Credit Method	-
	P.Y.	Projected Unit Credit Method	-
Discount rate	C.Y.	8.00%	8.00%
	P.Y.	7.90%	7.90%
Rate of salary increase	C.Y.	10%	10%
	P.Y.	10%	10%
Price inflation rate	C.Y.	-	-
	P.Y.	-	-
Medical inflation rate	C.Y.	-	-
	P.Y.	-	-
Expected Average remaining working lives of employees (years)	C.Y.	18	18
	P.Y.	18	18

13. Disclosure in respect of Indian Accounting Standard 24 "Related Parties Disclosures"

13.1. Disclosures for Other than Govt. Related Entities

a. List of key management personnel

Name	Designation
Shri G. Srinivasa Raju	Managing Director
Smt. S. Kalyani	Vice President
Shri Ch. Mallikarjuna	Company Secretary

b. Compensation of key management personnel (Amount in Lakhs)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Short-term benefits	50.47	30.00
Post-employment benefits	-	-
Other long-term benefits	-	-
Share-based payments	-	-
Termination benefits		-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Total	50.47	30.00
Recovery of Loans & Advances during the year	-	
Advances released during the year	-	-
Closing Balance of Loans & Advances as on 31.03.2017	-	-

List of Subsidiaries:

Name of the Subsidiary	Country of Incorporation	% of Holding as at 31.03.2017
Subsidiaries held directly		
Telesuprecon Limited	Mauritius	51
Digitech Business Systems Limited	Hong Kong	100
STL Africa Limited	Mauritius	100

c. Transactions with Related Parties (Amount in Lakhs)

Particulars		Subsidiaries		Associates	
		2016-17	2015-16	2016-17	2015-16
A	**Sales**				
	Splendid Metal Products Ltd	-	-	517.27	675.50
	Sujana Universal Industries Limited	-	-	0	2.49
	Sub-Total	-	-	517.27	677.99
B	**Purchases**				
	Splendid Metal Products Ltd	-	-	345.57	690.30
	Sujana Universal Industries Limited	-	-	0	7.75
	Sub-total	-	-	345.57	698.05
	Grand Total	-	-	862.84	1376.04

d. Loans to Subsidiaries: (Amount in Lakhs)

Particulars	Telesuprecon Limited	
	March 17	March 16
Loans at beginning of the year	1114.79	1114.79
Loan advanced		
Repayment received		
Interest charged		
Interest received		
Balance at end of the year including interest	1114.79	1114.79

All the related party transactions were performed at arm's length price.

14. Disclosure in respect of Indian Accounting standard (Ind AS) 17 "Leases"

14.1 As lessee (Amount in Lakhs)

a. Operating leases: The company have Operating lease arrangement during the period.

Particulars	Total Minimum Lease payments outstanding		Future Interest on Outstanding Payments		Present Value of Minimum Lease Payments	
	As at 31.03.2017	As at 31.03.2016	As at 31.03.2017	As at 31.03.2016	As at 31.03.2017	As at 31.03.2016
Within one year	1.77	5.81	0.15	0.49	1.62	5.32
Latter than one year and not later than five years	Nil	Nil	Nil	Nil	Nil	Nil
Later than five years	Nil	Nil	Nil	Nil	Nil	Nil
Total	1.77	5.81	0.15	0.49	1.62	5.32

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

15. Disclosure in respect of Indian Accounting Standard (Ind AS)-33 "Earnings Per Share(EPS)"

a. Basic EPS

The earnings and weighted average number of ordinary shares used in the calculation of basic EPS and Basic EPS is as follows: (Amount in Lakhs)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Profit (Loss) for the year, attributable to the owners of the company	(49192.22)	(14555.76)
Earnings used in calculation of basic earnings per share (A)	(49192.22)	(14555.76)
Weighted average number of ordinary shares for the purpose of basic earnings per share (B)	56544552	53513096
Basic EPS (A/B)	(87.00)	(27.20)

b. Diluted EPS

The earnings and weighted average number of ordinary shares used in the calculation of Diluted EPS is as follows: (Amount in Lakhs)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Profit (loss) for the year, attributable to the owners of the company	(49192.22)	(14555.76)
Earnings used in calculation of basic earnings per share(A)	(49192.22)	(14555.76)
Weighted average number of ordinary shares for the purpose of basic earnings per share(B)	56544552	53513096
Basic EPS(A/B)	(87.00)	(27.20)

16. Disclosure in respect of Indian Accounting Standard (Ind AS)-37 "Provisions, Contingent Liabilities and Contingent Assets"

Particulars	Opening balance as on 01.04.16	Additions/ Transfers during the year	Utilization during the year	Adjustment during the year	Written-back during the year	Closing balance as on 31.03.17
Employee Benefit Obligation	77.35			27.94		49.41
Provision for fringe benefit tax	10.7					10.7
Provision for Income Tax	5527.80					5527.80
Total	5615.85			27.94		5587.91

Contingent Liabilities: (Rs. Lakhs)

	Particulars	2016-17	2015-16
a	Claims against the company not acknowledged as debts including foreign currency claim towards:	-	-
b	Guarantees excluding financial guarantees	-	-
c	Other money for which the company is contingently liable	-	-
	i. Guarantees issued by banks on behalf of the company	1602.9	2960.87
	ii. Letters of credit opened by the company remaining outstanding	-	-
	iii. Bonds furnished to custom authorities for submission of original documents etc., remaining outstanding		
d	Disputed Income Tax Demand	-	-
e	Disputed TDS demands		
f	Disputed Sales Tax Demand	80.29	72.02
g	Disputed Service Tax Demand	-	-
h	Disputed Central Excise & Customs Demand	30.98	30.98
i	Others (PF etc. specify nature of demand)	-	-
	Total		

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

17. Accounting Policies under IndAS:

i. Significant Accounting Policies

1.1 Statement of Compliance and basis of preparation of Financial Statements

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind-AS) as notified by Ministry of Corporate Affairs, Government of India vide Notification dated February 16, 2015. Accounting policies have been applied consistently to all periods presented in these financial statements. The Financial Statements are prepared under historical cost convention from the books of accounts maintained under accrual basis except for certain financial instruments which are measured at fair value and in accordance with the Indian Accounting Standards prescribed under the Companies Act, 2013

1.2. Application of Indian Accounting Standards (Ind-AS)

All companies (listed or unlisted) having net worth of Rs 5,000 Million or more are required to adopt Ind AS.

All amounts included in the financial statements are reported in of Indian rupees (Rupees in) except number of equity shares and per share data, unless otherwise stated.

1.3. Use of estimates and judgment

The preparation of financial statements requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised

1.4. Functional and presentation currency

These financial statements are presented in Indian rupees, the national currency of India, which is the functional currency of the Company.

1.5. Revenue Recognition

Revenue from sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated cost can be estimated reliably, there is no continuing effective control or managerial involvement with the goods, and the amount of revenue can be measured reliably.

Revenue from sale of goods is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of government

1.6. Property, Plant and Equipment's

All Property, Plant and Equipments (PPE) are stated at carrying value in accordance with previous GAAP, which is used as deemed cost on the date of transition to Ind AS using the exemption granted under Ind AS 101.

The cost of an item of property, plant and equipment is recognized as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The cost of an item of PPE is the cash price equivalent at the recognition date. The cost of an item of PPE comprises:

i) Purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.

ii) Costs directly attributable to bringing the PPE to the location and condition necessary for it to be capable of operating in the manner intended by management.

iii) The initial estimate of the costs of dismantling and removing the item and restoring the site

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

on which it is located, the obligation for which the company incurs either when the PPE is acquired or as a consequence of having used the PPE during a particular period for purposes other than to produce inventories during that period.

The company has chosen the cost model of recognition and this model is applied to an entire class of PPE. After recognition as an asset, an item of PPE is carried at its cost less any accumulated depreciation and any accumulated impairment losses.

1.7. Intangible Assets

All Intangible Assets are stated at carrying value in accordance with previous GAAP, which is used as deemed cost on the date of transition to Ind AS using the exemption granted under Ind AS 101 Identifiable intangible assets are recognized when the company controls the asset; it is probable that future economic benefits expected with the respective assets will flow to the company for more than one economic period; and the cost of the asset can be measured reliably. At initial recognition, intangible assets are recognized at cost. Intangible assets are amortized on straight line basis over estimated useful lives from the date on which they are available for use. Softwares are amortized over its useful life subject to a maximum period of 5 years or over the license period as applicable.

1.8. Non-Current Assets Held for Sale

The company classifies a non-current asset (or disposal group of assets) as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. The non-current asset (or disposal group) classified as held for sale is measured at the lower of its carrying amount and the fair value less costs to sell.

1.9. Depreciation

Depreciation is provided on straight line method as per the useful lives approved by the Board of Directors, which are equal to those provided under schedule II of the Companies Act, 2013. The useful life of an asset is reviewed at each financial year-end. Each part of an item of PPE with a cost that is significant in relation to the total cost of the asset and if the useful life of that part is different from remaining part of the asset; such significant part is depreciated separately. Depreciation on all such items have been provided from the date they are 'Available for Use' till the date of sale / disposal and includes amortization of intangible assets and lease hold assets. Freehold land is not depreciated. An item of PPE is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Certain items of small value like calculators, wall clock, kitchen utensils etc. whose useful life is very limited are directly charged to revenue in the year of purchase. Cost of mobile handsets is also charged against revenue. The residual value of all the assets is taken as Re 1/-. The useful lives of the assets are taken as under:-

Name of Assets	Useful life as adopted by the company as per Schedule II
A. General Assets	
Furniture & Fittings	10
Office Equipment	5
Vehicles – Scooter	10
Vehicles – Car	8
Computers - Servers and networks	6
Computers – End User Devices	3
Lease-hold Land	As per Lease Agreement
Wagon Rakes	As per Agreement / Wagon Investment Scheme
Electrical installations excluding fans	10

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Water Supply, Sewerage and Drainage	5
Roads	
Carpeted Roads – RCC	10
Carpeted Roads - Other than RCC	5
Non Carpeted Roads	3
Culverts	30
Buildings	
RCC	60
Other than RCC	30
Residential Flats (Ready Built)	
RCC	60
Other than RCC	30
Temporary Structure & wooden partition	3
Warehouse / Godown	30
B. Manufacturing Unit's Assets	
Factory Buildings	30
Electronic installations excluding fans	10
Water Supply, Sewerage and Drainage	5
Plant and Machinery	
Single Shift	15
Double Shift	10
Triple Shift	7.5
Plant and Machinery- Wind Energy Generation Plant	22
C. Fixed Assets created on Land and neither the Fixed Assets nor the Land belongs to the Company	5
D. Amortization of Intangible Assets	
Softwares	5 years or License period as applicable

1.10. Borrowing Costs

The Company capitalises borrowing costs that are directly attributable to the acquisition, construction or production of qualifying asset as a part of the cost of the asset.

The Company recognises other borrowing costs as an expense in the period in which it incurs them.

A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

1.11. Inventory

Inventories are stated at the lower of cost and net realisable value. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. The method of determination of cost and valuation is as under:

Cost of Inventories comprises - of Cost of Purchase, cost of conversion and other costs incurred in bringing them to their present location and condition.

Raw Materials and Work-in-Progress are valued at cost using the Weighted Average cost method.

Goods- produced and purchased are valued at Cost or Net Realizable value whichever is lower.

Excise duty in respect of finished goods awaiting dispatch is included in the valuation of inventory.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Stores and Spares, Packing material are carried at cost, ascertained on weighted average basis. Necessary provision is made in the case of obsolete and non moving items.

1.12. Provisions

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

1.13. Contingent Liabilities / Assets

Contingent Liabilities

Contingent liabilities are not recognized but disclosed in Notes to the Accounts when the company has possible obligation due to past events and existence of the obligation depends upon occurrence or non-occurrence of future events not wholly within the control of the company.

Contingent liabilities are assessed continuously to determine whether outflow of economic resources have become probable. If the outflow becomes probable then relative provision is recognized in the financial statements.

Where an entity is jointly and severally liable for an obligation, the part of the obligation that is expected to be met by other parties is treated as a contingent liability. The entity recognises a provision for the part of the obligation for which an outflow of resources embodying economic benefits is probable, except in the extremely rare circumstances where no reliable estimate can be made

Contingent Liabilities are disclosed in the General Notes forming part of the accounts

Contingent Assets

Contingent Assets are not recognised in the financial statements. Such contingent assets are assessed continuously and are disclosed in Notes when the inflow of economic benefits becomes probable. If it's virtually certain that inflow of economic benefits will arise then such assets and the relative income will be recognised in the financial statements.

1.14. Leases

Assets held under lease, in which a significant portion of the risks and rewards of ownership are transferred to lessee are classified as finance leases. Other leases are classified as operating leases. The company normally enters into operating leases which are accounted for as under:-

Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease.

Where the company is a lessee, operating lease payments are recognized as an expense on a straight-line basis over the lease term. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

1.15. Employee benefits

i. Provision for gratuity, leave encashment/availment and long service benefits i.e. service award, compassionate gratuity and employees' family benefit scheme is made on the basis of actuarial valuation using the projected unit credit method. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to Statement of Profit or Loss.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

ii. Provision for post-retirement medical benefit is made on defined contribution basis.

iii. Provident fund contribution is made to Provident Fund Trust on accrual basis.

iv. Payment of Ex-gratia and Notice pay on Voluntary Retirement are charged to revenue in the year incurred.

v. Superannuation plan, a defined contribution scheme is administered by Life Insurance Corporation of India (LIC). The Company makes contributions based on a specified percentage of each eligible employee's salary.

Short-term employee benefit obligations

Short-term employee benefit obligations are measured on an undiscounted basis and are recorded as expense as the related service is provided. A liability is recognized for the amount expected to be paid under PLI / PRP Scheme, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

1.16. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit or loss and other comprehensive income/ statement of profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

However the Company is in Losses. So, there is no current tax for the current Financial Year

1.17. Investment Property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. All of the Company's property interests held under operating leases to earn rentals or for capital appreciation purposes are accounted for as investment properties.

After initial recognition, the company measures investment property at cost.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de recognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognized.

Investment properties to be depreciated in accordance to the class of asset that it belongs and the life of the asset shall be as conceived for the same class of asset at the Company.

1.18. Impairment

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalue amount, in which case the impairment loss is treated as a revaluation decrease.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

At the end of each reporting period, the company reviews the carrying amounts of its tangible, intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, The Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified,

Intangible assets with indefinite useful lives and intangible assets not yet available for use are

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Impairment of financial assets

Financial assets, other than those at Fair Value through Profit and Loss (FVTPL), are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected. For Available for Sale (AFS) equity investments, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

For all other financial assets, objective evidence of impairment could include:

- Significant financial difficulty of the issuer or counterparty;
- Breach of contract, such as a default or delinquency in interest or principal payments;
- It becoming probable that the borrower will enter bankruptcy or financial re-organisation; or the disappearance of an active market for that financial asset because of financial difficulties.

For certain categories of financial assets, such as trade receivables, assets are assessed for impairment on individual basis. Objective evidence of impairment for a portfolio of receivables could include company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of zero days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets that are carried at cost, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables; such impairment loss is reduced through the use of an allowance account for respective financial asset. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognized.

De-recognition of financial assets

The Company de-recognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, The Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss.

1.19. Earnings per share

A basic earnings per equity is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any shares splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

1.20. Discontinued operations

A discontinued operation is a component of the Company's business that represents a separate line of business that has been disposed off or is held for sale, or is a subsidiary acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon the earlier of disposal or when the operation meets the criteria to be classified as held for sale.

1.21. Financial instruments

Non-derivative financial instruments

Non-derivative financial instruments consist of:

- financial assets, which include cash and cash equivalents, trade receivables, unbilled revenues, finance lease receivables, employee and other advances, investments in equity and debt securities and eligible current and non-current assets;
- financial liabilities, which include long and short-term loans and borrowings, bank overdrafts, trade payables, eligible current and non-current liabilities.

Non derivative financial instruments are recognized initially at fair value including any directly attributable transaction costs. Financial assets are derecognized when substantial risks and rewards of ownership of the financial asset have been transferred. In cases where substantial risks and rewards of ownership of the financial assets are neither transferred nor retained, financial assets are derecognized only when the Company has not retained control over the financial asset.

Subsequent to initial recognition, non derivative financial instruments are measured as described below:

a. Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents include cash in hand, at banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and are considered part of the Company's cash management system. In the statement of financial position, bank overdrafts are presented under borrowings within current liabilities.

b. Investments in liquid mutual funds, equity securities (other than Subsidiaries, Joint Venture and

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Associates) are valued at their fair value. These investments are measured at fair value and changes therein, other than impairment losses, are recognized in other comprehensive income and presented within equity, net of taxes. The impairment losses, if any, are reclassified from equity into statement of income. When an available for sale financial asset is derecognized, the related cumulative gain or loss recognised in equity is transferred to the statement of income.

c. Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Loans and receivables are initially recognized at fair value plus directly attributable transaction costs and subsequently measured at amortized cost using the effective interest method, less any impairment losses. Loans and receivables comprise trade receivables, unbilled revenues and other assets.

The company estimates the un-collectability of accounts receivable by analysing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

d. Trade and other payables

Trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest method. For these financial instruments, the carrying amounts approximate fair value due to the short term maturity of these instruments.

e) Investments in Subsidiary, Associates and Joint Venture

The company accounts investment in subsidiary, joint ventures and associates at cost

An entity controlled by the company is considered as a subsidiary of the company.

Investments in subsidiary company outside India are translated at the rate of exchange prevailing on the date of acquisition.

Investments where the company has significant influence are classified as associates. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement is classified as a joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

1.22. Segment Information

The company is principally engaged in single business segment viz., “Power and Telecom Tower”, and operates in one geographical segment as per on ‘Segment Reporting’. Accordingly no segment reporting has been made by the company.

1.23. Prior Period Errors

Errors of material amount relating to prior period(s) are disclosed by a note with nature of prior period errors, amount of correction of each such prior period presented retrospectively, to the extent practicable along with change in basic and diluted earnings per share. However, where retrospective restatement is not practicable for a particular period then the circumstances that lead to the existence of that condition and the description of how and from where the error is corrected are disclosed in Notes to Accounts.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

18. Approval of financial statements

The financial statements were approved by the board of directors and authorised for issue on 30.05.2017

19. Transition from IGAAP to IND AS

These financial statements, for the year ended March 31st, 2017, are first financial statements prepared by the Company in accordance with Ind AS. For years upto and including the year ended March 31, 2016, the company prepared its financial statements in accordance with IGAAP, including accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended).

Accordingly, the company has prepared IND AS compliant financial statements for year ending on March 31st, 2017. In preparing these financial statements, the company has prepared opening IND AS balance sheet as at 1st April, 2015 the company's date of transition to Ind-AS in accordance with requirement of IND AS 101, "First time Adoption of Indian Accounting Standards". The principal adjustments made by the company in restating its IGAAP financial statements, including the balance sheet as at 1st April, 2015 and the financial statements as at and for the year ended 31 March 2016 are quantified and explained in detail as Appendix. However the basic approach adopted is again summarized hereunder:

i) All assets and liabilities have been classified into financial assets/liabilities and non-financial assets/liabilities.

ii) All non-current financial assets/liabilities at below market rate of interest or zero interest and outstanding as on 1st April, 2015 have been measured at fair value.

iii) In accordance with IND AS 101, the resulting adjustments are considered as arising from events and transactions entered before date of transition and recognized directly in the retained earnings at the date of transition to IND AS.

iv) The estimates as at 1 April 2015 and at 31 March 2016 are consistent with those made for the same dates in accordance with IGAAP (after adjustments to reflect any differences in accounting policies).

v) IND AS 101 also allows to first time adopter certain exemptions from the retrospective application of certain requirements under IND AS. Accordingly, the company has availed the following exemptions/mandatory exceptions as per IND AS 101:

vi) Deemed Cost for Property, Plant & Equipment and Intangible Assets: The Company has availed exemption under para D7AA of appendix D to IND AS 101 which permits a first time adopter to continue with the carrying values for its PPE as at date of transition to IND ASs measured as per previous GAAP.

vii) Classification & Fair value measurement of financial assets or financial liabilities at initial recognition: The financial assets and financial liabilities have been classified on the basis of facts existing as at the date of transition to IND AS. In addition, the exemption permits prospective application of requirements of IND AS 109 to transactions entered into on or after date of transition.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Opening Balance Sheet

NEUEON TOWERS LIMITED				
Balance Sheet as at 01.04.2015				Rupees in lakhs
Particulars	Note No	Previous GAAP 31.03.2015	Adjust-ments	Ind AS 01.04.2015
ASSETS				
Non- Current Assets				
(a) Property,Plant and Equipment	2.01	43,158.94	-	43,158.94
(b) Capital Work-in-Progress		-	-	-
(c) Other Intangible Assets		7.91	-	7.91
(d) Financial Assets				
(i) Investments	2.02	13,993.74	-	13,993.74
(ii) Trade Receivables			-	
(iii) Loans	2.03	1,114.79	-	1,114.79
(iv) Others		130,560.36	-	130,560.36
(d) Deferred tax asset	2.13	-	-	-
(e) Other non-current assets	2.04	1,095.38	-	1,095.38
		189,931.13	-	189,931.13
Current Assets			-	
(a) Inventories	2.05	3,804.86	-	3,804.86
(b) Financial Assets			-	
(i) Trade receivables	2.06	142,037.78	-	142,037.78
(ii) Cash and cash equivalents	2.07	54.85	-	54.85
(c) Other current assets	2.08	2,146.88	-	2,146.88
		148,044.37	-	148,044.37
TOTAL		337,975.50	-	337,975.50
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	2.09	5,191.50	-	5,191.50
(b) Other Equity		148.51	-	148.51
(c) Reserves & Surplus	2.10	72,051.67	-	72,051.67
		77,391.68	-	77,391.68
LIABILITIES				
Non- Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	2.11	70,460.15	-	70,460.15
(ii) Trade Payables		26,994.25	-	26,994.25
(iii) Other Financial Liabilities	2.11	28,750.60	-	28,750.60
(b) Provisions	2.12	220.69	-	220.69
(c) Deferred tax liabilities (Net)	2.13	6,742.00	-	6,742.00
(d) Other non-current liabilities		-	-	-
		133,167.69	-	133,167.69
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	2.14	64,446.00	-	64,446.00
(ii) Trade payables	2.15	33,974.35	-	33,974.35
(iii) Other financial liabilities	2.16	22,639.11	-	22,639.11
(b) Provisions	2.12	5,698.62	-	5,698.62
(c) Other current liabilities	2.17	658.05	-	658.05
		127,416.13	-	127,416.13
Total Equity and Liabilities		337,975.50	-	337,975.50

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

20. Disclosure in respect of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 is given below:-

	SBNs	Other denominations notes	Total
Closing cash in hand as on 08-11-2016	1000.00	129866.50	130866.50
(+) Permitted receipts	1500.00	219728.00	221228.00
(-) Permitted payment	2500.00	272456.00	277051.00
(-) Amount deposited in Banks	0	0	0
Closing cash in hand as on 30-12-2016	0	75043.50	75043.50

21. Notes to transition from previous GAAP to IndAS

Note 1: Fair Value of Equity Investments:

Under the previous GAAP, the investments in equity instruments were classified as long term investments. The long term investments were carried at cost less provision for other than temporary decline in the value of such investments. Under IndAS, the equity investments (other than those in Joint Ventures, associates and subsidiary) are required to be measured at fair value. The company does not comprise such nature of Investments

Note 2: Investment Property:

Under the previous GAAP, investment properties were presented as part of non-current investments and no depreciation was charged on the investment property. Under IndAS, investment properties are required to be seperately presented on the face of the Balance Sheet and depreciation is required to be charged based on useful life of the property. The resulting additional depreciation on such property has been recognized in Retained Earnings as at the date of transition and subsequently in the profit or loss for the year ended March 31, 2016. This decreased the Retained Earnings by Rupee Foradian NIL as at March 31, 2016 (April 1, 2015-` NIL) and profit for the year ended March 31, 2016 decreased by Rupee Foradian NIL

Note 3: Proposed dividend:
Under the previous GAAP, dividend proposed by the Board of Directors after the balance sheet date but before the approval of the financial statements were considered as adjusting events. Accordingly, provision for proposed dividend was recognized as a liability under provisions. Under IndAS such dividends are recognized when the same is approved by the share holders in the general meeting. Accordingly, the liability for proposed of Rs.NIL as at March 31, 2016 (April 1, 2015-Rs.NIL) included under provisions has been reversed with corresponding adjustments to retained earnings. Consequently, the total equity increased by an equivalent amount.

Note 4: Excise Duty:
Under the previous GAAP, revenue from sale of products was presented exclusive of excise duty. Under IndAS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is included under other expenses of the statement of profit and loss. This change has resulted in an increase in total revenue and the expenses for the year ended March 31, 2016 by ₹ NIL There is no impact on the total equity and profit.

Note 6: Retained Earnings:
Retained earnings as at April 1, 2015 and as at March 31, 2016 has been adjusted consequent to the above IndAS transition adjustments.

Note 7: Other Comprehensive Income:
Under IndAS, all items of income and expense recognized in a period should be included in the profit or loss of the period, unless a standard requires or permits otherwise. Items of income or expense that are not recognized under profit or loss but are shown in the statement of profit and loss as other comprehensive income include remeasurements of defined benefit plans, effective portion of gains and losses on cash flow hedging instruments and fair value gains or losses on equity instruments through other comprehensive income. The concept of other comprehensive income did not exist under previous GAAP.

STATEMENT OF CHANGES IN EQUITY (SOCIE)

Rupees in Lakhs

	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Rupees in Lakhs	Rs.	No. of Shares	Rs.	No. of Shares	Rs.
(A) Equity share capital						
Balance at the beginning of the reporting period	56,544,552	5,654.46	51,914,923	5,191.50	51,914,923	5,191.50
Change in equity Share capital during the year	-	-	4,629,629	462.96	-	-
Balance at the end of the reporting period	56,544,552	5,654.46	56,544,552	5,654.46	51,914,923	5,191.50
(B) Other equity	**Reserves & Surplus**					
	Captial Reserve	Capital Redemption Reserve	Securities Premium Reserve	General Reserve	Retained earnings	Total Other Equity
Balance as at April 1, 2015	11,669.67	148.38	34,295.15	-	25,938.47	72,051.67
Profit/(loss) for the year					(14,555.76)	(14,555.76)
Other comprehensive income for the year, net of taxes			2,037.04	-		2,037.04
Others		98.92			(98.92)	-
Total comprehensive income for the year	-	98.92	2,037.04	-	(14,654.68)	(12,518.72)
Dividend (including tax on dividend)	-	-	-	-	-	-
Balance as at March 31, 2016	11,669.67	247.30	36,332.19	-	11,283.79	59,532.95
Balance as at April 1, 2016	11,669.67	247.30	36,332.19	-	11,283.79	59,532.95
Profit for the year	-	-	-		(49,192.22)	(49,192.22)
Other comprehensive income for the year, net of taxes	-	-	-	-		-
Others	-	49.50	-	-	(49.50)	-
Total comprehensive income for the year	-	49.50	-	-	(49,241.72)	(49,192.22)
Dividend (including tax on dividend)	-	-	-	-	-	-
Balance as at March 31, 2017	11,669.67	296.80	36,332.19	-	(37,957.93)	10,340.73
See accompanying notes forming part of the financial statements						

As per our report of even date

M/s. Venugopal & Chenoy
Chartered Accountants
Firm's Registration No: 004671S

P.V. Sri Hari
Partner
Membership No. 21961

Place: Hyderabad
Date: May 30, 2017

For and on behalf of the Board

G. Srinivasa Raju
Managing Director

S. Kalyani
Vice-President (Finance)

Place: Hyderabad
Date: May 30, 2017

S. Hanumantha Rao
Director

Ch. Mallikarjuna
Company Secretary

2.01 Property,Plant and Equipment

Rs. in lakhs

PARTICULARS	Gross Block				Depreciation				Net Block	
	As on 01.04.2016	Additions	Deletions	As on 31.03.2017	As on 01.04.2016	For the Year	On Deletions	As on 31.03.2017	As on 31.03.2017	As on 31.03.2016
A) Tangible Assets										
Land	1,868.84	-	-	1,868.84	-	-	-	-	1,868.84	1,868.84
Building	3,554.18	-	-	3,554.18	790.14	89.03	-	879.17	2,675.01	2,764.04
Plant & Machinery	184,937.10	144.02	-	185,081.11	23,859.46	9,369.57	-	33,229.04	151,852.07	161,077.63
Workshop Equipments	9.60	-	-	9.60	4.62	0.46	-	5.08	4.52	4.97
Weighing Machine	11.34	-	-	11.34	7.85	0.54	-	8.39	2.95	3.49
Electrical Installations	174.72	-	-	174.72	80.75	8.30	-	89.04	85.67	93.97
Furniture & Fixtures	33.16	-	-	33.16	17.26	2.12	-	19.38	13.78	15.89
Office Equipments	50.55	-	-	50.55	19.35	2.45	-	21.81	28.74	31.20
Vehicles	205.04	-	11.67	193.36	167.04	19.48	6.20	180.31	13.05	38.00
Computers	108.10	-	-	108.10	108.10	-	-	108.10	-	-
	190,952.62	144.02	11.67	191,084.96	25,054.58	9,491.95	6.20	34,540.32	156,544.64	165,898.04
Less: Revaluation Reserve						-				
Total of Tangible Assets	**190,952.62**	**144.02**	**11.67**	**191,084.96**	**25,054.58**	**9,491.95**	**6.20**	**34,540.32**	**156,544.64**	**165,898.04**
B) Intangible Assets										
Computer Software	17.13	-	-	17.13	12.00	2.78	-	14.77	2.36	5.14
Total (A+B)	**190,969.75**	**144.02**	**11.67**	**191,102.09**	**25,066.58**	**9,494.72**	**6.20**	**34,555.10**	**156,546.99**	**165,903.17**

Notes:
Depreciation is provided on Straight Line Basis applying the rates specified in the Schedule II to the Companies Act, 2013. Depreciation on the revalued fixed assets charged to revaluation reserve.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Rupees in lakhs

		As at31st March		As at 1st April
		2017	2016	2015
2.02	**Non-Current Investments**			
	Investments in Equity Instruments			
	In Wholly Owned Subsidiary Companies (Unquoted, Non-trade, at cost)			
	Investment in Subsidiaries - Equity instruments- Unquoted	**13,993.47**	13,993.47	13,993.47
	23,32,04,400 (Previous Year 39,000) Equity Shares of HKD 1 each fully paid in Digitech Business Systems Limited	**0.22**	0.22	0.22
	510 (Previous Year 510) Equtiy Shares of USD 1 each fully paid in Telesupricon Ltd	**0.05**	0.05	0.05
	116 (Previous Year 116) Equity shares of USD 1 each fully paid in STL Africa Ltd			
	Total	**13,993.74**	13,993.74	13,993.74
2.03	**Non-Current Loans**			
	Loans and Advances to Subsidiaries	**1,114.79**	1,114.79	1,114.79
		1,114.79	1,114.79	1,114.79
2.04	**Other non-current assets**			
	Other Loans & Advances	**1,095.38**	1,095.38	1,095.38
	Total	**1,095.38**	1,095.38	1,095.38
2.05	**Inventories**			
	(at lower of cost or net realizable value)			
	Raw Materials	**299.51**	591.98	626.54
	Work in Process	**180.64**	729.79	1,563.57
	Finished Goods	**1,038.44**	1,151.01	1,003.08
	Stores and Spares	**688.11**	560.03	611.67
	Total	**2,206.70**	3,032.81	3,804.86
2.06	**Trade Receivables**			
	a) Unsecured & Considered Good	**128,908.20**	134,634.04	142,037.78
	b) Doubtful	**6,863.99**	237.38	237.38
	Less: Provision for doubtful debts	**6,863.99**	237.38	237.38
	Total	**128,908.20**	134,634.04	142,037.78
2.07	**Cash and Cash Equivalents**			
	Cash on Hand	**2.80**	5.37	8.17
	Bank Balances in Current Accounts	**33.57**	55.19	7.68
	Deposits with banks	**48.35**	48.81	39.00
		84.72	109.37	54.85
	Notes: Margin Money Deposits represents margin money kept with various banks for issue of Letter of Credits.			
2.08	**Other Current Assets**			
	Advance for Expenses & Others	**80.06**	459.54	643.85
	Advances to Suppliers & Others	**3,085.30**	-	-
	Margin Money With Parties	**419.74**	243.77	226.87
	Deposits with Govt Deposit (incl Excise, VAT)	**1,409.35**	1,353.69	1,276.16
	Total	**4,994.44**	2,057.00	2,146.88

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

2.09 Equity Share Capital

Rupees in lakhs

(i) The authorised, issued, subscribed and fully paid-up share capital

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	No. of shares	Rs.	No. of shares	Rs.	No. of shares	Rs.
Authorised:						
Equity shares of ₹10 each with voting rights	**790,000,000**	**79,000.00**	790,000,000	79,000.00	790,000,000	79,000.00
1% Cumulative Redeemable Preference Shares of Rs.100/- each	**210,000,000**	**210,000.00**	210,000,000	210,000.00	210,000,000	210,000.00
Issued, Subscribed and Fully Paid:						
Equity shares of ₹ 10 each with voting rights	**56,544,552**	**5,654.46**	56,544,552	5,654.46	51,914,923	5,191.50
Total	**56,544,552**	**5,654.46**	56,544,552	5,654.46	51,914,923	5,191.50

The equity shares of the Company having par value of ` 10 per share, rank pari passu in all respects including entitlement to dividend.

Repayment of the capital in the event of winding up of the Company will inter alia be subject to the provisions of the Articles of Association of the Company and as may be determined by the Company in General Meeting prior to such winding up.

(ii) Details of shares held by each share holder holding more than 5% shares

Name of shareholder	As at 31 March, 2017		As at 31 March, 2016		As at April 1, 2015	
	Number of shares held	% holding	Number of shares held	% holding	Number of shares held	% holding
Equity shares of ₹ 10 each with voting rights						
Yalamanchili Finance & Trading (P) Ltd	**4,767,500**	**8.43%**	4,767,500	8.43%	4,767,500	9.18%
Sujana Holdings Limited	**12,129,629**	**21.45%**	12,129,629	21.45%	7,500,000	14.45%
Foster Infin & Trading (P) Ltd	**5,095,999**	**9.01%**	5,095,999	9.01%	5,095,999	9.82%
Total	**16,897,129**	**38.89%**	16,897,129	29.88%	12,267,500	23.63%

(iii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

	As at March 31, 2017		As at March 31, 2016	
	Number of s hares	Rs.	Number of shares	Rs.
Equity shares				
Opening balance	**56,544,552**	**5,654.46**	51,914,923	5,191.49
Issued during the year	**-**	**-**	4,629,629	462.96
Closing balance	**56,544,552**	**5,654.46**	56,544,552	5,654.46

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Rupees in lakhs

		As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
2.11	**Non-Current Borrowings**			
	Secured			
	a) Term Loans from Banks (Refer to Note 1)			
	i) Term Loan from Banks	**60,998.79**	66,937.74	70,087.42
	ii) From other Parts	**3,942.93**	3,231.00	372.73
		64,941.72	70,168.74	70,460.15
	Un-Secured			
	Promoters Contribution as per CDR Schedule	**13,366.91**	13,295.07	11,945.93
	Unsecured Loan Others	**3,252.58**	-	-
	Deferred sales tax laibility	**304.67**	304.67	304.67
	Loans from Promoters and Promoter Group Companies	**16,500.00**	16,500.00	16,500.00
		33,424.16	30,099.74	28,750.60
	Total	**98,365.88**	100,268.48	99,210.75
2.12	**Provisions**			
	Non-current			
	Employee Benefit obligation	**204.27**	185.50	220.69
		204.27	185.50	220.69
	Current			
	Other Provisions			
	Employee Benefit obligation	**49.41**	77.34	52.92
	Dividends & Devidend Tax on CRPS	**16.64**	16.64	5.78
	Provision for Fringe Benefit Tax	**10.70**	10.70	10.70
	Provision for Income Tax	**5,527.80**	5,527.80	5,629.21
		5,604.55	5,632.49	5,698.62
	Total	**5,808.82**	5,817.98	5,919.31
2.13	**Deferred Tax Liability / (Asset) (Net)**			
	Opening Balance	**11,243.99**	6,742.00	6,722.10
	Add: Deferred Tax Assets in relatation to			
	(i) Difference in depreciation & amortisation for accounting and income tax purposes	**3,255.74**	4,571.64	96.91
	(ii) Provision for employee benefits	**(66.83)**	(69.65)	(77.01)
	(iii) Disallowance under Section 43B of Income Tax Act, 1961	**-**	-	-
	Deferred Tax Liability / (Asset) (Net)	**14,432.91**	11,243.99	6,742.00
2.14	**Current Borrowings**			
	Secured			
	From Consortium Banks	**123,854.05**	96,148.30	64,446.00
	From Other Banks	**-**	-	-
	Total	**123,854.05**	96,148.30	64,446.00
2.15	**Trade Payables**			
	i) Acceptance (Refer to Note 1 & 2)	**-**	-	-
	ii) Trade Payables	**6,989.92**	7,008.86	33,974.35
	Total	**6,989.92**	7,008.86	33,974.35
2.16	**Other Financial Liabilities**			
	Current Maturities of Long Term Debt (Secured)	**34,690.02**	27,964.17	12,949.83
	Vehicle Loans	**1.77**	5.81	10.27
	Term Loans	**7,948.68**	7,676.22	9,614.16
	Advances from Customers	**-**	-	30.78
	Statutory Liabilities	**268.01**	72.10	34.07
	Total	**42,908.48**	35,718.30	22,639.11
2.17	**Other Current Liabilities**			
	Loans and advances from related parties	**-**	-	-
	Sundry Creditors for Services & Others	**462.89**	422.53	658.05
	Total	**462.89**	422.53	658.05

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

		Year ended 31st March 2017	Year ended 31st March 2016
2.18	**Revenue from Operations**		
	From Sale of Products (Gross)		
	- Domestic	**20,706.05**	140,143.81
	- Exports	**-**	-
	Total	**20,706.05**	140,143.81
2.19	**Other Income**		
	Interest Income	**7.85**	9.85
	Other Opetating Income	**7.65**	99.77
	Total	**15.50**	109.62
2.20	**(a) Cost of Material Consumed**		
	Opening Stock of Raw material	**591.97**	626.54
	Add: Purchases	**2,732.40**	2,242.71
		3,324.37	2,869.25
	Less: Closing Stock	**299.51**	591.97
	Total	**3,024.86**	2,277.27
	(b) Purchases of Stock-in-Trade		
	Opening stock	**-**	-
	Add: Purchases	**15,730.02**	111,184.03
	Add (Less:) Raw material received (transferred)	**-**	-
		15,730.02	111,184.03
	Less: Closing stock	**-**	-
	Stock-in-Trade materials consumed	**15,730.02**	111,184.03
2.21	**Changes in Inventories**		
	a) Opening Stock		
	Finished Goods	**1,151.01**	1,563.57
	Work-in-Progress	**729.79**	1,003.08
		1,880.81	2,566.65
	b) Closing Stock		
	Finished Goods	**1,038.44**	1,151.01
	Work-in-Progress	**180.64**	729.79
		1,219.08	1,880.81
	(Increase) / Decrease (a - b)	**661.72**	685.84
2.22	**Employee Benefits Expense**		
	Salaries and Wages	**454.51**	519.71
	Contribution to Provident and Other Funds	**27.91**	10.24
	Directors remuneration	**-**	5.61
	Total	**482.43**	535.56
2.23	**Finance Costs**		
	Interest on working capital loans	**12,645.77**	9,650.78
	Interest Expenses on Term Loans	**15,233.90**	14,674.28
	Other borrowing costs	**1,366.86**	1,470.50
	Total	**29,246.53**	25,795.56
2.24	**Other Expenses**		
	Consumption of stores, loose tools and spare parts	**584.96**	1,022.70
	Power and fuel	**217.60**	208.77
	Repairs and maintenance:	**10.34**	13.87
	Rates and taxes, excluding, taxes on income	**44.67**	18.58
	Insurance	**12.71**	17.49
	Traveling and conveyance	**16.52**	33.43
	Communication	**5.70**	10.93
	Contract labor charges (security charges)	**57.42**	61.74
	Legal and professional fees	**78.22**	194.21
	Auditor Remuneration	**22.85**	22.40
	Sales promotion and advertisement	**11.53**	21.34
	Provision for Bad Debts	**6,626.61**	-
	Printing and stationery	**4.05**	6.31
	Sitting Fees	**2.51**	3.39
	Miscellaneous expenses	**1.24**	0.10
	Total	**7,696.91**	1,635.25

Consolidated Accounts for the year ended 31.03.2017

INDEPENDENT AUDITORS' REPORT

To

The Members

NEUEON TOWERS LIMITED, Hyderabad.

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of Neueon Towers Limited (herein referred to as "the Holding Company"), and its subsidiaries, (the Holding Company and its subsidiaries, together are referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2017, Consolidated Statement of Profit and Loss (including other comprehensive income), and the Consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year ended on that date and a summary of the Significant Accounting Policies and other information annexed thereto (herein after referred to as "the consolidated Ind AS financial statements")

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013, (the Act) that give a true and fair view of the consolidated financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Group in accordance with the accounting principles generally accepted in India, including Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors 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 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 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 consolidated 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 Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting standards and auditing standards and matters 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 consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation and fair presentation of the consolidated Ind AS financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS 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 including Ind AS, of the consolidated financial position of the Group, as at March 31, 2017, and its Consolidated financial perforamance including other comprehensive income, its consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Other Matters

(a) We did not audit the Financial Statements of one subsidiary, whose Financial Statements reflect total assets (net) of Rs. 19815.43 lakhs as at March 31, 2017, total revenues of Rs. 4165.53 lakhs and net cash inflows amounting to Rs. 111.12 lakhs for the year ended March 31, 2017, as considered in the consolidated Ind AS financial statements. These financial statements have been audited by other auditor whose report has been furnished to us by the management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) and (11) of section 143 of the Act, insofar as it relates to the aforesaid subsidiary, is based solely on the report of the other auditor.

(b) We did not audit the Financial Statements of two subsidiaries, whose financial statements reflect total assets (net) of Rs.14190.16 lakhs as at 31st March, 2017, total revenues of Rs.Nil lakhs for the year ended on that date and net cash outflows amounting to Rs.Nil lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of two subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

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 Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, Consolidated Cash Flow Statement and the Consolidated statement of changes in Equity dealt with by this Report are in agreement with the books of account;

d) In our opinion, the aforesaid consolidate Ind AS 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 the written representations received from the directors as on 31 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”; and

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

i. There are no pending litigations for the company that will impact the financial position of the company;

ii. There are no foreseeable losses 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 incorporated in India.

iv. The Company has provided requisite disclosures in the its consolidated Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management.

For VENUGOPAL & CHENOY
Chartered Accountants
FRN: 004671S

Place: Hyderabad
Date: 30.05.2017

P.V. SRI HARI, Partner
Membership No. 21961

Annexure - A to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of Neueon Towers Limited (herein referred to as "the Holding Company") as of 31st March 2017 in conjunction with our audit of the consolidated financial statements of the Holding Company for the year ended on that date. As all the subsidiaries of Neueon Towers Limited are incorporated outside India, this report is given only for Holding Compay.

Management's Responsibility for Internal Financial Controls

The Holding Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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 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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Holding 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 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 of internal financial controls over financial reporting included obtaining an understanding of 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 the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's 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 financial reporting and the preparation of financial statements for external purposes in accordance with 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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, or that the degree of compliance with the policies or procedures may deteriorate..

Opinion

In our opinion, the Holding 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 VENUGOPAL & CHENOY
Chartered Accountants
FRN: 004671S

P.V. SRI HARI
Partner
Membership No. 21961

Place: Hyderabad
Date: 30.05.2017

NEUEON TOWERS LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2017

(Rupees in Lakhs)

	Particulars	Note No.	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
A	**ASSETS**				
1	**Non- Current Assets**				
(a)	Property,Plant and Equipment	2.01	**1,56,717.59**	1,66,070.99	43,331.89
(b)	Capital Work-in-Progress		**-**	-	-
(c)	Other Intangible Assets		**2.36**	5.14	7.91
(d)	Financial Assets				
(i)	Investments	2.02	**-**	-	-
(ii)	Trade Receivables		**-**	-	-
(iii)	Loans	2.03	**1,114.79**	1,114.79	-
(iv)	Others		**-**	-	1,30,560.36
(d)	Deferred tax asset	2.13	**-**	-	-
(e)	Other non-current assets	2.04	**1,095.38**	1,095.38	1,095.38
			1,58,930.12	1,68,286.30	1,74,995.54
2	**Current Assets**				
(a)	Inventories	2.05	**2,347.13**	3,176.48	3,940.42
(b)	Financial Assets				
(i)	Trade receivables	2.06	**2,06,065.53**	2,15,294.03	2,21,009.35
(ii)	Cash and cash equivalents	2.07	**125.89**	164.23	90.65
(c)	Other current assets	2.08	**5,014.18**	2,431.10	2,765.37
			2,13,552.73	2,21,065.84	2,27,805.79
	TOTAL		**3,72,482.85**	3,89,352.13	4,02,801.33
B	**EQUITY AND LIABILITIES**				
1	**EQUITY**				
(a)	Equity Share Capital	2.09	**5,654.46**	5,654.46	5,191.50
(b)	Other Equity	2.10	**23,821.94**	73,501.80	84,526.18
			29,476.39	79,156.25	89,717.68
	LIABILITIES				
2	**Non-Current Liabilities**				
(a)	Financial Liabilities				
(i)	Borrowings	2.11	**72,726.49**	78,132.92	77,975.04
(ii)	Trade Payables		**-**	-	26,994.25
(iii)	Other Financial Liabilities	2.11	**33,424.16**	30,099.74	28,750.60
(b)	Provisions	2.12	**204.27**	185.50	220.69
(c)	Deferred tax liabilities (Net)	2.13	**14,426.20**	11,237.13	6,735.52
(d)	Other non-current liabilities		**-**	-	-
			1,20,781.11	1,19,655.29	1,40,676.10
3	**Current Liabilities**				
(a)	Financial Liabilities				
(i)	Borrowings	2.14	**1,23,854.05**	96,148.30	64,446.00
(ii)	Trade payables	2.15	**47,850.70**	52,519.92	78,871.03
(iii)	Other financial liabilities	2.16	**42,908.48**	35,718.30	22,639.11
(b)	Provisions	2.12	**5,604.55**	5,632.49	5,698.62
(c)	Other current liabilities	2.17	**2,007.55**	521.58	752.79
			2,22,225.34	1,90,540.59	1,72,407.55
	Total Equity and Liabilities		**3,72,482.84**	3,89,352.13	4,02,801.33

See accompanying notes forming part of the financial statements

As per our report of even date

For and on behalf of the Board

M/s. Venugopal & Chenoy
Chartered Accountants
Firm's Registration No: 004671S

G. Srinivasa Raju
Managing Director

S. Hanumantha Rao
Director

P.V. Sri Hari
Partner
Membership No. 21961

S. Kalyani
Vice-President (Finance)

Ch. Mallikarjuna
Company Secretary

Place: Hyderabad
Date: May 30, 2017

Place: Hyderabad
Date: May 30, 2017

Statement of Consolidated Profit and Loss for the year ended 31.03.2017

(Rs. In Lakhs)

	Particulars	Note No	For the Year Ended	
			2017	2016
I	**Revenue**			
	Revenue from Operations	2.18	**24,871.58**	1,47,053.22
	Other Income	2.19	**15.50**	109.62
	Total Revenue		**24,887.08**	1,47,162.84
II	**Expenses**			
	Cost of Materials Consumed	2.20	**3,024.86**	2,277.27
	Excise duty		**393.87**	363.18
	Purchase of Stock-in-Trade		**19,776.83**	1,18,055.12
	Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	2.21	**661.72**	685.84
	Employee Benefit Expenses	2.22	**482.43**	535.56
	Finance Costs	2.23	**29,251.65**	25,808.63
	Depreciation and Amortization Expenses	2.01	**9,488.52**	7,830.51
	Other Expenses	2.24	**7,699.19**	1,637.41
	Total Expenses		**70,779.08**	1,57,193.53
III	**Profit Before Exceptional Items and Tax (I - II)**		**(45,891.99)**	(10,030.68)
IV	**Exceptional Items**		**-**	-
V	**Profit Before Tax (III - IV)**		**(45,891.99)**	(10,030.68)
VI	**Tax Expense:**			
	Current tax		**-**	-
	Deferred tax		**3,188.91**	4,502.00
VII	**Profit for the Year (VI - VI)**		**(49,080.90)**	(14,532.68)
VIII	**Other Comprehensive Income**			
IX	**Other comprehensive income (Net of taxes)**		**-**	-
X	**Total comprehensive income for the Year (VIII + IX)**		**(49,080.90)**	(14,532.68)
XI	**Earnings Per Equity Share of Rs.10 each**			
	(a) Basic		**(86.80)**	(27.16)
	(b) Diluted		**(86.80)**	(27.16)

See accompanying notes forming part of the financial statements

As per our report of even date

M/s. Venugopal & Chenoy
Chartered Accountants
Firm's Registration No: 004671S

P.V. Sri Hari
Partner
Membership No. 21961

Place: Hyderabad
Date: May 30, 2017

For and on behalf of the Board

G. Srinivasa Raju
Managing Director

S. Kalyani
Vice-President (Finance)

Place: Hyderabad
Date: May 30, 2017

S. Hanumantha Rao
Director

Ch. Mallikarjuna
Company Secretary

NEUEON TOWERS LIMITED

Cosolidated Cash Flow Statement for the Year Ended 31.03.2017

(Rs. in Lakhs)

	Particulars	For the year ended 31st March 2017	2016
A	**Cash flows from Operating activities**		
	Net Pofit / (Loss) Before Tax for the year	**(45,891.99)**	(10,030.68)
	Adjustments for		
	Depreciation	**9,488.52**	7,830.51
	Finance Costs	**29,251.65**	25,808.63
	Interest & other income	**(7.85)**	(9.85)
	Provision for Gratuity & Leave Encashment	**7.29**	29.17
	Provision for dubtful debts	**6,626.61**	-
	Operating Profit Before Working Capital Changes	**(525.77)**	23,627.77
	Movements in Working Capital		
	Adjustments for (increase) / decrease in operating assets:		
	Inventories	**829.35**	763.94
	Trade Receivables	**9,228.50**	5,715.32
	Loans & Advances	**-**	-
	Other Financial Assets	**-**	-
	Other Assests	**(2,583.09)**	334.27
	Adjustments for increase / (decrease) in operating liabilities:		
	Trade Payables	**(4,669.22)**	(26,351.11)
	Provisions	**18.77**	(24.34)
	Financial Laibilities	**6,614.45**	15,153.78
	Other Liabilities	**17,884.43**	189.87
	Cash Generated from Operations	**26,797.43**	19,409.51
	Less: Taxes paid	**-**	-
	Cash from Operating Activities (A)	**26,797.43**	19,409.51
B	**Cash flows from Investing activities**		
	Purchase of Fixed Assets	**(144.02)**	(6.59)
	Interest Received	**7.85**	0.12
	Cash from Investment Activities (B)	**(136.17)**	(6.47)
C	**Cash flows from Financing activities**		
	Proceeds from Borrowings	**-**	-
	Interest & Financial Charges Paid	**(26,671.24)**	(19,285.69)
	Net Cash from financing activities (C)	**(26,699.60)**	(19,293.66)
	Net Increase in cash and cash equivalent (A+B+C)	**(38.34)**	109.38
	Cash and Cash Equivalents at the beginning of the year	**164.23**	54.85
	Cash and Cash Equivalent at the end of the year	**125.89**	164.23

See accompanying notes forming part of the financial statements

As per our report of even date

M/s. Venugopal & Chenoy
Chartered Accountants
Firm's Registration No: 004671S

P.V. Sri Hari
Partner
Membership No. 21961

Place: Hyderabad
Date: May 30, 2017

For and on behalf of the Board

G. Srinivasa Raju
Managing Director

S. Kalyani
Vice-President (Finance)

Place: Hyderabad
Date: May 30, 2017

S. Hanumantha Rao
Director

Ch. Mallikarjuna
Company Secretary

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

1. General Information

2. First time adoption of Indian Accounting Standards (Ind-AS)

All companies (listed or unlisted) having net worth of Rs 5,000 Million or more are required to adopt Ind AS. Accordingly, the company has adopted Ind-AS, in accordance with Notification dated February 16, 2015 issued by Ministry of Corporate Affairs, Government of India, with effect from April 01, 2016 with a transition date on April 01, 2015. The details of transition from previous GAAP to Ind-AS is given at Note 56 & 59

3. Basis of preparation of Financial Statements

The Consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind-AS) as notified by Ministry of Corporate Affairs, Government of India vide Notification dated February 16, 2015. Accounting policies have been applied consistently to all periods presented in these Consolidated financial statements. The Consolidated Financial Statements are prepared under historical cost convention from the books of accounts maintained under accrual basis except for certain financial instruments which are measured at fair value and in accordance with the Indian Accounting Standards prescribed under the Companies Act, 2013

These consolidated financial statements are the Group`s first Ind AS consolidated financial statements. The figures for the previous period have been restated, regrouped and reclassified wherever required to comply with the requirement of Ind AS and Schedule III.

Upto the year ended March 31, 2016, the Group has prepared its consolidated financial statements in accordance with the requirement of Indian Generally Accepted Accounting Principles (GAAP), which includes Standards notified under the Companies (Accounting Standards) Rules, 2006 and considered as “Previous GAAP”

These financial statements are presented in Indian rupees, the national currency of India, which is the functional currency of the Company. All amounts included in the financial statements are reported in Indian rupees (in Rupees) except number of equity shares and per share data, unless otherwise stated.

4. Principles of Consolidation

The consolidated financial statements relate to Neueon Towers Limited (‘the Company’) and its subsidiary companies, associates and joint ventures. The consolidated financial statements have been prepared on the following basis:

a) The financial statements of the Company and its subsidiaries are combined on a line by line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intra-group balances and intra-group transactions.

b) Profits or losses resulting from intra-group transactions that are recognised in assets, such as inventory and property, plant & equipment, are eliminated in full.

c) In case of foreign subsidiaries, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the Foreign Currency Translation Reserve.

d) Non Controlling Interest’s share of profit / loss of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.

e) Non Controlling Interest’s share of net assets of consolidated subsidiaries is identified and presented in the Consolidated Balance Sheet separate from liabilities and the equity of the Company’s shareholders.

5. Other Significant Accounting Policies

These are set out under “Significant Accounting Policies” as given in the Company’s standalone financial statements.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

The significant accounting policies are given at Note .

6. Use of estimates and judgment :

The preparation of financial statements requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised

7. Commitments

(a) Capital Commitments: Estimated amount of contracts including foreign currency contracts net of advances remaining to be executed on capital account and not provided for is RS.NIL (P.Y. RS.NIL).

(b) Commitment related to Investment Properties: Estimated amount of contracts including foreign currency contracts net of advances remaining to be executed on account of external projects and not provided for is RS.NIL (P.Y. RS.NIL).

(c) Other Commitments: Estimated amount of contracts including foreign currency contracts net of advances remaining to be executed on account of external projects and not provided for is RS.NIL (P.Y. RS.NIL).

8. General Disclosures :-

9. Additional information pursuant to Schedule III of the Companies Act, 2013

Value of Materials Consumed during the year

Description	For the year ended 31.03.2017			For the Year ended 31.03.2016		
	Mts.	Rs. (in Lakhs)	%	Mts.	Rs. (in Lakhs)	%
Iron Steel						
Indigenous	11468	3024.87	100	6790.28	1934.06	100
Imported						
Tower Parts						
Indigenous	-	-	100	829.06	343.21	100
Imported						
Others						
Indigenous						
Imported						
Total		3024.87			2277.27	100

Value of bought-out material consumed (Rs. in Lakhs)

Description	For the year ended 31.03.2017			For the Year ended 31.03.2016		
	Mts.	Rs. (in Lakhs)	%	Mts.	Rs. (in Lakhs)	%
Iron Steel						
Indigenous	25767	11138.18	100	141766	56713.62	100
Imported						
Tower Parts						
Indigenous	8946	4591.83	100	124726	54470.42	100
Imported						
Others						
Indigenous						
Imported						
Total		15730.01			111184.03	

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Value of Consumables, Stores and Spares consumed during the period (Rs in Lakhs)

Description	For the year ended 31.03.2017	%	For the year ended 31.03.2016	%
Consumables(Indigenous)	507.98	100	820.78	100
Consumables(Imported)		-		-
Total	507.98	100	820.78	100

10. Financial Instruments - Fair Values and Risk Management

i. Financial Instruments by Categories

The following tables show the carrying amounts and fair values of financial assets and financial liabilities by categories. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(Amount in Lakhs as of March 31, 2017)

Particulars	cost	Financial assets / liabilities at FVTPL	Financial assets / liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:					
Investments in Equity Instruments	-	-	-	-	-
Cash & Cash Equivalents (Ref Note No. 2.07)	125.89	-	-	125.89	-
Trade Receivable (Ref Note No. 2.06)	206065.53	-	-	206065.53	-
Loans & Advances (Ref Note No. 2.03)	1114.79	-		1114.79	-
Liabilities:	**-**	**-**		**-**	**-**
Trade Payable (Ref Note No. 2.15)	47850.70	-	-	47850.70	-
Borrowings	196580.54	-		196580.54	
Other Financial Liabilities (Ref Note No. 2.11 & 2.16)	76332.64	-	-	76332.64	-

The carrying amounts are considered to be the same as their fair values, due to their short-term nature

The carrying value and fair value of financial instruments by categories were as follows as on March 31, 2016:

(Amount in Lakhs as of March 31, 2016)

Particulars	Cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:					
Investments in Equity Instruments	-	-	-	-	-
Cash & Cash Equivalents (Ref Note No. 2.07)	164.23	-	-	164.23	-
Trade Receivable (Ref Note No. 2.06)	215294.03	-	-	215294.03	-
Loans & Advances (Ref Note No. 2.03)	1114.79	-		1114.79	-
Liabilities:					
Trade Payable (Ref Note No. 2.15)	52519.92	-	-	52519.92	-
Borrowings	174281.22	-		174281.22	
Other Financial Liabilities (Ref Note No. 2.11 & 2.16)	65818.04	-	-	65818.04	-

The carrying amounts are considered to be the same as their fair values, due to their short-term nature

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

The carrying value and fair value of financial instruments by categories were as follows as on April 01, 2015:

(Amount in Lakhs as of April 1, 2015)

Particulars	Cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:					
Investments in Equity Instruments	-	-	-	-	-
Cash & Cash Equivalents (Ref Note No. 2.07)	90.65	-	-	90.65	-
Trade Receivable (Ref Note No. 2.06)	221009.35	-	-	221009.35	-
Loans & Advances (Ref Note No. 2.03)	1114.79	-		1114.79	-
Other Financial Assets (Refer Note No.)	130560.36			130560.36	
Liabilities:					
Trade Payable (Ref Note No. 2.15)	78871.03	-	-	78871.03	-
Borrowings	142421.04	-		142421.04	
Other Financial Liabilities (Ref Note No. 2.11 & 2.16)	51389.71	-	-	51389.71	-

The carrying amounts are considered to be the same as their fair values, due to their short-term nature

11.1 Financial risk management

The company's activities expose it to the following financial risks:

- market risk
- credit risk and
- liquidity risk

The company has not arranged funds that have any interest rate risk.

a. Market risk

Foreign Exchange Risk

The company does not deal with import and export transactions and hence foreign exchange risk is not applicable to the Company.

b. Credit Risk

Credit risk refers to the risk of default on its obligation by a counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Accordingly, credit risk from trade receivables has been separately evaluated from all other financial assets in the following paragraphs.

Trade Receivables

The company has outstanding trade receivables amounting to Rs 206065.53 lakhs and Rs. 215294.03 lakhs as of March 31, 2017 and March 31, 2016, respectively. Trade receivables are typically unsecured and are derived from revenue earned from customers.

Impairment on trade receivables is recognized based on expected credit loss in accordance with provisions of IndAS 109. The company's historical experience for customers, present economic condition and present performance of the customers, future outlook for the industry etc are taken into account for the purposes of expected credit loss.

Credit risk exposure

An analysis of age of trade receivables at each reporting date is summarized as follows:

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(As at 31st March 2017, Amount in Lakhs)

Particulars	Gross amount	Impairment	Carrying Value
Not past due	206065.53	-	-
Past due less than 30 days	-	-	50.55
Past due more than 30 days but not more than 60 days	-	-	53.66
Past due more than 60 days but not more than 90 days	-	-	76.69
Past due more than 90 days but not more than 120 days	-	-	4053.16
Past due more than 120 days	-	-	201831.47
Total	206065.53	-	206065.53

(As at 31st March, 2016, Amount in Lakhs)

Particulars	Gross amount	Impairment	Carrying Value
Not past due	215294.03	-	-
Past due less than 30 days	-	-	4777.45
Past due more than 30 days but not more than 60 days	-	-	5735.35
Past due more than 60 days but not more than 90 days	-	-	6694.28
Past due more than 90 days but not more than 120 days	-	-	7059.21
Past due more than 120 days	-	-	191027.74
Total	215294.03	-	215294.03

(As at 1st April, 2015, Amount in Lakhs)

Particulars	Gross amount	Impairment	Carrying Value
Not past due	221009.35	-	-
Past due less than 30 days	-	-	15405.16
Past due more than 30 days but not more than 60 days	-	-	11303.33
Past due more than 60 days but not more than 90 days	-	-	7041.13
Past due more than 90 days but not more than 120 days	-	-	31300.44
Past due more than 120 days	-	-	155959.29
Total	221009.35	-	221009.35

Trade receivables are generally considered credit impaired after three years past due (except government dues), unless the amount is considered receivable, when recoverability is considered doubtful based on the recovery analysis performed by the company for individual trade receivables. Owing to the non completion of majority of the contracts taken from the customers by the Company, Company is currently facing a log jam in the cash flows and recovery from the debtors, especially in the cases where the dues are past 120 days. There is a significant chance of pushing these amounts into litigation, if supplies are not completed in the near future. Since Company believes that there is every possibility of commencing the operations soon with the help of the financing institutions, by way of a suitable re-structuring of the debt or such other mechanism; Company is not making any provisions in so far as these amounts are concerned as the company considers that all the above financial assets are not impaired and past due for each reporting dates under review are of good credit quality.

With regard to trade receivable on certain transactions, the company has equivalent trade payables to associate suppliers which are payable on realization of trade receivables. Such trade receivables are considered not impaired though past due.

Other financial assets

There are no impairment provisions as at each reporting date against financial assets. We consider all the financial assets as at the reporting dates to be of good credit quality.

c) Liquidity Risk

Our liquidity needs are monitored on the basis of monthly and yearly projections. The company's principal sources of liquidity are cash and cash equivalents, cash generated from operations and availability of funding through an adequate amount of committed credit facilities to meet obligations when due.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Due to the dynamic nature of underlying businesses, the company maintains flexibility in funding by maintaining availability under committed credit lines.

Short term liquidity requirements consists mainly of sundry creditors, expense payable, employee dues arising during the normal course of business as of each reporting date. The company strives to maintain sufficient balance in cash and cash equivalents to meet short term liquidity requirements.

The company assesses long term liquidity requirements on a periodical basis and manages them through internal accruals, promoters' contribution & unsecured loans and committed credit lines etc.,

The table below provides details regarding the contractual maturities of non-derivative financial liabilities. The table has been drawn up based on the undisclosed cash flows of financial liabilities based on the earliest date on which the company can be required to pay. The table includes both principal & interest cash flows.

(Amount in Lakhs as of March 31, 2017)

Particulars	Less than 6 months	6 months to 1 year	1-3 years	3-5 years	More than 5 years	Total
Trade Payables	-	284.75	47565.95	-	-	47850.70
Short term borrowings (cash credit)*	-	-	72726.49	-	-	72726.49
Long Term Borrowings	-	-	123854.05	-	-	123854.05
Other Financial Liabilities	-	-	76332.64	-	-	76332.64
Total		284.75	320479.13			320763.88

*Includes interest accrued on borrowings

(Amount in Lakhs as of March 31, 2016)

Particulars	Less than 6 months	6 months to 1 year	1-3 years	3-5 years	More than 5 years	Total
Trade Payables	168.55	884.82	51466.55	-	-	52519.92
Short term borrowings (cash credit)*	-	-	78132.92	-	-	78132.92
Long Term Borrowings	-	-	96148.30	-	-	96148.30
Other Financial Liabilities	-	-	65818.04	-	-	65818.04
Total	168.55	884.82	291565.81			292619.18

*Includes interest accrued on borrowings

(Amount in Lakhs as of 1st April, 2015)

Particulars	Less than 6 months	6 months to 1 year	1-3 years	3-5 years	More than 5 years	Total
Trade Payables	486.75	4571.99	100806.54			105865.28
Short term borrowings (cash credit)*			77975.04			77975.04
Long Term Borrowings			64446.00			64446.00
Other Financial Liabilities			51389.71			51389.71
Total	486.75	4571.99	294617.29			299676.03

*Includes interest accrued on borrowings

12. Disclosure in respect of Indian Accounting Standard (Ind AS)-21 "The Effects of changes in Foreign Exchange Rates"

The company had not entered into any foreign currency transactions during the year

13. Disclosure in respect of Indian Accounting Standard (Ind AS)-23 "Borrowing Costs"

- ❖ The amount capitalized with Property, Plant & Equipments as borrowing cost is Rs. NIL & Rs. NIL for the year ended March 31, 2017 & March 31, 2016 respectively.
- ❖ The amount is capitalized using the capitalization rate of NIL%.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

14. Disclosure in respect of Indian Accounting Standard (Ind AS)-36 "Impairment of assets"

During the year, the company assessed the impairment loss of assets and is of the opinion.

15. Disclosure in respect of Indian Accounting Standard (Ind AS)-19 "Employee Benefits"

General description of various defined employee's benefits schemes are as under:

a. Provident Fund:

The Company's contribution paid/payable during the year to Provident Fund and the liability is recognized on accrual basis.

b. Gratuity:

Gratuity is a unfunded defined benefit plan and the gratuity scheme provides for a lump sum benefit, subject to a vesting period of 5 years in case of early separation, based on final last drawn salary and completed years of service.

c. Leave Encashment:

Provident Fund(Defined Contribution Obligation):

Contributions to Provident Fund, a defined contribution plan, are made in accordance with the statute and are recognized as an expense when employees have rendered service entitling them to the contributions.

Net defined benefit obligation

Particulars		Gratuity	Leave Encashment
Defined Benefit Obligation	C.Y.	167.74	30.02
	P.Y.	167.77	46.89
Fair Value of Plan Assets	C.Y.	-	-
	P.Y.	-	-
Funded Status [Surplus/(Deficit)]	C.Y.	-	-
	P.Y.	-	-
Effect of asset ceiling	C.Y.	-	-
	P.Y.	-	-
Net Defined Benefit Assets (Liabilities)	C.Y.	167.74	30.02
	P.Y.	167.77	46.89

Movement in defined benefit obligation

Particulars	Gratuity		Leave Encashment	
	For the year ended 31.03.2017	For the year ended 31.03.2016	For the year ended 31.03.2017	For the year ended 31.03.2016
Present value of obligations as at beginning of year	167.77	164.44	46.89	84.08
Interest Cost	11.30	12.83	4.31	7.69
Current service cost	3.67	22.70	(10.25)	(37.18)
Benefits paid	(1.00)	(20.57)	(0)	(30.98)
Actuarial loss/(Gain)	(14.00)	(11.63)	15.02	23.29
Present value of obligations at year end	167.74	167.77	30.02	46.89
Current Liability	6.00	5.87	-	-
Non-Current Liability	161.74	161.90	-	-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Movement in plan asset (Amount in Rs)

Particulars		Gratuity
Fair value of plan assets at beginning of year	C.Y.	-
	P.Y.	-
Interest income	C.Y.	-
	P.Y.	-
Employer contributions	C.Y.	-
	P.Y.	-
Benefits paid	C.Y.	-
	P.Y.	-
Re-measurements - Actuarial (loss)/ gain	C.Y.	-
	P.Y.	-
Re-measurements – Return on plan assets greater/(less) than discount rate	C.Y.	-
	P.Y.	-
Fair value of plan assets at end of year	C.Y.	-
	P.Y.	-

Amount Recognized in Statement of Profit and Loss

Particulars	Gratuity		Leave Encashment	
	For the year ended 31.03.2017	For the year ended 31.03.2016	For the year ended 31.03.2017	For the year ended 31.03.2016
Net Gratuity Cost for the year ended 31.03.16				
Current service cost	3.67	22.70	(10.25)	(37.18)
Interest Cost	11.30	12.83	4.31	7.69
Expected return on plan assets	(0.60)	(1.43)	-	-
Net Actuarial (Gain)/Loss	(14.00)	(11.62)	15.02	23.29
Expense recognized in the year	1.37	22.47	(9.08)	(6.20)
Assumptions in accounting for the Gratuity Fund				
Discount Rate	8.00%	7.90%	8.00%	7.90%
Salary Escalation Rate	10%	10%	10%	10%
Expected Average remaining working lives of employees (years)	18	18	18	18

Actuarial Assumption

Particulars		Gratuity	Leave Encashment
Method used	C.Y.	Projected Unit Credit Method	
	P.Y.	Projected Unit Credit Method	
Discount rate	C.Y.	8.00%	8.00%
	P.Y.	7.90%	7.90%
Rate of salary increase	C.Y.	10%	10%
	P.Y.	10%	10%
Price inflation rate	C.Y.	-	-
	P.Y.	-	-
Medical inflation rate	C.Y.	-	-
	P.Y.	-	-
Expected Average remaining working lives of employees (years)	C.Y.	18	18
	P.Y.	18	18

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

16. Disclosure in respect of Indian Accounting Standard 24 "Related Parties Disclosures"

i. Disclosures for Other than Govt. Related Entities

List of key management personnel

Name	Designation
Shri G. Srinivasa Raju	Managing Director
Smt. S. Kalyani	Vice President
Shri C. Mallikarjuna	Company Secretary

ii. Compensation of key management personnel (Amount in Rs. in Lakhs)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Short-term benefits	50.47	30.00
Post-employment benefits	-	-
Other long-term benefits	-	-
Share-based payments	-	-
Termination benefits		-
Total	50.47	30.00
Recovery of Loans & Advances during the year		
Advances released during the year		
Closing Balance of Loans & Advances as on 31.03.2017		

List of Subsidiaries:

Name of the Subsidiary	Country of Incorporation	% of Holding as at 31.03.2017
Subsidiaries held directly		
Telesuprecon Limited	Mauritius	51
Digitech Business Systems Limited	Hong Kong	100
STL Africa Limited	Mauritius	100

c. Transactions with Related Parties (Amount in Rs. in Lakhs)

	Particulars	Subsidiaries		Associates	
		2016-17	2015-16	2016-17	2015-16
A	**Sales**				
	Splendid Metal Products Ltd	-	-	517.27	675.50
	Sujana Universal Industries Limited	-	-	0	2.49
	Sub-Total	-	-	517.27	677.99
B	**Purchases**				
	Splendid Metal Products Ltd	-	-	345.57	690.30
	Sujana Universal Industries Limited	-	-	0	7.75
	Sub-total	-	-	345.57	698.05
	Grand Total	-	-	862.84	1376.04

d. Loans to Subsidiaries: (Amount in Rs. in Lakhs)

Particulars	Telesuprecon Limited	
	March 17	March 16
Loans at beginning of the year	1114.79	1114.79
Loan advanced	-	-
Repayment received	-	-
Interest charged	-	-
Interest received	-	-
Balance at end of the year including interest	1114.79	1114.79

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

All the related party transactions were performed at arm's length price.

17. Disclosure in respect of Indian Accounting standard (Ind AS) 17 "Leases" (Rs. in Lakhs)

As lessee

Operating leases: The company have Operating lease arrangement during the period.

Particulars	Total Minimum Lease payments outstanding		Future Interest on Outstanding Payments		Present Value of Minimum Lease Payments	
	As at 31.03.2017	As at 31.03.2016	As at 31.03.2017	As at 31.03.2016	As at 31.03.2017	As at 31.03.2016
Within one year	1.77	5.81	0.15	0.49	1.62	5.32
Latter than one year and not later than five years	Nil	Nil	Nil	Nil	Nil	Nil
Later than five years	Nil	Nil	Nil	Nil	Nil	Nil
Total	1.77	5.81	0.15	0.49	1.62	5.32

18. Disclosure in respect of Indian Accounting Standard (Ind AS)-33 "Earnings Per Share(EPS)"

i. Basic EPS

The earnings and weighted average number of ordinary shares used in the calculation of basic EPS and Basic EPS is as follows: (Amount in Rs. in Lakhs)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Profit (loss) for the year, attributable to the owners of the company	(49192.22)	(14555.76)
Earnings used in calculation of basic earnings per share(A)	(49192.22)	(14555.76)
Weighted average number of ordinary shares for the purpose of basic earnings per share(B)	56544552	53513096
Basic EPS(A/B)	(87.00)	(27.20)

ii. Diluted EPS

The earnings and weighted average number of ordinary shares used in the calculation of Diluted EPSis as follows: (Amount in Rs. in Lakhs)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Profit (loss) for the year, attributable to the owners of the company	(49192.22)	(14555.76)
Earnings used in calculation of basic earnings per share(A)	(49192.22)	(14555.76)
Weighted average number of ordinary shares for the purpose of basic earnings per share(B)	56544552	53513096
Basic EPS(A/B)	(87.00)	(27.20)

19. Disclosure in respect of Indian Accounting Standard (Ind AS)-37 "Provisions, Contingent Liabilities and Contingent Assets" (Amount in Rs. in Lakhs)

Particulars	Opening balance as on 01.04.16	Additions/ Transfers during the year	Utilization during the year	Adjustment during the year	Written-back during the year	Closing balance as on 31.03.17
Employee Benefit Obligation	77.35	-	-	27.94	-	49.41
Provision for fringe benefit tax	10.70	-	-	-	-	10.70
Provision for Income Tax	5527.80	-	-	-	-	5527.80
Total	5615.85	-	-	27.94	-	5587.91

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

20. Contingent Liabilities: (Rs. Lakhs)

	Particulars	2016-17	2015-16
a	Claims against the company not acknowledged as debts including foreign currency claim towards:	-	-
b	Guarantees excluding financial guarantees	-	-
c	Other money for which the company is contingently liable	-	-
	i. Guarantees issued by banks on behalf of the company	1602.9	2960.87
	ii. Letters of credit opened by the company remaining outstanding	-	-
	iii. Bonds furnished to custom authorities for submission of original documents etc., remaining outstanding		
d	Disputed Income Tax Demand	-	-
e	Disputed TDS demands		
f	Disputed Sales Tax Demand	80.29	72.02
g	Disputed Service Tax Demand	-	-
h	Disputed Central Excise & Customs Demand	30.98	30.98
i	Others (PF etc. specify nature of demand)	-	-
	Total		

21. Accounting Policies under IndAS:

i. Significant Accounting Policies

1. Statement of Compliance and basis of preparation of Financial Statements

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind-AS) as notified by Ministry of Corporate Affairs, Government of India vide Notification dated February 16, 2015. Accounting policies have been applied consistently to all periods presented in these financial statements. The Financial Statements are prepared under historical cost convention from the books of accounts maintained under accrual basis except for certain financial instruments which are measured at fair value and in accordance with the Indian Accounting Standards prescribed under the Companies Act, 2013

2. Application of Indian Accounting Standards (Ind-AS)

All companies (listed or unlisted) having net worth of Rs 5,000 Million or more are required to adopt Ind AS.

All amounts included in the financial statements are reported in of Indian rupees (Rupees in) except number of equity shares and per share data, unless otherwise stated.

3. Use of estimates and judgment

The preparation of financial statements requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

4. Functional and presentation currency

These financial statements are presented in Indian rupees, the national currency of India, which is the functional currency of the Company.

5. Revenue Recognition

Revenue from sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated cost can be estimated reliably, there is no continuing effective control or managerial involvement with the goods, and the amount of revenue can be measured reliably.

Revenue from sale of goods is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of government.

6. Property, Plant and Equipment's

All Property, Plant and Equipments (PPE) are stated at carrying value in accordance with previous GAAP, which is used as deemed cost on the date of transition to Ind AS using the exemption granted under Ind AS 101.

The cost of an item of property, plant and equipment is recognized as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The cost of an item of PPE is the cash price equivalent at the recognition date. The cost of an item of PPE comprises:

i) Purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.

ii) Costs directly attributable to bringing the PPE to the location and condition necessary for it to be capable of operating in the manner intended by management.

iii) The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the company incurs either when the PPE is acquired or as a consequence of having used the PPE during a particular period for purposes other than to produce inventories during that period.

The company has chosen the cost model of recognition and this model is applied to an entire class of PPE. After recognition as an asset, an item of PPE is carried at its cost less any accumulated depreciation and any accumulated impairment losses.

7. Intangible Assets

All Intangible Assets are stated at carrying value in accordance with previous GAAP, which is used as deemed cost on the date of transition to Ind AS using the exemption granted under Ind AS 101 Identifiable intangible assets are recognized when the company controls the asset; it is probable that future economic benefits expected with the respective assets will flow to the company for more than one economic period; and the cost of the asset can be measured reliably. At initial recognition, intangible assets are recognized at cost. Intangible assets are amortized on straight line basis over estimated useful lives from the date on which they are available for use. Softwares are amortized over its useful life subject to a maximum period of 5 years or over the license period as applicable.

8. Non-Current Assets Held for Sale

The company classifies a non-current asset (or disposal group of assets) as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. The non-current asset (or disposal group) classified as held for sale is measured at the lower of its carrying amount and the fair value less costs to sell.

9. Depreciation

Depreciation is provided on straight line method as per the useful lives approved by the Board of Directors, which are equal to those provided under schedule II of the Companies Act, 2013. The useful life of an asset is reviewed at each financial year-end. Each part of an item of PPE with a cost that is significant in relation to the total cost of the asset and if the useful life of that part is different from remaining part of the asset; such significant part is depreciated separately. Depreciation on all such items have been provided from the date they are 'Available for Use' till the date of sale / disposal and includes amortization of intangible assets and lease hold assets. Freehold land is not depreciated. An item of PPE is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

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Certain items of small value like calculators, wall clock, kitchen utensils etc. whose useful life is very limited are directly charged to revenue in the year of purchase. Cost of mobile handsets is also charged against revenue. The residual value of all the assets is taken as Re 1/-. The useful lives of the assets are taken as under:-

Name of Assets	Useful life as adopted by the company as per Schedule II
A. General Assets	
Furniture & Fittings	10
Office Equipment	5
Vehicles – Scooter	10
Vehicles – Car	8
Computers - Servers and networks	6
Computers – End User Devices	3
Lease-hold Land	As per Lease Agreement
Wagon Rakes	As per Agreement / Wagon Investment Scheme
Electrical installations excluding fans	10
Water Supply, Sewerage and Drainage	5
Roads	
Carpeted Roads – RCC	10
Carpeted Roads - Other than RCC	5
Non Carpeted Roads	3
Culverts	30
Buildings	
RCC	60
Other than RCC	30
Residential Flats (Ready Built)	
RCC	60
Other than RCC	30
Temporary Structure & wooden partition	3
Warehouse / Godown	30
B. Manufacturing Unit's Assets	
Factory Buildings	30
Electronic installations excluding fans	10
Water Supply, Sewerage and Drainage	5
Plant and Machinery	
Single Shift	15
Double Shift	10
Triple Shift	7.5
Plant and Machinery- Wind Energy Generation Plant	22
C. Fixed Assets created on Land and neither the Fixed Assets nor the Land belongs to the Company	5
D. Amortization of Intangible Assets	
Softwares	5 years or License period as applicable

10. Borrowing Costs

The Company capitalises borrowing costs that are directly attributable to the acquisition, construction or production of qualifying asset as a part of the cost of the asset.

The Company recognises other borrowing costs as an expense in the period in which it incurs them. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

11. Inventory

Inventories are stated at the lower of cost and net realisable value. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. The method of determination of cost and valuation is as under:

Cost of Inventories comprises - of Cost of Purchase, cost of conversion and other costs incurred in bringing them to their present location and condition.

Raw Materials and Work-in-Progress are valued at cost using the Weighted Average cost method.

Goods- produced and purchased are valued at Cost or Net Realizable value whichever is lower.

Excise duty in respect of finished goods awaiting dispatch is included in the valuation of inventory.

Stores and Spares, Packing material are carried at cost, ascertained on weighted average basis. Necessary provision is made in the case of obsolete and non moving items.

12. Provisions

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

13. Contingent Liabilities / Assets

Contingent Liabilities

Contingent liabilities are not recognized but disclosed in Notes to the Accounts when the company has possible obligation due to past events and existence of the obligation depends upon occurrence or non-occurrence of future events not wholly within the control of the company.

Contingent liabilities are assessed continuously to determine whether outflow of economic resources have become probable. If the outflow becomes probable then relative provision is recognized in the financial statements.

Where an entity is jointly and severally liable for an obligation, the part of the obligation that is expected to be met by other parties is treated as a contingent liability. The entity recognises a provision for the part of the obligation for which an outflow of resources embodying economic benefits is probable, except in the extremely rare circumstances where no reliable estimate can be made

Contingent Liabilities are disclosed in the General Notes forming part of the accounts.

Contingent Assets

Contingent Assets are not recognised in the financial statements. Such contingent assets are assessed continuously and are disclosed in Notes when the inflow of economic benefits becomes probable. If it's virtually certain that inflow of economic benefits will arise then such assets and the relative income will be recognised in the financial statements.

14. Leases

Assets held under lease, in which a significant portion of the risks and rewards of ownership are transferred to lessee are classified as finance leases. Other leases are classified as operating leases. The company normally enters into operating leases which are accounted for as under:-

(i) Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease.

(ii) Where the company is a lessee, operating lease payments are recognized as an expense

on a straight-line basis over the lease term. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

15. Employee benefits

i. Provision for gratuity, leave encashment/availment and long service benefits i.e. service award, compassionate gratuity and employees' family benefit scheme is made on the basis of actuarial valuation using the projected unit credit method. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to Statement of Profit or Loss.

ii. Provision for post-retirement medical benefit is made on defined contribution basis.

iii. Provident fund contribution is made to Provident Fund Trust on accrual basis.

iv. Payment of Ex-gratia and Notice pay on Voluntary Retirement are charged to revenue in the year incurred.

v. Superannuation plan, a defined contribution scheme is administered by Life Insurance Corporation of India (LIC). The Company makes contributions based on a specified percentage of each eligible employee's salary.

Short-term employee benefit obligations

Short-term employee benefit obligations are measured on an undiscounted basis and are recorded as expense as the related service is provided. A liability is recognized for the amount expected to be paid under PLI / PRP Scheme, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

16. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit or loss and other comprehensive income/ statement of profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

However the Company is in Losses. So, there is no current tax for the current Financial Year

17. Investment Property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. All of the Company's property interests held under operating leases to earn rentals or for capital appreciation purposes are accounted for as investment properties.

After initial recognition, the company measures investment property at cost.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de recognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognized.

Investment properties to be depreciated in accordance to the class of asset that it belongs and the life of the asset shall be as conceived for the same class of asset at the Company.

18. Impairment

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalue amount, in which case the impairment loss is treated as a revaluation decrease.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-

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generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

At the end of each reporting period, the company reviews the carrying amounts of its tangible, intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, The Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified,

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Impairment of financial assets

Financial assets, other than those at Fair Value through Profit and Loss (FVTPL), are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected. For Available for Sale (AFS) equity investments, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

For all other financial assets, objective evidence of impairment could include:

- Significant financial difficulty of the issuer or counterparty;
- Breach of contract, such as a default or delinquency in interest or principal payments;
- It becoming probable that the borrower will enter bankruptcy or financial re-organisation; or the disappearance of an active market for that financial asset because of financial difficulties.

For certain categories of financial assets, such as trade receivables, assets are assessed for impairment on individual basis. Objective evidence of impairment for a portfolio of receivables could include company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of zero days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets that are carried at cost, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables; such impairment loss is reduced through the use of an allowance account for respective financial asset. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring

after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognized.

De-recognition of financial assets

The Company de-recognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, The Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss.

19. Earnings per share

A basic earnings per equity is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any shares splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

20. Discontinued operations

A discontinued operation is a component of the Company's business that represents a separate line of business that has been disposed off or is held for sale, or is a subsidiary acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon the earlier of disposal or when the operation meets the criteria to be classified as held for sale.

21. Financial instruments

Non-derivative financial instruments

Non-derivative financial instruments consist of:

- financial assets, which include cash and cash equivalents, trade receivables, unbilled revenues, finance lease receivables, employee and other advances, investments in equity and debt securities and eligible current and non-current assets;
- financial liabilities, which include long and short-term loans and borrowings, bank overdrafts, trade payables, eligible current and non-current liabilities.

Non derivative financial instruments are recognized initially at fair value including any directly attributable transaction costs. Financial assets are derecognized when substantial risks and

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rewards of ownership of the financial asset have been transferred. In cases where substantial risks and rewards of ownership of the financial assets are neither transferred nor retained, financial assets are derecognized only when the Company has not retained control over the financial asset.

Subsequent to initial recognition, non derivative financial instruments are measured as described below:

a. Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents include cash in hand, at banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and are considered part of the Company's cash management system. In the statement of financial position, bank overdrafts are presented under borrowings within current liabilities.

b. Investments in liquid mutual funds, equity securities (other than Subsidiaries, Joint Venture and Associates) are valued at their fair value. These investments are measured at fair value and changes therein, other than impairment losses, are recognized in other comprehensive income and presented within equity, net of taxes. The impairment losses, if any, are reclassified from equity into statement of income. When an available for sale financial asset is derecognized, the related cumulative gain or loss recognised in equity is transferred to the statement of income.

c. Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Loans and receivables are initially recognized at fair value plus directly attributable transaction costs and subsequently measured at amortized cost using the effective interest method, less any impairment losses. Loans and receivables comprise trade receivables, unbilled revenues and other assets.

The company estimates the un-collectability of accounts receivable by analysing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

d. Trade and other payables

Trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest method. For these financial instruments, the carrying amounts approximate fair value due to the short term maturity of these instruments.

e. Investments in Subsidiary, Associates and Joint Venture

The company accounts investment in subsidiary, joint ventures and associates at cost

An entity controlled by the company is considered as a subsidiary of the company.

Investments in subsidiary company outside India are translated at the rate of exchange prevailing on the date of acquisition.

Investments where the company has significant influence are classified as associates. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement is classified as a joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

22. Segment Information

The company is principally engaged in single business segment viz., "Power and Telecom Tower", and operates in one geographical segment as per on 'Segment Reporting'. Accordingly

no segment reporting has been made by the company.

23. Prior Period Errors

Errors of material amount relating to prior period(s) are disclosed by a note with nature of prior period errors, amount of correction of each such prior period presented retrospectively, to the extent practicable along with change in basic and diluted earnings per share. However, where retrospective restatement is not practicable for a particular period then the circumstances that lead to the existence of that condition and the description of how and from where the error is corrected are disclosed in Notes to Accounts.

21. Approval of financial statements

The financial statements were approved by the board of directors and authorised for issue on 30.05.2017

22. Transition from IGAAP to IND AS

These financial statements, for the year ended March 31st, 2017, are first financial statements prepared by the Company in accordance with Ind AS. For years upto and including the year ended March 31, 2016, the company prepared its financial statements in accordance with IGAAP, including accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended).

Accordingly, the company has prepared IND AS compliant financial statements for year ending on March 31st, 2017. In preparing these financial statements, the company has prepared opening IND AS balance sheet as at 1st April, 2015 the company's date of transition to Ind-AS in accordance with requirement of IND AS 101, "First time Adoption of Indian Accounting Standards". The principal adjustments made by the company in restating its IGAAP financial statements, including the balance sheet as at 1st April, 2015 and the financial statements as at and for the year ended 31 March 2016 are quantified and explained in detail as Appendix. However the basic approach adopted is again summarized hereunder:

i) All assets and liabilities have been classified into financial assets/liabilities and non-financial assets/liabilities.

ii) All non-current financial assets/liabilities at below market rate of interest or zero interest and outstanding as on 1st April, 2015 have been measured at fair value.

iii) In accordance with IND AS 101, the resulting adjustments are considered as arising from events and transactions entered before date of transition and recognized directly in the retained earnings at the date of transition to IND AS.

iv) The estimates as at 1 April 2015 and at 31 March 2016 are consistent with those made for the same dates in accordance with IGAAP (after adjustments to reflect any differences in accounting policies).

v) IND AS 101 also allows to first time adopter certain exemptions from the retrospective application of certain requirements under IND AS. Accordingly, the company has availed the following exemptions/mandatory exceptions as per IND AS 101 :

a) Deemed Cost for Property, Plant & Equipment and Intangible Assets: The Company has availed exemption under para D7AA of appendix D to IND AS 101 which permits a first time adopter to continue with the carrying values for its PPE as at date of transition to IND ASs measured as per previous GAAP.

b) Classification & Fair value measurement of financial assets or financial liabilities at initial recognition: The financial assets and financial liabilities have been classified on the basis of facts existing as at the date of transition to IND AS. In addition, the exemption permits prospective application of requirements of IND AS 109 to transactions entered into on or after date of transition.

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Opening Balance Sheet

NEUEON TOWERS LIMITED				
Balance Sheet as at 01.04.2015				Rupees in lakhs
Particulars	Note No	Previous GAAP 31.03.2015	Adjust-ments	Ind AS 01.04.2015
ASSETS				
Non- Current Assets				
(a) Property,Plant and Equipment	2.01	43,331.89	-	43,331.89
(b) Capital Work-in-Progress		-	-	-
(c) Other Intangible Assets		7.91	-	7.91
(d) Financial Assets				
(i) Investments	2.02	13,993.74	-	13,993.74
(ii) Trade Receivables			-	
(iii) Loans	2.03	0	-	0
(iv) Others		130,560.36	-	130,560.36
(e) Deferred tax asset	2.13	-	-	-
(f) Other non-current assets	2.04	1,095.38	-	1,095.38
		174995.54	-	174995.54
Current Assets			-	
(a) Inventories	2.05	3940.42	-	3940.42
(b) Financial Assets			-	
(i) Trade receivables	2.06	221009.35	-	221009.35
(ii) Cash and cash equivalents	2.07	90.65	-	90.65
(c) Other current assets	2.08	2765.37	-	2765.37
		227805.79	-	227805.79
TOTAL		402801.33	-	402801.33
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	2.09	5,191.50	-	5,191.50
(b) Other Equity		148.51	-	148.51
(c) Reserves & Surplus	2.10	84377.67	-	84377.67
		89717.68	-	89717.68
LIABILITIES				
Non- Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	2.11	77975.04	-	77975.04
(ii) Trade Payables		26,994.25	-	26,994.25
(iii) Other Financial Liabilities	2.11	28,750.60	-	28,750.60
(b) Provisions	2.12	220.69	-	220.69
(c) Deferred tax liabilities (Net)	2.13	6,735.52	-	6,735.52
(d) Other non-current liabilities		-	-	-
		140676.10	-	140676.10
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	2.14	64,446.00	-	64,446.00
(ii) Trade payables	2.15	78871.03	-	78871.03
(iii) Other financial liabilities	2.16	22,639.11	-	22,639.11
(b) Provisions	2.12	5,698.62	-	5,698.62
(c) Other current liabilities	2.17	752.79	-	752.79
		172407.55	-	172407.55
Total Equity and Liabilities		402801.33	-	402801.33

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

23. Disclosure in respect of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 is given below:-

	SBNs	Other denominations notes	Total
Closing cash in hand as on 08-11-2016	1000.00	129866.50	130866.50
(+) Permitted receipts	1500.00	219728.00	221228.00
(-) Permitted payment	2500.00	272456.00	277051.00
(-) Amount deposited in Banks	0	0	0
Closing cash in hand as on 30-12-2016	0	75043.50	75043.50

24. Notes to transition from previous GAAP to IndAS

Note 1: Fair Value of Equity Investments:

Under the previous GAAP, the investments in equity instruments were classified as long term investments. The long term investments were carried at cost less provision for other than temporary decline in the value of such investments. Under IndAS, the equity investments (other than those in Joint Ventures, associates and subsidiary) are required to be measured at fair value. The company does not comprise such nature of Investments.

Note 2: Investment Property:

Under the previous GAAP, investment properties were presented as part of non-current investments and no depreciation was charged on the investment property. Under IndAS, investment properties are required to be seperately presented on the face of the Balance Sheet and depreciation is required to be charged based on useful life of the property. The resulting additional depreciation on such property has been recognized in Retained Earnings as at the date of transition and subsequently in the profit or loss for the year ended March 31, 2016. This decreased the Retained Earnings by ` NIL as at March 31, 2016 (April 1, 2015-` NIL) and profit for the year ended March 31, 2016 decreased by ` NIL

Note 3: Proposed dividend:

Under the previous GAAP, dividend proposed by the Board of Directors after the balance sheet date but before the approval of the financial statements were considered as adjusting events. Accordingly, provision for proposed dividend was recognized as a liability under provisions. Under IndAS such dividends are recognized when the same is approved by the share holders in the general meeting. Accordingly, the liability for proposed of Rs. NIL as at March 31, 2016 (April 1, 2015-Rs.NIL) included under provisions has been reversed with corresponding adjustments to retained earnings. Consequently, the total equity increased by an equivalent amount.

Note 4: Excise Duty:

Under the previous GAAP, revenue from sale of products was presented exclusive of excise duty. Under IndAS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is included under other expenses of the statement of profit and loss. This change has resulted in an increase in total revenue and the expenses for the year ended March 31, 2016 by ` NIL There is no impact on the total equity and profit.

Note 6: Retained Earnings:

Retained earnings as at April 1, 2015 and as at March 31, 2016 has been adjusted consequent to the above IndAS transition adjustments.

Note 7: Other Comprehensive Income:

Under IndAS, all items of income and expense recognized in a period should be included in the profit or loss of the period, unless a standard requires or permits otherwise. Items of income or expense that are not recognized under profit or loss but are shown in the statement of profit and loss as other comprehensive income include remeasurements of defined benefit plans, effective portion of gains and losses on cash flow hedging instruments and fair value gains or losses on equity instruments through other comprehensive income. The concept of other comprehensive income did not exist under previous GAAP.

STATEMENT OF CHANGES IN EQUITY (SOCIE)

Rupees in Lakhs

	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Rupees in Lakhs	Rs.	No. of Shares	Rs.	No. of Shares	Rs.
(A) Equity share capital						
Balance at the beginning of the reporting period	5,65,44,552	5,654.46	5,19,14,923	5,191.50	5,19,14,923	5,191.50
Change in equity Share capital during the year	-	-	46,29,629	462.96	-	-
Balance at the end of the reporting period	5,65,44,552	5,654.46	5,65,44,552	5,654.46	5,19,14,923	5,191.50
(B) Other equity	**Reserves & Surplus**					
	Captial Reserve	Capital Redemption Reserve	Securities Premium Reserve	General Reserve	Retained earnings	Total Other Equity
Balance as at April 1, 2015	11,736.77	148.38	34,295.15	6,426.60	31,770.77	84,377.66
Profit/(loss) for the year					(14,532.67)	(14,532.67)
Other comprehensive income for the year, net of taxes			2,037.04	1,495.32		3,532.36
Others		98.92			(98.92)	-
Total comprehensive income for the year	-	98.92	2,037.04	1,495.32	(14,631.59)	(11,000.31)
Dividend (including tax on dividend)	-	-	-	-	-	-
Balance as at March 31, 2016	11,736.77	247.30	36,332.19	7,921.92	17,139.18	73,377.35
Balance as at April 1, 2016	11,736.77	247.30	36,332.19	7,921.92	17,139.18	73,377.35
Profit for the year	-	-	-		(49,080.90)	(49,080.90)
Other comprehensive income for the year, net of taxes	-	-	-	(601.33)		(601.33)
Others	-	49.50	-	-	(49.50)	-
Total comprehensive income for the year	-	49.50	-	(601.33)	(49,130.40)	(49,682.24)
Dividend (including tax on dividend)	-	-	-	-	-	-
Balance as at March 31, 2017	11,736.77	296.80	36,332.19	7,320.58	(31,991.23)	23,695.11

See accompanying notes forming part of the financial statements

As per our report of even date

M/s. Venugopal & Chenoy
Chartered Accountants
Firm's Registration No: 004671S

P.V. Sri Hari
Partner
Membership No. 21961

Place: Hyderabad
Date: May 30, 2017

For and on behalf of the Board

G. Srinivasa Raju
Managing Director

S. Kalyani
Vice-President (Finance)

Place: Hyderabad
Date: May 30, 2017

S. Hanumantha Rao
Director

Ch. Mallikarjuna
Company Secretary

2.01 Property,Plant and Equipment

Rs. in lakhs

PARTICULARS	Gross Block				Depreciation				Net Block	
	As on 01.04.2016	Additions	Deletions	As on 31.03.2017	As on 01.04.2016	For the Year	On Deletions	As on 31.03.2017	As on 31.03.2017	As on 31.03.2016
A) Tangible Assets										
Land	1,868.84	-	-	1,868.84	-	-	-	-	1,868.84	1,868.84
Building	3,554.18	-	-	3,554.18	790.14	89.03	-	879.17	2,675.01	2,764.04
Plant & Machinery	185,091.37	144.02	-	185,235.39	23,936.74	9,369.57	-	33,306.31	151,929.08	161,154.63
Workshop Equipments	9.60	-	-	9.60	4.62	0.46	-	5.08	4.52	4.97
Weighing Machine	11.34	-	-	11.34	7.85	0.54	-	8.39	2.95	3.49
Electrical Installations	235.09	-	-	235.09	101.89	8.30	-	1101.9	124.90	133.20
Furniture & Fixtures	70.19	-	-	70.19	53.64	2.12	-	55.76	14.43	16.55
Office Equipments	74.74	-	-	74.74	25.32	2.45	-	27.78	46.97	49.42
Vehicles	439.29	-	11.67	427.61	378.17	19.48	6.20	391.45	36.16	61.11
Computers	165.00	-	-	165.00	150.26	-	-	150.26	14.74	14.74
	191,519.63	144.02	11.67	191,651.97	25,448.64	9,491.95	6.20	34,934.39	156,717.59	166,070.99
Less: Revaluation Reserve										
Total of Tangible Assets	**191,519.63**	**144.02**	**11.67**	**191,651.97**	**25,448.64**	**9,491.95**	**6.20**	**34,934.39**	**156,717.59**	**166,070.99**
B) Intangible Assets										
Computer Software	17.13	-	-	17.13	12.00	2.78	-	14.77	2.36	5.14
Total (A+B)	**191,536.76**	**144.02**	**11.67**	**191,669.10**	**25,460.64**	**9,494.72**	**6.20**	**34,949.16**	**156,719.95**	**166,076.13**

Notes:
Depreciation is provided on Straight Line Basis applying the rates specified in the Schedule II to the Companies Act, 2013. Depreciation on the revalued fixed assets charged to revaluation reserve.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rupees in lakhs

		As at31st March		As at 1st April
		2017	2016	2015
2.02	**Non-Current Investments**			
	Investments in Equity Instruments			
	In Wholly Owned Subsidiary Companies (Unquoted, Non-trade, at cost)			
	Investment in Subsidiaries - Equity instruments- Unquoted	**-**	-	-
	23,32,04,400 (Previous Year 39,000) Equity Shares of HKD 1 each fully paid in Digitech Business Systems Limited	**-**	-	-
	510 (Previous Year 510) Equtiy Shares of USD 1 each fully paid in Telesupricon Ltd	**-**	-	-
	116 (Previous Year 116) Equity shares of USD 1 each fully paid in STL Africa Ltd			
	Total	**-**	-	-
2.03	**Non-Current Loans**			
	Loans and Advances to Subsidiaries	**1,114.79**	1,114.79	1,114.79
		1,114.79	1,114.79	-
2.04	**Other non-current assets**			
	Other Loans & Advances	**1,095.38**	1,095.38	1,095.38
	Total	**1,095.38**	1,095.38	1,095.38
2.05	**Inventories**			
	(at lower of cost or net realizable value)			
	Raw Materials	**299.51**	591.98	626.54
	Work in Process	**321.07**	873.46	1,699.13
	Finished Goods	**1,038.44**	1,151.01	1,003.08
	Stores and Spares	**688.11**	560.03	611.67
	Total	**2,347.13**	3,176.48	3,940.42
2.06	**Trade Receivables**			
	a) Unsecured & Considered Good	**2,06,065.53**	2,15,294.03	2,21,009.35
	b) Doubtful	**6,863.99**	237.38	237.38
	Less: Provision for doubtful debts	**6,863.99**	237.38	237.38
	Total	**2,06,065.53**	2,15,294.03	2,21,009.35
2.07	**Cash and Cash Equivalents**			
	Cash on Hand	**7.49**	10.17	12.70
	Bank Balances in Current Accounts	**70.05**	105.25	38.95
	Deposits with banks	**48.35**	48.81	39.00
		125.89	164.23	90.65
	Notes: Margin Money Deposits represents margin money kept with various banks for issue of Letter of Credits.			
2.08	**Other Current Assets**			
	Advance for Expenses & Others	**99.80**	833.64	1,262.34
	Advances to Suppliers & Others	**3,085.30**	-	-
	Margin Money With Parties	**419.74**	243.77	226.87
	Deposits with Govt Deposit (incl Excise, VAT)	**1,409.35**	1,353.69	1,276.16
	Total	**5,014.18**	2,431.10	2,765.37

NEUEON TOWERS LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

2.09 Equity Share Capital

Rupees in lakhs

(i) The authorised, issued, subscribed and fully paid-up share capital

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	No. of shares	Rs.	No. of shares	Rs.	No. of shares	Rs.
Authorised:						
Equity shares of ₹10 each with voting rights	**790,000,000**	**79,000.00**	790,000,000	79,000.00	790,000,000	79,000.00
1% Cumulative Redeemable Preference Shares of Rs.100/- each	**210,000,000**	**210,000.00**	210,000,000	210,000.00	210,000,000	210,000.00
Issued, Subscribed and Fully Paid:						
Equity shares of ₹ 10 each with voting rights	**56,544,552**	**5,654.46**	56,544,552	5,654.46	51,914,923	5,191.50
Total	**56,544,552**	**5,654.46**	56,544,552	5,654.46	51,914,923	5,191.50

The equity shares of the Company having par value of ` 10 per share, rank pari passu in all respects including entitlement to dividend.

Repayment of the capital in the event of winding up of the Company will inter alia be subject to the provisions of the Articles of Association of the Company and as may be determined by the Company in General Meeting prior to such winding up.

(ii) Details of shares held by each share holder holding more than 5% shares

Name of shareholder	As at 31 March, 2017		As at 31 March, 2016			
	Number of shares held	% holding	Number of shares held	% holding	Number of shares held	% holding
Equity shares of ₹ 10 each with voting rights						
Yalamanchili Finance & Trading (P) Ltd	**4,767,500**	**8.43%**	4,767,500	8.43%	4,767,500	9.18%
Sujana Holdings Limited	**12,129,629**	**21.45%**	12,129,629	21.45%	7,500,000	14.45%
Foster Infin & Trading (P) Ltd	**5,095,999**	**9.01%**	5,095,999	9.01%	5,095,999	9.82%
Total	**16,897,129**	**38.89%**	16,897,129	29.88%	12,267,500	23.63%

(iii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

	As at March 31, 2017		As at March 31, 2016	
	Number of s hares	Rs.	Number of shares	Rs.
Equity shares				
Opening balance	**56,544,552**	**5,654.46**	51,914,923	5,191.49
Issued during the year	**-**	**-**	4,629,629	462.96
Closing balance	**56,544,552**	**5,654.46**	56,544,552	5,654.46

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rupees in lakhs

		As at 31st March		As at 1st April
		2017	2016	2015
2.10	**Reserves & Surplus**			
	a) Capital Reserves			
	Opening Balance	**11,736.77**	11,736.77	11,736.77
	Add: Additions During the Year	**-**	-	-
		11,736.77	11,736.77	11,736.77
	b) Capital Redemption Reserve			
	Opening Balance	**247.30**	148.38	49.46
	Add: Additions During the Year	**49.50**	98.92	98.92
		296.80	247.30	148.38
	c) Securities Premium Reserves			
	Opening Balance	**36,332.19**	34,295.15	34,295.15
	Add: Additions During the Year	**-**	2,037.04	-
		36,332.19	36,332.19	34,295.15
	d) Foreign Currency Translation Reserves			
	Opening Balance	**7,921.92**	6,426.60	6,223.86
	Additions / Deletions	**(601.33)**	1,495.32	202.74
		7,320.58	7,921.92	6,426.60
	d) General Reserves			
	Opening Balance	**-**	-	-
	Less: Transferred to Capital Redemption Reserve	**-**	-	-
		-	-	-
	f) Retained Earnings			
	Opening Balance	**17,139.18**	31,770.77	31,492.49
	Less: Prior Period Adjustments	**-**	-	-
		17,139.18	31,770.77	31,492.49
	Add: Profit/(Loss) for the year	**(49,080.90)**	(14,532.67)	343.36
	Less: Dividend and Transfer of Capital Redumption Reserves	**49.50**	98.92	65.09
		(31,991.23)	17,139.18	31,770.77
	Total (a+b+c+d+e+f)	**23,695.11**	73,377.35	84,377.67
2.11	**Non-Current Borrowings**			
	Secured			
	a) Term Loans from Banks (Refer to Note 1)			
	i) Term Loan from Banks	**60,998.79**	66,937.74	70,087.43
	ii) From other Parts	**11,727.70**	11,195.18	7,887.61
		72,726.49	78,132.92	77,975.04
	Un-Secured			
	Promoters Contribution as per CDR Schedule	**13,366.91**	13,295.07	11,945.93
	Unsecured Loan Others	**3,252.58**	-	-
	Deferred sales tax laibility	**304.67**	304.67	304.67
	Loans from Promoters and Promoter Group Companies	**16,500.00**	16,500.00	16,500.00
		33,424.16	30,099.74	28,750.60
	Total	**1,06,150.65**	1,08,232.66	1,06,725.64

Rupees in lakhs

		As at 31st March		As at 1st April
		2017	2016	2015
2.12	**Provisions**			
	Non-current			
	Employee Benefit obligation	**204.27**	185.50	220.69
		204.27	185.50	220.69
	Current			
	Other Provisions			
	Employee Benefit obligation	**49.41**	77.35	52.92
	Dividends & Devidend Tax on CRPS	**16.64**	16.64	5.79
	Provision for Fringe Benefit Tax	**10.70**	10.70	10.70
	Provision for Income Tax	**5,527.80**	5,527.80	5,629.21
		5,604.55	5,632.49	5,698.62
	Total	**5,808.82**	5,817.99	5,919.31
2.13	**Deferred Tax Liability / (Asset) (Net)**			
	Opening Balance	**11,237.13**	6,735.52	6,715.32
	Add: Deferred Tax Assets in relatation to			
	(i) Difference in depreciation & amortisation for accounting and income tax purposes	**3,255.89**	4,571.26	97.21
	(ii) Provision for employee benefits	**(66.83)**	(69.65)	(77.01)
	(iii) Disallowance under Section 43B of Income Tax Act, 1961	**-**	-	-
	Deferred Tax Liability / (Asset) (Net)	**14,426.20**	11,237.13	6,735.52
2.14	**Current Borrowings**			
	Secured			
	From Consortium Banks	**1,23,854.05**	96,148.30	64,446.00
	From Other Banks	**-**	-	-
	Total	**1,23,854.05**	96,148.30	64,446.00
2.15	**Trade Payables**			
	i) Acceptance (Refer to Note 1 & 2)	**-**	-	-
	ii) Trade Payables	**47,850.70**	52,519.92	78,871.03
	Total	**47,850.70**	52,519.92	78,871.03
2.16	**Other Financial Liabilities**			
	Current Maturities of Long Term Debt (Secured)	**34,690.02**	27,964.17	12,949.83
	Vehicle Loans	**1.77**	5.81	10.27
	Term Loans	**7,948.68**	7,676.22	9,614.16
	Advances from Customers	**-**	-	30.78
	Statutory Liabilities	**268.01**	72.10	34.07
	Total	**42,908.48**	35,718.30	22,639.11
2.17	**Other Current Liabilities**			
	Loans and advances from related parties	**-**	-	-
	Sundry Creditors for Services & Others	**2,007.55**	521.58	752.79
	Total	**2,007.55**	521.58	752.79

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

		Year ended 31st March 2017	Year ended 31st March 2016
2.18	**Revenue from Operations**		
	From Sale of Products (Gross)		
	- Domestic	**24,871.58**	1,47,053.22
	- Exports	**-**	-
	Total	**24,871.58**	1,47,053.22
2.19	**Other Income**		
	Interest Income	**7.85**	9.85
	Other Opetating Income	**7.65**	99.77
	Total	**15.50**	109.62
2.20	**(a) Cost of Material Consumed**		
	Opening Stock of Raw material	**591.97**	626.54
	Add: Purchases	**2,732.40**	2,242.71
		3,324.37	2,869.25
	Less: Closing Stock	**299.51**	591.97
	Total	**3,024.86**	2,277.27
	(b) Purchases of Stock-in-Trade		
	Opening stock	**-**	-
	Add: Purchases	**19,776.83**	1,18,055.12
	Add (Less:) Raw material received (transferred)	**-**	-
		19,776.83	1,18,055.12
	Less: Closing stock	**-**	-
	Stock-in-Trade materials consumed	**19,776.83**	1,18,055.12
2.21	**Changes in Inventories**		
	a) Opening Stock		
	Finished Goods	**1,151.01**	1,563.57
	Work-in-Progress	**729.79**	1,003.08
		1,880.81	2,566.65
	b) Closing Stock		
	Finished Goods	**1,038.44**	1,151.01
	Work-in-Progress	**180.64**	729.79
		1,219.08	1,880.81
	(Increase) / Decrease (a - b)	**661.72**	685.84
2.22	**Employee Benefits Expense**		
	Salaries and Wages	**454.51**	519.71
	Contribution to Provident and Other Funds	**27.91**	10.24
	Directors remuneration	**-**	5.61
	Total	**482.43**	535.56
2.23	**Finance Costs**		
	Interest on working capital loans	**12,645.77**	9,650.78
	Interest Expenses on Term Loans	**15,233.90**	14,674.28
	Other borrowing costs	**1,371.99**	1,483.57
	Total	**29,251.65**	25,808.63
2.24	**Other Expenses**		
	Consumption of stores, loose tools and spare parts	**584.96**	1,022.70
	Power and fuel	**217.60**	208.77
	Repairs and maintenance:	**10.34**	13.87
	Rates and taxes, excluding, taxes on income	**44.67**	18.58
	Insurance	**12.71**	17.49
	Traveling and conveyance	**16.71**	33.63
	Communication	**5.79**	10.99
	Contract labor charges (security charges)	**57.42**	61.74
	Legal and professional fees	**78.36**	194.84
	Auditor Remuneration	**24.70**	23.67
	Sales promotion and advertisement	**11.53**	21.34
	Provision for Bad Debts	**6,626.61**	-
	Printing and stationery	**4.05**	6.31
	Sitting Fees	**2.51**	3.39
	Miscellaneous expenses	**1.24**	0.10
	Total	**7,699.19**	1,637.41

INTENTIONALLY KEPT BLANK

NEUEON TOWERS LIMITED

(Formerly known as Sujana Towers Limited)
Regd. Office: Sy. No. 321, Turkala Khanapur Village, Hatnur Manda, Sanga Reddy Dist - 502 296.
CIN : L40109TG2006PLC049743

10th Annual General Meeting - Friday, 29th September, 2017

ATTENDANCE SLIP

I, hereby record my presence at the 10th Annual General Meeting of the Company to be held on Friday, 29th September, 2017 at Sy. No. 321, Turkala Khanapur Village, Hatnur Manda, Sanga Reddy Dist - 502 296, Telangana at 04.00 PM.

Folio No. / DP ID-Client ID:.....

Full Name of the Shareholder in Block Letters:.....

No. of Shares held:.....

Name of Proxy (if any) in Block Letters:.....

Signature of the Shareholder/Proxy/Representative*

*Strike out whichever is not applicable

EVEN	User ID	Password
107620		

NEUEON TOWERS LIMITED

(Formerly known as Sujana Towers Limited)
Regd. Office: Sy. No. 321, Turkala Khanapur Village, Hatnur Manda, Sanga Reddy Dist - 502 296.
CIN : L40109TG2006PLC049743

PROXY FORM

10th Annual General Meeting - Friday, 29th September, 2017

Name of the Member(s):	E-Mail Id:
Registered Address:	
Folio No./Client Id:	DP Id:

I/We, being the member (s) of ..... shares of the above named company, hereby appoint:

Name:	Address:
E-mail Id	Signature:
or failing him;	
Name:	Address:
E-mail Id	Signature:
or failing him;	
Name:	Address:
E-mail Id	Signature:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 10th Annual General Meeting of the Company, to be held on the Friday, 29th September, 2017 at 04.00 PM at Turkala Khanapur Village, Hatnur Manda, Sanga Reddy Dist - 502 296, Telangana and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolution No.	Resolutions
Ordinary Business	
1.	To adopt the standalone and consolidate financial statements of the Company for the financial year ended 31st March, 2017.
2.	To appoint a Director in place of Shri G. Srininvasa Raju, who retires by rotation.
3.	To re-appoint M/s. Venugopal & Chenoy, Chartered Accountants, as Statutory Auditors of the Company.
Special Business	
4.	To ratify the remuneration of the Cost Auditors for the Financial Year 2017-18

Signed this ..... day of September 2017.

Signature of shareholder

Signature of Proxy holder(s)

Affix Re.1 Revenue Stamp

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 10th Annual General Meeting.
3. Please complete all details including details of member(s) in above box before submission.

Form No. MGT-12

POLLING PAPER

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]

Name of the Company : Neueon Towers Limited
CIN : L40109TG2006PLC049743

BALLOT PAPER

S.No.	Particulars	Details
1.	Name of the First Named Shareholder (In block letters)	
2.	Postal address	
3.	Registered folio No. / *Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4.	Class of Share	Equity

I hereby exercise my vote in respect of Ordinary/ Special resolution enumerated below by recording my assent or dissent to the said resolution in the following manner:

Item No.	Resolution	No. of shares held by me	I assent to the resolution	I dissent from the resolution
Ordinary Business				
1.	To adopt the standalone and consolidate financial statements of the Company for the financial year ended 31st March, 2017.			
2.	To appoint a Director in place of Shri G. Srininvasa Raju, who retires by rotation.			
3.	To re-appoint M/s. Venugopal & Chenoy, Chartered Accountants, as Statutory Auditors of the Company.			
Special Business				
4.	To ratify the remuneration of the Cost Auditors for the Financial Year 2017-18			

Place:

Date: (Signature of the shareholder)

INSTRUCTIONS

1. This Ballot paper is for the members who have not voted through e-voting facility. A member can opt for only one mode of voting i.e., either through e-voting or by Ballot paper. If a Member casts votes in both the modes, then vote cast through e-voting shall prevail and Ballot paper shall be treated as invalid.
2. The vote should be cast either in favour or against by putting the tick (✓) mark in the column provided for assent or dissent. Ballot paper bearing tick marks in both the columns will be treated as invalid. Please do not use pencil.
3. This form should be completed and signed by the Member/Proxy Holder as per the specimen signatures registered with the Company/Depository. In case of joint holding this form should be completed and signed by the first named member.
4. Any cutting/overwriting on this Ballot paper should be signed by the shareholder/proxy holder.
5. Unsigned, incomplete, improperly or incorrectly tick marked Ballot papers will be rejected. A Ballot paper will also be rejected if it is received torn, defaced or mutilated to an extent which makes it difficult for the Scrutinizer to identify either the member or as to whether the votes are in favour or against or if the signature cannot be verified.
6. The decision of Scrutinizer on the validity of the Ballot paper and any other related matter shall be final.
7. The Scrutinizer will collate the votes downloaded from the e-voting system and votes cast through Ballot paper to declare the final result for each of the Resolutions enumerated above.
8. The Results shall be declared on or after the date of AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website : www.sujana.com and on the website of www.bighshareonline.com within three (3) days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges.

INTENTIONALLY KEPT BLANK

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