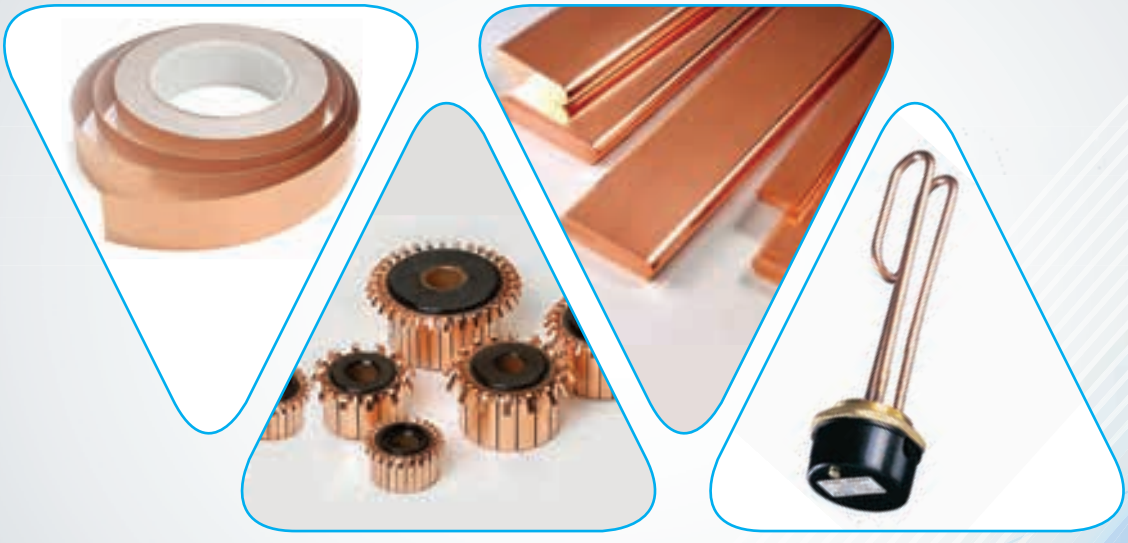
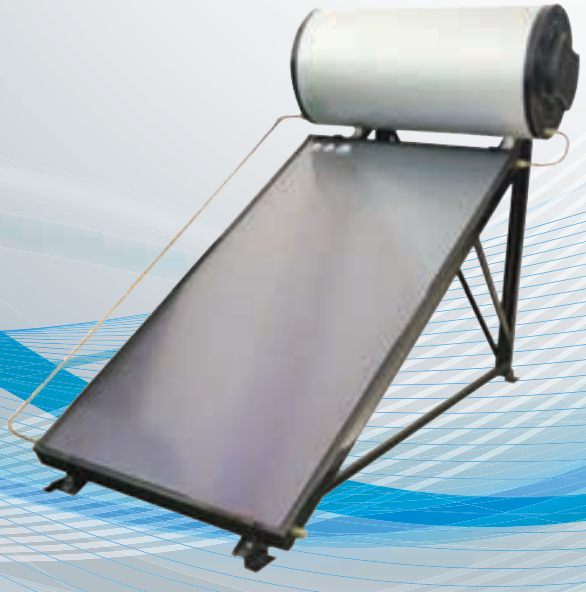
BHAGYANAGAR INDIA LIMITED

33rd Annual Report

2017-18





Auto and Electrical Components

Copper - Sheet, Pipes, Foils and Bus Bars

BOARD OF DIRECTORS

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

STATUTORY COMMITTEES

AUDIT COMMITTEE

Kamlesh Gandhi	-	Chairman
O Swaminatha Reddy	-	Member
R Surender Reddy	-	Member
Devendra Surana	-	Member

NOMINATION & REMUNERATION COMMITTEE:

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

STAKEHOLDERS RELATIONSHIP COMMITTEE:

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

CHIEF FINANCIAL OFFICER
Surendra Bhutoria

COMPANY SECRETARY
Rachna Kewliya

BANKERS

- Kotak Mahindra Bank
- RBL Bank Limited
- ICICI Bank Limited
- State Bank of India

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

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

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

SECRETARIAL AUDITOR
Rakhi Agarwal, Company Secretary in Practice
6-3-660, Flat 520, Block 4,
Amrit Apartments, Kapadia Lane,
Somajiguda, Hyderabad- 500082

REGISTRAR & TRANSFER AGENT:

KARVY COMPUTERSHARE PRIVATE LIMITED
Karvy Selenium Tower B, Plot No 31 & 32
Gachibowli, Financial District, Nanakramguda
Serilingampally, Hyderabad - 500 032
Tel No.040-67162222
E-mail : einward.ris@karvy.com
Web Site : www.karvy.com
Regd.Office : Karvy House 46, Avenue 4,
Street No.1, Banjara Hills, Hyderabad - 500 034

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

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

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

Non-Conventional Energy

Wind Power
Kapatgudda, Gadag District,
Karnataka – 582 101

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

CONTENTS

- Notice.....5
- Director's Report.....18
- Report on Corporate Governance.....41
- Independent Auditors' Report.....58
- Balance Sheet.....63
- Statement of Profit & Loss.....64
- Cash Flow Statement.....66
- Significant Accounting Policies.....68
- Notes on Financial Statements.....75

CONSOLIDATED FINANCIAL STATEMENTS

- Independent Auditor's Report.....95
- Balance Sheet.....99
- Statement of Profit & Loss.....100
- Cash Flow Statement.....102
- Significant Accounting Policies.....104
- Notes on Financial Statements.....112
- Information related to Subsidiary / Associate Companies (AOC - 1).....131
- Attendance Slip
- Proxy Form

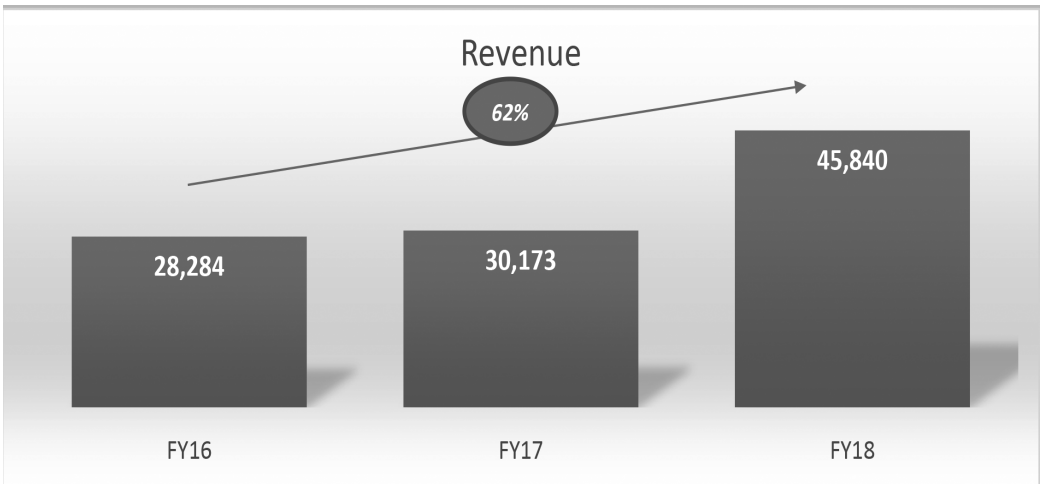
FINANCIAL PERFORMANCE

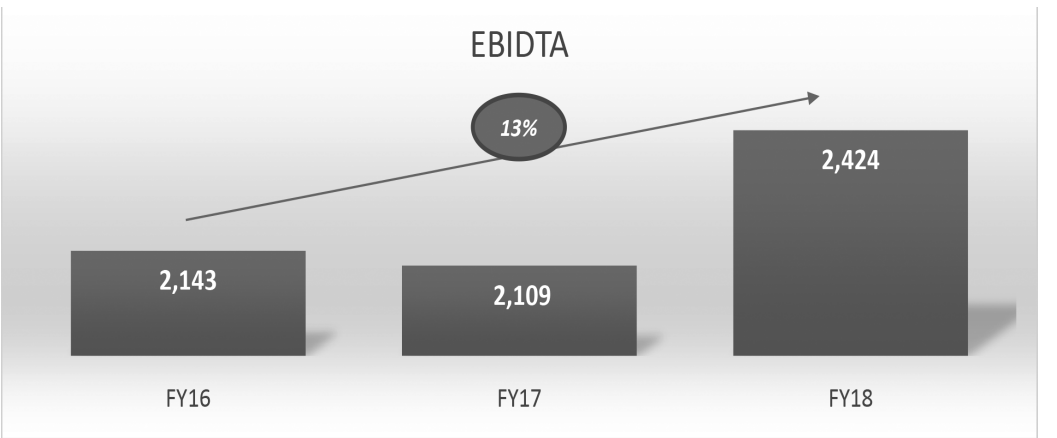
(INR LAKHS)

Particulars	F.Y. 2016	F.Y. 2017	F.Y. 2018
Revenue	28,284	30,173	45,840
EBIDTA	2,143	2,109	2,424
Depreciation	506	344	361
EBIT	1,637	1,765	2,060
Interest	762	597	382
Less: Amortization and Forex loss	628	655	-
PBT	248	513	1,679
Tax	46	29	392
Net Profit	202	485	1,286

REVENUE & EBIDTA - YOY

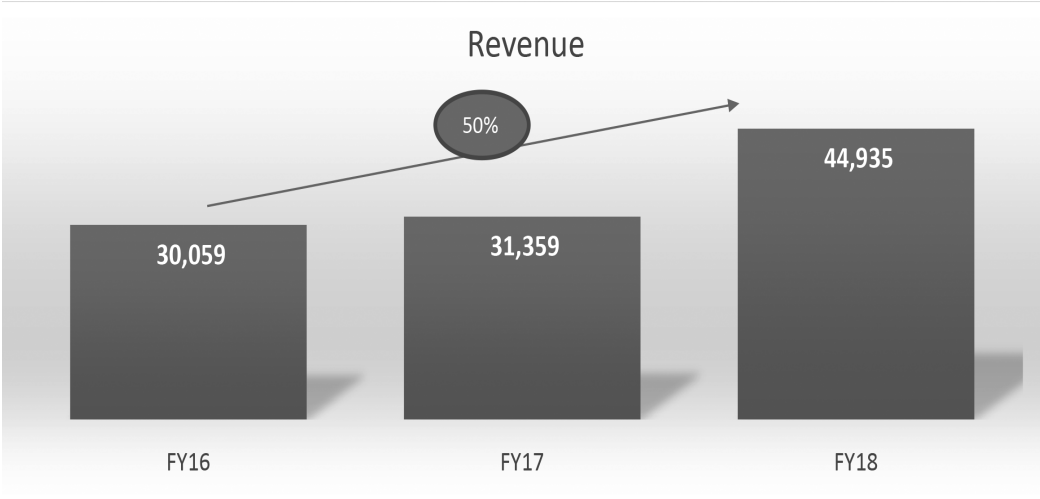
(INR Lakhs)

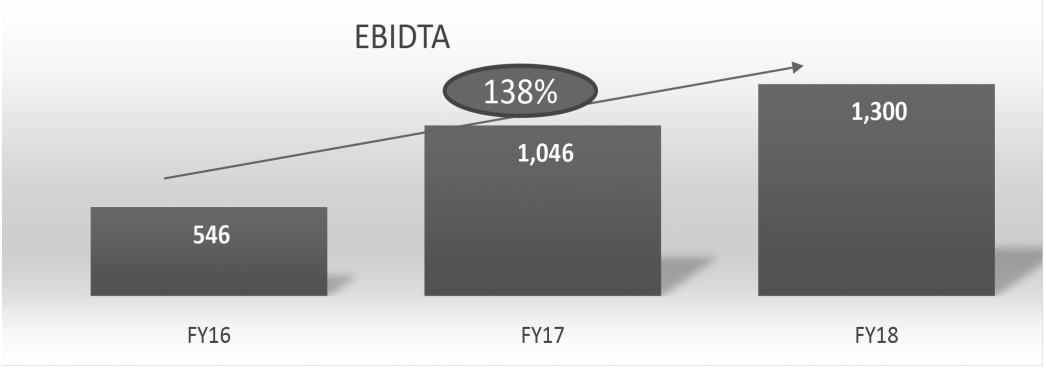




COPPER DIVISION REVENUE & EBIDTA - YOY

(INR Lakhs)





MILESTONES

- **Continuous profit making company since 1985 despite facing major recessions.**
- **Impeccable track record in terms of financial, statutory, suppliers and employees obligation. Never delayed its obligation even by a day.**

CAPITAL HISTORY

- **The Company was listed on 26.11.1985 with a capital of Rs.50 lacs.**
- **Issued bonus shares 4 times and split once since listing.**
- **Promoters holding is 73%.**

NOTICE OF 33rd ANNUAL GENERAL MEETING

NOTICE is hereby given that the 33rd Annual General Meeting of the members of Bhagyanagar India Limited will be held on Monday the 24th September, 2018 at 10.00 AM at the Grand Solitaire Hotel, 1-240, 41 & 43, S.D. Road, Parklane, Secunderabad, Telangana-500 003 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements (including the consolidated financial statements) of the Company for the year ended 31st March, 2018, together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri N.Krupakar Reddy, who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. **Re-appointment of Shri Devendra Surana as Managing Director of the Company:**

   To consider and if thought fit, to pass with or without modification(s) the following resolution as Special Resolution:

   "RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification (s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 as recommended by the Nomination and Remuneration Committee, the consent of members be and is hereby accorded to ratify the re-appointment of Shri Devendra Surana as Managing Director of the Company for a further period of 3 years effective from 18.01.2018 to 17.01.2021 at a remuneration (either by way of salary, allowances and perquisites) not exceeding to Rs.9,00,000 (Rupees Nine Lakhs only) per month plus 1% commission on net profits of the Company, and payable either monthly/quarterly/yearly for the period from 18.01.2018 to 17.01.2021.

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

   RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter or vary the scope of remuneration of Shri Devendra Surana, Managing Director, including the monetary value thereof from time to time as may be considered appropriate, as recommended by the nomination and remuneration committee, within the overall limits as permissible under provisions of the Companies Act, 2013 and subject to approval of shareholders and other necessary approvals.

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

4. **Re-appointment of Shri Narender Surana as Managing Director of the Company:**

   To consider and if thought fit, to pass with or without modification(s) the following resolution as Special Resolution:

   "RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 as recommended by the Nomination and Remuneration Committee, the consent of members be and is hereby accorded to ratify the re-appointment of Shri Narender Surana as Managing Director of the company for a further period of 3 years w.e.f 18.01.2018 to 17.01.2021 without remuneration.

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

   RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter or vary the scope of remuneration of Shri Narender Surana, Managing Director, including the monetary value thereof from time to time as may be considered appropriate, as recommended by the nomination and remuneration committee, within the overall limits as permissible under provisions of the Companies Act, 2013 and subject to approval of shareholders and other necessary approvals.

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

5. **Revision of Remuneration of Shri N.Krupakar Reddy, Whole-time Director of the Company:**

   To consider and if thought fit, to pass with or without modification(s) the following resolution as Special Resolution:

   "RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 as recommended by the Nomination and Remuneration Committee, the consent of members be and is hereby accorded and ratified for payment of consolidated remuneration (either by way of salary, allowances and perquisites) in the scale of Rs.41,000-5,000- 51,000 per month to Shri N.Krupakar Reddy, Whole-time Director of the Company with effect from 1st April, 2018, for the remainder of his term of office till 6th June, 2020.

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

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter or vary the scope of remuneration of Shri N.Krupakar Reddy, Whole-time Director, including the monetary value thereof from time to time as may be considered appropriate, as recommended by the nomination and remuneration committee, within the overall limits as permissible under provisions of the Companies Act, 2013 and subject to approval of shareholders and other necessary approvals.

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

6. **Appointment of Shri G.Mangilal Surana as Non-Executive Director of the Company:**

To consider and, if thought fit, to pass the following resolution with or without modifications, as Special Resolution:

"RESOLVED THAT pursuant to section 149, 152 and other applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, consent of the members of the Company be and is hereby accorded for appointment/ to continue to act as Non-Executive Director of Shri G.Mangilal Surana, by way of special resolution.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to file necessary forms with the concerned authorities and to do all acts, deeds and things required to give effect to this Resolution".

7. **Appointment of Shri O.Swaminatha Reddy as Non-Executive Independent Director of the Company**

To consider and, if thought fit, to pass the following resolution with or without modifications, as Special Resolution:

"RESOLVED THAT in furtherance to earlier ordinary resolution passed by the members at the 29th Annual General Meeting held on 22nd September, 2014, and pursuant to the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the appointment of Shri O.Swaminatha Reddy as Non-Executive Independent Director of the Company for a period of five years (w.e.f. 22.09.2014 upto 22.09.2019 as approved by the Members of the Company in 29th Annual General Meeting of the Company held on 22.09.2014) be and is hereby approved by way of special resolution.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to file necessary forms with the concerned authorities and to do all acts, deeds and things required to give effect to this Resolution".

8. **Appointment of Shri R.Surender Reddy as Non-Executive Independent Director of the Company**

To consider and, if thought fit, to pass the following resolution with or without modifications, as Special Resolution:

"RESOLVED THAT in furtherance to earlier ordinary resolution passed by the members at the 29th Annual General Meeting held on 22nd September, 2014, and pursuant to the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the appointment of Shri R.Surender Reddy as Non-Executive Independent Director of the Company for a period of five years (w.e.f. 22.09.2014 upto 22.09.2019 as approved by the Members of the Company in 29th Annual General Meeting of the Company held on 22.09.2014) be and is hereby approved by way of special resolution.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to file necessary forms with the concerned authorities and to do all acts, deeds and things required to give effect to this Resolution".

9. **Appointment of Shri D.Venkata Subbaiah as Non-Executive Independent Director of the Company**

To consider and, if thought fit, to pass the following resolution with or without modifications, as Special Resolution:

"RESOLVED THAT in furtherance to earlier ordinary resolution passed by the members at the 29th Annual General Meeting held on 22nd September, 2014, and pursuant to the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the appointment of Shri D.Venkata Subbaiah as Non-Executive Independent Director of the Company for a period of five years (w.e.f. 22.09.2014 upto 22.09.2019 as approved by the Members of the Company in 29th Annual General Meeting of the Company held on 22.09.2014) be and is hereby approved by way of special resolution.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to file necessary forms with the concerned authorities and to do all acts, deeds and things required to give effect to this Resolution".

10. **To approve the overall limits u/s 186 for Loans/ Guarantees/ Securities/ Investment by the Company:**

To consider and, if thought fit, to pass the following resolution with or without modifications, as Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 186 of the Companies Act, 2013 and any other applicable provisions of the Companies Act, 2013 and Rules made there under (including any statutory modification thereof for the time being in force and as may be enacted from time to time), subject to such approvals, consents, sanctions and permissions, as

may be necessary, and the Articles of Association of the Company and all other provisions of applicable laws, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company to (a) give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, upto an aggregate amount not exceeding Rs.500 Crores, notwithstanding that the aggregate of the loans or guarantees or securities so far given or to be given and/or securities so far acquired or to be acquired by the Company may collectively exceed the limits prescribed under Section 186 of the Companies Act, 2013.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of the Company be and is hereby authorised to take from time to time all decisions and such steps as may be necessary-for giving-loans, guarantees or providing securities or for making such investments and to execute such documents, deeds, writings, papers and/or agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion, deem fit; necessary or appropriate.

11. **To raise funds through issue of Shares/Convertible Securities/ADR/GDR/FCCB's/ECB's etc**

To consider and, if thought fit, to pass, with or without modifications, the following resolution as Special Resolution:

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

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

of such Securities shall be completed within 12 months from the date of this Resolution."

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

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

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

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

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

12. **To approve and ratify the remuneration of Cost Auditors for the financial year 2018-19:**

To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications or re-enactments thereof, for the time being in force), the cost audit fees of Rs.25,000 (Rupees Twenty Five Thousand Only) to be paid to M/s. BVR & Associates, Cost Accountants in practice, the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year 2018-19 be and is hereby ratified and approved.

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

13. **Approval of charges for service of documents on the shareholders:**

To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 20 of the Companies Act 2013 and other applicable provisions, if any, of the said Act and relevant rules prescribed there under, whereby a document may be served on any shareholder by the Company by sending it to him by post or by registered post or by speed post or by courier or by electronic or other mode as may be prescribed, the consent of the shareholders be and is hereby accorded to charge from the member the fee in advance equivalent to the estimated actual expenses of delivery of the documents, pursuant to any request made by the shareholder for delivery of such document to him, through a particular mode of services mentioned above provided such request along with requisite fee has been duly received by the Company at least one week in advance of the dispatch of document by the Company and that no such request shall be entertained by the Company post the dispatch of such document by the Company to the shareholder.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, director or key managerial personnel of the Company be and are hereby severally authorized to do all acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the matter aforesaid and further to do all acts, deeds, matters and things as may be necessary, proper or desirable or expedient to give effect to the above resolution".

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

DEVENDRA SURANA
MANAGING DIRECTOR
(DIN-00077296)

Place: Secunderabad
Date: 06.08.2018

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, TO VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE VALID AND EFFECTIVE, MUST BE DELIVERED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN FORTY-EIGHT HOURS BEFORE THE COMMENCMENT OF THE MEETING.

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

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

3. The Register of Members and Share Transfer Books of the Company will remain closed from 19.09.2018 to 24.09.2018 (both days inclusive) for the purpose of annual closure.

4. The Company's Equity shares are listed at BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001 and National Stock Exchange of India Ltd., Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051 and the Company has paid the Listing Fees to the said Stock Exchanges.

5. Members / Proxies are requested to bring their copies of Annual Report with them for the Annual General Meeting and the attendance slip duly filled in for attending the Meeting. No copies of the Annual Report will be distributed at the meeting.

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

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

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

9. Members seeking any information with regard to the Accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the meeting.

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

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

11. Shareholders are requested to furnish their e-mail IDs to enable the Company to forward all the requisite information in electronic mode and support the green initiative. In case of the Shareholders holding shares in demat form the email IDs of the shareholders registered with DP and made available to the Company shall be the registered email IDs unless communication is received to the contrary.

12. The Securities Exchange Board of India has notified that the shareholder/transferee of shares (including joint holders) holding shares in physical form are required to furnish a certified copy of their PAN card to the Company's RTA while transacting in the securities market including transfer, transmission or any other Corporate Action. Accordingly, all the shareholders/ transferee of shares (including joint holders) are requested to furnish a certified copy of their PAN card to the Company's RTA while transacting in the securities market including transfer, transmission or any other corporate action.

13. The Securities and Exchange Board of India (SEBI) vide its circular dated 20th April, 2018 has mandated registration of Permanent Account Number (PAN) and Bank Account Details for all securities holders. Members holding shares in physical form are therefore, requested to submit their PAN and Bank Account Details to Karvy / the Company by sending a duly signed letter along with self-attested copy of PAN Card and original cancelled cheque. The original cancelled cheque should bear the name of the Member. In the alternative Members

are requested to submit a copy of bank passbook / statement attested by the bank. Members holding shares in demat form are requested to submit the aforesaid information to their respective Depository Participant.

14. Pursuant to Section 108 of the Companies Act, 2013 read with relevant Rules under the Act, the Company is pleased to provide the facility to the Members to exercise their right to vote through electronic voting. The members who have not cast their vote by remote e-voting shall be able to vote at the Annual General Meeting.

15. The members whose names appear on the Register of Members/ list of beneficial owners as on 17th September, 2018 are eligible to participate in e-voting on the resolutions set forth in this notice.

16. The Companies (Management and Administration) Rules, 2015 provide that the electronic voting period shall close at 5:00 PM, on the date preceding the AGM. Accordingly, the e-voting will be available at the https://evoting.karvy.com. The remote e-voting period will commence at 9:00 A.M. (IST) on 20th September, 2018 and will end at 5:00 P.M. (IST) on 23rd September, 2018. The remote e-voting will not be allowed beyond the aforesaid period and time, and the remote e-voting module shall be disabled by M/s Karvy Computershare Private Limited, the agency engaged by the company to provide e-voting facility.

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

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

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

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

21. Members are requested to send all communication relating to shares to the Company's Share Transfer Agents (Physical and Electronic) at M/s KARVY COMPUTERSHARE PRIVATE LIMITED, Karvy Selenium Tower B, Plot No 31&32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad-500032. Further, kindly note that members holding shares in physical form and intending to transfer their shares have to furnish the PAN particulars of transferee along with the share transfer deeds for affecting the physical share transfer.

22. Any person who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice of AGM and holds shares as on the cut-off date of 17th September, 2018, may obtain User ID and Password by sending a request at evoting@karvy.com. However, if you are already registered with Karvy for e-voting, then you can use your existing User ID and Password for casting your vote.

23. Please note that, any queries pertaining to accounting related aspects may be posted /handed over to the Secretarial Department at the Registered Office of the Company at least 48 hours before the Annual General Meeting, so that the same could be clarified to the shareholders at the Annual General Meeting.

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

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

DEVENDRA SURANA
MANAGING DIRECTOR
(DIN-00077296)

Place: Secunderabad
Date: 06.08.2018

EXPLANATORY STATEMENT

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

Item No. 3

Shri Devendra Surana is serving as Managing Director on the Board of the Company since 12.03.1991. The Board of Directors at its meeting held on 1st December, 2017, on the recommendations of the Nomination and Remuneration Committee, re-appointed as Managing Director of the Company for a further period of 3 years w.e.f 18.01.2018 at a remuneration (either by way of salary, allowances and perquisites) not exceeding to Rs.9,00,000 per month plus 1% Commission on Net Profits of the Company and payable either monthly/quarterly/yearly, subject to concurrence of shareholders and compliance of all applicable provisions of the Companies Act, 2013. The Board had further authorised the Nomination and Remuneration Committee to approve the revision in the remuneration from time to time within the limit as approved by the Board. A brief profile of Shri. Devendra Surana is annexed to the Corporate Governance Report.

In compliance with the provisions of Sections 196, 197 and other applicable provisions of the Companies Act, 2013 read with Schedule V to the Act, the terms of appointment and remuneration as set out in Item No. 3 are now being placed before the members for their approval by way of Special Resolution.

The following additional detailed information Pursuant to the provisions of Section II of Part II of Schedule V of the Companies Act, 2013.

I.	**General Information:**	
1	Nature of Industry	The Company deals with manufacture of copper products such as copper rod, strips, pipers, busbars, sheets etc.
2	Date of expected date of commencement of commercial production	The Company incorporated in the year 1985 since then the Company is in its commercial Operations.
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not Applicable
4	Financial performance based on given indicators	The following are the financial parameters of the Company as on 31st March, 2018: Total Income - Rs. 458.40 Cr EBIDTA - Rs. 24.24 Cr Profit Before Tax - Rs. 16.78 Cr Profit After Tax - Rs. 12.86 Cr
5	Foreign Investments or collaborations, if any.	Nil
II.	**Information about the appointees:**	
1	Background details and Experience	Shri Devendra Surana is a Mechanical Engineer from Osmania University and holds a Post Graduate Diploma in Management from IIM, Bangalore and chosen as the Best Brain of the batch. He has been in the field of Ferrous & Non -Ferrous & Telecom Industry for the more than 30 Years. He is the past president of FAPCCI, Hyderabad Chapter. At present he is the member of National Executive Committee for Federation of Indian Chamber of Commerce (FICCI). He is currently the President of Federation of Indian Chamber of Commerce (FICCI) for Telangana State Council.
2	Age	53 years
3	Date of first appointment	12/03/1991
4	Board Meetings attended during the year	Shri Devendra Surana attended five board meetings during the year 2017-18.
5	Past Remuneration (per month)	Rs. 7,50,000/-
6	Recognition or awards	-
7	Job Profile and his suitability	Shri Devendra Surana is the Managing Director of the Company and devotes whole time attention to the management of the affairs of the Company and exercises powers under the supervision and superintendence of the Board of the Company. Considering the rich experience and excellent execution capabilities, Shri Devendra Surana is aptly suitable for the above mentioned roles and responsibilities.

8	Remuneration proposed (p.a.)	It is proposed to pay remuneration (by way of salary, allowances and perquisites) not exceeding to Rs.9,00,000/- per month plus 1% Commission on Net Profits of the Company and payable either monthly/quarterly/yearly.
9	Comparative remuneration profile with respect to industry, size of company, profile of the position and person	Considering the responsibility shouldered by him of the enhanced business activities of the Company, proposed remuneration is Commensurate with industry standards and Board level positions held in similar sized and similarly positioned businesses.
10	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any	Shri Devendra Surana does not have any pecuniary relationship with the Company except remuneration drawn as Managing Director.
III. Other Information		
1	Reasons of loss or inadequate profits	Company is primarily engaged in manufacture of copper and its allied products. Due to economic slowdown and consequent adverse market conditions prevailing, there was lower profitability. Further in view of imported raw material due to fluctuations in foreign exchange currency also affects the margins of the Company. The macroeconomic factors and the stability in the rupee parity also augurs very well for the company.
2	Steps taken or proposed to be taken for improvement	The Company is focusing on strengthening its core competency in copper business, by expanding its manufacturing capacity to double its capacity from the exiting 15000 MT p.a. Further, new value added products introduced by the company is getting good traction from OEM customers across various sectors such as Automobile, Electrical Switch Gears, Heaters etc. and thereby contributing to the profitability in the years to come.
3	Expected increase in productivity and profits in measurable terms:	Considering the prevalent volatile conditions in the foreign exchange currency, the turnover and profitability are not precisely predictable. However, based on the current business plans and Demand for copper globally on increasing usage of the metal in electric vehicles, solar and wind power sectors, the Company believes that it would be able to sustain the volatile market conditions and emerge successfully in terms of good turnover and profits in the days to come.

None of the Directors, Key Managerial Personnel or their relatives, other than Shri Devendra Surana, himself, Shri G Mangilal Surana, Chairman Emeritus/ Director and Shri Narender Surana, Managing Director are concerned or interested in the resolution relating to appointment of Shri Devendra Surana.

Item No. 4:

Shri Narender Surana is serving as Managing Director on the Board of the Company since 12.03.1991. The Board of Directors at its meeting held on 1st December, 2017, on the recommendations of the Nomination and Remuneration Committee, re-appointed as Managing Director of the Company for a further period of 3 years w.e.f. 18.01.2018 without remuneration, subject to concurrence of shareholders and compliance of all applicable provisions of the Companies Act, 2013. A brief profile of Shri. Narender Surana is annexed to the Corporate Governance Report.

The following additional detailed information Pursuant to the provisions of Section II of Part II of Schedule V of the Companies Act, 2013:

I. General Information:		
1	Nature of Industry	The Company deals with manufacture of copper products such as copper rod, strips, pipers, busbars, sheets etc.
2	Date of expected date of commencement of commercial production	The Company incorporated in the year 1985 since then the Company is in its commercial Operations.
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not Applicable
4	Financial performance based on given indicators	The following are the financial parameters of the Company as on 31st March, 2018: Total Income - Rs. 458.40 Cr EBIDTA - Rs. 24.24 Cr Profit Before Tax - Rs. 16.78 Cr Profit After Tax - Rs. 12.86 Cr
5	Foreign Investments or collaborations, if any.	Nil

II. Information about the appointees:		
1	Background details and Experience	Shri Narender Surana, is a Chemical Engineer. He is the Managing Director of Bhagyanagar India Limited and Surana Telecom and Power Limited and Director of Surana Solar Limited and Bhagyanagar Properties Ltd which are listed Companies under the Surana Group. He has over 33 years of experience in the telecom cable, metals and solar industry. He has been the President of Federation of Andhra Pradesh Chambers of Commerce and Industry (FAPCCI). He was also the Founder President of Young Entrepreneurs Organization (Y.E.O) of Hyderabad Chapter.
2	Age	58 years
3	Date of first appointment	12/03/1991
4	Board Meetings attended during the year	Shri Narender Surana attended five board meetings during the year 2017-18.
5	Past Remuneration (p.a.)	Nil
6	Recognition or awards	-
7	Job Profile and his suitability	Shri Narender Surana is the Managing Director of the Company and devotes whole time attention to the management of the affairs of the Company and exercises powers under the supervision and superintendence of the Board of the Company. Considering the rich experience and excellent execution capabilities, Shri Narender Surana is aptly suitable for the above mentioned roles and responsibilities.
8	Remuneration proposed (p.a.)	Nil
9	Comparative remuneration profile with respect to industry, size of company, profile of the position and person	Not applicable
10	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any	Shri Narender Surana does not have any pecuniary relationship with the Company.
III. Other Information		
1	Reasons of loss or inadequate profits	Company is primarily engaged in manufacture of copper and its allied products. Due to economic slowdown and consequent adverse market conditions prevailing, there was lower profitability. Further in view of imported raw material due to fluctuations in foreign exchange currency also affects the margins of the Company. The macroeconomic factors and the stability in the rupee parity also augurs very well for the company.
2	Steps taken or proposed to be taken for improvement	The Company is focusing on strengthening its core competency in copper business, by expanding its manufacturing capacity to double its capacity from the exiting 15000 MT p.a. Further, new value added products introduced by the company is getting good traction from OEM customers across various sectors such as Automobile, Electrical Switch Gears, Heaters etc. and thereby contributing to the profitability in the years to come.
3	Expected increase in productivity and profits in measurable terms:	Considering the prevalent volatile conditions in the foreign exchange currency, the turnover and profitability are not precisely predictable. However, based on the current business plans and Demand for copper globally on increasing usage of the metal in electric vehicles, solar and wind power sectors, the Company believes that it would be able to sustain the volatile market conditions and emerge successfully in terms of good turnover and profits in the days to come.

None of the Directors, Key Managerial Personnel or their relatives, other than Shri Narender Surana, himself, Shri G Mangilal Surana, Chairman Emeritus/ Director and Shri Devendra Surana, Managing Director are concerned or interested in the resolution relating to appointment of Shri Narender Surana.

Item No. 5:

Shri N.Krupakar Reddy is serving as Whole-time Director on the Board of the Company since 07.06.2002. The Board of Directors at its meeting held on 26th May, 2018 on the recommendations of Nomination and Remuneration Committee approved for payment of remuneration in the scale of Rs.41,000-5,000- 51,000 per month to Shri N.Krupakar Reddy, Whole-time Director of the Company with effect from 01.04.2018, for remainder of duration of appointment up to 06.06.2020, subject to the approval of the shareholders. The Board had further authorised the Nomination and Remuneration Committee to approve the revision in the remuneration from time to time within the limit as approved by the Board. A brief profile of Shri. N.Krupakar Reddy is annexed to the Corporate Governance Report.

In compliance with the provisions of Sections 196, 197 and other applicable provisions of the Companies Act, 2013 read with Schedule V to the Act, the terms of appointment and remuneration as set out in Item No. 5 are now being placed before the members for their approval by way of Special Resolution.

The following additional detailed information Pursuant to the provisions of Section II of Part II of Schedule V of the Companies Act, 2013:

I. General Information:		
1	Nature of Industry	The Company deals with manufacture of copper products such as copper rod, strips, pipers, busbars, sheets etc.
2	Date of expected date of commencement of commercial production	The Company incorporated in the year 1985 since then the Company is in its commercial Operations.
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not Applicable
4	Financial performance based on given indicators	The following are the financial parameters of the Company as on 31st March, 2018: Total Income - Rs. 458.40 Cr EBIDTA - Rs. 24.24 Cr Profit Before Tax - Rs. 16.78 Cr Profit After Tax - Rs. 12.86 Cr
5	Foreign Investments or collaborations, if any.	Nil
II. Information about the appointees:		
1	Background details and Experience	Shri.N.Krupakar Reddy, is a Graduate in Commerce. He has over 25 years of experience in in running the industry. Presently in-charge of operations at copper factory.
2	Age	62 years
3	Date of first appointment	07/06/2002
4	Board Meetings attended during the year	Shri.N.Krupakar Reddy, Director-Operations / Whole-time Director attended two board meetings during the year 2017-18.
5	Past Remuneration (per month)	Rs. 41,,000/-
6	Recognition or awards	-
7	Job Profile and his suitability	Shri N.Krupakar Reddy, Director-Operations/Whole-time Director, who is in-charge of operations at factory and exercises powers under the supervision and superintendence of the Managing Director. Considering the rich experience in administration, Shri N,Krupakar Reddy is aptly suitable for the above mentioned roles and responsibilities.
8	Remuneration proposed (per month)	Not exceeding to Rs. 51,000/-
9	Comparative remuneration profile with respect to industry, size of company, profile of the position and person	Considering the responsibility shouldered by him of the enhanced business activities of the Company, proposed remuneration is Commensurate with industry standards and similarly positioned businesses.
10	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any	Shri N.Krupakar Reddy does not have any pecuniary relationship with the Company except remuneration drawn as Whole-time Director.

III. Other Information		
1	Reasons of loss or inadequate profits	Company is primarily engaged in manufacture of copper and its allied products. Due to economic slowdown and consequent adverse market conditions prevailing, there was lower profitability. Further in view of imported raw material due to fluctuations in foreign exchange currency also affects the margins of the Company. The macroeconomic factors and the stability in the rupee parity also augurs very well for the company.
2	Steps taken or proposed to be taken for improvement	The Company is focusing on strengthening its core competency in copper business, by expanding its manufacturing capacity to double its capacity from the exiting 15000 MT p.a. Further, new value added products introduced by the company is getting good traction from OEM customers across various sectors such as Automobile, Electrical Switch Gears, Heaters etc. and thereby contributing to the profitability in the years to come.
3	Expected increase in productivity and profits in measurable terms:	Considering the prevalent volatile conditions in the foreign exchange currency, the turnover and profitability are not precisely predictable. However, based on the current business plans and Demand for copper globally on increasing usage of the metal in electric vehicles, solar and wind power sectors, the Company believes that it would be able to sustain the volatile market conditions and emerge successfully in terms of good turnover and profits in the days to come.

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

None of the Directors except Shri N.Krupakar Reddy himself, is concerned or interested in the resolution. None of the other Directors, Key Managerial Personnel or their relatives are concerned or interested in the resolution.

Item No.6:

As per SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, no listed entity shall appoint a person or continue the directorship of any person as non-executive director who has attained the age of seventy five years unless a special resolution is passed to that effect.

Shri.G.M.Surana, 88 years, Graduate in Commerce and law from Osmania University, is the Founder and Chairman Emeritus of the Company and heads the Surana Group of Industries. He had around 5 decades of rich experience in the Ferrous & Non- Ferrous metal industry in his capacity as promoter, Director, Partner of the various units belongs to the Surana Group. Shri G. Mangilal Surana was the former Chairman of the Federation of Andhra Pradesh Chamber of Commerce and Industry (FAPCCI), former Director of Indian Overseas Bank, former Director of Andhra Pradesh State Trading Corporation, (APSTC), besides being the Member of Govt. Advisory Board, Minimum Wages Board. He is actively involved in various philanthropic activities. The Board believes that his experience and vision will contribute to the immense growth of the Company and also in steering the Company with best Corporate Governance practices.

None of the Directors of the Company other than Shri G Mangilal Surana, himself and Shri Narender Surana and Devendra Surana, Managing Directors are concerned or interested in the resolution.

Item No.7:

As per SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, no listed entity shall appoint a person or continue the directorship of any person as non-executive director who has attained the age of seventy five years unless a special resolution is passed to that effect.

Shri O.Swaminatha Reddy, 87 years, was appointed as Non-Executive Independent Director of the Company for a period of 5 years with effect from 22nd September, 2014 in the 29th Annual General Meeting of the Company held on 22.09.2014. Shri O. Swaminatha Reddy a Commerce Graduate and fellow member of the Institute of Chartered Accountants of India, being the former Chairman of Andhra Bank and also former Chairman and Managing Director of APSFC, he has a rich banking and industrial experience spanning over 6 decades. He has been the Director of the Company since 1994, and guiding the Company in the areas of financial decision making and Management policies.

The Board believes that his experience and vision will contribute to the growth of the Company and also in steering the Company with best Corporate Governance practices.

None of the Directors except Shri O.Swaminatha Reddy himself, is concerned or interested in the resolution. None of the other Directors, Key Managerial Personnel or their relatives are concerned or interested in the resolution.

Item No.8:

As per SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, no listed entity shall appoint a person or continue the directorship of any person as non-executive director who has attained the age of seventy five years unless a special resolution is passed to that effect.

Shri R.Surender Reddy, 86 years, a Commerce Graduate, having almost five decades of experience in various fields of industry. He was well known for his social and political activities in the State of Andhra Pradesh. He has been guiding the Company as an Independent Director since 1989. He was appointed as Non-Executive Independent Director of the Company for a period of 5 years with effect from 22nd September, 2014 in the 29th Annual General Meeting of the Company held on 22.09.2014. The Board believes that his experience and vision will contribute to the growth of the Company and also in steering the Company with best Corporate Governance practices.

None of the Directors except Shri R.Surender Reddy himself, is concerned or interested in the resolution. None of the other Directors, Key Managerial Personnel or their relatives are concerned or interested in the resolution.

Item No.9:

As per SEB I(Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, no listed entity shall appoint a person or continue the directorship of any person as non-executive director who has attained the age of seventy five years unless a special resolution is passed to that effect.

Shri D.Venkata Subbaiah, 76 years, a Graduate in Electronics and Communications. He was appointed as Non-Executive Independent Director of the Company for a period of 5 years with effect from 22nd September, 2014 in the 29th Annual General Meeting of the Company held on 22.09.2014. He is having rich experience in R&D work and engineering of Radio Relay systems covering VHF, UHF and Microwave Bands and worked in various positions in Government Sectors. The Board believes that his experience and vision will contribute to the growth of the Company and also in steering the Company with best Corporate Governance practices.

None of the Directors except Shri D.Venkata Subbaiah himself, is concerned or interested in the resolution. None of the other Directors, Key Managerial Personnel or their relatives are concerned or interested in the resolution.

Item No.10:

As per the provisions of Section 186 of the Companies Act, 2013, the Board of Directors of a Company can make any loan, investment or give guarantee or provide any security beyond the prescribed ceiling of i) Sixty per cent of the aggregate of the paid-up capital and free reserves and securities premium account or, ii) Hundred per cent of its free reserves and securities premium account, whichever is more, if special resolution is passed by the members of the Company. As a measure of achieving greater financial flexibility and to enable optimal financing structure, this permission is sought pursuant to the provisions of Section 186 of the Companies Act, 2013 to give powers to the Board of Directors or any duly constituted committee thereof, for making further investment, providing loans or give guarantee or provide security in connection with loans to subsidiary/associate/group companies for an amount not exceeding Rs.500 crores.

The investment(s), loan(s), guarantee(s) and security (ies), as the case may be, will be made in accordance with the applicable provisions of the Companies Act, 2013 and relevant rules made there under. These investments are proposed to be made out of own/ surplus funds/internal accruals and or any other sources including borrowings, if necessary, to achieve long term strategic and business objectives.

The Board accordingly recommends the Special resolution for your approval.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in this resolution except as members.

Item No.11:

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

The Special Resolution also seeks to empower the Board of Directors to undertake a qualified institutions placement with qualified institutional buyers as defined by SEBI (ICDR) Regulations. The Board of Directors may in their discretion adopt this mechanism as prescribed under Chapter VIII of the SEBI (ICDR) Regulations for raising the funds for the expansion plans of the company, without the need for fresh approval from the shareholders. In case of an issuance of Securities to qualified institutional buyers, whether or not such investors are existing members of the Company, through a qualified institutions placement under Chapter VIII of the SEBI (ICDR) Regulations, the final price at which the Securities will be

offered will be subject to investor response and prevailing market conditions, and computed in accordance with the relevant provisions of Chapter VIII of the SEBI (ICDR) Regulations. Furthermore, a discount of 5% to the floor price of the Equity Shares, or such other discount as may be permitted under Chapter VIII of the SEBI (ICDR) Regulations may also be contemplated at the time of issuance, for which authorization is being taken from the shareholders of the Company through this Special Resolution. The detailed terms and conditions of the issue as and when made will be determined by the Board of Directors in consultation with the Merchant Bankers, Lead Managers, Advisors and other experts in accordance with the applicable provisions of law.

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

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

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

Item No.12:

The Board of Directors, on recommendation of the Audit committee, at their meeting held on 26.05.2018 has approved the appointment and remuneration of the M/s. BVR & Associates, Cost Accountants in practice, as Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial year ending 31.03.2019 on a remuneration of Rs. 25,000/- (Twenty Five Thousand).

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.12 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31.03.2019.

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

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

Item No.13:

As per the provisions of Section 20 of the Companies Act, 2013, a shareholder may request for any document through a particular mode, for which the shareholder shall pay such fees as may be determined by the Company in its annual general meeting. Since the cost of providing documents may vary according to the mode of service, weight and its destination etc., therefore it is proposed that actual expense that may be borne by the Company for such dispatch will be paid in advance by the shareholder to the company.

The Board of Directors recommends the Ordinary Resolution as set out in item no. 13 of the Notice for your approval.

None of the Director / Key Managerial Personnel or their relatives respectively is in any way concerned or interested in the proposed resolution.

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

DEVENDRA SURANA
MANAGING DIRECTOR
(DIN-00077296)

Place: Secunderabad
Date: 06.08.2018

DIRECTORS' REPORT

To the Members of
Bhagyanagar India Limited

The Directors have pleasure in presenting the 33rd Annual Report of your Company and the Audited financial statements for the financial year ended 31st March 2018 together with Auditors' Report thereon.

FINANCIAL RESULTS:

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

(Amount in ₹)

Particulars	Standalone Results		Consolidated Results	
	2018	2017	2018	2017
Sales and other Income	**458,40,48,786**	301,73,25,935	**458,40,63,786**	304,35,01,209
EBIDTA	**24,23,89,531**	21,08,56,378	**24,23,56,073**	22,55,25,588
LESS :				
Loss on Foreign Exchange Fluctuation	**2,43,464**	1,20,63,099	**2,43,464**	1,20,63,099
Depreciation	**3,61,24,508**	3,43,58,606	**3,76,30,339**	4,71,18,799
Interest	**3,81,50,522**	5,96,71,798	**3,81,53,322**	6,12,87,285
Amortisation of FCMITDA	**-**	1,08,44,686	**-**	1,08,44,686
Extraordinary Items	**-**	4,25,88,988	**-**	4,25,88,988
Profit before Taxation	**16,78,71,037**	5,13,29,201	**16,63,28,948**	5,16,22,731
Provision for Taxation : Current Tax	**3,40,97,481**	1,03,74,911	**3,40,97,481**	1,04,54,117
Deferred Tax	**33,00,668**	20,97,640	**33,00,668**	(27,45,589)
MAT Credit	**18,24,460**	(95,97,782)	**18,24,460**	(95,97,782)
Tax of earlier years	**-**	**-**	**-**	745
Profit after Tax	**12,86,48,428**	4,84,54,432	**12,71,06,339**	5,35,53,473
Less: Non-Controlling Interest				18,76,517
Add: Change in Interest of Associate Companies			**(5,27,657)**	5,27,657
Add: Divestment on account of Demerger			**(6,94,42,726)**	12,70,407
Surplus brought forward from previous year	**77,68,44,264**	75,15,89,062	**79,82,13,232**	76,79,37,442
Balance available for appropriation	**90,54,92,692**	80,00,43,494	**85,53,49,188**	82,14,12,462
Transfer to General Reserves	**5,00,00,000**	2,31,99,230	**5,00,00,000**	2,31,99,230
Balance c/f to Balance Sheet	**85,54,92,692**	77,68,44,264	**80,53,49,188**	79,82,13,232

Note: The previous years' figures regrouped and rearranged wherever necessary in order to make them comparable as per Ind-AS.

PERFORMANCE AND OPERATIONS:

During the year 2017-18, the Company's total revenue is increased by 51.92% as that of previous year. EBIDTA stood at 5.28% as compared to that of last year 6.99%. PBT increased by 227.05% as compared to that of last year. PAT also increased by 165.50% as compared to that of previous year.

BUSINESS OUT LOOK:

The Company will remain focused on copper business and continue to add further value added products in line with the requirement of our OEM customers. We are looking at a minimum of 10% volume growth in this year. The Company received a major boost since the implementation of GST and Demonitisation. With the advent of uniform tax structure (GST) across the country and abolition of CST, our competiveness in terms of pricing has gone up. The company's disadvantage against tax free territories like Silvasa will no longer apply. Post demonitisation, the customer base has increased and diversified.

EXPANSION PLANS:

The company's competitiveness in terms of pricing has gone up post GST and volumes have increased substantially. With the kind of growth mode the Company is in the existing capacity as well as space is not enough to meet the demand. Therefore, the Company has decided to double the capacity to 30000 MT from the existing 15000 MT. The expansion shall be done through a 100% subsidiary viz., Aanvik Mercantile Private Limited (AMPL). AMPL has 65.28 Acres of land in Shabhashpally village, Medak District, located near the proposed inner Ring Road. The Company has already invested Rs.14.16 Crores out of capital outlay of Rs.40 Crores in the first phase. All the required statutory

approvals are in process and commercial production is expected to commence in March, 2019. The Company is targeting consolidated turnover of Rs.1000 Crores in next 2 to 3 years.

DISINVESTMENT IN SUBSIDIARIES:

(i) Solar Dynamics Private Limited

The Company was carrying out wind power operations of 6.4 MW capacity in Tamil Nadu State through subsidiary company viz., Solar Dynamics Private Limited. Due to regulatory uncertainties and low growth prospective, the Company has exited from the wind power business in Tamil Nadu by selling all the wind mills situated therein. The divestment proceeds shall be utilized for the expansion of copper manufacture facilities.

(ii) Bhagyanagar Metals Limited

Bhagyanagar Metals Limited having land parcel of 22 Acres of land was in incorporated for the future expansion plans. As the land parcel of 22 Acres is not sufficient to meet the expansion criteria, the subsidiary has been hived off. The disinvestment proceeds shall be utilized for expansion of copper manufacturing facilities.

(iii) Bhagyanagar Cables Pvt Ltd

As your company has exited from cables/telecom business long back and the focus is only on copper business now, keeping miniscule Interest in Bhagyanagar Cables Pvt Ltd is no longer worthwhile.

SALE OF FACTORY LAND & BUILDING:

During the year, the factory land & building (erst-while JFTC factory) situated at Pilerne Industrial Estate, Pilerne, Goa, admeasuring 19865 Sq. Mtrs has been sold for Rs.9.55 Crores.

SUBSIDIARIES/ ASSOCIATES:

Your company has the following wholly owned subsidiary Company as on 31st March, 2018. Further there has been no material change in the nature of its business:

Name of the Company	Percentage of Shareholding	Subsidiary/ Associate
Aanvik Mercantile Private Limited	100.00	Wholly-owned Subsidiary

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

CONSOLIDATED FINANCIAL STATEMENTS:

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

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

SECRETARIAL STANDARDS:

The Directors state that applicable Secretarial Standards, i.e., SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

SHARECAPITAL:

The paid-up Share Capital of the Company as on 31st March, 2018 is Rs.6,39,90,000 divided into 3,19,95,000 equity shares of Rs.2/- each.

DIVIDEND:

The Board of Directors have not recommended dividend for the financial year 2017-18 to retain the maximum possible cash in the system. The Company is constrained to skip the dividend in view of the impeding cash out flow on account of ECB repayment obligations and the proposed expansion plans.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

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

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

DIRECTORS' RESPONSIBILITY STATEMENT:

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

(a) That the preparation of the annual accounts for the financial year ended 31st March, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(b) That the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year 31st March, 2018 and of the profit and loss of the company for that period;

(c) That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act

for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) That the directors have prepared the annual accounts for the financial year 31st March, 2018 on a going concern basis; and

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

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

STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS:

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

NOMINATION AND REMUNERATION POLICY:

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

PARTICULARS OF LOANS, GUARANTEES OR SECURITIES OR INVESTMENTS:

The details of Loans, Guarantees Securities and Investments made during the financial year ended 31st March, 2018 are given in the notes to the Financial Statements in compliance with the provisions of Section 186 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014.

RELATED PARTY TRANSACTIONS:

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

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

EXTRACT OF ANNUAL RETURN:

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

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

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

RISK MANAGEMENT POLICY:

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

CORPORATE SOCIAL RESPONSIBILITY (CSR):

Pursuant to the provisions of Section 135(1) of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, Corporate Social Responsibility (CSR) Committee was constituted on 26th May, 2018. During the year 2017-18, the Company is not covered under the criteria of Section 135(5) of Companies Act, 2013. The Company, however over the years, is pursuing as part of its Corporate Social Responsibility for welfare and aspirations of the Community. The CSR activities of the Surana Group are guided by the vision and philosophy of its founding father, Shri G Mangilal Surana, who embodied the value of trusteeship in business and laid the Foundation for its ethical and value-based functioning. The core elements of CSR activities include ethical functioning, respect for all stake-holders, protection of human rights, and care for the environment. The G.M. Surana Foundation is established

purely for the purpose of providing medical relief to the people who are in below poverty line. It is being run by qualified and registered doctors.

BOARD EVALUATION

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

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

DIRECTORS:

Shri N.Krupakar Reddy, Director of the Company will retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Shri Narender Surana and Shri Devendra Surana, were re-appointed as Managing Directors of the Company for a further period of 3 years w.e.f. 18.01.2018, subject to approval of the members at this Annual General Meeting.

Further, Shri G.Mangilal Surana, Non-Executive Director, Shri O.Swaminatha Reddy, Shri R.Surender Reddy and Shri D.Venkata Subbaiah, Non-Executive Independent Directors of the Company who attained the age above 75 years are being appointed as Non-Executive Director/Non-Executive Independent Director through Special Resolution by shareholders at this Annual General Meeting pursuant to SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018.

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

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

MEETINGS:

During the financial year under review, 5 (Five) Board Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the meetings was within the period of 120 days as prescribed under the Companies Act, 2013 and Regulation 17 of SEBI Listing Regulations, 2015.

DEPOSITS:

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

STATUTORY AUDITORS:

M/s. Luharuka & Associates, Chartered Accountants were appointed as Statutory Auditors of your Company at the 32nd Annual General Meeting held on 26th September, 2017, for a term of five consecutive years. As per the provisions of Section 139 of the Companies Act, 2013, the appointment of Auditors is required to be ratified by Members at every Annual General Meeting.

In accordance with the Companies Amendment Act, 2017, enforced on 7th May, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting. M/s. Luharuka & Associates, Chartered Accountants have confirmed that they are not disqualified from continuing as Auditors of the Company.

AUDITORS'REPORT:

There are no qualifications, reservations or adverse remarks made by M/s. Luharuka & Associates, Chartered Accountants, Statutory Auditors in their report for the Financial Year ended 31st March, 2018.

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

INTERNAL AUDITORS:

The Board of Directors of the Company have re-appointed M/s Sekhar & Co., Chartered Accountants as Internal Auditors to conduct Internal Audit for the financial year ended 31st March, 2019.

COST AUDITORS:

The Board of Directors, subject to the approval of the Central Government, re-appointed M/s BVR & Associates, Cost Accountants, holding Certificate of Practice no.16851, as a Cost Auditor for conducting the Cost Audit for the financial year 2018-19. Subject to section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 issued by the MCA, the Audit Committee recommended their re-appointment. The Company has also received a letter from the Cost Auditor, stating that the appointment, if made, will be within the limits prescribed pursuant to the section 141 of Companies Act, 2013.

CORPORATE GOVERNANCE:

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

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

VIGIL MECHANISM:

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

SECRETARIAL AUDIT REPORT:

Pursuant to the provisions of Section 204 of the Companies Act, 2013, and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mrs. Rakhi Agarwal, Company Secretary in Practice as Secretarial Auditors to conduct Secretarial audit of the company for the financial year ended March 31, 2018.

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

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

PARTICULARS OF EMPLOYEES:

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

PARTICULARS OF REMUNERATION:

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

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

Name of the Director	Ratio to Median Remuneration
Shri Devendra Surana, MD	38.66
Shri N. Krupakar Reddy, WTD	2.11

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

Name of Person	% increase in remuneration
Shri Devendra Surana, MD	50.00
Shri N.Krupakar Reddy, WTD	-
Shri Surendra Bhutoria, CFO	6.92
Shri Badarish H Chimalgi, CS*	20.00

**Resigned as Company Secretary w.e.f 18.06.2018*

(iii) The percentage increase in the median remuneration of employees in the financial year – 7.18%

(iv) The number of permanent employees on the rolls of company – 131.

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

The average increase in salaries of employees other than managerial personnel in 2017-18 was 10.13%. Percentage increase in the managerial remuneration for the year was 46.21.

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

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

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

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and its subsidiaries. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

CHANGE IN NATURE OF BUSINESS:

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

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURT:

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.

MATERIAL CHANGES AND COMMITMENTS:

There are no material changes and commitments, affecting the financial position of the Company which occurred between the end of the financial year 31st March, 2018 to which the

financial statements relates and the date of signing of this report.

HUMAN RESOURCES:

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

ISO 9001-2008 CERTIFICATION:

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

POLICY ON SEXUAL HARRASSEMENT:

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

The Internal Complaints Committee (ICC) has been setup to redress complaints received regarding sexual harrassement. During the period under review, no complaint was received by the ICC.

APPRECIATION:

Your Directors wish to place on record their appreciation to employees at all levels for their hard work, dedication and commitment. The enthusiasm and unstinting efforts of the employees have enabled the Company to remain at the forefront of the industry, despite increased competition from several existing and new players.

CAUTIONARY STATEMENT:

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

ACKNOWLEDGEMENTS:

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

For and on behalf of the Board of Directors

NARENDER SURANA
MANAGING DIRECTOR
DIN-00075086

DEVENDRA SURANA
MANAGING DIRECTOR
DIN-00077296

Place: Secunderabad
Date: 06.08.2018

ANNEXURE-I

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

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

FORM A

1. CONSERVATION OF ENERGY:

The Company has a well-structured energy management system in place and regular efforts are made to optimize process parameters and conserve energy. Additionally, while undertaking modernization and technological upgradation of production facilities, due consideration is also given in selection of plant and equipment which conforms to the best in class energy conservation parameters.

(i) Energy Conservation measures	:	More introduction of Variable Frequency Drive (VFD) to reduce the Power Consumption
(ii) Total energy consumption	:	N.A.

2. TECHNOLOGY ABSORPTION : Efforts made in technology absorption as per Form-B

FORM B

(Disclosure of particulars with respect to Technology Absorption)

A. Research and Development (R & D) :

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

B. Technology absorption, adaptation and innovation:

The Company absorbs and adapts the technologies on a continuous basis to develop specific products for the domestic and global market. The design and process parameters are optimized to customize products in line with specific customer and application needs.

3. FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the year the total Foreign Exchange used and earned are as follows:

Used	:	Rs. 148,27,77,913
Earned	:	Rs. 95,46,950

For and on behalf of the Board of Directors

Place: Secunderabad
Date: 06.08.2018

NARENDER SURANA
MANAGING DIRECTOR
DIN-00075086

DEVENDRA SURANA
MANAGING DIRECTOR
DIN-00077296

ANNEXURE-II

MANAGEMENT DISCUSSION AND ANALYSIS

COMPANY'S OVERVIEW

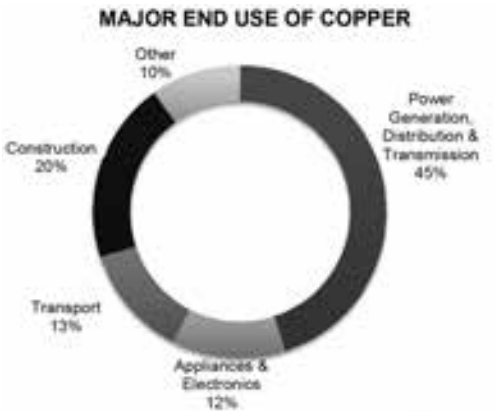
Bhagyanagar India Ltd (BIL) was incorporated in the year 1985, a flagship Company of Surana Group. BIL is among the oldest and largest companies producing copper products in India. The Company forayed into the non-conventional energy sector with a wind power project with an installed capacity of 9 MW at Kapatigudda, Karnataka State. BIL believes its industry knowledge, proactive research and specialized technology helps provide customers with improved products. The Company has steadily grown over the years with a continued focus on customer satisfaction, evolving itself into country's one of the most promising mid cap Companies.

PERFORMANCE OF KEY INDUSTRY SEGMENTS

1. COPPER:

Introduction:

Copper is the most versatile metal in existence. Since it's a key metal for industrial applications owing to its high electrical conductivity, corrosion resistance, ductility, malleability and rigidity, the demand for copper is wide ranging across electrical applications, communications equipment, construction, transportation, and industrial machinery. Today, nearly 28 million tonnes of copper is used annually. Nearly 70 percent of worldwide copper produced is used for electrical/ conductivity applications and communications, as shown in figure below:



Source: ICA

Global Business Scenario:

Copper exceeded expectations in 2017 as demand proved stronger than expected while supply suffered some major disruptions. LME primary cash copper was $5,512/metric ton on Jan 1, 2017. It closed the year at $7,215/mt, good for a meteoric rise of 30.9%. Looking back, copper demand, especially from China, turned out to be better than expected. China's housing market proved resilient, while global economic growth also strengthened over the year. There were more surprises on the supply side. Earlier this year, two of the biggest copper mines, Escondida in Chile and Grasberg in Indonesia both experienced prolonged disruptions, while other producers also suffered cutbacks due to declining ore grades and weather factors. While labour disputes and weather factors continue to pose a risk to supply going forward, we do not expect supply cuts to be as severe as what we've seen earlier this year.

Countries that dominate the change and will directly be responsible for the growth forecasts include China, Vietnam and South Korea. India, which currently accounts for 3% of global copper consumption, is most likely expected to increase its consumption over the medium term. The drivers for India's consumption will be strong economic growth and rising urbanisation in the country. There is a massive cultural shift in the metropolitans as citizens become more aware of declining climatic conditions. This has also led to an increase in demand for air purifiers, electric vehicles (EVs) and clean energy. China will remain the biggest contributor to world growth in copper usage. Apparent demand in China is expected to increase by around 3.5% in 2018 and 2.5% in 2019, essentially in line with underlying "real" demand growth estimated by other analysts. World apparent refined usage is expected to increase by 3% in 2018 and 2.2% in 2019. As per the ICSG, the outlook for the EU, Japan and the United States remains positive.

Indian Copper Industry and Demand Outlook:

The size of Indian copper industry (consumption of refined copper per annum) is around 6.6 lakh tonnes, which as percentage of world copper market is only 3%. Although India is among the top-10 exporters for refined copper, it imports 94% of the concentrate to feed its smelters. This creates huge dependency on imports and also highlights the need for potential increase in copper mining capacity. India's copper market has huge potential for growth, given that its per capita consumption is significantly lower than the world average at 0.6kg and is expected to increase to 3kg by the year 2025. Rapid rates of industrialization and urbanization have created a need for expansion and investment in the country's electrical and power infrastructure.

The Government of India has undertaken initiatives such as digitalization, Housing for All, Make in India, electrification of vehicles, renewable energy capacity target of 175 GW, etc. These initiatives are expected to play a crucial role in boosting demand for copper in the country. According to the Twelfth Five Year Plan (2012–17), the Government is targeting a 43% increase in power generation capacity. Moreover, the Government has planned to set up five ultra-mega power projects of 4,000MW each. This is expected to spur copper demand as the electrical and power sectors account for nearly one-third of the refined copper consumption. Demand from other industries such as transport, consumer and \electronic goods and industrial machinery is also expected to remain strong on the back of increased end-user demand and increasing investments. Free trade agreements with copper producing countries have posed a challenge to the Indian copper industry. In coming days, the industry needs to be innovative on product and cost to meet the forthcoming challenges.

Business outlook:

With the good macro-economic situation of our country we are expecting this year to be a very good year. The situation post GST introduction looks very favourable for

our company and the company will have much higher competitiveness against our competition in territories like Silvasa, Baddi etc. New value added products introduced by the company is getting good traction from OEM customers across various sectors such as Automobile, Electrical Switch Gears, Heaters etc. The company always has exposure to foreign exchange against our imports. The macroeconomic factors and the stability in the rupee parity also augurs very well for the company.

The Company plans to double its capacity from the exiting 15000 MT p.a. through a 100% subsidiary viz., Aanvik Mercantile Private Limited.

2. Non-conventional energy - Wind Power:

Wind power generation capacity in India has significantly increased in recent years. As of 31st March, 2018 the total installed wind power capacity was 34.04 GW, the fourth largest installed wind power capacity in the world. Wind power accounts for nearly 10% of India's total installed power generation capacity and generated 52.67 TWh in the fiscal year 2017-18, which is nearly 3% of total electricity generation. The capacity utilisation factor is nearly 16% in the fiscal year 2017-18 (19.62% in 2016-17 and 14% in 2015-16). 70% of wind generation is during the five months duration from May to September coinciding with Southwest monsoon duration.

Wind power costs in India are decreasing rapidly. The levelised tariff of wind power reached a record low of 2.43 per kWh (without any direct or indirect subsidies) during auctions for wind projects in December 2017. In December 2017, union government announced the applicable guidelines for tariff-based wind power auctions to bring more clarity and minimise the risk to the developers. Amid a major overhaul of the wind energy tariff-determination mechanism, multiple policy issues, and flat power demand, capacity addition took a big hit in the last financial year.

OUTLOOK:

The Indian government has committed to a target of 175 GW of renewable energy by 2022, including 100 GW of solar capacity and 60 GW of cumulative wind power capacity. India has the potential to generate about 3-5 GW per annum, given the presence of the right policy framework and ecosystem. The key to a sustainable and thriving future is India's "Make in India" movement by the means of wind power. This will enhance the acceptance of Indian products in the overseas market. 2017 was a year of major reform in the wind power industry due to the introduction of competitive bidding and GST rollout, but the coming years will be more predictable and hence, more suitable for upgrading the sector further.

RISKS AND CONCERNS

The Company, like any other enterprise, is exposed to business risk which can be internal risks as well as external risks. The threats to the segments in which the company operates are volatility in Exchange rate & Metal Prices. The company is concerned about the vide Fluctuations in Copper prices globally and locally and increase in foreign exchange value.

INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

The Company has adequate Internal Control Systems and Procedures with regard to purchase of Stores, Raw Materials including Components, Plant and Machinery, equipment, sale of goods and other assets. The company has clearly defined roles and responsibilities for all managerial positions and all operating parameters are monitored and controlled. The Company designs and maintains accounting and internal control systems to provide reasonable assurance at reasonable cost that assets are safeguarded against loss from unauthorized use or disposition, and that the financial records are reliable for preparing financial statements and maintaining accountability for assets.

The company has an Internal Audit System commensurate with its size and nature of business. M/s Sekhar & Co., a firm of Chartered Accountants, are acting as Internal Auditors of the Company. Planned periodic reviews are carried out by Internal Audit. The findings of Internal Audit are reviewed by the top management and by the Audit Committee of the Board of Directors. Compliance with laws and regulations is also ensured and confirmed by the Internal Auditors of the Company. Standard operating procedures and guidelines are issued from time to time to support best practices for internal control.

FINANCIAL PERFORMANCE & OPERATIONAL PERFORMANCE:

A. **FINANCIAL PERFORMANE:**

Capital Structure:

The Equity Share Capital of the Company is Rs. 63,990,000/- comprising of 31,995,000 Equity Shares of Rs.2/- each fully paid.

Reserves and Surplus:

The Reserves and Surplus of the Company as on 31.03.2018 stand at Rs. 1,093,189,215 as compared to Rs. 964,540,787 in the previous year.

Fixed Assets:

During the year, the Company has added Fixed Assets amounting to Rs 7,764,755 making the gross fixed assets as on 31.03.2018 to Rs. 1,065,839,507.

Inventories:

Inventories, as on 31st March, 2018, amounting to Rs 368,355,158 as against Rs. 510,093,282 in the previous year.

Sundry Debtors:

Sundry debtors reduced to Rs.345, 888,314 as on 31st March, 2018 as against Rs. 330,843,059 in the previous year. These debtors are considered good and realizable.

Cash and Bank

Balances:

Cash and Bank balances with Scheduled Banks stood to Rs.150, 408,217 as against Rs. 52,393,519 in the previous years which include amounts deposited with banks as Security.

Loans and Advances:

Long Term Loans and Advances decreased to Rs.12,028,219 as against Rs. 237,639,967 in the previous year.

Current Liabilities:

Current Liabilities for the financial year ended 31.03.2018 is Rs.345,886,736 as against Rs. 592,357,292 in the previous Year.

B. **OPERATIONAL RESULTS :**

Turnover:

During the year 2017-18, the turnover of the Company was Rs.4,468,696,453 as compared to Rs.2,927,709,802 in the previous year.

The Income from other sources as on 31st March, 2018 was Rs.115,352,333 as compared to Rs.89,616,133 in the previous year.

Depreciation:

The Company has provided a sum of Rs.36,124,508 towards depreciation for the year as against Rs. 34,358,606 in the previous year.

Provision for Tax:

The Company has provided a current tax of Rs.34, 097,481 as against Rs.10,374,911 in the previous year.

Net Profit:

The Net Profit of the Company after tax is Rs.128, 648,428 as against Rs.48,454,432 in the previous year.

Earnings Per Share:

The Earnings Per Share of the Company as on 31st March, 2018 is Rs. 4.02 per share for Face Value of Rs.2 as against Rs.1.51 per share for face value of Rs.2 in the previous year.

HUMAN RESOURCE DEVELOPMENT AND INDUSTRIAL RELATIONS:

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

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

CAUTIONARY STATEMENT:

Statements in the Management Discussion and Analysis describing the Company's objective, projections, estimates, expectations may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include, among others, economic conditions affecting demand / supply and price conditions in the domestic and overseas markets in which the Company operates changes in the Government regulations, tax laws and other statutes and incidental factors.

For and on behalf of the Board of Directors

NARENDER SURANA
MANAGING DIRECTOR
DIN-00075086

DEVENDRA SURANA
MANAGING DIRECTOR
DIN-00077296

Place: Secunderabad
Date: 06.08.2018

ANNEXURE-III

FORM NO. AOC-2

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

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

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

Sl. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or Transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
1	**Surana Solar Limited** (Common Directors are holding more than 2% of the Share Capital of the Company)	Purchase of Solar Modules	01.04.2017 to 31.03.2018	Sale of Module – Rs. 24.24 lakhs	18.05.2017	-

For and on behalf of the Board of Directors

Place: Secunderabad
Date: 06.08.2018

NARENDER SURANA
MANAGING DIRECTOR
DIN-00075086

DEVENDRA SURANA
MANAGING DIRECTOR
DIN-00077296

ANNEXURE-IV

EXTRACT OF ANNUAL RETURN

as on the financial year ended 31.03.2018

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

FORM NO. MGT – 9

I. REGISTRATION AND OTHER DETAILS:

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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

Name and Description of main Products / Services	NIC Code of the Product / Service	% to total turnover of the Company
Manufacture of Copper and other copper products and alloys	24201	97.48

III.PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATECOMPANIES:

Name and address of the Company	CIN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
Aanvik Mercantile Private Limited	U27100TG2008PTC125034	Subsidiary	100%	2(87)

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

i) **Category-wise Shareholding:**

Category Code	Category of Shareholder	No. of shares held at the beginning of the year 01/04/2017				No. of shares held at the end of the year 31/03/2018				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
(A)	**PROMOTER AND PROMOTER GROUP**									
(1)	**INDIAN**									
(a)	Individual /HUF	18422150	0	18422150	57.58	17777961	0	17777961	55.56	-2.01
(b)	Central Government/State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	5552091	19347	5571528	17.41	5565704	0	5565704	17.40	-0.02
(d)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total A(1) :	**23974241**	**19437**	**23993678**	**74.99**	**23343665**	**0**	**23343665**	**72.96**	**-2.03**

Category Code	Category of Shareholder	No. of shares held at the beginning of the year 01/04/2017				No. of shares held at the end of the year 31/03/2018				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2)	**FOREIGN**									
(a)	Individuals (NRIs/Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total A(2) :	0	0	0	0.00	0	0	0	0.00	0.00
	Total A=A(1)+A(2)	**23974241**	**19437**	**23993678**	**74.99**	**23343665**	**0**	**23343665**	**72.96**	**-2.03**
(B)	**PUBLIC SHAREHOLDING**									
(1)	**INSTITUTIONS**									
(a)	Mutual Funds / UTI	0	5250	5250	0.02	0	250	250	0.00	-0.02
(b)	Financial Institutions /Banks	748085	0	748085	2.34	272979	0	272979	0.85	-1.48
(c)	Central Government/ State Government(s)	88350	0	88350	0.28	88350	0	88350	0.28	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Foreign Institutional Investors	0	0	0	0.00	0	0	0	0.00	0.00
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total B(1) :	**836435**	**5250**	**841685**	**2.63**	**361329**	**250**	**361579**	**1.13**	**-1.50**
(2)	**NON-INSTITUTIONS**									
(a)	Bodies Corporate	512279	6097	518376	1.62	732123	3757	735880	2.30	0.68
(b)	Individuals									
	(i) Individuals holding nominal share capital upto Rs.1 lakh	4332279	382367	4714646	14.74	4961367	239315	5200682	16.25	3.95
	(ii) Individuals holding nominal share capital in excess of Rs.1 lakh	1821044	0	1821044	5.69	1972189	0	1972189	6.16	-1.96
(c)	Others									
	Clearing Members	1592	0	1592	0.00	38315	0	38315	0.12	0.11
	NBFC	10568	0	10568	0.03	0	0	0	0.00	-0.03
	Non Resident Indians	90205	0	90205	0.28	176923	0	176923	0.55	0.34
	NRI Non-Repatriation	1960	0	1960	0.01	20885	0	20885	0.07	-0.01

Cat-egory Code	Category of Shareholder	No. of shares held at the beginning of the year 01/04/2017				No. of shares held at the end of the year 31/03/2018				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(d)	Qualified For-eign Investor	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total B(2) :	**6770527**	**389110**	**7159637**	**22.38**	**8046684**	**243072**	**8289756**	**25.91**	**3.53**
	Total B=B(1)+B(2):	**7606962**	**394360**	**8001322**	**25.01**	**8408013**	**243322**	**8651335**	**27.04**	**2.03**
	Total (A+B) :	**31581203**	**413797**	**31995000**	**100.00**	**31751678**	**243322**	**31995000**	**100.00**	**0.00**
(C)	Shares held by custodians, against which Depository Receipts have been issued:									
(1)	Promoter and Promoter Group									
(2)	Public	0	0	0	0.00	0	0	0	0.00	0.00
GRAND TOTAL (A+B+C) :		**31581203**	**413797**	**31995000**	**100.00**	**31751678**	**243322**	**31995000**	**100.00**	

ii) Shareholding of Promoters:

Sl. No	Shareholders Name	Shareholding at the beginning of the year (as on 01.04.2017)			Shareholding at the end of the year (as on 31.03.2018)			% change in share holding during the year
		No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Advait Surana	1,61,541	0.50	-	161,541	0.50	-	0.00
2	Chand Kanwar	17,04,949	5.33	-	-	0	-	-5.33
3	Devendra Surana	22,81,882	7.13	-	31,34,660	9.80	-	2.67
4	Devendra Surana (HUF)	67,500	0.21	-	67,500	0.21	-	0.00
5	G M Surana (HUF)	1,78,775	0.56	-	1,78,775	0.56	-	0.00
6	G M Surana (MHUF)	1,66,380	0.52	-	1,66,380	0.52	-	0.00
7	GM Surana	17,10,990	5.35	-	17,10,990	5.35	-	0.00
8	Manish Surana	24,66,704	7.71	-	23,37,513	7.31	-	-0.40
9	Mitali Surana	3,00,000	0.94	-	3,00,000	0.94	-	0.00
10	Namrata Surana	18,70,335	5.85	-	18,70,335	5.85	-	0.00
11	Narender Surana	26,86,954	8.40	-	31,81,468	9.94	-	1.55
12	Narender Surana (HUF)	1,06,500	0.33	-	1,06,500	0.33	-	0.00
13	Nivruthi Surana	3,47,500	1.09	-	3,47,500	1.09	-	0.00
14	Rahul Surana	14,04,500	4.39	-	14,04,500	4.39	-	0.00
15	Shresha Surana	5,80,613	1.81	-	5,59,000	1.75	-	-0.07
16	Sunita Surana	16,38,335	5.12	-	15,56,831	4.87	-	-0.25
17	Vinita Surana	7,48,692	2.34	-	6,94,468	2.17	-	-0.17
18	Surana Infocom Private Limited	43,45,139	13.58	-	43,41,581	13.57	-	-0.01
19	Surana Telecom and Power Limited	11,45,166	3.58	-	11,45,166	3.58	-	0.00
20	Bhagyanagar Securities Private Limited	81,223	0.25	-	78,957	0.24	-	-0.01
	Total	**2,39,93,678**	**74.99**	**-**	**2,33,43,665**	**72.96**	**-**	**-2.03**

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

Sl. No	Name of the Share Holder	Shareholding at the beginning of the year (as on 01.04.2017)		Increase/ Decrease in Shareholding during the year			Shareholding at the end of the year (as on 31.03.2018)	
		No. of Shares	% of total shares of the company	Date	Increase/ Decrease in share holding	Reason	No of Shares	% of total shares of the company
1	Surana Infocom Private Limited	4345139	13.58	01/04/2017			4345139	13.58
				23/06/2017	1	Purchase	4345140	13.58
				18/08/2017	1335	Purchase	4346475	13.58
				25/08/2017	2	Purchase	4346477	13.58
				01/09/2017	100	Purchase	4346577	13.59
				22/09/2017	-7000	Sale	4339577	13.56
				29/09/2017	-3000	Sale	4336577	13.55
				06/10/2017	5000	Purchase	4341577	13.57
				27/10/2017	1	Purchase	4341578	13.57
				10/11/2017	3	Purchase	4341581	13.57
				31/03/2018			4341581	13.57
2	Narender Surana	2686954	8.40	01/04/2017			2686954	8.40
				26/05/2017	45	Purchase	2686999	8.40
				02/06/2017	40	Purchase	2687039	8.40
				09/06/2017	113	Purchase	2687152	8.40
				16/06/2017	11	Purchase	2687163	8.40
				23/06/2017	9	Purchase	2687172	8.40
				30/06/2017	2	Purchase	2687174	8.40
				07/07/2017	40	Purchase	2687214	8.40
				14/07/2017	25	Purchase	2687239	8.40
				21/07/2017	7	Purchase	2687246	8.40
				28/07/2017	13	Purchase	2687259	8.40
				18/08/2017	100	Purchase	2687359	8.40
				25/08/2017	111	Purchase	2687470	8.40
				01/09/2017	5	Purchase	2687475	8.40
				08/09/2017	1	Purchase	2687476	8.40
				22/09/2017	-19461	Sale	2668015	8.34
				13/10/2017	-10930	Sale	2657085	8.30
				20/10/2017	-23500	Sale	2633585	8.23
				27/10/2017	-11400	Sale	2622185	8.20
				31/10/2017	-9583	Sale	2612602	8.17
				03/11/2017	-1000	Sale	2611602	8.16
				10/11/2017	-94418	Sale	2517184	7.87
				17/11/2017	-4625	Sale	2512559	7.85
				24/11/2017	-200	Sale	2512359	7.85
				01/12/2017	-2500	Sale	2509859	7.84
				08/12/2017	-121907	Sale	2387952	7.46
				15/12/2017	-20400	Sale	2367552	7.40
				22/12/2017	-10616	Sale	2356936	7.37
				29/12/2017	-10700	Sale	2346236	7.33
				05/01/2018	-14410	Sale	2331826	7.29
				02/02/2018	857142	Transfer	3188968	9.97
				09/03/2018	-7500	Sale	3181468	9.94
				31/03/2018			3181468	9.94

Sl. No	Name of the Share Holder	Shareholding at the beginning of the year (as on 01.04.2017)		Increase/ Decrease in Shareholding during the year			Shareholding at the end of the year (as on 31.03.2018)	
		No. of Shares	% of total shares of the company	Date	Increase/ Decrease in share holding	Reason	No of Shares	% of total shares of the company
3	Manish Surana	2466704	7.71	01/04/2017			2466704	7.71
				02/06/2017	5	Purchase	2466709	7.71
				30/06/2017	8	Purchase	2466717	7.71
				22/09/2017	-1000	Sale	2465717	7.71
				29/09/2017	-23485	Sale	2442232	7.63
				20/10/2017	-8200	Sale	2434032	7.61
				27/10/2017	-2100	Sale	2431932	7.60
				10/11/2017	-19000	Sale	2412932	7.54
				24/11/2017	-1000	Sale	2411932	7.54
				01/12/2017	-21019	Sale	2390913	7.47
				08/12/2017	-50400	Sale	2340513	7.32
				15/12/2017	-1000	Sale	2339513	7.31
				09/03/2018	-2000	Sale	2337513	7.31
				31/03/2018			2337513	7.31
4	Devendra Surana	2281882	7.13	01/04/2017			2281882	7.13
				02/02/2018	852778	Transfer	3134660	9.80
				31/03/2018			3134660	9.80
5	Namrata Surana	1870335	5.85	01/04/2017			1870335	5.85
				31/03/2018			1870335	5.85
6	GM Surana	1710990	5.35	01/04/2017			1710990	5.35
				05/01/2018	1704949	Transmission	3415939	10.68
				02/02/2018	-1704949	Transfer	1710990	5.35
				31/03/2018			1710990	5.35
8	Sunita Surana	1638335	5.12	01/04/2017			1638335	5.12
				20/10/2017	-671	Sale	1637664	5.12
				10/11/2017	-500	Sale	1637164	5.12
				01/12/2017	-3000	Sale	1634164	5.11
				08/12/2017	-74333	Sale	1559831	4.88
				09/03/2018	-3000	Sale	1556831	4.87
				31/03/2018			1556831	4.87
9	Rahul Surana	1404500	4.39	01/04/2017			1404500	4.39
				31/03/2018			1404500	4.39
10	Surana Telecom and Power Ltd	1145166	3.58	01/04/2017			1145166	3.58
				18/08/2017	19437	Purchase	1164603	3.64
				31/03/2018			1145166	3.58
11	Vinita Surana	748692	2.34	01/04/2017			748692	2.34
				22/09/2017	-800	Sale	747892	2.34
				20/10/2017	-5799	Sale	742093	2.32
				27/10/2017	-6100	Sale	735993	2.30
				31/10/2017	-300	Sale	735693	2.30
				10/11/2017	-4000	Sale	731693	2.29
				01/12/2017	-14895	Sale	716798	2.24
				08/12/2017	-19500	Sale	697298	2.18
				09/03/2018	-2830	Sale	694468	2.17
				31/03/2018			694468	2.17

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

Sl. No	Name of the Share Holder	Shareholding at the beginning of the Year		Increase / Decrease in shareholding			Cumulative Shareholding during the Year	
		No of Shares	% of total shares of the Company	Date	No. of shares	Reason	No of Shares	% of total shares of the company
1	Sambhav Munoth	823000	2.57	01/04/2017			823000	2.57
				31/03/2018			823000	2.57
2	Arun Kumar Jain	279165	0.87	01/04/2017			279165	0.87
				31/03/2018			279165	0.87
3	General Insurance Corporation of India	272709	0.85	01/04/2017			272709	0.85
				31/03/2018			272709	0.85
4	Narender Munoth	368436	1.15	01/04/2017			368436	1.15
				13/10/2017	-5000	Sale	363436	1.14
				20/10/2017	-11329	Sale	352107	1.10
				27/10/2017	-5000	Sale	347107	1.08
				10/11/2017	-15333	Sale	331774	1.04
				01/12/2017	-20000	Sale	311774	0.97
				08/12/2017	-50000	Sale	261774	0.82
				31/03/2018			261774	0.82
5	Vaibhav Mutha	257500	0.80	01/04/2017			257500	0.80
				31/03/2018			257500	0.80
6	Dundoo Ajit Kumar	72485	0.23	01/04/2017			72485	0.23
				12/01/2018	29619	Purchase	102104	0.32
				19/01/2018	9313	Purchase	111417	0.35
				26/01/2018	13493	Purchase	124910	0.39
				02/02/2018	8348	Purchase	133258	0.42
				09/02/2018	5842	Purchase	139100	0.43
				23/02/2018	14694	Purchase	153794	0.48
				16/03/2018	4637	Purchase	158431	0.50
				31/03/2018			158431	0.50
7	Investor Education And Protection Fund Authority	0	0.00	01/04/2017			0	0.00
				08/12/2017	141009	Purchase	141009	0.44
				15/12/2017	3623	Purchase	144632	0.45
				31/03/2018			144632	0.45
8	Andhra Pradesh Industrial Development Corporation	88350	0.28	01/04/2017			88350	0.28
				31/03/2018			88350	0.28
9	Edelweiss Broking Ltd	50	0.00	01/04/2017			50	0.00
				26/05/2017	960	Purchase	1010	0.00
				02/06/2017	-960	Sale	50	0.00
				21/07/2017	1725	Purchase	1775	0.01
				28/07/2017	3645	Purchase	5420	0.02
				28/07/2017	-175	Sale	5245	0.02
				04/08/2017	750	Purchase	5995	0.02
				04/08/2017	-1045	Sale	4950	0.02
				11/08/2017	250	Purchase	5200	0.02
				11/08/2017	-970	Sale	4230	0.01
				18/08/2017	47	Purchase	4277	0.01
				25/08/2017	500	Purchase	4777	0.01
				25/08/2017	-127	Sale	4650	0.01
				01/09/2017	10	Purchase	4660	0.01
				08/09/2017	510	Purchase	5170	0.02

Sl. No	Name of the Share Holder	Shareholding at the beginning of the Year		Increase / Decrease in shareholding			Cumulative Shareholding during the Year	
		No of Shares	% of total shares of the Company	Date	No. of shares	Reason	No of Shares	% of total shares of the company
				08/09/2017	-510	Sale	4660	0.01
				15/09/2017	1059	Purchase	5719	0.02
				15/09/2017	-110	Sale	5609	0.02
				22/09/2017	959	Purchase	6568	0.02
				29/09/2017	5013	Purchase	11581	0.04
				29/09/2017	-1348	Sale	10233	0.03
				30/09/2017	20	Purchase	10253	0.03
				30/09/2017	-20	Sale	10233	0.03
				06/10/2017	2270	Purchase	12503	0.04
				06/10/2017	-375	Sale	12128	0.04
				13/10/2017	2495	Purchase	14623	0.05
				13/10/2017	-1193	Sale	13430	0.04
				20/10/2017	-2170	Sale	11260	0.04
				27/10/2017	2947	Purchase	14207	0.04
				27/10/2017	-2525	Sale	11682	0.04
				31/10/2017	110	Purchase	11792	0.04
				31/10/2017	-1807	Sale	9985	0.03
				03/11/2017	2890	Purchase	12875	0.04
				03/11/2017	-3000	Sale	9875	0.03
				10/11/2017	23085	Purchase	32960	0.10
				17/11/2017	2158	Purchase	35118	0.11
				17/11/2017	-18800	Sale	16318	0.05
				24/11/2017	2125	Purchase	18443	0.06
				24/11/2017	-5988	Sale	12455	0.04
				01/12/2017	17461	Purchase	29916	0.09
				01/12/2017	-350	Sale	29566	0.09
				08/12/2017	2468	Purchase	32034	0.10
				08/12/2017	-16367	Sale	15667	0.05
				15/12/2017	10502	Purchase	26169	0.08
				15/12/2017	-1629	Sale	24540	0.08
				22/12/2017	3080	Purchase	27620	0.09
				22/12/2017	-2625	Sale	24995	0.08
				29/12/2017	9187	Purchase	34182	0.11
				29/12/2017	-2461	Sale	31721	0.10
				05/01/2018	45	Purchase	31766	0.10
				05/01/2018	-9224	Sale	22542	0.07
				12/01/2018	4310	Purchase	26852	0.08
				12/01/2018	-3638	Sale	23214	0.07
				19/01/2018	1562	Purchase	24776	0.08
				19/01/2018	-950	Sale	23826	0.07
				26/01/2018	1474	Purchase	25300	0.08
				26/01/2018	-400	Sale	24900	0.08
				02/02/2018	554	Purchase	25454	0.08
				09/02/2018	107	Purchase	25561	0.08
				09/02/2018	-1046	Sale	24515	0.08
				16/02/2018	3834	Purchase	28349	0.09
				16/02/2018	-3560	Sale	24789	0.08
				23/02/2018	-9493	Sale	15296	0.05

Sl. No	Name of the Share Holder	Shareholding at the beginning of the Year		Increase / Decrease in shareholding			Cumulative Shareholding during the Year	
		No of Shares	% of total shares of the Company	Date	No. of shares	Reason	No of Shares	% of total shares of the company
				02/03/2018	1445	Purchase	16741	0.05
				02/03/2018	-4961	Sale	11780	0.04
				09/03/2018	65340	Purchase	77120	0.24
				09/03/2018	-2250	Sale	74870	0.23
				16/03/2018	14698	Purchase	89568	0.28
				16/03/2018	-10400	Sale	79168	0.25
				23/03/2018	420	Purchase	79588	0.25
				23/03/2018	-2559	Sale	77029	0.24
				30/03/2018	109	Purchase	77138	0.24
				30/03/2018	-110	Sale	77028	0.24
				31/03/2018	300	Purchase	77328	0.24
				31/03/2018	-300	Sale	77028	0.24
				31/03/2018			77028	0.24
10	Dilipkumar Lakhi	75019	0.23	01/04/2017			75019	0.23
				31/03/2018			75019	0.23

v) Shareholding of Directors and Key Managerial Personnel:

S. No.	Name of the Directors	Shareholding at the beginning of the year (as on 01.04.2017)		Change in Shareholding		Shareholding at the end of the year (as on 31.03.2018)	
		No. of Shares	% of total shares of the Company	Increase	Decrease	No. of Shares	% of total shares of the Company
1	G. M. Surana	17,10,990	5.35	-	-	17,10,990	5.35
2	Narender Surana	26,86,954	8.40	4,94,514	-	31,81,468	9.94
3	Devendra Surana	22,81,882	7.13	8,52,778		31,34,660	9.80
4	R. Surender Reddy	7,500	0.02	-	-	7,500	0.02
5	O. Swaminatha Reddy	-	-				
6	D. Venkata Subbiah	-	-				
7	Narender Munoth*	368436	1.15	-	106662	261774	0.82
8	N. Krupakar Reddy	-	-	-	-	-	-
9	Kamlesh Gandhi	-	-	-	-	-	-
10	Dr. R.N Sreenath	-	-	-	-	-	-
11	Madhumathi Suresh	-	-	-	-	-	-

** Retired as Director w.e.f. 26.09.2017.*

S. No.	Name of the Key Managerial Personnel	Shareholding at the beginning of the year		Change in Shareholding		Shareholding at the end of the year	
		No. of Shares	% of total shares of the Company	Increase	Decrease	No. of Shares	% of total shares of the Company
1.	Surendra Bhutoria Chief Financial Officer	-	-	-	-	-	-
2	Badarish H Chimalgi Company Secretary	-	-	-	-	-	-

V. INDEBTEDNESS:

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

(Amount in ₹.)

	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	737,446,906	51,910	-	737,498,816
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	5,315,585	-	-	5,315,585
Total (i+ii+iii)	**742,762,491**	**51,910**	**-**	**742,814,401**
Change in Indebtedness during the financial year				
Addition	95,82,145	-	-	95,82,145
Reduction	(291,286,821)	(51,910)	-	(291,338,731)
Net Change	**(281,704,676)**	**(51,910)**	**-**	**(281,756,586)**
Indebtedness at the end of the financial year				
i) Principal Amount	456,355,447	-	-	456,355,447
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	4,702,368	-	-	4,702,368
Total (i+ii+iii)	**461,057,815**	**-**	**-**	**461,057,815**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Narender Surana, Managing Director	Devendra Surana, Managing Director	Narender Munoth, Whole Time Director	N.Krupakar Reddy, Whole Time Director	Total Amount (Rs.)
1	Gross Salary					
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	-	60,00,000	-	2,46,000	**62,40,000**
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	-	30,00,000	-	**-**	**30,00,000**
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	**-**	**-**	**-**	**-**	**-**
2	Stock Options	**-**	**-**	**-**	**-**	**-**
3	Sweat Equity	**-**	**-**	**-**	**-**	**-**
4	Commission - as % of profit - others, specify….					
5	Others, please specify	-	**-**	**-**	**-**	**-**
	Total (A)	**-**	**90,00,000**	**-**	**2,46,000**	**92,40,000**

B. Remuneration to other Directors:

1. Independent Directors:

Sl. No.	Particulars of remuneration	Name of Director					Total Amount (Rs.)
		R.Surender Reddy	O.Swaminatha Reddy	D.Venkata Subbiah	Kamlesh Gandhi	Madhumati Suresh	
1	Sitting Fee for attending Board/ Committee Meetings	90,000	90,000	50,000	90,000	50,000	**3,70,000**
2	Commission	-	-	-	-	-	-
3	Others, please specify	-	-	-	-	-	-
Total (B)(1)		**90,000**	**90,000**	**50,000**	**90,000**	**50,000**	**3,70,000**

2. Other Non-Executive Directors:

Particulars of remuneration	G M Surana, Director	Total Amount (Rs.)
-Fee for attending Board/ Committee Meetings	80,000	80,000
- Commission	-	-
- Others, please specify	-	-
Total	**80,000**	**80,000**

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

Sl. No.	Particulars of Remuneration	Surendra Bhutoria Chief Financial Officer	Badarish H Chimalgi*	Total Amount (Rs.)
1	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	18,34,000	6,78,839	**25,12,839**
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-	-
2	Stock Options	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - Others, specify	-	-	-
5	Others, please specify	-	-	-
	Total (C)	**18,34,000**	**6,78,839**	**25,12,839**

** Resigned as Company Secretary w.e.f. 18.06.2018*

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]	Appeal made, if any (give details)
A. COMPANY					
Penalty			None		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			None		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			None		
Punishment					
Compounding					

For and on behalf of the Board of Directors

Place: Secunderabad
Date: 06.08.2018

NARENDER SURANA
MANAGING DIRECTOR
DIN-00075086

DEVENDRA SURANA
MANAGING DIRECTOR
DIN-00077296

ANNEXURE - V

FORM NO MR 3
SECRETARIAL AUDIT REPORT

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

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

To
The members of
Bhagyanagar India Limited

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

1. Based on our verification of the books, papers, minutes books, forms, returns filed and other records maintained by the Company and also the information and according to the examinations carried out by us and explanations furnished and representations made to us by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, I hereby report that in our opinion, the Company has during the audit period covering the Financial Year ended on 31st March, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

2. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2018 ("Audit Period") according to the provisions of:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

      (a) The Electricity Act, 2003

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

      (c) Environment Protection Act, 1986

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

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

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

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

3. I, further report that:

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

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

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

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

RAKHI AGARWAL
COMPANY SECRETARY IN PRACTICE
FCS No.7047
CP No.6270

Place: Hyderabad
Date: 06.08.2018

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Transparency and accountability are the two basic tenets of Corporate Governance. At Bhagyanagar India Limited, we feel proud to belong to a Company whose visionary founders laid the foundation stone for good governance long back and made it an integral principle of the business, as demonstrated in the words above. Responsible corporate conduct is integral to the way we do our business. At Bhagyanagar India Limited, we are committed to doing things the right way which means taking business decisions and acting in a way that is ethical and is in compliance with applicable legislation. Our Code of Business Principles is an extension of our values and reflects our continued commitment to ethical business practices across our operations. To succeed, we believe, requires highest standards of corporate behaviour towards everyone we work with, the communities we touch and the environment on which we have an impact. This is our road to consistent, competitive, profitable and responsible growth and creating long term value for our shareholders, our people and our business partners.

The above principles have been the guiding force for whatever we do and shall continue to be so in the years to come. The Board of Directors ('the Board') is responsible for and committed to sound principles of Corporate Governance in the Company. The Board plays a crucial role in overseeing how the management serves the short and long term interests of shareholders and other stakeholders. We keep our governance practices under continuous review and benchmark ourselves to best practices across the globe.

2. BOARD OF DIRECTORS:

a) Composition and Category of Directors:

The Board of Directors is entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company and has been vested with requisite powers, authorities and duties.

In terms of compliance with the regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 "SEBI Listing Regulations, 2015", the Company endeavour to have an optimum combination of Executive and Non-Executive Directors to maintain the independence of the Board and separate the functions of Governance and Management through Board and Committees. As at March 31, 2018, the Board of Directors ("Board") comprises of Nine Directors, of which six are Non-Executive Directors and three are Executive Directors. The Company has Five Independent Directors Independent Directors including Women Director; Independent Directors comprise half of the total strength of the Board. The composition and category of the Board of Directors is as follows:

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

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

The particulars of attendance of Board Meetings and Annual General Meeting by Directors for the financial year ended 31.03.2018 has been set out here below:

Sl. No	Name of Director	No. of Board Meetings		Attendance at last AGM on 26.09.2017
		Held	Attended	
1	Shri. G Mangilal Surana	5	4	Absent
2	Shri. Narender Surana	5	5	Present
3	Shri. Devendra Surana	5	5	Present
4	Shri. O Swaminatha Reddy	5	5	Present
5	Shri. R Surender Reddy	5	5	Present
6	Shri. Kamlesh Gandhi	5	5	Present

7	Shri. D Venkata Subbiah	5	5	Present
8	Smt. Madhumathi Suresh	5	5	Present
9	Shri. Narender Munoth*	2	-	Absent
10	Shri. N Krupakar Reddy	5	2	Absent

** Retired from the Board w.e.f.26.09.2017.*

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

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

In terms of compliance with the requirement of Regulation 17(2) of SEBI (LODR) Regulations, 2015, Five Board Meetings were held during the financial year ended 31.03.2018, as against the minimum requirement of four meetings. The maximum time gap between any of two consecutive meetings did not exceed One Hundred and Twenty days.

The dates on which the Board meetings were held are:

18.05.2017	31.07.2017	26.09.2017	01.12.2017	10.02.2018

d) Disclosure of relationship between directors inter-se:

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

e) Shares held by Non-Executive Directors:

The number of equity shares of the Company held by the non-executive directors, as on 31.03.2018 are as follows:

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

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

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

BOARD COMMITTEES:

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

1. **AUDIT COMMITTEE:**

(a) Brief description of terms of reference:

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

1. Review of financial reporting systems;
2. Ensuring compliance with regulatory guidelines;
3. Reviewing the quarterly, half yearly and annual financial results;
4. Approval of annual internal audit plan;
5. Review and approval of related party transactions;

6. Discussing the annual financial statements and auditor's report before submission to the Board with particular reference to the (i) Director's Responsibility Statement; (ii) major accounting entries; (iii) significant adjustments in financial statements arising out of audit findings; (iv) compliance with listing requirements etc.;
7. Interaction with statutory, internal and cost auditors;
8. Recommendation for appointment and remuneration of auditors; and
9. Reviewing and monitoring the auditor's independence and performance etc.

Further the Audit Committee also mandatorily reviews the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses;
5. The appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the audit committee; and
6. Statement of deviations:
   (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI Listing Regulations;
   (b) Annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice in terms of Regulation 32(7) of SEBI Listing Regulations.

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

(b) Composition, Name of members and Chairman:

During the period under review, the Audit Committee was re-constituted with appointment of Shri Devendra Surana, Managing Director in place of Shri G.Mangilal Surana who resigned from the Committee w.e.f. 10.02.2018.

As on March 31, 2018, the Audit Committee of the Board comprises of three (3) Independent Directors and one (1) Executive Director. The Chairperson of the Audit Committee is Independent Director. The composition of the Committee is in compliance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations:

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

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

(c) Meetings and attendance during the year:

- During the financial year ended March 31, 2018, four Audit Committee meetings were held on:

18.05.2017	31.07.2017	01.12.2017	10.02.2018

- The Company has implemented Ind-AS from the financial year 2017-18. Pursuant to SEBI Circular No. CIR/ CFD/FAC/ 62/2016, dated July 5th 2016, SEBI has extended one month time for approval of un-audited financial results for the 1st & 2nd Quarter. Accordingly the Board, on recommendations of Audit Committee, approved the un-audited financial results for the 2nd quarter on 1st December, 2017 and hence there was time gap of 122 days between two meetings of Audit Committee.

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

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

** Resigned from the Committee w.e.f. 10.02.2018*

The Statutory Auditors and Internal Auditors of the Company have also attended the above meetings on invitation. The recommendations made by the Audit Committee from time to time have been followed by the Company. The Chairman of the Audit Committee has attended the Annual General Meeting to answer the queries raised by the Shareholders regarding Audit and Accounts.

2. **NOMINATION & REMUNERATION COMMITTEE:**

a. Brief description of terms of reference

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

b. Composition, Name of members and Chairman:

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

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

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

c. Nomination and Remuneration Committee meetings:

During the period from April 1, 2017 to March 31, 2018, Nomination and Remuneration Committee Meetings were held on 18.05.2017, 31.07.2017, 26.09.2017 and 10.02.2018.

S. No	Name of the Director	Number of Meetings	
		Held	Attended
1.	Shri. R Surender Reddy	4	4
2.	Shri. O Swaminatha Reddy	4	4
3.	Shri. D Venkata Subbiah	4	4

d. Nomination and Remuneration policy

- In compliance with the requirements of Section 178 of the Companies Act, 2013, Rules framed thereunder and pursuant to the provisions of Regulation 19(4) of the Listing Regulations, the Board of Directors of the Company has a Nomination and Remuneration Policy for the Directors, Key Managerial Personnel,

Functional Heads and other employees of the Company. The Policy provides for criteria and qualifications for appointment of Director, Key Managerial Personnel (KMPs) and remuneration to them, Board diversity etc. The said policy is available on the Company's website http://www.bhagyanagarindia.com/pdf/corporate-governance/policies/Nominations-and-Remuneration-Policy.pdf

- The Non-executive directors are paid sitting fees for attending meetings of Board/ Committee.

e. Performance evaluation of Directors.

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

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

INDEPENDENT DIRECTORS' MEETING:

During the year, meeting of Independent Directors was held on 10.02.2018 to review the performance of the Board as a whole on parameters of effectiveness and to assess the quality, quantity and timeliness of flow of information between the management and the Board.

5. Remuneration of Directors

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

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

Following are the details of sitting fees paid to the Directors. The Company pays Sitting fees to all the Non-executive Directors at the rate of Rs.10,000/- for each meeting. The details of Sitting Fees paid to the Non-executive Directors for attending Board Meetings and Committee Meetings during the financial year 2017-18 are as follows:

S. No.	Name of Director	Sitting Fees paid (Rs.)
1.	Shri G Mangilal Surana	80,000
2.	Shri O Swaminatha Reddy	90,000
3.	Shri R Surender Reddy	90,000
4.	Shri Kamlesh Gandhi	90,000
5.	Shri D.Venkata Subbiah	50,000
6.	Smt. Madhumathi Suresh	50,000
Total		**4,50,000**

(b) Details of Remuneration of Executive Directors:

(Amount in ₹)

Name of Director	Salary	HRA	Total
Shri. Narender Surana	Nil	Nil	Nil
Shri.Devendra Surana	60,00,000	30,00,000	90,00,000
Shri.N. Krupakar Reddy	2,46,000	Nil	2,46,000
TOTAL	**62,46,000**	**30,00,000**	**92,46,000**

6. STAKEHOLDERS RELATIONSHIP COMMITTEE:

(a) Brief description of terms of reference:

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

(b) Composition:

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

(c) Name and Designation of Compliance Officer:

Ms Rachna Kewliya, Company Secretary is acting as Compliance Officer of the Company.

(d) Number of Shareholders complaints received so far.

During the financial year ended March 31, 2018, the Company has received and resolved 11 complaints.

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

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

7. GENERAL BODY MEETINGS:

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

Year	Locations	Date	Time
32nd AGM (2016-17)	The Grand Solitaire Hotel, 1-240, 41 & 43, SD Road, Parklane, Secunderabad – 500 003	26th September, 2017	10.00 A.M
31st AGM (2015-16)	The Grand Solitaire Hotel, 1-240, 41 & 43, SD Road, Parklane, Secunderabad – 500 003	30th September, 2016	10.00 A.M
30th AGM (2014-15)	The Grand Solitaire Hotel, 1-240, 41 & 43, SD Road, Parklane, Secunderabad – 500 003	30th September, 2015	10.00 A.M

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

2016-17: In the AGM held on 26th September, 2017 the Company has passed Special Resolutions as follows:

(i) Re-Appointment of Shri N. Krupakar Reddy, Whole-Time Director of the Company.

(ii) Change in Articles of Associations (AoA).

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

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

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

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

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

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

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

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

iii) Special resolution passed last year through postal ballot:

No Special Resolution was passed through Postal Ballot during the FY 2017-18.

8. MEANS OF COMMUNICATION:

(a) Financial / Quarterly Results:

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

(b) Newspapers wherein results normally published

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

(c) Any website, where displayed

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

(d) Whether it also displays official news releases

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

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

There are no presentations made to the investors/ analysts.

(f) Website:

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

9. GENERAL SHAREHOLDER INFORMATION:

Annual General Meeting	Date : 24th September, 2018 Time : 10.00 AM Venue : Grand Solitaire Hotel, 1-240, 41 & 43, S.D. Road, Parklane, Secunderabad-500003
Financial Calendar	1st April to 31st March.
Date of Book Closure	19.09.2018 to 24.09.2018 (both days inclusive)
Dividend Payment Date	Nil
Listing on Stock Exchanges	BSE Ltd National Stock Exchange of India Limited
Scrip/Stock Code	512296 on BSE BHAGYANGR on NSE
ISIN Number for NSDL & CDSL	INE458B01036

The listing fees for the year 2018-19 has been paid to the above stock exchanges.

(a) MARKET PRICE DATA:

Month	NSE		BSE	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
Apr' 2017*	-	-	-	-
May' 2017	28.00	21.70	28.50	21.75
Jun' 2017	28.00	21.65	27.50	23.00
Jul' 2017	28.90	23.05	29.40	24.00
Aug' 2017	25.45	19.40	25.30	20.10
Sep' 2017	37.50	22.00	37.25	22.45
Oct' 2017	39.40	27.35	39.40	27.40
Nov' 2017	42.50	32.90	45.70	32.85
Dec' 2017	57.80	40.15	57.90	40.25
Jan' 2018	54.45	38.70	54.90	40.50
Feb' 2018	53.60	36.20	53.60	35.30
Mar' 2018	60.40	41.70	60.25	41.55

** The trading in Company's shares were suspended from 10.03.2017 to 16.05.2017 due to procedural reasons of Demerger.*

(b) Performance in comparison to BSE SENSEX:

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

	17th May, 2017*	31st March, 2018	% Change
Company Share Price(closing)	26.60	42.10	58.27
SENSEX (closing)	29918.40	33019.07	10.36

** The trading commenced w.e.f. 17.05.2017 after demerger.*

(c) Suspension of trading in securities:

The trading in Company's shares were suspended from 10.03.2017 to 17.05.2017 due to procedural reasons of Demerger and reduction of share capital as per the Scheme of Arrangement.

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

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

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

(e) Share Transfer System

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

(f) Distribution of shareholding

Shareholding Pattern as on 31st March, 2018:

Sl. No	Description	Total Shares	% Equity
1	Promoters	17803192	55.57
2	Promoters Bodies Corporate	5565704	17.40
3	Resident Individuals	6886969	21.52
4	Bodies Corporates	735880	2.30
5	H U F	285902	0.90
6	Indian Financial Institutions	272709	0.85
7	Non Resident Indians	176923	0.55
8	I E P F	144632	0.45
9	Government	88350	0.27
10	Clearing Members	38315	0.12
11	Non Resident Indian Non Repatriable	20885	0.07
12	Banks	270	0.00
13	Mutual Funds	250	0.00
14	Trusts	250	0.00
	Total:	**3,19,95,000**	**100.00**

Distribution of shareholding as on 31.03.2018:

Shares holding of nominal value of	No. of Shareholders	No. of Shares	% of total shares
1-5000	12094	3242476	10.13
5001- 10000	222	813052	2.54
10001- 20000	82	625122	1.95
20001- 30000	28	337814	1.06
30001- 40000	6	106672	0.33
40001- 50000	16	357349	1.12
50001- 100000	15	513831	1.61
100001& Above	38	25998684	81.26
Total	**12501**	**3,19,95,000**	**100.00**

(g) Dematerialization of Shares & Liquidity

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

3,17,51,678 equity shares were dematerialized representing 99.24% of the total paid up equity share capital of the Company as on 31.03.2018.

(h) There are no outstanding Global Depository Receipts/ American Depository Receipts or Warrants or any convertible instruments as on the date of 31.03.2018.

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

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

(j) Plant Locations:

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

viii) Address for correspondence

Sl. No.	Shareholders Correspondence for	Address
1.	Transfer/Dematerialization/ Consolidation /Split of shares, Issue of Duplicate Share Certificates, Non-receipt of dividend/ Bonus shares, etc., change of address of Members and Beneficial Owners and any other query relating to the shares of the Company.	**M/s. Karvy Computershare Pvt. ltd.** Karvy Selenium Tower B, Plot No 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032 Phone # +91-40-67161526 Email ID: einward.ris@karvy.com/ nageswara.raop@karvy.com Website : www.karvy.com
2.	Investor Correspondence / Queries on Annual Report, Revalidation of Dividend Warrants, Sub-Division, etc.	**Company Secretary** Bhagyanagar India Limited 5th Floor, Surya Towers, S.P.Road, Secunderabad – 500 003. Ph Nos. 040 - 27845119/ 44665750 E-mail : cs@surana.com Investorservices_bil@surana.com Website: www.bhagyanagarindia.com

10. OTHER DISCLOSURES:

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

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

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

None.

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

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

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

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

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

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

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

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

(g) Disclosure of commodity price risks and commodity hedging activities:

Not applicable

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

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

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

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

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

14. Code of Conduct

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

15. CEO and CFO Certification

In line with the requirements of Schedule-V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Shri Narender Surana, Shri Devendra Surana, Managing Directors, Shri Surendra Bhutoria, Chief Finance Officer have submitted a certificate to the Board, certifying inter-alia, that the Financial Statements and the Cash Flow Statement for the year ended March 31, 2018 were reviewed to the best of their knowledge and belief, that they do not contain any material untrue statement, do not omit any material facts, are not misleading statements, together present a true and fair view and are in compliance with the applicable laws and regulations. The certificate further confirms that the transactions entered into by the Company for establishing

internal control, financial reporting, evaluation of the internal control systems and making of necessary disclosures to the Auditors and the Audit Committee have been complied with.

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

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

17. Unclaimed Dividend:

Dividends for the financial year ended 31st March, 2011 and thereafter, which remain unclaimed for a period of seven years, will be transferred to the Investor Education and Protection Fund established by the Central Government pursuant to Section 124 of the Companies Act, 2013, Information in respect of the due date for transfer of such unclaimed dividend to the said fund is given below:

Financial Year	Date of Declaration	Due date for transfer	Unclaimed Dividend * (Amount in Rs)
2010-11	21.09.2011	20.10.2018	2,42,516
2011-12	29.09.2012	28.10.2019	2,39,248
2012-13	27.09.2013	26.10.2020	2,81,448
2013-14	22.09.2014	21.10.2021	2,44,167
2014-15	30.09.2015	29.09.2022	2,46,188
TOTAL			**12,53,567**

** As on 31st March, 2018*

The members are advised to send all the unencashed dividend warrants pertaining to the above years to our RTA for revalidation or issuance of Demand Draft in lieu thereof and encash them before the due dates for transfer to the IEPF. It may also be noted that once the Unclaimed Dividend is transferred to the Investor Education and Protection Fund, no claim shall lie in respect thereof.

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

During the year ended March 31, 2018, there were no proceeds from public issues, rights issues, preferential issues, etc.

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

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

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

Pursuant to the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015, and in continuation with your Company's efforts to enhance the standards of corporate governance in the Company, and to strictly monitor and prevent insider trading within the company, your company has in place a Code of Conduct which is approved by the Board.

The Managing Director is acting as Compliance Officer for the said purpose. The code is applicable to all such employees, officers, Directors and Promoters of the Company who are expected to have access to the unpublished price sensitive information relating to the Company and the same is being implemented as a self-regulatory mechanism. The code has been circulated to all the members of the Board and Senior Management and others concerned the compliance of the same has been affirmed by them.

22. Particulars of Directors seeking appointment/ re-appointment at the ensuing Annual General Meeting:-

Name of Director	G.Manglilal Surana	Shri Narender Surana	Shri Devendra Surana	Shri O.Swaminatha Reddy	Shri R.Surender Reddy,	Shri D Venkatasubbiah	N.Krupakar Reddy
Expertise in specific functional areas	Shri.G.Mangilal Surana, graduate in Commerce and law from Osmania University, is the founder of Surana Group and Chairman Emeritus of the Company. He had around 5 decades of rich experience in the Ferrous & Non- Ferrous metal industry in his capacity as promoter, Director, Partner of the various units belongs to the Surana Group. Shri G.M Surana was the former Chairman of the Federation of Andhra Pradesh Chamber of Commerce and Industry (FAPCCI), former Director of Indian Overseas Bank, former Director of Andhra Pradesh State Trading Corporation, (APSTC), besides being the Member of Govt. Advisory Board, Minimum Wages Board. He is actively involved in various philanthropic activities.	Shri. Narender Surana is the Managing Director of Bhagyanagar India Limited and M/s Surana Telecom and Power Limited and Director of Surana Solar Limited and Bhagyanagar Properties Limited and other Companies of Surana Group, one of the leading Industrial house in AP. He has over 33 years of experience in the telecom cable, metals and solar industry. He has been the President of Federation of Andhra Pradesh Chambers of Commerce and Industry (FAPCCI). He was also the Founder President of Young Entrepreneurs Organization (Y.E.O) of Hyderabad Chapter. He is the recipient of Andhra Pradesh Best Entrepreneur Award.	Shri Devendra Surana is a graduate in Mechanical Engineer and holds a Post Graduate Diploma in Management from IIM, Bangalore and chosen as the Brain of the Batch. Shri Devendra Surana is Managing Director of M/s. Bhagyanagar India Limited and Director of Surana Solar Limited, Surana Telecom and Power Ltd and Bhagyanagar Properties Ltd and other companies of Surana Group, has been in the field of Ferrous & Non Ferrous, Telecom Industry for more than 30 years and in the field of Renewable Energy Industry for more than 10 years. He is the Past President of Federation of Andhra Pradesh Chambers of Commerce and Industry (FAPCCI) and Founder President of Young Entrepreneur Organization for Hyderabad Chapter and Past President of Rotary Club of Hyderabad Deccan. At present he is the Member of National Executive Committee for Federation of Indian Chambers of Commerce and Industry (FICCI). He is currently the president of the Telangana state council of FICCI.	Shri O Swaminatha Reddy a Commerce graduate and Fellow member of The Institute of Chartered Accountants of India , New Delhi, being the former Chairman of Andhra Bank and also former Chairman and Managing Director of APSFC, he has a rich vast banking and industrial experience spanning over decades. He has been the Director of the Company since 1994, and guiding the Company in the areas of financial decision making and Management policies.	A Graduate, having almost three decades of experience in various fields of Industry .He was well known for his social and political activities in the State of A.P. He has been guiding the Company as an Independent Director since 1989.	Graduate in Electronics and Communications, has held the post of Deputy Director General of Telecom Engg. Center, (TEC). He has wide experience in R&D work and engineering of Radio Relay systems covering VHF, UHF and Microwave Bands. He was also awarded the North East Telecom Award (1990) and Satellite Project Circle Award (1991) for meritorious services and outstanding contribution to Telecommunications. He has provided more than a decade of untiring service to Telecom Industry and service providers for basic telephony along with value added services covering Cellular Mobile, Radio Paging and Public Mobile Radio Trunking.	Shri N.Krupakar Reddy has got about 28 years of experience in running the industry. He looks after administration and day to day operations of the Company at factory.

Date of Birth	08.11.1930	06.07.1960	08.02.1965	25.12.1930	10.10.1931	01.07.1942	01.07.1956
Qualification	B.com. LL.B.,	B.E (Chemical)	B.E (Mechanical) PDGM (IIM, Bangalore)	B.Com (Hons), FCA	B.Com	B.E	B.Com
List of other Companies in which Directorship is held as on 31st March, 2018.	1.Surana Solar Limited 2.Bhagyanagar Green Energy Limited 3. Bhagyanagar Metals Limited 4. Globecom Infotech Private Limited	1. Surana Solar Limited 2. Surana Telecom and Power Limited 3. Bhagyanagar Properties Limited 4. Bhagyanagar Energy & Telecom Private Limited 5. Scientia Infocom India Private Limited 6. AP Golden Apparels Private Limited 7 Royal Skyscrapers India Private Limited 8. Surana Infocom Private Limited 9. Bhagyanagar Securities Private Limited 10.Innova Technologies Private Limited 11. Bhagyanagar Industrial Park 12. Surana Solar Systems Private Limited 13. Genten infra-Projects Private Limited 14. Indian Solar Power Producers Association 15. Tejas India Solar Energy Private Limited 16. Tejas Technopark Private Limited 17.Aryvaan Renewable Energy Private Limited 18.Aanvik Mercantile Private Limited	1. Surana Solar Limited 2.Surana Telecom and Power Limited 3.Surana Infocom Private Limited 4.Everytime Foods Industries Private Limited 5.Scientia Infocom India Private Limited 6.AP Golden Apparels Private Limited 7.Globecom Infraventures India Private Limited 8.Bhagyanagar Properties Limited 9.Bhagyanagar Securities Private Limited 10.Value Infrastructure and Properties Pvt.Ltd 11.Metropolitan Ventures India Limited 12.Shahsons Private Limited 13.Bhagyanagar Green Energy Limited 14. Surana Solar Systems Private Limited 15. Solar Dynamics Private Limited 16. Tejas India Solar Energy Private Limited 17.Aanvik Mercantile Private Limited	1. Sagar Cements Ltd 2. Surana Solar Limited 3. The KCP Limited 4. TCI Developers Limited 5. Transport Corporation Of India Limited 6. Tembhu Power Private Limited 7. Sagar Power Limited 8. Km Power Private Limited 9. Sagar Cements (R) Limited 10. EPR Gene Technologies Private Limited	1. Surya Lakshmi Cotton Mills Ltd 2. Suryalata Spinning Mills Limited 3. Surana Solar Limited 4. Lakshmi Finance And Industrial Corporation Ltd 5. Suryakiran International Limited 6. Hyderabad Race Club	1. Surana Telecom and Power Ltd 2. Aishwarya Technologies and Telecom Ltd 3. Bhagyanagar Properties Limited	1. Bhagyanagar Infra-structure Limited. 2. Innova Infrastructure Private Limited. 3. Royal Skyscrapers India Private Limited. 4. Metropolitan Ventures Private Limited.

Chairman/Member of the Committees of the Board of other Companies in which he is a Director as on 31st March, 2018.	1. Bhagyanagar India Limited (Audit Committee) 2. Bhagyanagar India Limited (Stakeholders Relationship Committee) 3. Surana Solar Limited (Audit Committee) 4. Surana Solar Limited (Stakeholders Relationship committee)	1.Bhagyanagar India Limited (Stakeholders Relationship Committee) 2. Surana Solar Limited (Stakeholders Relationship Committee) 3. Surana Solar Limited (CSR Committee) 4. Surana Telecom and Power Limited (Stakeholders Relationship Committee) 5. Bhagyanagar Properties Limited (Stakeholders Relationship Committee) 6. Bhagyanagar Properties Limited (Nomination and Remuneration Committee)	1. Bhagyanagar India Limited (Audit Committee) 2. Bhagyanagar India Limited (Stakeholders Relationship Committee) 3. Surana Solar Limited (Stakeholders Relationship Committee) 4. Surana Solar Limited (CSR Committee) 5. Surana Telecom and Power Limited (Stakeholders Relationship Committee) 6. Bhagyanagar Properties Limited (Stakeholders Relationship Committee)	1. Sagar Cements Ltd (Chairman of Audit Committee & Member of Remuneration Committee) 2. Transport Corp. of India Ltd. (Chairman of Audit Committee & Member of Remuneration Committee) 3. K.C.P. Limited (Chairman of Audit Committee, Remuneration Committee) 4. Bhagyanagar India Ltd. (Chairman of Audit Committee & Member of Remuneration Committee) 5. TCI Developers Ltd. (Member of Audit Committee)	1. Suryalata Spinning Mills Ltd. (Chairman of Audit Committee) 2. Surya Lakshmi Cotton Mills Ltd. (Chairman of Audit Committee & Member of Remuneration Committee) 3. Lakskmi Finance & Industries Corpn. Ltd. (Chairman of Audit Committee, Remuneration Committee & Member of Share transfer Committee) 4. Bhagyanagar India Limited. (Member of Audit Committee & Chairman of Remuneration Committee)	1.Bhagyanagar India Limited (Member of Nomination and Remuneration Committee) 2.Bhagyanagar Properties Limited (Member of Audit Committee and Nomination and Remuneration Committee) 3. Aishwarya Technologies and Telecom Limited (Chairman of Audit Committee and Nomination and Remuneration Committee) 4. Surana Telecom and Power Limited (Member of Audit Committee and Nomination & Remuneration Committee and Chairman of Stakeholder Relationship Committee)	NIL

DECLARATION OF COMPLIANCE OF CODE OF CONDUCT

As provided under Schedule-V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors and the Senior Management Personnel have confirmed compliance with the Code of Conduct and Ethics for the financial year ended March 31, 2018.

For **BHAGYANAGAR INDIA LIMITED**

Place: Secunderabad
Date: 06.08.2018

DEVENDRA SURANA
MANAGING DIRECTOR
DIN:00077296

CEO AND CFO CERTIFICATION

We hereby certify that:

a. we have reviewed financial statements and the cash flow statement for the Financial Year ended 31st March, 2018 and that to the best of our knowledge and belief:

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

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

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

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

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

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

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

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

For Bhagyanagar India Limited

	Narender Surana	**Devendra Surana**	**Surendra Bhutoria**
Place: Secunderabad	**Managing Director**	**Managing Director**	**Chief Financial Officer**
Date: 06.08.2018	**DIN:00075086**	**DIN:00077296**	

Independent Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Members of
Bhagyanagar India Limited
5th Floor Surya Towers, Sardar Patel Road
Secunderabad- 500003

1. The Corporate Governance Report prepared by Bhagyanagar India Limited (hereinafter the "Company"), contains details as required by the provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable Criteria') with respect to Corporate Governance for the year ended March 31, 2018. This report is required by the Company for annual submission to the Stock Exchange and to be sent to the Shareholders of the Company.

MANAGEMENT'S RESPONSIBILITY

2. The preparation of the Corporate Governance Report is the responsibility of the management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.

3. The management along with the Board of Directors of the company are also responsible for ensuring that the company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

AUDITOR'S RESPONSIBILTY

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion whether the company has complied with the specific requirements of the Listing Regulations referred to in paragraph 3 above.

5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised) and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes (Revised) requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

6. We have complied with the relevant applicable requirements of the Standard on quality Control (SQC) 1, Quality Control for firms that perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Governance Report with the applicable criteria. The procedures include, but not limited to, verification of secretarial records and financial information of the Company and obtained necessary representations and declarations from directors including independent directors of the company.

8. The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on attest basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

OPINION

9. Based on the procedures performed by us as referred in paragraph 7 and 8 above and according to the information and explanations given to us, we are of the opinion that the company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended March 31, 2018, referred to in paragraph 1 above.

OTHER MATTERS AND RESTRICTION ON USE

10. This Certificate 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.

    This Certificate is addressed to and provided to the members of the Company solely for the Purpose of enabling it to comply with its obligations under the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this Certificate for events and circumstances occurring after the date of this certificate.

For M/s. Luharuka & Associates
Chartered Accountants

Ramesh Chand Jain
Partner
M.No 023019
Firm Reg No. 01882S

Date: 06.08.2018
Place: Secunderabad

INDEPENDENT AUDITOR'S REPORT

To the Members of

M/s. Bhagyanagar India Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying Standalone Ind AS financial statements of **M/s. Bhagyanagar India Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss including the statement of Other Comprehensive Income, the Cash Flow Statement and the statement of change in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters 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) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the companies (Indian Accounting Standards) Rule, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 of the standalone Ind AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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 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, of the state of affairs of the Company as at March 31, 2018, its profit 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" statement on the matters Specified in paragraphs 3 and 4 of the Order.

2. As required by section 143(3) of the Act, we further 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 purpose of our audit.

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

c. The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and 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 Rule 7 of the Companies (Accounts) Rules, 2014 Companies (Indian Accounting Standards) Rules, 2015, as amended;

e. on the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, 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 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 which would impact its financial position. Refer note No. 33 to the financial statement.

   (ii) The Company has made provision, as required under the applicable law or accounting standard, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

   (iii) During the year the Company has transfer the required amount to the Investor Education and Protection Fund and there is no delay in transferring of such sum.

Other Matter

The comparative financial information of the Company for the year ended 31st March 2017 and the transition date opening balance sheet as at 1st April 2016 are based on previously issued statutory financial statements prepared in accordance with the companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose reports for the year ended 31st March 2017 and 31st March 2016, dated 18th May 2017 and 24th May 2016 respectively expressed an unmodified opinion on those statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion is not qualified in respect of these matters.

For Luharuka & Associates
Chartered Accountants
Firm Reg No:- 01882S

Rameshchand Jain
(Partner)
Membership No.023019

Place: Secunderabad
Date: 26th May, 2018

Annexure-A referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31st March, 2018, 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, fixed assets have been physically verified by the management at reasonable intervals. According to the information and explanation given us, no material discrepancies were noticed on such 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 at reasonable intervals by the management.

(b) In our opinion and according to the information and explanations given to us, 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.

(iii) The company had granted loan to one of its wholly owned subsidiary company as covered in the register maintained under section 189 of the Companies Act, 2013.

(a) In our opinion and according to the information and explanations given to us, the terms and conditions of the grant for such Loan are not prejudicial to the Company's interest.

(b) In respect of the aforesaid loans, the schedule of repayment of principle and interest has been stipulated, repayment of principal and interest has been regular as per the stipulation.

(c) There are no overdue amounts in respect of the loan granted to a body corporate listed in the register maintained under section 189 of the Act.

(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 from the public.

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

(vii) (a) According to the information and explanations given to us and based on the records of the company examined by us, the company is generally regular in depositing the undisputed statutory dues, including Provident Fund, , Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and other statutory dues, as applicable, with the appropriate authorities in India;

(b) According to the information and explanations given to us and based on the records of the company examined by us, no undisputed amounts payable in respect of Provident Fund, Income Tax, Sales Tax, Wealth Tax and other material statutory dues for a period of more than six months from the date they become payable, except the following disputed statutory liabilities have not been deposited in view of pending Appeals.

Name of Statue	**Nature of dues**	**Amount involved in dispute & not paid**	**Period to which it relates**	**Forum where dispute is pending**
Central Excise Act, 1944	Excise Duty	25,60,007/-	2010	Appeal is pending against CESTAT
		20,00,000/-	2011	Appeal is pending against CESTAT

(viii) According to the records of the company examined by us and as per the information and explanations given to us, the company has not defaulted in repayment of loans from any financial institution or banks and has not issued debentures.

(ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

(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 provided for managerial remuneration in accordance with the provisions of section 197 read with Schedule V to the Act.

(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 or fully or partly convertible debentures during the year.

(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 Luharuka & Associates
Chartered Accountants
Firm Reg No:- 01882S

Rameshchand Jain
(Partner)
Membership No.023019

Place: Secunderabad
Date: 26th May, 2018

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 **M/s. Bhagyanagar India Limited** ("the Company") as of 31 March 2018 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.

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 2018, 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 Luharuka & Associates
Chartered Accountants
Firm Reg No:- 01882S

Rameshchand Jain
(Partner)
Membership No.023019

Place: Secunderabad
Date: 26th May, 2018

BALANCE SHEET AS AT 31ST MARCH 2018

(Amount in ₹)

	Particulars	Note	As at 31st March 2018	As at 31st March 2017	As at 01st April 2016
I	**ASSETS**				
	1 NON-CURRENT ASSETS				
	(a) Property, plant and equipment	5	**490,157,501**	494,640,353	781,438,468
	(b) Financial Assets				
	- Investments	6	**147,150,000**	14,016,539	261,113,270
	- Loans	7	**12,028,219**	237,639,967	1,152,101,473
	(c) Deferred tax assets (net)	8	**14,342,918**	19,468,046	11,967,904
			663,678,638	**765,764,905**	**2,206,621,115**
	2 CURRENT ASSETS				
	(a) Inventories	9	**368,355,158**	510,093,282	334,363,599
	(b) Financial assets				
	- Trade receivables	10	**345,888,314**	330,843,059	293,298,318
	- Cash and cash equivalents	11	**150,408,127**	52,393,519	31,258,402
	(c) Current Tax Assets (net)	12	**11,848,960**	17,694,739	41,811,669
	(d) Other current assets	13	**122,775,279**	209,268,776	272,317,306
			999,275,838	**1,120,293,375**	**973,049,294**
	TOTAL ASSETS		**1,662,954,476**	**1,886,058,280**	**3,179,670,409**
II	**EQUITY AND LIABILITIES**				
	1 EQUITY				
	(a) Equity share capital	14	**63,990,000**	63,990,000	127,980,000
	(b) Other Equity	15	**1,093,189,215**	964,540,787	1,992,821,521
			1,157,179,215	1,028,530,787	2,120,801,521
	TOTAL EQUITY		**1,157,179,215**	**1,028,530,787**	**2,120,801,521**
	2 LIABILITIES				
	Non-current liabilities				
	(a) Financial Liabilities				
	- Borrowings	16	**159,888,525**	265,170,201	507,441,150
			159,888,525	**265,170,201**	**507,441,150**
	Current liabilities				
	(a) Financial liabilities				
	- Borrowings	17	**180,787,500**	400,952,705	296,490,246
	- Trade Payables	18	**22,314,151**	16,027,029	63,546,967
	- Other Current financial liabilities	19	**128,721,970**	138,990,823	171,038,938
	(b) Other current liabilities	20	**13,163,116**	35,486,735	19,451,587
	(c) Provisions	21	**900,000**	900,000	900,000
			345,886,736	**592,357,292**	**551,427,738**
	TOTAL LIABILITIES		**505,775,261**	**857,527,493**	**1,058,868,888**
	TOTAL EQUITY AND LIABILITIES		**1,662,954,476**	**1,886,058,280**	**3,179,670,409**
	Significant accounting policies and key accounting estimates and judgements	1 to 4			
	See accompanying notes form an integral part of Standalone financial statements.	30 to 45			

As per our report of even date attached
For Luharuka & Associates
Chartered Accountants,
Firm Reg No.01882S

For Bhagyanagar India Limited

Rameshchand Jain
Partner
M. No. 023019

Narender Surana
Managing Director
DIN: 00075086

Devendra Surana
Managing Director
DIN: 00077296

Place: Secunderabad,
Date : 26th May, 2018

Surendra Bhutoria
Chief Financial Officer

Badarish H Chimalgi
Company Secretary
Membership No: A32651

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

(Amount in ₹)

	Particulars	Note No.	For the year 31.03.2018		For the year 31.03.2017	
I	**INCOME**					
	Revenue from Sale of Product		**4,553,367,331**		3,196,009,186	
	Infrastructure Leasing and Sales		10,609,904		18,614,304	
			4,563,977,235		3,214,623,490	
	Less: Excise Duty		95,280,782		286,913,688	
	NET REVENUE FROM OPERATIONS	**22**		**4,468,696,453**		**2,927,709,802**
	OTHER INCOME	23		115,352,333		89,616,133
	TOTAL INCOME			**4,584,048,786**		**3,017,325,935**
II	**EXPENSES**					
	Cost of Raw Materials and Components Consumed	24		3,990,284,062		2,493,376,976
	(Increase)/Decrease in Inventories					
	Work-in-Progress and Stock in Trade	25		15,313,228		43,775,044
	Employee Benefit Expenses	26		58,537,557		50,806,413
	Finance Costs	27		38,150,522		59,671,798
	Depreciation and Amortisation Expenses	28		36,124,508		34,358,606
	Other Expenses	29		277,767,872		230,574,223
	TOTAL EXPENSES			**4,416,177,749**		**2,912,563,060**
IV	**PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX(I - II)**			167,871,037		104,762,875
V	**AMORTISATION OF INTANGIBLE ASSETS**			-		(10,844,686)
VI	**PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX (IV-V)**			167,871,037		93,918,189
VII	**EXTRAORDINARY ITEMS**			-		(42,588,988)
VIII	**PROFIT BEFORE TAX (VI+VII)**			**167,871,037**		**51,329,201**
IX	**TAX EXPENSE**					
	1. Current Tax			34,097,481		10,374,911
	2. Deferred Tax			3,300,668		2,097,640
	3. MAT Entitlement Credit			1,824,460		(9,597,782)
X	**PROFIT AFTER TAX (VIII-IX)**			**128,648,428**		**48,454,432**
XI	**OTHER COMPREHENSIVE INCOME (OCI)**					
A	Items that will not be reclassified to profit or loss			-		-
B	Items that will be reclassified to profit or loss			-		-
	OTHER COMPREHENSIVE INCOME FOR THE YEAR,NET OF TAX			-		-
XII	**TOTAL OTHER COMPREHENSIVE INCOME FOR THE YEAR (X+XI)**			**128,648,428**		**48,454,432**
XIII	**EARNINGS PER EQUITY SHARE**					
	1. Basic			4.02		1.51
	2. Diluted			4.02		1.51
	Significant accounting policies and key accounting estimates and judgements	1 to 4				
	See accompanying notes form an integral part of Standalone financial statements.	30 t0 45				

As per our report of even date attached
For Luharuka & Associates
Chartered Accountants,
Firm Reg No.01882S

For Bhagyanagar India Limited

Rameshchand Jain
Partner
M. No. 023019

Narender Surana
Managing Director
DIN: 00075086

Devendra Surana
Managing Director
DIN: 00077296

Place: Secunderabad,
Date : 26th May, 2018

Surendra Bhutoria
Chief Financial Officer

Badarish H Chimalgi
Company Secretary
Membership No: A32651

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2018

A. Equity Share capital

Particulars	No of shares	In Rupees
Balance as at 1 April 2016	**63,990,000**	**127,980,000**
Changes in equity share capital during 2016-17	(31,995,000)	(63,990,000)
Balance as at 31 March 2017	**31,995,000**	**63,990,000**
Balance as at 1 April 2017	31,995,000	63,990,000
Changes in equity share capital during 2017-18	-	-
Balance as at 31 March 2018	**31,995,000**	**63,990,000**

B. Other equity **(Amount in ₹)**

Particulars	Reserve & Surplus				
	Retained Earnings	General Reserve	Capital Reserve	Capital Redemption Reserve	Total
Balance at 1 April, 2016	**751,589,062**	**1,278,776,407**	**16,676,523**	**21,020,000**	**2,068,061,992**
Profit for the year	48,454,432	-	-		48,454,432
Other Comprehensive Income (net of tax)	-	-	-		-
Add: Transferred (to)/from Retained Earnings	(23,199,230)	23,199,230			-
Add: Reduction in paid up Share Capital		63,990,000			63,990,000
Less: Net Assets Transferred on account of Demerger		(1,160,754,723)			(1,160,754,723)
Less: Cancellation of Investment in Surana Telecom & Power Limited & Bhagyanagar Properties Limited		(55,210,914)			(55,210,914)
			-		-
Balance at 31 March, 2017	**776,844,264**	**150,000,000**	**16,676,523**	**21,020,000**	**964,540,787**
Balance at 1 April,2017	776,844,264	150,000,000	16,676,523	21,020,000	964,540,787
Profit for the year	128,648,428	-	-	-	128,648,428
Other Comprehensive Income (net of tax)	-	-	-	-	-
Add: Transferred (to)/from Retained Earnings	(50,000,000)	50,000,000	-	-	-
Balance at 31 March, 2018	**855,492,692**	**200,000,000**	**16,676,523**	**21,020,000**	**1,093,189,215**
Significant accounting policies and key accounting estimates and judgements		1 to 4			
See accompanying notes form an integral part of Standalone financial statements.		30 to 45			

As per our report of even date attached
For Luharuka & Associates
Chartered Accountants,
Firm Reg No.01882S

For Bhagyanagar India Limited

Rameshchand Jain
Partner
M. No. 023019

Narender Surana
Managing Director
DIN: 00075086

Devendra Surana
Managing Director
DIN: 00077296

Place: Secunderabad,
Date : 26th May, 2018

Surendra Bhutoria
Chief Financial Officer

Badarish H Chimalgi
Company Secretary
Membership No: A32651

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31st 2018

(Amount in ₹)

	Particulars	2017-18		2016-17	
A	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Net Profit (Loss) before Tax and Exceptional Items		**167,871,037**		51,329,201
	Adjustments for Non-Operating Activities:				
	Depreciation	**35,611,878**		33,845,976	
	Amortisation of lease rent	**512,630**		512,630	
	Foreign Exchange Reserve Amortised			10,844,686	
	Sundry balance writtern off	**6,522,877**		3,163,036	
	Sundry balance writtern back	**(121,062)**		(1,220,104)	
	Interest paid	**38,150,522**		59,671,798	
	(Profit)/loss on sale of fixed assets	**(92,516,652)**		(135,333)	
	(Profit)/Loss on Sale of Investments	**127,552**		(26,341,460)	
	Dividend received	**(635,118)**		(401,748)	
	Interest received	**(21,354,605)**	**(33,701,978)**	(60,643,117)	19,296,364
	Operating Profit before Working Capital Changes		**134,169,059**		**70,625,565**
	Movement in Working Capital				
	Increase/ (Decrease) in other current liabilities	**(22,323,620)**		16,035,148	
	Increase/ (Decrease) in provisions	**-**		-	
	Increase/ (Decrease) in other financial liabilities	**(10,061,582)**		(32,048,115)	
	Increase/ (Decrease) in trade payables	**6,408,184**		(46,299,834)	
	(Increase)/ Decrease in other current assets	**86,493,497**		63,048,530	
	(Increase)/ Decrease in trade receiables	**(21,568,132)**		(53,234,623)	
	(Increase)/ Decrease in inventory	**141,738,124**	**180,686,471**	(175,729,683)	(228,228,577)
	Cash Generation From Operations		**314,855,530**		(157,603,012)
	Direct Taxes (Net)		**(28,251,702)**		(6,318,913)
	Net Cash from Operating Activities (A)		**286,603,828**		(163,921,925)
B	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Loans recovered	**225,612,555**		4,280,918	
	Interest received	**21,354,605**		60,643,117	
	Purchase of fixed assets	**(34,981,775)**		(7,764,755)	
	Investment in of Shares & Other Investments (Net)	**(133,261,013)**		223,638,566	
	Sale of fixed assets	**95,856,498**		(362,630)	
	Dividend Received	**635,118**		401,748	
	Net Cash from / (Used in) Investing Activities (B)		**175,215,988**		**280,836,964**

C	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Interest Paid	**(38,150,522)**		(59,671,798)	
	(Repayment) of borrowings from bank	**(325,446,881)**		(35,516,271)	
	Dividend Paid	**(207,271)**		(592,407)	
	(Increase)/Decrease in restricted deposits	**7,329,721**		(18,126,121)	
	Net Cash (used in) /from Financing Activities (C)		**(356,474,953)**		**(113,906,597)**
	Net Increase/(decrease) in cash & cash equivalents (A+B+C)		**105,344,863**		**3,008,442**
	Opening cash and cash equivalent at the beginning of the year		**6,390,641**		**3,382,199**
	Closing cash and cash equivalent at the end of the year		**111,735,504**		**6,390,641**
	Net Increase/(decrease) in cash & cash equivalents		**105,344,863**		**3,008,442**

Notes :

1.	**Components of cash and cash equivalents**	**2017-18**	**2016-17**
	Cash in hand	**362,880**	**181,402**
	Balances with banks	**32,372,624**	**6,209,239**
	Investment in Liquid Funds	**79,000,000**	**-**
		111,735,504	**6,390,641**

2. Accompanied notes to accounts forms an integral part of the Standalone financial statements.

As per our report of even date attached
For Luharuka & Associates
Chartered Accountants,
Firm Reg No.01882S

For Bhagyanagar India Limited

Rameshchand Jain
Partner
M. No. 023019

Narender Surana
Managing Director
DIN: 00075086

Devendra Surana
Managing Director
DIN: 00077296

Place: Secunderabad,
Date : 26th May, 2018

Surendra Bhutoria
Chief Financial Officer

Badarish H Chimalgi
Company Secretary
Membership No: A32651

SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

1. Corporate Information

Bhagyanagar India Ltd ("the company") ia a Company registered under the companies act, 1956. It is a public limited company domiciled in India and is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). It was incorporated on 2nd September, 1985 having its registered office at 5th Floor, Surya Towers, Sardar Patel Road, and Secunderabad-500003. The company's CIN No. is L27201TG1985PLC012449. The company is engaged in the manufacture of copper products.

Basis of preparation

The financial statements are separate financial statements prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). For all periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These standalone financial statements for the year ended March 31, 2018 are the first the Company has prepared in accordance with Ind AS. Refer to **Note: 44** for information on how the Company adopted Ind AS.

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

2. Significant Accounting Policies:

(a) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue 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 the government. The Company has concluded that it is the principle in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

- **Interest Income:**

  Interest income, including income arising from other financial instruments, is recognised using the effective interest rate method.

- **Dividend Income:**

  Dividend income is recognized when the unconditional right to receive the income is established.

(b) Property, Plant and Equipment

Property, plant and equipment are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss (if any). All significant costs relating to the acquisition and installation of property, plant and equipment are capitalized. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when 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 carrying amount of the replaced part is derecognized. The identified components are depreciated over their useful lives, the remaining asset is depreciated over the life of the principal asset.

Depreciation for identified components is computed on straight line method based on useful lives, determined based on internal technical evaluation. Freehold land is carried at cost.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(c) Investment Properties

Property that is held for long-term rental yields or for capital appreciation or both is classified as investment property. Investment Property is measured at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized. Investment Properties are depreciated using the straight-line method as per the provisions of Schedule II of the Companies Act, 2013 or based on useful life estimated on the technical assessment.

(d) Intangible Assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

(e) Depreciation and amortization:

Depreciation is provided on the straight-line method over the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013. Depreciation for assets purchased/sold during a period is proportionately charged.

(f) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is: -

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- The Company classifies all other liabilities as non-current.

(g) Financial assets

Financial assets comprise of cash and cash equivalents.

Initial recognition:

All financial assets are recognised initially at fair value. Purchases or sales of financial asset that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the company commits to purchase or sell the assets.

Subsequent Measurement:

(i) Financial assets measured at amortised cost: Financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortised cost using effective interest rate (EIR) method. The EIR amortization is recognised as finance income in the Statement of Profit and Loss.

The Company while applying above criteria has classified the following at amortised cost:

a) Trade receivable

b) Cash and cash equivalents

c) Other Financial Asset

Impairment of Financial Assets:

Financial assets are tested for impairment based on the expected credit losses.

De-recognition of Financial Assets:

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

(h) Impairment of Non-Financial Assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the company makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash generating unit to which the asset belongs.

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.

(i) Inventories

Cost of inventories have been computed to include all cost of purchases, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

Raw materials and components, stores and spares and loose tools are valued at lower of cost and net realizable value.

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labor and a proportion of manufacturing overheads based on normal operating capacity.

Cost of work-in-progress and finished goods are determined on a weighted average basis. Scrap is valued at net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(j) Cash and Cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term investments with an original maturity of three months or less. Deposits with banks are subsequently measured at amortized cost and short term investments are measured at fair value through statement of profit & loss account.

(k) Financial liabilities

Initial recognition and measurement:

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. These liabilities are classified as amortised cost. A preference share that provides for mandatory redemption by the issuer for a fixed or determinable amount at a fixed or determinable future date, or gives the holder the right to require the issuer to redeem the instrument at or after a particular date for a fixed or determinable amount, is a financial liability.

Subsequent measurement:

These liabilities include are borrowings and deposits. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

De-recognition of financial liabilities:

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as

the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(l) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest, exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other costs that an entity incurs in connection with the borrowing of funds. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

(m) Employee Benefits

Employee benefits are charged to the Statement of Profit and Loss for the year.

Provident Fund

Retirement benefits in the form of Provident Fund are defined contribution scheme and such contributions are recognised, when the contributions to the respective funds are due. There are no other obligation other than the contribution payable to the respective funds.

Gratuity

The employees of the company are covered under Group Gratuity Scheme of Life Insurance Corporation of India. The premium paid thereon is charged to Profit and Loss Account. Adequate provisions have been made in the accounts for gratuity liability. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting.

Compensated absences

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees.

Short-term employee benefits

Expense in respect of other short term benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

(n) Income Taxes

Income tax expense is comprised of current and deferred taxes. Current and deferred tax is recognized in net income Current income taxes for the current period, including any adjustments to tax payable in respect of previous years, are recognized and measured at the amount expected to be recovered from or payable to the taxation authorities based on the tax rates that are enacted or substantively enacted by the end of the reporting period.

Deferred income tax

Deferred income tax assets and liabilities are recognized for temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax base using the tax rates that are expected to apply in the period in which the deferred tax asset or liability is expected to settle, based on the laws that have been enacted or substantively enacted by the end of reporting period. Deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable income nor the accounting income.

Minimum Alternative Tax (MAT)

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT Credit Entitlement. The company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that company will pay normal Income Tax during the specified period.

(o) Leases

As a lessee

Leases of property, plant and equipment where the company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor

Lease income from operating leases where the company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

Lease-hold land:

Leasehold land that normally has a finite economic life and title which is not expected to pass to the lessee by the end of the lease term is treated as an operating lease. The payment made on entering into or acquiring a leasehold land is accounted for as leasehold land use rights (referred to as prepaid lease payments in Ind AS 17 "Leases") and is amortized over the lease term in accordance with the pattern of benefits provided.

(p) Provisions, contingent assets and contingent liabilities

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

  Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

(q) Fair value measurement

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date. Fair value hierarchy:

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1—Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2—Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3— Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

(r) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(s) Cash dividend to equity holders of the Company

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

3. Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions that affect the reported balances of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Judgements

In the process of applying the accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

i) Classification of property The Company determines whether a property is classified as investment property or inventory property:

Investment property comprises land and buildings (principally offices, commercial warehouse and retail property) that are not occupied substantially for use by, or in the operations of, the Company, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation. These buildings are substantially rented to tenants and not intended to be sold in the ordinary course of business.

b) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

i) Classification of leases

The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.

ii) Useful lives of depreciable/amortisable assets

Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, customer relationships, IT equipment and other plant and equipment.

iii) Fair value measurements

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

c) Recent Amendments

Standards issued but not yet effective

a. Ind AS 115-Revenue from Contracts with Customers-The Ministry of Corporate Affairs (MCA) on March 28, 2018 has notified new Indian Accounting Standard as mentioned above .The new standard will come to into force from accounting period commencing on or after April 01, 2018.It replaces existing recognition guidance, including Ind AS 18 Revenue and Ind AS 11 Construction contract. The standard is likely to affect the measurement, recognition and disclosure of revenue. The Company has evaluated and there is no material impact of this amendment on the Financial Statement of the Company except disclosure. The Company will adopt the Ind AS 115 on the required effective date.

b. Ind AS 21, The Effect of Changes in Foreign Exchange Rates - The amendments to Ind AS 21 addresses issue to determine the date of transactions for the purpose of determining the exchange rate to be used on initial recognition of related assets, expenses or income when entity has received or paid advances in foreign currencies by incorporating the same in Appendix B to Ind AS 21. The amendment will come into force from accounting period commencing on or after April 01, 2018. The Company has evaluated this amendment and impact of this amendment will not be material.

The Company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

5 Property, Plant and Equipment

Following are the changes in the carrying value of Property, Plant and Equipment for the Year Ended 31st March 2018 **(Amount in ₹)**

Particulars	Free Hold Land	Lease Hold Land	Buildings	Plant and Machinery	Electrical Installations	Office Equipments	Vehicles	Furniture & Fixtures	Computers	Library	Total
Gross carrying Value as of April 01, 2017	150,312,954	9,021,944	58,617,569	711,257,474	36,561,544	16,007,230	40,059,347	16,179,680	7,542,616	2,010	1,045,562,368
Addtions				20,330,282		1,122,663	13,482,163	-	46,667		34,981,775
Deletions	-	(2,687,130)	(10,727,780)				(1,289,726)	-			(14,704,636)
Gross carrying Value as of March 31, 2018	**150,312,954**	**6,334,814**	**47,889,789**	**731,587,756**	**36,561,544**	**17,129,893**	**52,251,784**	**16,179,680**	**7,589,283**	**2,010**	**1,065,839,507**
Accumulated depreciation as of April 01, 2017			32,415,301	424,062,565	29,166,526	14,497,429	29,913,201	13,819,571	7,045,412	2,010	550,922,015
Deprectaion			1,265,928	28,427,908	978439	618432	3,394,135	736,822	190,214		35,611,878
Accumulated depreciation on deletions			(9,626,920)				(1,225,240)	-			(10,852,160)
Accumulated depreciation as of March 31, 2018			24,054,309	452,490,473	30,144,965	15,115,861	32,082,096	14,556,393	7,235,626	2,010	575,681,733
Carrying Value as of March 31, 2018	**150,312,954**	**6,334,814**	**23,835,480**	**279,097,283**	**6,416,579**	**2,014,032**	**20,169,688**	**1,623,287**	**353,657**	**-**	**490,157,501**

Particulars	Free Hold Land	Lease Hold Land	Buildings	Plant and Machinery	Electrical Installations	Office Equipments	Vehicles	Furniture & Fixtures	Computers	Library	Total
Gross carrying Value as of April 01, 2016	158,377,145	9,534,574	58,926,263	1,002,556,747	35,589,395	15,796,810	39,013,960	16,107,196	7,336,563	2,010	1,343,240,663
Addtions	-	-	-	4,770,223	972,149	210,420	1,533,426		206,053	-	7,764,755
Deletions	-	(512,630)	-	-	-	-	(488,039)	-	-	-	(1,000,669)
Adjustments on Demerger	(8,064,191)	-	(308,694)	(296,069,496)	-	-	-	-	-	-	(304,442,381)
Gross carrying Value as of March 31, 2017	**150,312,954**	**9,021,944**	**58,617,569**	**711,257,474**	**36,561,544**	**16,007,230**	**40,059,347**	**16,179,680**	**7,542,616**	**2,010**	**1,045,562,368**
Accumulated depreciation as of April 01, 2016	-	-	31,162,991	440,436,090	28,260,643	13,883,274	28,174,412	13,066,016	6,816,760	2,010	561,802,196
Depreciation	-	-	1,265,928	27,865,640	905,883	614,155	2,212,162	753,555	228,652	-	33,845,975
Accumulated depreciation on deletions	-	-	-				(473,373)	-	-	-	(473,373)
Adjustments on Demerger	-	-	(13,618)	(44,239,165)	-	-	-	-	-	-	(44,252,783)
Accumulated depreciation as of March 31, 2017	-	-	32,415,301	424,062,565	29,166,526	14,497,429	29,913,201	13,819,571	7,045,412	2,010	550,922,015
Carrying Value as of March 31, 2017	**150,312,954**	**9,021,944**	**26,202,268**	**287,194,909**	**7,395,018**	**1,509,801**	**10,146,146**	**2,360,109**	**497,204**	**-**	**494,640,353**
Carrying Value as of April 01, 2016	**158,377,145**	**9,534,574**	**27,763,272**	**562,120,657**	**7,328,752**	**1,913,536**	**10,839,548**	**3,041,180**	**519,803**	**-**	**781,438,467**

Notes forming part of the Standalone Financial Statements

Notes to Balance sheet **(Amount in ₹)**

Note: 6 Investments	**Sub note**	**As at 31.03.2018**		**As at 31.03.2017**		**As at 01.04.2016**	
		No.s	**Value**	**No.s**	**Value**	**No.s**	**Value**
Equity Instruments (Unquoted - At Cost)							
A) Investment in Subsidiaries							
Bhagyanagar Properties Pvt. Limited (Equity shares of Rs 10/-each fully paid up)		-	-	-	-	4,000,000	40,000,000
Bhagyanagar Metals Limited (Equity shares of Rs 10/-each fully paid up)		-	-	50,000	500,000	50,000	500,000
Scientia Infocom India Pvt. Limited (Equity shares of Rs 10/-each fully paid up)		-	-	-	-	3,004,000	30,400,000
Metropolitan Ventures India Limited (Equity shares of Rs 10/-each fully paid up)		-	-	-	-	370,000	5,649,910
Solar Dynamics Private Limited (Equity shares of Rs 10/-each fully paid up)		-		1,304,130	13,041,300	1,480,000	14,800,000
Aanvik Mercantile Pvt Ltd (Equity shares of Rs 10/-each fully paid up)		**14,695,000**	**146,950,000**	**-**	**-**	**-**	**-**
SUB - TOTAL (A)		**-**	**146,950,000**	**-**	**13,541,300**	**-**	**91,349,910**
B) Investment in Associates							
Bhagyanagar Entertainment and Infra Development Co Pvt Limited (Equity shares of Rs 10/-each fully paid up)		-	-	-	-	23,500	235,000
Globecom Infraventures India Pvt Limited (Equity shares of Rs 10/-each fully paid up)		-	-	-	-	5,000	50,000
GMS Realtors Pvt Limited (Equity shares of Rs 10/-each fully paid up)		-	-	-	-	5,000	50,000
Bhagyanagar Cables Pvt Limited (Equity shares of Rs 100/-each fully paid up)		-	-	260	26,000	260	26,000
SUB - TOTAL (B)		**-**	**-**	**-**	**26,000**	**-**	**361,000**
C) Investment at Fair Value through OCI							
1. Investment in Equity Instruments (Unquoted)							
Bhagyanagar Infrastructure Limited (Equity shares of Rs 10/-each fully paid up)		-	-	-	-	2,750,000	9,158,750
Surana Infocom Private Limited (Equity shares of Rs 10/-each fully paid up)		-	-	-	-	125,000	100,500,000
Mana Effluent Treatment Plant (Equity shares of Rs 100/-each fully paid up)		200	200,000	200	200,000	200	200,000
2. Investment in Equity Instruments (Quoted)							
Surana Telecom and Power Limited (Equity shares of Rs 1/-each fully paid up)		-	-	17,051	187,521	9,412,201	15,398,435
Surana Solar Limited (Equity shares of Rs 5/-each fully paid up)		-	-	-		11,575,892	44,100,000
Sree Vasavi Industries Limited (Equity shares of Rs 10/-each fully paid up)				-	-	14,000	45,175
Maruti Suzuki India Limited (Equity shares of Rs 5/-each fully paid up)		-	-	1	4,295	-	-
Pokarna Limited (Equity shares of Rs 10/-each fully paid up)		-	-	60	57,423	-	-
SUB - TOTAL (1+2)			**200,000**		**449,239**		**169,402,360**
GRAND TOTAL (A+B+C)			**147,150,000**		**14,016,539**		**261,113,270**

During the year the company has divested its stake in Subsidiary Companies - M/s Bhagyanagar Metals Limited,M/s Solar Dynamics Private Limited and Associate Company -M/s Bhagyanagar Cables Private Limited. Further the company has acquired 100% stake in M/s Aanvik Mercantile Private Limited.

Notes forming part of the Standalone Financial Statements

(Amount in ₹)

Note: 7 Loans	**Sub note**	**As at 31.03.2018**	**As at 31.03.2017**	**As at 01.04.2016**
Unsecured, Considered good.				
(a) Security Deposits		9,980,796	9,131,077	11,365,034
(b) Loans and Advances to Related Parties				
(i) Loan to Subsidiary Co's	7(a)	2,047,423	228,508,890	1,140,736,439
TOTAL		**12,028,219**	**237,639,967**	**1,152,101,473**

No Loan and Advances are due from directors or other officers of the company or private companies in which any director is a partner, member or Director, either severally or jointly with any other person.

7(a) Loan to Subsidiary Co's: Name of the Company	**Balance as on 31.03.2018**	**Balance as on 31.03.2017**	**Balance as on 01.04.2016**
Bhagyanagar Metals Ltd	-	8,937,819	8,400,000
Solar Dynamics Pvt.Limited	-	219,571,071	223,755,488
Scientia Infocom India Pvt Limited	-	-	282,133,353
Bhagyanagar Properties Pvt Ltd	-	-	561,085,555
Metropolitan Ventures India Pvt Ltd	-	-	65,362,043
Aanvik Mecantile Private Limited	2,047,423	-	-
	2,047,423	**228,508,890**	**1,140,736,439**

Note: 8 Deferred Tax Assets (Net)	**Sub note**	**As at 31.03.2018**	**As at 31.03.2017**	**As at 01.04.2016**
(a)Deferred Tax Asset at the beginning of the year		2,120,629	4,218,269	5,238,615
Less: Deferred Tax Asset/ (Liability) for the year, on account of timing difference.		(3,300,668)	(2,097,640)	(1,020,346)
(b) Others				
MAT Credit Entitlement		15,522,957	17,347,417	7,749,635
TOTAL		**14,342,918**	**19,468,046**	**11,967,904**

Note: 9 Inventories	**Sub note**	**As at 31.03.2018**	**As at 31.03.2017**	**As at 01.04.2016**
(As Valued and Certified by the Management)				
Raw Materials		329,355,101	455,779,997	214,607,910
Work-in-Progress		39,000,057	51,533,772	73,157,751
Finished Goods		-	-	16,399,143
Material in Transit Raw Materials		-	-	21,667,360
Closing Stock - Stores & Spares		-	1,812,100	5,789,435
Material in Transit - Stores and Spares		-	967,413	2,742,000
TOTAL		**368,355,158**	**510,093,282**	**334,363,599**

Notes forming part of the Standalone Financial Statements

(Amount in ₹)

Note: 10 Trade Receivables	**Sub note**	**As at 31.03.2018**	**As at 31.03.2017**	**As at 01.04.2016**
Unsecured, considered good	10(a)/ 10(b)	345,888,314	330,843,059	293,298,318
Considered Doubtful		-	-	-
		345,888,314	330,843,059	293,298,318
Less: Provision for Doubtful Receivables		-	-	-
TOTAL		**345,888,314**	**330,843,059**	**293,298,318**

10(a) Trade Receivables is hypothicated against Working capital Limits - WCDL,Cash Credit and Buyers Credit.
10(b) No Trade or other receivables are due from directors or other officers of the company. Further, no trade or other Receivables are due from firms or private companies in which any director is a partner or director or member.

Note: 11 Cash and cash Equivalents	**Sub note**	**As at 31.03.2018**	**As at 31.03.2017**	**As at 01.04.2016**
(a) Cash & Cash Equivalents				
(i) Balances in current account		32,372,624	6,209,239	2,704,628
(ii) Cash On Hand		362,863	181,402	677,571
(b) Other Balances				
(i) In Dividend account		1,253,568	1,460,839	2,053,246
(ii) Deposit held to the extent of margin money		37,419,072	44,541,522	24,808,351
(iv) Investment in Liquid Funds		79,000,000	-	1,014,643
TOTAL		**150,408,127**	**52,393,002**	**31,258,439**

Note: 12 Current Tax Assets (Net)	**Sub note**	**As at 31.03.2018**	**As at 31.03.2017**	**As at 01.04.2016**
(a) Income tax Receivable		59,896,580	31,644,878	45,386,897
Less: Provision for Taxes		48,047,620	13,950,139	3,575,228
TOTAL		**11,848,960**	**17,694,739**	**41,811,669**

Note: 13 Other Current Assets	**Sub note**	**As at 31.03.2018**	**As at 31.03.2017**	**As at 01.04.2016**
(Unsecured, Considered Good Unless Otherwise Stated)				
(i) Loans Against pledge of Securities		-	38,048,730	48,884,632
(ii) Loans & Advances to related parties - Associate & Others		-	-	116,141,385
(iii) Balances with Statutory Authorities		37,540,702	82,130,614	66,438,083
(iv) Advances To Suppliers		59,286,498	67,310,075	28,905,803
(v) Sundry Advances		25,948,079	21,779,357	11,947,403
TOTAL		**122,775,279**	**209,268,776**	**272,317,306**

Notes forming part of the Standalone Financial Statements

14 Share Capital	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
	Number	Rupees	Number	Rupees	Number	Rupees
Authorised						
Equity Shares of Rs.2/- each	125,000,000	250,000,000	125,000,000	250,000,000	125,000,000	250,000,000
Issued						
Equity Shares of Rs.2/- each	31,995,000	63,990,000	31,995,000	63,990,000	63,990,000	127,980,000
Subscribed & Paid up						
Equity Shares of Rs.2/- each fully paid	31,995,000	63,990,000	31,995,000	63,990,000	63,990,000	127,980,000
Total	**31,995,000**	**63,990,000**	**31,995,000**	**63,990,000**	**63,990,000**	**127,980,000**

a. Terms /Rights attached to Shareholders
The Company has only one class of issued shares i.e. Equity Shares having par value of Rs.2 per share. Each holder of Equity Shares is entitled to one vote per share and ranks pari passu. the event of iquidation, the equity shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their shareholding.

b. Reconciliation of Equity Shares Outstanding at the Begginning and at the end of the Reporting Period

Particulars	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
	Number	Rupees	Number	Rupees	Number	Rupees
Shares outstanding at the beginning of the year	31,995,000	63,990,000	63,990,000	127,980,000	63,990,000	127,980,000
Shares reduced on account of demerger	-	-	(31,995,000)	(63,990,000)	-	-
Shares outstanding at the end of the year	31,995,000	63,990,000	31,995,000	63,990,000	63,990,000	127,980,000

c. Detail of shareholders holding more than 5% of issued Share Capital.

Name of Shareholder	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
SURANA INFOCOM PRIVATE LIMITED	4,341,581	13.57	4,345,139	13.58	8,681,890	
NARENDER SURANA	3,181,468	9.94	2,793,454	8.73	5,393,082	8.43
DEVENDRA SURANA	3,134,660	9.80	2,349,382	7.34	4,646,994	7.26
MANISH SURANA	2,337,513	7.31	2,466,704	7.71	4,938,433	7.71
NAMRATA SURANA	1,870,335	5.85	1,870,335	5.85	3,730,166	5.83
GM SURANA	1,710,990	5.35	2,056,145	6.43	4,112,290	6.43
SUNITA SURANA	1,556,831	4.87	1,638,335	5.12	3,266,671	5.10
	18,133,378	56.68	17,519,494	54.76	34,769,526	54.33

The Shareholder Information has been extracted from the records of the company including register of Shareholders/Members and is based on the legal ownership of shares

Notes forming part of the Standalone Financial Statements

(Amount in ₹)

Note : 15 **Other Equity**	**Sub note**	**As at 31.03.2018** **₹**	**As at 31.03.2017** **₹**	**As at 01.04.2016** **₹**
General Reserves				
Balance as per Last Account		**150,000,000**	1,278,776,407	1,278,776,407
Add: Transferred from Retained Earnings		**50,000,000**	23,199,230	-
Add: Reduction in paid up Share Capital		**-**	63,990,000	
Less: Net Assets Transferred on account of Demerger		**-**	(1,160,754,723)	
Less: Cancellation of Investment in Surana Telecom &				
Power Limited & Bhagyanagar Properties Limited		**-**	(55,210,914)	
		200,000,000	**150,000,000**	**1,278,776,407**
Foreign Currency Monetary Item Translation Difference Account				
Balance as per Last Account		**-**	75,240,469	88,458,335
Add/(Less): Foreign Currency Monetary Item Translation Difference During the Year		**-**	(12,962,958)	36,253,257
Less: Amortisation during the year		**-**	(10,844,686)	(22,294,090)
Less: Loss on repayments during the year		**-**	(62,362,631)	(27,177,033)
		-	10,929,805	
		-	**-**	**75,240,470**
Balance at the year end		**200,000,000**	**150,000,000**	**1,203,535,937**
Capital Reserves				
Balance as per Last Account		**16,676,523**	16,676,523	16,676,523
Balance at the year end		**16,676,523**	**16,676,523**	**16,676,523**
Capital Redemption Reserve				
Balance as per Last Account		**21,020,000**	21,020,000	21,020,000
Balance at the year end		**21,020,000**	21,020,000	21,020,000
Retained Earnings		**776,844,264**	751,589,062	731,464,290
Add: Profit during the year/period		**128,648,428**	48,454,432	20,194,431
Less: Dividend Tax of Earlier Year		**-**	-	(69,660)
Amount available for Appropriation		**905,492,692**	800,043,494	751,589,061
Transfer to General Reserve		**50,000,000**	23,199,230	
Balance at the year end		**855,492,692**	776,844,264	751,589,061
TOTAL		**1,093,189,215**	**964,540,787**	**1,992,821,521**

The Description, Nature and Purpose of each reserve with in equity are as follows:

General Reserve: This reserve is the retained earnings of the company, which are kept aside out of the Company's profit to meet future (known or unknown) obligations.

Retained Earnings: Retained earnings comprise of net accummulated profit/(loss) of the company, after declaration of dividend.

Capital Reserve: Capital Reserve was created on account of merger of various entities with the company.

Capital Redemption Reserve: Capital Redemption Reserve was created on account of Buy back of Shares of the Companies.

(Amount in ₹)

Note : 16 Non Current Liabilities - Borrowings	Sub note	Non Current Portion As at 31.03.2018	 As at 31.03.2017	 As at 01.04.2016	Current Maturities* As at 31.03.2018	 As at 31.03.2017	 As at 01.04.2016
(a) Term loan							
from ICICI Bank	a	152,975,420	265,170,201	456,514,033	113,010,382	71,324,000	121,603,585
from SBI				50,927,117			30,768,000
(b) Car Loan - Kotak Bank	b	6,913,105	-	-	2,669,040	-	
TOTAL		**159,888,525**	**265,170,201**	**507,441,150**	**115,679,422**	**71,324,000**	**152,371,585**

*Current Maturities are included in Note:19 - Other Financial Liabilities.

Notes: Term Loan From ICICI Bank:

Particulars of Nature of Security	Installments Repayable Non Current Portion 31.03.2018		 31.03.2017		 01.04.2016		Current Maturities* 31.03.2018		 31.03.2017		 01.04.2016	
	Month	USD	Month	USD	Month	USD	Month	USD	Month	USD	Month	USD
a ICICI Bank provided ECB amounting to USD 13,560,000 carrying a fixed interest rate of 6.96%. ECB is secured by first charge on certain fixed assets of the company and personal guarantee of Managing Directors. Long Term ECB liability as at 31.03.2018 amounting to USD 23,47,327 is valued at Rs.65.04 per USD against Rs. 64.84 per USD. as on 31st March,2017.	Apr- 19	593,775	Apr- 18	275,000	Apr-17	275,000	Apr- 18	275,000	Apr-17	275,000	Apr-16	458,328
	July-19	824,448	July-18	275,000	July-17	275,000	July-18	275,000	July-17	275,000	July-16	458,328
	Oct-19	929,104	Oct-18	593,776	Oct-17	275,000	Oct-18	593,776	Oct-17	275,000	Oct-16	458,328
			Jan-19	593,776	Jan-18	275,000	Jan-19	593,776	Jan-18	275,000	Jan-17	458,328
			Apr- 19	593,775	Apr- 18	275,000						
			July-19	824,448	July-18	275,000						
			Oct-19	929,104	Oct-18	593,776						
					Jan-19	593,776						
					Apr- 19	593,775						
					July-19	824,448						
					Oct-19	929,104						

b **Car Loan - Kotak Bank**

Car Loan from Kotak Bank is availed at the interest rate of 8.04% during the current Financial Year. The Loan is repayable in 60 equal monthly instalments of Rs.222,420/- starting on 05-07-2017 and ending on 05-06-2022

Notes forming part of the Standalone Financial Statements

(Amount in ₹)

Note: 17 **Current Liabilities - Borrowings**	**Sub note**	**As at 31.03.2018**	**As at 31.03.2017**	**As at 01.04.2016**
Secured				
Working Capital Facilities from Banks				
- Working Capital Demand Loan		-	60,000,000	-
- Cash Credit		-	48,445,081	202,686,245
- Buyers Credit		180,787,500	292,507,624	93,804,001
TOTAL		**180,787,500**	**400,952,705**	**296,490,246**

Particulars of Nature of Security

Working capital loan is secured by first charge on entire current assets of the company on pari passu basis with other banks along with immovable properties forming part of Fixed Assets of the Company and personal guarantee of the Managing Directors.

Note 18 **Trade Payables**	**Sub note**	**As at 31.03.2018**	**As at 31.03.2017**	**As at 01.04.2016**
For Goods & Services				
- Total Outstanding dues of Micro and Small Enterprises		-	-	-
- Total Outstanding dues of Creditors Other than Micro and Small Enterprises		**22,314,151**	**16,027,029**	**63,546,967**
TOTAL		**22,314,151**	**16,027,029**	**63,546,967**

Note: 19 **Other Financial Liabilities**	**Sub note**	**As at 31.03.2018**	**As at 31.03.2017**	**As at 01.04.2016**
(a) Current Maturities on Long Term Debt		**115,679,422**	**71,324,000.00**	**152,371,585**
(Refer Note:16 (a))		**4,702,368**	**5,315,585**	**8,627,837**
(b) Interest Accrued but not due on borrowings				
(c) Unclaimed Dividends	a	**1,253,568**	**1,460,838**	**2,053,245**
(d) Security Deposits		**7,086,612**	**6,857,732**	**7,555,518**
(e) Others*	b	**-**	**54,032,668**	**430,753**
TOTAL		**128,721,970**	**138,990,823**	**171,038,938**

Notes:

a. These figures do not include any amount due and outstanding to be credited to Investor Education and Protection Fund

b. Others Include Deferred Sales Tax and Inter Corporate Liability

Note: 20 **Other Current Liabilities**	**Sub note**	**As at 31.03.2018**	**As at 31.03.2017**	**As at 01.04.2016**
(a) Statutory Dues Payable		**2,673,065**	**7,327,077**	**5,834,524**
(b) Liability for Expenses		**3,868,563**	**6,325,711**	**5,356,882**
(c) Advance from Customers		**5,759,899**	**20,627,912**	**6,709,699**
(d) Accrued Rental Income		**861,589**	**1,206,035**	**1,550,482**
TOTAL		**13,163,116**	**35,486,735**	**19,451,587**

Note: 21 Provisions	**Sub note**	**As at 31.03.2018**	**As at 31.03.2017**	**As at 01.04.2016**
Provision for Employee Benefits-Bonus		**900,000**	**900,000**	**900,000**
TOTAL		**900,000**	**900,000**	**900,000**

Notes forming part of the Standalone Financial Statements

(Amount in ₹)

Note: 22 Revenue from Operations	**Sub note**	**For the Year 31.03.2018**	**For the Year 31.03.2017**
(a) Sale of Products			
Copper Products		5,353,848,387	3,271,492,566
Sale of Wind Power		59,902,625	60,132,036
SUB - TOTAL		**5,413,751,012**	**3,331,624,602**
Less: Inter-Unit Sales		202,354,648	12,055,524
GROSS SALES		**5,211,396,364**	**3,319,569,078**
Less: Sales Tax/ GST		658,029,033	123,559,892
NET SALES		**4,553,367,331**	**3,196,009,186**
(b) Infrastructure Leasing and Sales		10,609,904	18,614,304
TOTAL		**4,563,977,235**	**3,214,623,490**

Note: 23 **Other Income**	**For the Year 31.03.2018**	**For the Year 31.03.2017**
(a) Interest Income		
Interest on Loans,Deposits and Others	**21,354,605**	60,643,117
(b) Dividend Income	**635,118**	401,748
(c) Profit on Sale of Sundry Assets	**92,516,652**	135,333
(d) Profit on sale of Investments	**-**	26,341,460
(e) Miscellaneous Income	**263,321**	529,924
(f) Rental Income	**461,575**	344,447
(g) Balances no Longer Payable Written Back	**121,062**	1,220,104
TOTAL	**115,352,333**	89,616,133

Notes : Interest on Loans,Deposits and Others

a. Interest Income is net of interest accrued in the earlier years not received.

Note: 24 **Cost of Raw Materials and Components Consumed**	**For the Year 31.03.2018**	**For the Year 31.03.2017**
Opening Stock Raw Materials	**455,779,997**	214,607,910
Opening Stock Material - In - Transit	**-**	21,667,360
Add:Purchases net of Modvat	**4,066,213,814**	2,724,937,227
Less:Closing Stock Raw Materials	**329,355,101**	455,779,997
Less:Inter-Unit Purchases	**202,354,648**	12,055,524
Raw Material Consumed	**3,990,284,062**	**2,493,376,976**

Note: 25 **(Increase)/Decrease in Inventories**	**For the Year 31.03.2018**	**For the Year 31.03.2017**
Opening Stock WIP	51,533,772	73,157,751.00
Opening Stock Finished Goods	-	16,399,143
Material in Transit - Stores and Spares	967,413	2,742,000
Opening Stock Stores and Spares	1,812,100	5,789,435
Less: :Closing Stock WIP	39,000,057	51,533,772
Less: :Closing Stock Stores and Spares	-	1,812,100
Less: Material in Transit - Stores and Spares	-	967,413
(Increase)/Decrease in Stock	**15,313,228**	**43,775,044**

Notes forming part of the Standalone Financial Statements

(Amount in ₹)

Note: 26	**For the Year**	**For the Year**
Employee Benefits Expense	**31.03.2018**	**31.03.2017**
Salaries, Wages and Other Employee Benefits	53,738,070	46,631,593
Contribution To Provident And Other Funds	4,799,487	4,174,820
TOTAL	**58,537,557**	**50,806,413**

Note: 27	**For the Year**	**For the Year**
Finance Costs	**31.03.2018**	**31.03.2017**
Interest Expense		
Cash Credit & Others	8,358,662	15,625,390
Long Term Loan	21,756,671	32,440,148
Financial Charges	8,035,189	11,606,260
TOTAL	**38,150,522**	**59,671,798**

Note: 28	**For the Year**	**For the Year**
Depreciation and Amortisation Expenses	**31.03.2018**	**31.03.2017**
Depreciation	35,611,878	33,845,976
Amortisation Expenses - Lease Rent	512,630	512,630
TOTAL	**36,124,508**	**34,358,606**

Note: 29	**For the Year**	**For the Year**
Other Expenses	**31.03.2018**	**31.03.2017**
Consumption Of Stores And Spare Parts	14,704,252	10,592,031
Power And Fuel	127,408,941	95,015,860
Rent	1,680,845	1,690,658
Repairs		
Buildings	447,357	224,941
Machinery	55,240,496	35,313,078
Others	3,727,386	3,600,355
Insurance	1,274,891	1,444,976
Rates And Taxes	3,639,857	1,740,031
Packing And Forwarding	24,307,806	25,640,987
Remuneration To Directors	9,085,000	9,485,227
Loss on Sale Of Investment	127,552	-
Foreign Exchange Fluctuation (Net)	243,464	12,063,099
Other Miscellaneous Expenses	35,035,025	32,781,980
Director's Sitting Fees	405,000	541,000
Payments To The Auditor		
for Statutory Audit	260,000	260,000
for Tax Audit	70,000	70,000
for Taxation/Other Matters	70,000	70,000
for Reimbursement Of Expenses	40,000	40,000
TOTAL	**277,767,872**	**230,574,223**

29 A Financial Instruments by Category

Set out below is a comparison, by class, of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximates of fair values:

(Amount in ₹)

Particulars	Carrying value			Fair value		
	31-Mar-18	31-Mar-17	1-Apr-16	31-Mar-18	31-Mar-17	1-Apr-16
Investments	147,150,000	14,016,539	261,113,270	147,150,000	14,016,539	261,113,270
Loans	12,028,219	237,639,967	1,152,101,473	12,028,219	237,639,967	1,152,101,473
Total Financial Assets	159,178,219	251,656,506	1,413,214,743	159,178,219	251,656,506	1,413,214,743
Lease Deposit	8,010,000	8,106,000	9,106,000	7,086,612	6,857,732	7,555,518
Total Financial Liabilities	**8,010,000**	**8,106,000**	**9,106,000**	**7,086,612**	**6,857,732**	**7,555,518**

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

Notes forming part of the Standalone Financial Statements

30. Related Party Disclosure

(a) Name of the Related Parties and related party relationship

Enterprises owned or significantly influenced by key management personnel or their relatives:

(i) Surana Telecom and Power Limited
(ii) Bhagyanagar Properties Limited
(iii) Bhagyanagar Ventures Private Limited
(iv) Surana Solar Systems Private Limited
(v) Metropolitan Ventures India Limited
(vi) Scientia Infocom India Private Limited
(vii) Surana Solar Limited
(viii) Solar Dynamics Private Limited
(ix) Bhagyanagar Metals Limited

Subsidiary Companies

(i) Aanvik Mercantile Private Limited

Key Managerial Personnel

(i) G.M Surana
(ii) Narender Surana
(iii) Devendra Surana
(iv) Narender Munoth
(v) N.K.Reddy
(vi) Surendra Bhutoria
(vii) Badarish H Chimalgi

Relatives of Key Managerial Personnel

(i) Namrata Surana
(ii) Nivriti Surana

(b) The following transactions were carried out with related parties in the ordinary course of business during the year:

(Amount in ₹)

Sl.No.	Nature of Transaction	Name of the Related Parties	2017-18	2016-17
1	Purchase of Solar Goods	Surana Solar Limited	2,423,318	2,343,060
		Total	**2,423,318**	**2,343,060**
2	Purchase of Solar Power	Surana Solar Systems Pvt Limited	46,434,032	43,534,545
		Total	**46,434,032**	**43,534,545**
3	Sale of Shares	Surana Infocom Private Limited	13,541,300	-
		Total	**13,541,300**	**-**
4	Interest Received	Surana Solar Limited	-	8,517,335
		Solar Dynamics Private Limited	22,511,723	19,857,961
		Total	**22,511,723**	**28,375,296**
5	Remuneration-KMP	Narender Surana	-	1,740,000
		Devendra Surana	9,000,000	6,400,000
		Narender Munoth	85,000	1,345,227
		N.K.Reddy	246,000	318,387
		Surendra Bhutoria	1,834,000	1,254,000
		Total	**11,165,000**	**11,057,614**
6	Remuneration-Relatives of KMP	Namrata Surana	660,000	600,000
		Nivrithi Surana	540,000	480,000
		Total	**1,200,000**	**1,080,000**

Notes forming part of the Standalone Financial Statements

(Amount in ₹)

Sl.No	Nature of Transaction	Name of the Related Parties	2017-18	2016-17	2015-16
		Surana Solar Limited			
		Opening Balance	-	116,141,385	112,682,852
		Add: Given During the year	3,151,579	85,838,874	69,793,533
		Less: Recovered During the year	3,151,579	201,980,259	66,335,000
		Closing Balance	**-**	**-**	**116,141,385**
		Scientia Infocom India Private Limited			
		Opening Balance	-	282,133,353	258,796,484
		Add: Given During the year	-	21,800,000	23,336,869
		Less: Recovered During the year	-	303,933,353	-
		Closing Balance	**-**	**-**	**282,133,353**
		Bhagyanagar Properties Limited			
		Opening Balance	(44,828,185)	561,085,555	555,424,048
		Add: Given During the year	45,144,199	53,171,358	5,661,507
		Less: Recovered During the year	316,014	659,085,098	-
		Closing Balance	**-**	**(44,828,185)**	**561,085,555**
		Metropolitan Ventures India Limited			
	Loans / Advances (given)	Opening Balance	-	65,362,043	65,339,773
		Add: Given During the year	30,780	30,000	22,270
		Less: Recovered During the year	30,780	65,392,043	-
		Closing Balance	**-**	**-**	**65,362,043**
		Bhagyanagar Metals Limited			
		Opening Balance	8,937,819	8,400,000	5,700,000
		Add: Given During the year	-	537,819	2,700,000
		Less: Recovered During the year	8,937,819	-	-
		Closing Balance	**-**	**8,937,819**	**8,400,000**
		Solar Dynamics Private Limited			
		Opening Balance	219,571,071	223,755,488	244,206,020
		Add: Given During the year	48,964,512	45,615,583	30,366,735
		Less: Recovered During the year	268,535,583	49,800,000	50,817,267
		Closing Balance	**-**	**219,571,071**	**223,755,488**
		Surana Telecom and Power Limited			
		Opening Balance	(9,152,573)	-	-
		Add: Given During the year	87178021	26,643,169	-
		Less: Recovered During the year	78025448	5,795,742	-
		Closing Balance	**-**	**(9,152,573)**	**-**

31. In the opinion of Board of Directors and to the best of their knowledge and belief, the value on realization of current assets, loans and advances in the ordinary course of business, would not be less than the amount at which the same are stated in the Balance Sheet.

Notes forming part of the Standalone Financial Statements

32. Earnings Per Share (EPS) **(Amount in ₹)**

Particulars	2017-18	2016-17
Net Profit after Tax	128,648,428	48,454,432
Net Profit after Tax available for equity share holders - For Basic and Diluted EPS	128,648,428	48,454,432
Weighted Average No. Of Equity Shares For Basic EPS (No.s)	31,995,000	31,995,000
Weighted Average No. Of Equity Shares For Diluted EPS (No.s)	31,995,000	31,995,000
Nominal Value of Equity Shares	2	2
Basic Earnings Per Equity Share	4.02	1.51
Diluted Earnings Per Equity Share	4.02	1.51

33. Contingent Liabilities and Commitments (to the extent not provided for)

Particulars	As at 31-03-2018	As at 31-03-2017
Contingent Liabilities	4,560,007	5,035,996
Commitments:		
Guarantees issued by banks	30,473,848	24,176,877

34. Retirement and Other Employees Benefits

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

Provident fund is a defined contribution scheme and the company has no further obligation beyond the contribution made to the fund. Contributions are charged to the Profit & Loss account in the year in which they accrue.

Gratuity liability is a defined benefit obligation and is based on the actuarial valuation done. The gratuity liability and the net periodic gratuity cost is actually determined after considering discounting rates, expected long term return on plan assets and increase in compensation level. All actuarial gain/ losses are immediately charged to the Profit & Loss account and are not deferred.

The following table summarizes the components of Net Benefit expenses recognized in the Profit & Loss account and amount recognized in the Balance Sheet for the respective plans.

a Expenses recognised in the Profit & Loss Account

Particulars	Gratuity	
	2017-18	2016-17
Current service cost	941,713	741,327
Interest cost	121,874	820,303
Expected Return on Planned Assets	(1,097,425)	(953,593)
Net Actuarial Loss/ (Gain) recognized in the year	13,124,201	(9,501,502)
Expenses recognised in Statement of Profit & Loss	**13,090,363**	**(8,893,465)**

b Change in Present value of obligation during the year ended 31st March, 2016

Particulars	Gratuity	
	2017-18	2016-17
Present Value of obligation as at beginning of the year	1,523,419	10,253,785
Interest Cost	121,874	820,303
Current Service Cost	941,713	741,327
Benefits Paid-Actuals	(1,123,711)	(790,494)
Actuarial (Gain)/ Loss on Obligations	13,124,201	(9,501,502)
Present Value of obligation as at end of the year	**14,587,496**	**1,523,419**

Notes forming part of the Standalone Financial Statements

(Amount in ₹)

c Change in fair value of Plan Assets during the year ended 31st March, 2016

Particulars	Gratuity	
	2017-18	2016-17
Fair value of Plan Assets as at the beginning of the year	12,958,488	11,831,054
Expected Return on Plan Assets	1,097,425	953,593
Contributions	3,979,186	964,334
Benefits Paid	(1,123,711)	(790,494)
Fair value of Plan Assets as at the end of the year	**16,911,388**	**12,958,488**

d Actuarial Gain/ loss recognized

Particulars	Gratuity	
	2017-18	2016-17
Actuarial (Gain) / Loss for the year -Obligation	13,124,201	(9,501,502)
Total Loss for the Year	13,124,201	(9,501,502)
Actuarial (Gain) / Loss recognized in the year	13,124,201	(9,501,502)

e Actuarial assumption

Particulars	Gratuity	
	2017-18	2016-17
Discount rate used	8%	8%
Salary escalation	6%	6%

35. Disclosure required under Section 186(4) of the Companies Act 2013

For details of loans, advances and guarantees given and securities provided to related parties refer **Note 30.**

36. Raw material consumed during the year

(Amount in ₹)

Sl.No.	Particulars	2017-18	2016-17
i	Copper	3,846,960,100	2,408,180,700
ii	Others	158,637,190	85,196,276
iii	Inter Unit Transfers		
	(a) Copper Rod / Wires	198,008,000	11,137,500
	(b) Others	4,346,648	918,000
	SUB-TOTAL	**4,207,951,938**	**2,505,432,476**
	Less: Inter Unit Purchases	202,354,648	12,055,500
	TOTAL	**4,005,597,290**	**2,493,376,976**

Note: Material which are included in others do not individually exceed 10 % of consumption.

37. Details of imported and indigenous raw materials, spares and packing materials consumed

Particulars	2017-18		2016-17	
	Value	% of Total Consumption	Value	% of Total Consumption
Raw materials & Components				
(a) Imported	1,366,943,909	34	938,030,180	38
(b) Indigenous	2,638,653,381	66	1,555,346,796	62
TOTAL	**4,005,597,290**	**100**	**2,493,376,976**	**100**
Stores & Spare Parts (including consumed for repair)				
(a) Imported	19,442,689	36	15,585,882	40
(b) Indigenous	34,957,991	64	23,090,624	60
TOTAL	**54,400,680**	**100**	**38,676,506**	**100**

Notes forming part of the Standalone Financial Statements

(Amount in ₹)

38. CIF Value of Imports

Particulars	2017-18	2016-17
Raw material / Traded Goods	1,366,943,909	938,030,104
Stores & Spares	19,442,689	9,833,960
Total	**1,386,386,598**	**947,864,064**

39. Earnings in Foreign Currency

Particulars	2017-18	2016-17
Export Sales	9,546,950	21,292,519
Total	**9,546,950**	**21,292,519**

40. Expenditure in Foreign Currency

Particulars	2017-18	2016-17
Travelling	700,398	539,113
Interest on ECB	20,612,895	32,440,148
Repayment of ECB	75,078,022	259,184,738
Total	**96,391,315**	**292,163,999**

41. Segment Reporting:

Factors used to identify the reportable segments:

The Company has following business segments, which are its reportable segments. These segments offer different products and services, and are managed separately because they require different technology and production processes. Operating segment disclosures are consistent with the information

Reportable segments	Product/Service
1. Copper Products	Manufacturing of Copper Products
2. Wind Power	Generation of Wind Power Energy.

Notes forming part of the Standalone Financial Statements

(Amount in ₹)

Particulars	Copper Products		Renewable Energy		Total	
	31.03.2018	31.03.2017	31.03.2018	31.03.2017	31.03.2018	31.03.2017
REVENUE						
External Sales	4,493,464,331	3,135,877,000	59,903,000	60,132,000	4,553,367,331	3,196,009,000
Other Operating Income	-	-	-	-	10,609,904	18,614,000
Total Revenue	**4,493,464,331**	**3,135,887,000**	**59,903,000**	**60,132,000**	**4,563,977,235**	**3,214,623,000**
RESULTS						
Segment results	130,032,000	104,646,000	46,640,000	43,640,000	176,456,000	148,286,000
Unallocable income/ Expenses					29,556,037	(37,587,000)
Operating Profit					206,022,037	110,699,000
Internet Expenses					38,151,000	59,370,000
Profit from Ordinary Activities					167,871,037	51,329,000
NET PROFIT					**167,871,037**	**51,329,000**
OTHER INFORMATION						
Segment Assets	1,063,524,000	1,078,963,000	209,552,000	480,615,000	1,273,076,000	1,559,578,000
Unallocable Assets					389,878,000	308,785,351
TOTAL ASSETS					**1,662,954,000**	**1,868,363,351**
Segment Liabilities	212,448,000	382,012,000	579,000	579,000	213,027,000	382,591,000
Unallocable Liabilities					132,860,000	136,220,983
TOTAL LIABILITIES					**345,887,000**	**518,811,983**
Capital Expenditure	20,330,282	7,508,925	-	-	20,330,282	7,508,925
Unallocable Capital Expenditure					14,651,493	255,830
TOTAL CAPITAL EXPENDITURE					**24,981,775**	**7,764,948**
Depreciation	6168716	5,456,935	23,292,013	23,292,013	29,460,729	28,748,948
Unallocable Depreciation					6,151,140	5,097,028
TOTAL DEPRECIATION					**35,611,878**	**33,845,976**

42. Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support Company's operations. The Company's principal financial assets include inventory, trade and other receivables, cash and cash equivalents and land advances and refundable deposits that derive directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk.

A. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and other price risk, such as equity price risk and commodity/ real estate risk. Financial instruments affected by market risk include loans and borrowings and refundable deposits

Notes forming part of the Standalone Financial Statements

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Company does not enter into any interest rate swaps.

B. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including refundable joint development deposits, security deposits, loans to employees and other financial instruments.

Trade receivables

i. Receivables resulting from sale of properties: Customer credit risk is managed by requiring customers to pay advances before transfer of ownership, therefore, substantially eliminating the Company's credit risk in this respect.

ii. Receivables resulting from other than sale of properties: The firm has established credit limits for customers and monitors their balances on ongoing basis. Credit Appraisal is performed before leasing agreements are entered into with customers. The risk is also marginal due to customers placing significant amount of security deposits for lease and fit out rentals.

Financial Instrument and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's Finance department in accordance with the Company's policy. Investments of surplus funds are reviewed and approved by the Company's Board of Directors on an annual basis The Company's maximum exposure to credit risk for the components of the statement of financial position at 31 March 2018 and 2017 is the carrying amounts.

C. Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank deposits and loans.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

(Amount in ₹)

Year Ended	On Demand	3 to 12 Months	1 to 5 Years	>5 Years	Total
31-Mar-18					
Borrowings	-	296,466,922	159,888,525	-	456,355,447
	-	**296,466,922**	**159,888,525**	**-**	**456,355,447**
31-Mar-17					
Borrowings	108,445,081	363,831,624	265,170,201	-	737,446,906
	108,445,081	**363,831,624**	**265,170,201**	**-**	**737,446,906**
01-Apr-16					
Borrowings	202,686,245	246,175,586	507,441,150	-	956,302,981
	202,686,245	246,175,586	**507,441,150**	**-**	**956,302,981**

43. Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

Notes forming part of the Standalone Financial Statements

(Amount in ₹)

Particulars	31 Mar 2018	31 Mar 2017	31 Mar 2016
Borrowings (Long term and Short term including Current maturity of Long term Borrowings) **Note 16 & 17**	456,355,447	737,446,906	956,302,981
Other Payable (current and non-current, excluding current maturity of long term borrowings) **Note 18,19,20 & 21**	49,419,815	120,080,587	102,565,907
Less Cash and Cash Equivalents	150,408,127	52,393,519	31,258,402
Net Debt	**355,367,135**	**805,133,974**	**1,027,610,486**
Equity Share capital	63,990,000	63,990,000	127,980,000
Other Equity	1,093,189,215	964,540,787	1,992,821,521
Total Capital	**1,157,179,215**	**1,028,530,787**	**2,120,801,521**
Capital and Net debt	**1,512,546,350**	**1,833,664,761**	**3,148,412,007**
Gearing ratio (in %)	**23.49**	**43.91**	**32.63**

44. First-time adoption of Ind AS

These financial statements, for the year ended March 31, 2018, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on March 31, 2018, together with the comparative period data as at and for the year ended March 31, 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 1, 2016, the Company's date of transition to Ind AS.

Exemptions applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

(a) Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for investment property covered by Ind AS 40 Investment Properties. Accordingly, the Company has elected to measure all of its property, plant and equipment and investment property at their previous GAAP carrying value.

(b) Ind AS 27 requires investments in subsidiaries to be recorded at cost or in accordance with Ind AS 109 in its separate financial statements. However Ind AS 101 provides an option in case the Company decides to measure such investment at cost (determined in accordance with Ind AS 27) or deemed cost (fair value or previous GAAP carrying amount) at that date. The Company can avail the above exemption and recognize the investment in firms at the previous GAAP carrying amount at the date of transition to Ind AS.

The Company has also prepared a reconciliation of equity as at March 31, 2017 and April 1, 2016 under the Previous GAAP with the equity as reported in these financial statements under Ind AS, that reflect the impact of Ind AS on the components of statement of balance sheet which is presented below:

(Amount in ₹)

Particulars	31-Mar-17	01-Apr-16
Equity under previous GAAP	**1,028,488,554**	**2,120,801,521**
Adjustments (net of tax)	42,233	-
Others	-	-
Equity under Ind AS	**1,028,530,787**	**2,120,801,521**

Notes forming part of the Standalone Financial Statements

The Company has prepared a reconciliation of the net profit for the previous year ended March 31, 2017 under the Previous GAAP with the total comprehensive income as reported in these financial statements under Ind AS, that reflect the impact of Ind AS on the components of statement of profit and loss which is presented below:

(Amount in ₹)

Particulars	**31-Mar-17**
Net profit as per previous GAAP	48,412,199
Adjustments (net of tax)::	
Others	42,233
Net profit as per IND AS	48,454,432
Other Comprehensive Income (net of tax)	-
Total Comprehensive Income as per IND AS	**48,454,432**

Notes to reconciliations between previous GAAP and Ind AS

Other comprehensive income

Under Indian GAAP, the Company has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP profit/loss to profit/loss as per Ind AS. Further, Indian GAAP profit/loss is reconciled to total comprehensive income as per Ind AS.

42. Previous year's figures have been regrouped and rearranged, wherever found necessary.

As per our report of even date attached
For Luharuka & Associates
Chartered Accountants,
Firm Reg No.01882S

For Bhagyanagar India Limited

Rameshchand Jain
Partner
M. No. 023019

Narender Surana
Managing Director
DIN: 00075086

Devendra Surana
Managing Director
DIN: 00077296

Place: Secunderabad,
Date : 26th May, 2018

Surendra Bhutoria
Chief Financial Officer

Badarish H Chimalgi
Company Secretary
Membership No: A32651

Independent Auditors' Report on Consolidated Financial Statements

To the Members of **M/s. Bhagyanagar India Limited**

Report on the Consolidated Ind AS Financial Statements

1. We have audited the accompanying consolidated Ind AS financial statements of M/s. **Bhagyanagar India Limited** ("the Holding Company") and one of its subsidiary ('M/s. Aanvik Mercantile Private Limited', collectively referred to as "the Company" or "the Group"), comprising of the consolidated balance sheet as at 31 March 2018, the consolidated statement of profit and loss including other comprehensive income, the consolidated cash flow statement , the consolidated statement of change in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Financial Statements

2. 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, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act, 2013 (hereinafter referred to as "the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014 the Companies (Indian Accounting Standards) Rules,2015, as amended. The respective Board of Directors of the Companies and management of a subsidiary Partnership firm included in Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Ind AS consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the consolidated Ind AS financial statements based on our audit. While conducting the 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 thereunder.

4. 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 consolidated financial statements are free from material misstatement.

5. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated 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 Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of other financial information of the subsidiaries, 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, of the consolidated state of affairs of the Group, as at 31 March 2018, and their consolidated profit including other comprehensive Income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

8. As required by sub-section 3 of Section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in other matter paragraph we report, to the extent applicable, that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.

b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c. The consolidated balance sheet, the consolidated statement of profit and loss including the statement of Other Comprehensive Income, the consolidated cash flow statement and consolidated Statement of changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d. In our opinion, the aforesaid consolidated 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 and Companies (Indian Accounting Standards) Rules, 2015, as amended:

e. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2018 taken on record by the Board of Directors of the Holding Company and its subsidiary companies incorporated in India, none of the Directors of the Group companies incorporated in India is disqualified as on 31 March 2018 from being appointed as a Director of that company in terms of sub-section 2 of Section 164 of the Act.

f. With respect to the adequacy of the internal financial controls over financial reporting of the Group 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) The Holding Company has disclosed the impact of pending litigations on its consolidated financial position in its consolidated financial statements – Refer Note 33 to the consolidated financial statements;

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

   iii) During the year the Holding Company has transfer the required amount to the Investor education, and Protection Fund and there is no delay in transferring of such sums.

Other Matters

9. The comparative financial information of the Company for the year ended 31st March 2017 and the transition date opening balance sheet as at 1st April 2016 included in these audited consolidated financial results Ind AS statements, are based on previously issued statutory financial statements prepared in accordance with the companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended 31st March 2017 and 31st March 2016 dated 18th May 2017 and 24th May 2016 respectively expressed an unmodified opinion on those CFS statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

   Our opinion on the consolidated Ind AS financial statements is not modified in respect of the above matter.

For Luharuka & Associates
Chartered Accountants
Firm Reg No:- 01882S

Rameshchand Jain
(Partner)
Membership No.023019

Place: Secunderabad
Date: 26th May 2018

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")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31 March 2018, we have audited the internal financial controls over financial reporting of **M/s. Bhagyanagar India Limited** ("the Holding Company") and its subsidiary ('M/s. Aanvik Mercantile Private Limited', together referred to as "the Group"), which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are 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") issued by ICAI 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 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, 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 2018, 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 ICAI.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to one subsidiary company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For Luharuka & Associates
Chartered Accountants
Firm Reg No:- 01882S

Rameshchand Jain
(Partner)
Membership No.023019

Place: Secunderabad
Date: 26th May 2018

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2018

(Amount in ₹)

Particulars	Note	IND AS As at 31st March 2018	IND AS As at 31st March 2017	IND AS As at 1st April 2016
I ASSETS				
1 NON-CURRENT ASSETS				
(a) Property, plant and equipment	6	**630,015,057**	724,045,711	2,056,092,041
(b) Capital Work - in - Process		**2,452,605**	-	7,120,257
(c) Financial Assets				
- Investments	7	**300,000**	1,002,896	257,754,483
- Loans	8	**9,980,796**	9,131,077	11,365,034
(d) Deferred tax assets (net)	9	**14,342,918**	42,212,539	29,869,168
		657,091,376	**776,392,223**	**2,362,200,983**
2 CURRENT ASSETS				
(a) Inventories	10	**368,355,158**	510,093,282	334,363,599
(b) Financial assets				
- Trade receivables	11	**345,888,314**	364,444,746	314,641,033
- Cash and cash equivalents	12	**150,517,996**	54,281,155	33,839,333
(c) Current Tax Assets (net)	13	**11,857,442**	17,694,739	41,811,669
(d) Other current assets	14	**127,817,544**	210,007,482	272,417,306
		1,004,436,454	**1,156,521,404**	**997,072,940**
TOTAL ASSETS		**1,661,527,830**	**1,932,913,627**	**3,359,273,923**
II EQUITY AND LIABILITIES				
1 EQUITY				
(a) Equity share capital	15	**63,990,000**	63,990,000	127,980,000
(b) Other Equity	16	**1,091,710,006**	971,595,133	2,083,388,224
(c) Non - Controlling Interest	17	**-**	11,154,729	15,567,606
		1,155,700,006	1,046,739,862	2,226,935,830
TOTAL EQUITY		**1,155,700,006**	1,046,739,862	2,226,935,830
2 LIABILITIES				
Non-current liabilities				
(a) Financial Liabilities				
- Borrowings	18	**159,888,525**	288,711,551	572,741,143
		159,888,525	288,711,551	572,741,143
Current liabilities				
(a) Financial liabilities				
- Borrowings	19	**180,787,500**	400,952,705	296,490,635
- Trade Payables	20	**22,314,151**	20,298,348	68,274,902
- Other Current financial liabilities	21	**128,721,970**	138,990,823	171,038,938
(b) Other current liabilities	22	**13,215,678**	36,320,338	22,892,475
(c) Provisions	23	**900,000**	900,000	900,000
		345,939,299	**597,462,214**	**559,596,950**
TOTAL LIABILITIES		**505,827,824**	886,173,765	1,132,338,093
TOTAL EQUITY AND LIABILITIES		**1,661,527,830**	**1,932,913,627**	**3,359,273,923**
Significant accounting policies and key accounting estimates and judgements	1 to 5			
See accompanying notes form an integral part of Consolidated financial statements	32 to 47			

As per our report of even date attached
For Luharuka & Associates
Chartered Accountants,
Firm Reg No.01882S

Rameshchand Jain
Partner
M. No. 023019

Place: Secunderabad,
Date : 26th May, 2018

For Bhagyanagar India Limited

Narender Surana
Managing Director
DIN: 00075086

Devendra Surana
Managing Director
DIN: 00077296

Surendra Bhutoria
Chief Financial Officer

Badarish H Chimalgi
Company Secretary
Membership No: A32651

STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

(Amount in ₹)

	Particulars	Note No.	For the year 31.03.2018		For the year 31.03.2017	
I	INCOME		4,553,367,331		3,242,042,421	
	Revenue from Sale of Product		10,609,904		18,614,304	
	Infrastructure Leasing and Sales		4,563,977,235		3,260,656,725	
	Less: Excise Duty		95,280,782		286,913,688	
	NET REVENUE FROM OPERATIONS	24		**4,468,696,453**		2,973,743,037
	OTHER INCOME	25		115,367,333		69,758,172
	TOTAL REVENUE			**4,584,063,786**		**3,043,501,209**
II	**EXPENSES**					
	Cost of Raw Materials and Components Consumed	26		3,990,284,005		2,493,376,976
	(Increase)/Decrease in Inventories Work-in-Progress and Stock in Trade	27		15,313,285		43,775,044
	Employee Benefit Expenses	28		58,537,557		50,806,413
	Finance Costs	29		38,153,322		61,589,499
	Depreciation and Amortisation Expenses	30		37,630,339		47,118,799
	Other Expenses	31		277,816,330		241,735,840
	TOTAL EXPENSES			**4,417,734,838**		**2,938,402,571**
IV	**PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX (I-II)**			166,328,948		105,098,638
V	**AMORTISATION OF INTANGIBLE ASSETS**					(10,844,686)
VI	**PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX (IV-V)**			166,328,948		94,253,952
VII	**EXTRAORDINARY ITEMS**					(42,588,988)
VIII	**PROFIT BEFORE TAX (VI+VII)**			**166,328,948**		**51,664,964**
IX	**TAX EXPENSE**					
	1. Current Tax			34,097,481		10,454,117
	2. Deferred Tax			3,300,668		(2,745,589)
	3. MAT Entitlement Credit			1,824,460		(9,597,782)
	4. Prior Period Taxes			-		745
X	**PROFIT AFTER TAX (VIII-IX)**			127,106,339		53,553,473
XI	**OTHER COMPREHENSIVE INCOME (OCI)**					
A	**Items that will not be reclassified to profit or loss**			-		-
B	**Items that will be reclassified to profit or loss**			-		-
	OTHER COMPREHENSIVE INCOME FOR THE YEAR,NET OF TAX			-		-
XII	**TOTAL OTHER COMPREHENSIVE INCOME FOR THE YEAR (X+XI)**			127,106,339		53,553,473
	Total Comprehensive Income for the year attributable to:					
	-Owners of the Company			127,106,339		51,676,956
	-Non Controlling Interest			-		1,876,517
				127,106,339		**53,553,473**
XIII	EARNINGS PER EQUITY SHARE					
	1. Basic			3.97		1.67
	2. Diluted			3.97		1.67

As per our report of even date attached
For Luharuka & Associates
Chartered Accountants,
Firm Reg No.01882S

For Bhagyanagar India Limited

Rameshchand Jain
Partner
M. No. 023019

Narender Surana
Managing Director
DIN: 00075086

Devendra Surana
Managing Director
DIN: 00077296

Place: Secunderabad,
Date : 26th May, 2018

Surendra Bhutoria
Chief Financial Officer

Badarish H Chimalgi
Company Secretary
Membership No: A32651

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2018

A. Equity Share capital

Particulars	No of shares	In Rupees
Balance as at 1 April 2016	63,990,000	127,980,000
Changes in equity share capital during 2016-17	(31,995,000)	(63,990,000)
Balance as at 31 March 2017	31,995,000	63,990,000
Balance as at 1 April 2017	31,995,000	63,990,000
Changes in equity share capital during 2017-18	-	-
Balance as at 31 March 2018	**31,995,000**	**63,990,000**

B. Other equity **(Amount in ₹)**

Particulars	Reserve & Surplus				
	Retained Earnings	General Reserve	Capital Reserve	Capital Redemption Reserve	Total
Balance at 1 April, 2016	767,937,442	1,214,441,919	79,988,863	21,020,000	2,083,388,224
Profit for the year	51,676,956	-	-		51,676,956
Other Comprehensive Income (net of tax)	-	-	-		-
Add: Transferred (to)/from Retained Earnings	(23,199,230)	23,199,230			-
Add: Reduction in paid up Share Capital		63,990,000			63,990,000
Less: Net Assets Transferred on account of Demerger		(1,160,754,723)			(1,160,754,723)
Less: Cancellation of Investment in Surana Telecom &					-
Power Limited & Bhagyanagar Properties Limited		(55,210,914)			(55,210,914)
Add:Created on account of discontinuation of Associates		(25,220,602)			- (25,220,602)
Add/(Less): Change on account of divestment of associate company	527,657				527,657
Add/(Less): Reversal of profit/ (loss) on account of divestment of subsidiaries	1,270,407				1,270,407
Add:Created on account of discontinuation of Subsidiaries/Associates			(63,312,340)		(63,312,340)
Add: Adjustment of Foreign Currency Monetary Item Translation Difference Account		75,240,469			75,240,469
Balance at 31 March, 2017	**798,213,232**	**135,685,379**	**16,676,523**	**21,020,000**	**971,595,134**
Balance at 1 April,2017	798,213,232	135,685,379	16,676,523	21,020,000	971,595,134
Profit for the year	127,106,339	-	-	-	127,106,339
Other Comprehensive Income (net of tax)	-	-	-	-	-
Less: Capital Reserve on account of acquision of subsidiary	(48,601,414)	-	-	-	(48,601,414)
Add/(Less): Change on account of divestment of associate company	(527,657)				(527,657)
Add/(Less): Reversal of profit/ (loss) on account of divestment of subsidiaries	(20,841,312)	14,314,621			(6,526,691)
Add:Created on account of discontinuation of Subsidiaries/Associates			48,664,295		48,664,295
Add: Transferred (to)/from Retained Earnings	(50,000,000)	50,000,000	-	-	-
Balance at 31 March, 2018	**805,349,188**	**200,000,000**	**65,340,818**	**21,020,000**	**1,091,710,006**
Significant accounting policies and key accounting estimates and judgements		1 to 5			
See accompanying notes form an integral part of Consolidated financial statements.		32 to 47			

As per our report of even date attached
For Luharuka & Associates
Chartered Accountants,
Firm Reg No.01882S

Rameshchand Jain
Partner
M. No. 023019

Place: Secunderabad,
Date : 26th May, 2018

For Bhagyanagar India Limited

Narender Surana
Managing Director
DIN: 00075086

Devendra Surana
Managing Director
DIN: 00077296

Surendra Bhutoria
Chief Financial Officer

Badarish H Chimalgi
Company Secretary
Membership No: A32651

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

(Amount in ₹)

	Particulars	2017-18		2016-17	
A	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Net Profit (Loss) before Tax and Exceptional Items		166,328,948		51,664,964
	Adjustments for Non-Operating Activities:				
	Depreciation	37,117,708		46,606,169	
	Amortisation of lease rent	512,630		512,630	
	Foreign Exchange Reserve Amortised	-		10,844,686	
	Sundry balance writtern off	6,522,877		3,263,036	
	Sundry balance writtern back	(121,062)		(1,220,104)	
	Interest paid	38,150,522		61,287,285	
	(Profit)/loss on sale of fixed assets	(92,516,652)		(135,333)	
	(Profit)/Loss on Sale of Investments	127,552		(26,341,460)	
	Dividend received	(635,118)		(401,748)	
	Interest received	(21,354,605)	(32,196,148)	(40,785,156)	53,630,005
	Operating Profit before Working Capital Changes		**134,132,800**		**105,294,969**
	Movement in Working Capital				
	Increase/ (Decrease) in other current liabilities	(22,323,620)		16,035,148	
	Increase/ (Decrease) in provisions	-		-	
	Increase/ (Decrease) in other financial liabilities	(10,061,582)		(32,048,115)	
	Increase/ (Decrease) in trade payables	(829,853)		(46,643,628)	
	(Increase)/ Decrease in other current assets	86,243,614		63,048,530	
	(Increase)/ Decrease in trade receiables	(21,568,132)		(67,276,326)	
	(Increase)/ Decrease in inventory	141,738,124	173,198,551	(175,729,683)	(242,614,074)
	Cash Generation From Operations		**307,331,351**		**(137,319,105)**
	Direct Taxes (Net)		(28,251,702)		(6,398,863)
	Net Cash from Operating Activities (A)		**279,079,649**		**(143,717,968)**
B	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Loans recovered	221,676,496		4,080,031	
	Interest received	21,354,605		60,643,117	
	Purchase of fixed assets	(38,125,221)		(9,310,955)	
	Investment in of Shares & Other Investments (Net)	13,238,987		223,638,566	
	Sale of fixed assets	95,856,498		(362,630)	
	Dividend Received	635,118		401,748	
	Net Cash from / (Used in) Investing Activities (B)		**314,636,483**		**279,089,877**

C	**CASH FLOW FROM FINANCING ACTIVITIES**			
	Interest Paid	(38,150,522)	(81,447,460)	
	Proceeds from Issue of Shares	-	1,758,700	
	(Repayment) of borrowings	(457,414,458)	(32,678,331)	
	Dividend Paid	(207,271)	(592,407)	
	(Increase)/Decrease in restricted deposits	7,329,721	(18,126,121)	
	Net Cash (used in) /from Financing Activities (C)	**(488,442,530)**		**(131,085,619)**
	Net Increase/(decrease) in cash & cash equivalents (A+B+C)	**105,273,602**		**4,286,290**
	Opening cash and cash equivalent at the beginning of the year (Refer Note:3)	**6,571,754**		**3,991,993**
	Closing cash and cash equivalent at the end of the year	**111,845,356**		**8,278,283**
	Net Increase/(decrease) in cash & cash equivalents	**105,273,602**		**4,286,290**

Notes :

1. Components of cash and cash equivalents	**2017-18**	**2016-17**
Cash in hand	366,484	305,077
Balances with banks	32,478,872	7,973,206
Investment in Liquid Funds	79,000,000	-
	111,845,356	**8,278,283**

2. Accompanied notes to accounts forms an integral part of the Consolidated financial statements.
3. There is a difference in opening balance of Cash and Cash Equivalents of Rs. 17,06,529 when compared to Closing Balance of Last Financial Year on account of divestment in Subsidiary Company.

As per our report of even date attached
For Luharuka & Associates
Chartered Accountants,
Firm Reg No.01882S

For Bhagyanagar India Limited

Rameshchand Jain
Partner
M. No. 023019

Narender Surana
Managing Director
DIN: 00075086

Devendra Surana
Managing Director
DIN: 00077296

Place: Secunderabad,
Date : 26th May, 2018

Surendra Bhutoria
Chief Financial Officer

Badarish H Chimalgi
Company Secretary
Membership No: A32651

SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

1. Corporate Information

Bhagyanagar India Ltd ("the company") is a Company registered under the companies act, 1956. It is a public limited company domiciled in India and is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). It was incorporated on 2nd September, 1985 having its registered office at 5th Floor, Surya Towers, Sardar Patel Road, and Secunderabad-500003. The company's CIN No. is L27201TG1985PLC012449. The company is engaged in the manufacture of copper products.

2. Basis of preparation

The financial statements are separate financial statements prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). For all periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These standalone financial statements for the year ended March 31, 2018 are the first the Company has prepared in accordance with Ind AS. Refer to **Note: 46** for information on how the Company adopted Ind AS.

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

3. Basis of Consolidation

The consolidated Ind AS financial statements comprise of the Ind AS financial statements of M/S Bhagyanagar India Limited and its only subsidiary company namely, M/S Aanvik Mercantile Private Limited(collectively referred to as "the company" or "the Group") as at March 31, 2018. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee); Exposure, or rights, to variable returns from its involvement with the investee, and the ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including: The contractual arrangement with the other vote holders of the investee; Rights arising from other contractual arrangements; The Group's voting rights and potential voting rights, and the size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies. The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March.

Consolidation procedure:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognized in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary

differences that arise from the elimination of profits and losses resulting from intragroup transactions. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it: Derecognises the assets (including goodwill) and liabilities of the subsidiary; Derecognises the carrying amount of any non-controlling interests; Derecognises the cumulative translation differences recorded in equity; Recognises the fair value of the consideration received; Recognises the fair value of any investment retained; Recognises any surplus or deficit in profit or loss, and Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

4. Significant Accounting Policies:

(a) Business combinations and goodwill

In accordance with Ind AS 101 provisions related to first time adoption, the Group has elected to apply Ind AS accounting for business combinations prospectively from April 1, 2016. As such, Indian GAAP balances relating to business combinations entered into before that date, including goodwill, have been carried forward with minimal adjustment. The same first time adoption exemption is also used for associates and joint ventures. Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquire at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred. At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

(b) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue 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 the government. The Company has concluded that it is the principle in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

- **Interest Income:**

  Interest income, including income arising from other financial instruments, is recognised using the effective interest rate method.

- **Dividend Income:**

  Dividend income is recognized when the unconditional right to receive the income is established.

(c) Property, Plant and Equipment

Property, plant and equipment are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss (if any). All significant costs relating to the acquisition and installation of property, plant and equipment are capitalized. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when 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 carrying amount of the replaced part is derecognized. The identified components are depreciated over their useful lives, the remaining asset is depreciated over the life of the principal asset.

Depreciation for identified components is computed on straight line method based on useful lives, determined based on internal technical evaluation. Freehold land is carried at cost.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(d) Investment Properties

Property that is held for long-term rental yields or for capital appreciation or both is classified as investment property. Investment Property is measured at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized. Investment Properties are depreciated using the straight-line method as per the provisions of Schedule II of the Companies Act, 2013 or based on useful life estimated on the technical assessment.

(e) Intangible Assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

(f) Depreciation and amortization:

Depreciation is provided on the straight-line method over the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013. Depreciation for assets purchased/sold during a period is proportionately charged.

(g) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is: -

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- The Company classifies all other liabilities as non-current.

(h) Financial assets

Financial assets comprise of cash and cash equivalents.

Initial recognition:

All financial assets are recognised initially at fair value. Purchases or sales of financial asset that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the company commits to purchase or sell the assets.

Subsequent Measurement:

(i) Financial assets measured at amortised cost: Financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortised cost using effective interest rate (EIR) method. The EIR amortization is recognised as finance income in the Statement of Profit and Loss.

The Company while applying above criteria has classified the following at amortised cost:

a) Trade receivable

b) Cash and cash equivalents

c) Other Financial Asset

Impairment of Financial Assets:

Financial assets are tested for impairment based on the expected credit losses.

De-recognition of Financial Assets:

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

(i) Impairment of Non-Financial Assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the company makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash generating unit to which the asset belongs.

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.

(j) Inventories

Cost of inventories have been computed to include all cost of purchases, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

Raw materials and components, stores and spares and loose tools are valued at lower of cost and net realizable value.

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labor and a proportion of manufacturing overheads based on normal operating capacity.

Cost of work-in-progress and finished goods are determined on a weighted average basis. Scrap is valued at net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(k) Cash and Cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term investments with an original maturity of three months or less. Deposits with banks are subsequently measured at amortized cost and short term investments are measured at fair value through statement of profit & loss account.

(l) Financial liabilities

Initial recognition and measurement:

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. These liabilities are classified as amortised cost. A preference share that provides for mandatory redemption by the issuer for a fixed or determinable amount at a fixed or determinable future date, or gives the holder the right to require the issuer to redeem the instrument at or after a particular date for a fixed or determinable amount, is a financial liability.

Subsequent measurement:

These liabilities include are borrowings and deposits. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

De-recognition of financial liabilities:

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(m) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest, exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other costs that an entity incurs in connection with the borrowing of funds. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

(n) Employee Benefits

Employee benefits are charged to the Statement of Profit and Loss for the year.

Provident Fund

Retirement benefits in the form of Provident Fund are defined contribution scheme and such contributions are recognised, when the contributions to the respective funds are due. There are no other obligation other than the contribution payable to the respective funds.

Gratuity

The employees of the company are covered under Group Gratuity Scheme of Life Insurance Corporation of India. The premium paid thereon is charged to Profit and Loss Account. Adequate provisions have been made in the accounts for gratuity liability. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting.

Compensated absences

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees.

Short-term employee benefits

Expense in respect of other short term benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

(o) Income Taxes

Income tax expense is comprised of current and deferred taxes. Current and deferred tax is recognized in net income Current income taxes for the current period, including any adjustments to tax payable in respect of previous years, are recognized and measured at the amount expected to be recovered from or payable to the taxation authorities based on the tax rates that are enacted or substantively enacted by the end of the reporting period.

Deferred income tax

Deferred income tax assets and liabilities are recognized for temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax base using the tax rates that are expected to apply in the period in which the deferred tax asset or liability is expected to settle, based on the laws that have been enacted or substantively enacted by the end of reporting period. Deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable income nor the accounting income.

Minimum Alternative Tax (MAT)

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit

and loss and shown as MAT Credit Entitlement. The company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that company will pay normal Income Tax during the specified period.

(p) Leases

As a lessee

Leases of property, plant and equipment where the company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor

Lease income from operating leases where the company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

Lease-hold land:

Leasehold land that normally has a finite economic life and title which is not expected to pass to the lessee by the end of the lease term is treated as an operating lease. The payment made on entering into or acquiring a leasehold land is accounted for as leasehold land use rights (referred to as prepaid lease payments in Ind AS 17 "Leases") and is amortized over the lease term in accordance with the pattern of benefits provided.

(q) Provisions, contingent assets and contingent liabilities

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

  Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

(r) Fair value measurement

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date. Fair value hierarchy:

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1—Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2—Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3— Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

(s) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

Cash dividend to equity holders of the Company

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

5. Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions that affect the reported balances of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Judgements

In the process of applying the accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

i) Classification of property The Company determines whether a property is classified as investment property or inventory property:

Investment property comprises land and buildings (principally offices, commercial warehouse and retail property) that are not occupied substantially for use by, or in the operations of, the Company, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation. These buildings are substantially rented to tenants and not intended to be sold in the ordinary course of business.

b) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

i) Classification of leases

The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.

ii) Useful lives of depreciable/amortisable assets

Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, customer relationships, IT equipment and other plant and equipment.

iii) Fair value measurements

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and

assumptions consistent with how market participants would price the instrument. Management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

c) Recent Amendments

Standards issued but not yet effective

a. Ind AS 115-Revenue from Contracts with Customers-The Ministry of Corporate Affairs (MCA) on March 28, 2018 has notified new Indian Accounting Standard as mentioned above .The new standard will come to into force from accounting period commencing on or after April 01, 2018.It replaces existing recognition guidance, including Ind AS 18 Revenue and Ind AS 11 Construction contract. The standard is likely to affect the measurement, recognition and disclosure of revenue. The Company has evaluated and there is no material impact of this amendment on the Financial Statement of the Company except disclosure. The Company will adopt the Ind AS 115 on the required effective date.

b. Ind AS 21, The Effect of Changes in Foreign Exchange Rates - The amendments to Ind AS 21 addresses issue to determine the date of transactions for the purpose of determining the exchange rate to be used on initial recognition of related assets, expenses or income when entity has received or paid advances in foreign currencies by incorporating the same in Appendix B to Ind AS 21. The amendment will come into force from accounting period commencing on or after April 01, 2018. The Company has evaluated this amendment and impact of this amendment will not be material.

The Company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

Notes forming part of the Consolidated Financial Statements

6. Property, Plant and Equipment

Following are the changes in the carrying value of Property, Plant and Equipment for the Year Ended 31st March 2018 **(Amount to ₹)**

Particulars	Free Hold Land	Lease Hold Land	Buildings	Plant and Machinery	Electrical Installations	Office Equipments	Vehicles	Furniture & Fixtures	Computers	Library	Plantation	Total
Gross carrying Value as of April 01, 2017	166,695,204	9,021,944	58,617,569	971,409,494	36,561,544	16,007,230	40,059,347	16,179,680	7,542,616	2,010	-	1,322,096,638
Addtions	120,231,000	-	14,681,545	20,330,282	-	1,122,663	14,173,005	-	46,667	-	5,760,000	176,345,162
Deletions	(16,382,250)	(2,687,130)	(10,727,780)	(260,152,020)	-		(1,289,726)	-	-	-	-	(291,238,906)
Gross carrying Value as of March 31, 2018	**270,543,954**	**6,334,814**	**62,571,334**	**731,587,756**	**36,561,544**	**17,129,893**	**52,942,626**	**16,179,680**	**7,589,283**	**2,010**	**5,760,000**	**1,207,202,894**
Accumulated depreciation as of April 01, 2017	-	-	32,415,301	471,191,477	29,166,526	14,497,429	29,913,201	13,819,571	7,045,412	2,010	-	598,050,927
Deprectaion	-	-	2,195,759	28,427,908	978,439	618,432	3,394,135	736,822	190,214	-	576,000	37,117,709
Accumulated depreciation on deletions	-	-	(9,626,920)	(47,128,912)	-	-	(1,225,240)	-		-	-	(57,981,072)
Accumulated depreciation as of March 31, 2018	-	-	24,984,140	452,490,473	30,144,965	15,115,861	32,082,096	14,556,393	7,235,626	2,010	576,000	577,187,564
Carrying Value as of March 31, 2018	**270,543,954**	**6,334,814**	**37,587,194**	**279,097,283**	**6,416,579**	**2,014,032**	**20,860,530**	**1,623,287**	**353,657**	**-**	**5,184,000**	**630,015,057**

Particulars	Free Hold Land	Lease Hold Land	Buildings	Plant and Machinery	Electrical Installations	Office Equipments	Vehicles	Furniture & Fixtures	Computers	Library	Total
Gross carrying Value as of April 01, 2016	1,207,063,109	9,534,574	59,869,613	1,262,708,767	35,589,395	15,796,810	39,013,960	16,107,196	7,336,563	2,010	2,653,021,997
Addtions	1,546,200	-	-	4,770,223	972,149	210,420	1,533,426	72,484	206,053	-	9,310,955
Deletions	-	(512,630)	-	-	-	-	(488,039)	-	-	-	(1,000,669)
Adjustments on Demerger	(1,041,914,105)	-	(1,252,044)	(296,069,496)	-	-	-	-	-	-	(1,339,235,645)
Gross carrying Value as of March 31, 2017	**166,695,204**	**9,021,944**	**58,617,569**	**971,409,494**	**36,561,544**	**16,007,230**	**40,059,347**	**16,179,680**	**7,542,616**	**2,010**	**1,322,096,638**
Accumulated depreciation as of April 01, 2016	-	-	31,922,033	474,804,809	28,260,643	13,883,274	28,174,412	13,066,016	6,816,760	2,010	596,929,957
Deprectaion	-	-	1,265,928	40,625,833	905,883	614,155	2,212,162	753,555	228,652	-	46,606,168
Accumulated depreciation on deletions	-	-	-	-	-	-	(473,373)	-	-	-	(473,373)
Adjustments on Demerger	-	-	(772,660)	(44,239,165)	-	-	-	-	-	-	(45,011,825)
Accumulated depreciation as of March 31, 2017	-	-	32,415,301	471,191,477	29,166,526	14,497,429	29,913,201	13,819,571	7,045,412	2,010	598,050,927
Carrying Value as of March 31, 2017	166,695,204	9,021,944	26,202,268	500,218,017	7,395,018	1,509,801	10,146,146	2,360,109	497,204	-	724,045,711
Carrying Value as of April 01, 2016	1,207,063,109	9,534,574	27,947,580	787,903,958	7,328,752	1,913,536	10,839,548	3,041,180	519,803	-	2,056,092,040

Notes to Balance sheet **(Amount in ₹)**

Note: 7 Investments	Sub note	As at 31.03.2018		As at 31.03.2017		As at 01.04.2016	
		No.s	Value	No.s	Value	No.s	Value
Equity Instruments (Unquoted - At Cost)							
A) Investment in Associates							
Bhagyanagar Cables Pvt Limited		-	-	260	553,657	260	26,000
(Equity shares of Rs 100/-each fully paid up)							
SUB - TOTAL (A)		**-**	**-**	**-**	**553,657**	**-**	**26,000**
B) Investment at Fair Value through OCI							
1. Investment in Equity Instruments (Unquoted)							
Bhagyanagar Infrastructure Limited		-	-	-	-	2,750,000	30,502,015
(Equity shares of Rs 10/-each fully paid up)							
Surana Infocom Private Limited		-	-	-	-	125,000	100,500,000
(Equity shares of Rs 10/-each fully paid up)							
Mana Effluent Treatment Plant		200	200,000	200	200,000	200	200,000
(Equity shares of Rs 1000/-each fully paid up)							
Excellent Co-operative Bank Ltd		1,000	100,000				
(Equity shares of Rs 100/-each fully paid up)							
2. Investment in Equity Instruments (Quoted)							
Surana Telecom and Power Limited		-	-	17,051	187,521	9,412,201	15,398,435
(Equity shares of Rs 1/-each fully paid up)							
Surana Solar Limited		-	-	-		11,575,892	111,082,858
(Equity shares of Rs 5/-each fully paid up)							
Sree Vasavi Industries Limited				-	-	14,000	45,175
(Equity shares of Rs 10/-each fully paid up)							
Maruti Suzuki India Limited		-	-	1	4,295	-	-
(Equity shares of Rs 5/-each fully paid up)							
Pokarna Limited		-	-	60	57,423	-	-
(Equity shares of Rs 10/-each fully paid up)							
SUB - TOTAL (1+2)			**300,000**		**449,239**		**257,728,483**
GRAND TOTAL (A+B)			**300,000**		**1,002,896**		**257,754,483**

During the year the company has divested its stake in Subsidiary Companies - M/s Bhagyanagar Metals Limited, M/s Solar Dynamics Private Limited and Associate Company -M/s Bhagyanagar Cables Private Limited. Further the company has acquired 100% stake in M/s Aanvik Mercantile Private Limited.

Note: 8 Loans	Sub note	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Unsecured, Considered good.				
(a) Security Deposits		9,980,796	9,131,077	11,365,034
TOTAL		**9,980,796**	**9,131,077**	**11,365,034**

Note: 9 Deferred Tax Assets (Net)	Sub note	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
(a)Deferred Tax Asset at the beginning of the year		2,120,629	22,119,533	15,319,829
Less:Deferred Tax Asset (Liability) for the year-on account of timing difference.		(3,300,668)	2,745,589	6,799,704
(b) Others				
(i) MAT Credit Entitlement		15,522,957	17,347,417	7,749,635
TOTAL		**14,342,918**	**42,212,539**	**29,869,168**

(Amount in ₹)

Note: 10 Inventories	Sub note	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
(As Valued and Certified by the Management)				
Raw Materials		329,355,158	455,779,997	214,607,910
Work-in-Progress		39,000,000	51,533,772	73,157,751
Finished Goods		-	-	16,399,143
Material in Transit - Raw Materials		-	-	21,667,360
Closing Stock - Stores & Spares		-	1,812,100	5,789,435
Material in Transit - Stores and Spares		-	967,413	2,742,000
TOTAL		**368,355,158**	**510,093,282**	**334,363,599**

Note: 11 Trade Receivables	Sub note	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Unsecured, considered good		345,888,314	364,444,746	314,641,033
Considered Doubtful		-	-	-
		345,888,314	364,444,746	314,641,033
Less: Provision for Doubtful Receivables		-	-	-
TOTAL		**345,888,314**	**364,444,746**	**314,641,033**

11(a) Trade Receivables is hypothicated against Working capital Limits - WCDL,Cash Credit and Buyers Credit.
11(b) No Trade or other receivables are due from directors or other officers of the company. Further, no trade or other Receivables are due from firms or private companies in which any director is a partner or director or member.

Note: 12 Cash and cash Equivalents	Sub note	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
(a) Cash & Cash Equivalents				
(i) Balances in current account		32,478,872	7,973,206	5,043,897
(ii) Cash On Hand		366,484	305,588	919,196
(b) Other Balances				
(i) In Dividend account		1,253,568	1,460,839	2,053,246
(ii) Deposit held to the extent of margin money		-	44,541,522	24,808,351
(iii) Accrued interest on Fixed Deposits with Banks		37,419,072	-	1,014,643
(iv) Investment in Liquid Funds		79,000,000	-	-
TOTAL		**150,517,996**	**54,281,155**	**33,839,333**

Note: 13 Current Tax Assets (Net)	Sub note	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
(a) Income tax Receivable		59,905,062	31,644,878	45,386,897
Less: Provision for Taxes		48,047,620	13,950,139	3,575,228
TOTAL		**11,857,442**	**17,694,739**	**41,811,669**

(Amount in ₹)

Note: 14 Other Current Assets	Sub note	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
(Unsecured, Considered Good Unless Otherwise Stated)				
(i) Loans Against pledge of Securities				
Unsecured, considered good		-	38,048,730	48,884,632
(ii) Loans & Advances to related parties - Associate & Others			-	116,141,385
(iii) Balances with Statutory Authorities		37,866,925	82,130,614	66,438,083
(iv) Advances To Suppliers		64,002,540	67,310,075	29,005,803
(v) Sundry Advances		25,948,079	22,518,063	11,947,403
TOTAL		**127,817,544**	**210,007,482**	**272,417,306**

15 Share Capital	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
	Number	Rupees	Number	Rupees	Number	Rupees
Authorised						
Equity Shares of Rs.2/- each	125,000,000	250,000,000	125,000,000	250,000,000	125,000,000	250,000,000
Issued						
Equity Shares of Rs.2/- each	31,995,000	63,990,000	31,995,000	63,990,000	63,990,000	127,980,000
Subscribed & Paid up						
Equity Shares of Rs.2/- each fully paid	31,995,000	63,990,000	31,995,000	63,990,000	63,990,000	127,980,000
Total	**31,995,000**	**63,990,000**	**31,995,000**	**63,990,000**	**63,990,000**	**127,980,000**

a. Terms /Rights attached to Shareholders

The Company has only one class of issued shares i.e. Equity Shares having par value of Rs.2 per share. Each holder of Equity Shares is entitled to one vote per share and ranks pari passu. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their shareholding.

b. Reconciliation of Equity Shares Outstanding at the Begginning and at the end of the Reporting Period

Particulars	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
	Number	Rupees	Number	Rupees	Number	Rupees
Shares outstanding at the beginning of the year	31,995,000	63,990,000	63,990,000	127,980,000	63,990,000	127,980,000
Shares reduced on account of demerger	-	-	(31,995,000)	(63,990,000)	-	-
Shares outstanding at the end of the year	31,995,000	63,990,000	31,995,000	63,990,000	63,990,000	127,980,000

c. Detail of shareholders holding more than 5% of issued Share Capital.

Name of Shareholder	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
SURANA INFOCOM PRIVATE LIMITED	4,341,581	13.57	4,345,139	13.58	8,681,890	13.57
NARENDER SURANA	3,181,468	9.94	2,793,454	8.73	5,393,082	8.43
DEVENDRA SURANA	3,134,660	9.80	2,349,382	7.34	4,646,994	7.26
MANISH SURANA	2,337,513	7.31	2,466,704	7.71	4,938,433	7.71
NAMRATA SURANA	1,870,335	5.85	1,870,335	5.85	3,730,166	5.83
GM SURANA	1,710,990	5.35	2,056,145	6.43	4,112,290	6.43
SUNITA SURANA	1,556,831	4.87	1,638,335	5.12	3,266,671	5.10
	18,133,378	56.68	17,519,494	54.76	34,769,526	54.33

The Shareholder Information has been extracted from the records of the company including register of Shareholders/Members and is based on the legal ownership of shares

(Amount in ₹)

Note : 16 Other Equity	Sub note	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
General Reserves				
Balance as per Last Account		**135,685,379**	1,289,682,388	1,289,682,388
Add:Transferred from Profit & Loss Account		**50,000,000**	23,199,230	-
Add:Reduction in paid up Share Capital		**-**	63,990,000	-
Less:Net Assets Transferred on account of Demerger		**-**	(1,160,754,723)	-
Less:Cancellation of Investment in Surana Telecom &		**-**		-
Power Limited & Bhagyanagar Properties Limited			(55,210,914)	-
Add:Created on account of discontinuation of Subsidiaries/Associates		**14,314,621**	(25,220,602)	-
		200,000,000	135,685,379	1,289,682,388
Foreign Currency Monetary Item Translation Difference Account				
Balance as per Last Account		**-**	75,240,469	88,458,335
Add/(Less): Foreign Currency Monetary Item Translation Difference During the Year		**-**	(12,962,958)	36,253,257
Less: Amortisation during the year		**-**	(10,844,686)	(22,294,090)
Less:Loss on repayments during the year		**-**	(62,362,631)	(27,177,033)
Less:Balance transferred to P&L Account		**-**	10,929,805	-
Closing Balance		**-**	-	75,240,469
Balance at the year end		**200,000,000**	**135,685,378**	**1,214,441,919**
Capital Reserves				
Balance as per Last Account		**16,676,523**	79,988,863	103,968,644
Add: Created on account of acquisition of new subsidiary		**48,664,295**	(63,312,340)	(23,979,781)
				-
Balance at the year end		**65,340,818**	**16,676,523**	**79,988,863**
Capital Redumption Reserve				
Balance as per Last Account		**21,020,000**	21,020,000	21,020,000
Balance at the year end		**21,020,000**	**21,020,000**	**21,020,000**
Retained Earnings		**798,213,232**	**767,937,442**	**743,014,922**
Add: Profit during the year/Year		**127,106,339**	51,676,956	25,447,150
Less: Dividend tax of earlier year				(69,660)
Less: Capital Reserve on account of acquision of subsidiary		**(48,601,414)**	-	-
Less: Minority Interest (Current year's profit/(loss))				(1,367,319)
Less: Change on account of divestment of associate company		(527,657)	527,657	912,349
Less: Reversal of profit/ (loss) on account of divestment of subsidiaries		(20,841,312)	1,270,407	-
Amount available for Appropriation		855,349,188	821,412,462	767,937,442
Transfer to General Reserve		50,000,000	(23,199,230)	-
Balance at the year end		**805,349,188**	**798,213,232**	**767,937,442**
TOTAL		**1,091,710,006**	**971,595,133**	**2,083,388,224**

The Description, Nature and Purpose of each reserve with in equity are as follows:

General Reserve: This reserve is the retained earnings of the company, which are kept aside out of the Company's profit to meet future (known or unknown) obligations.

Retained Earnings: Retained earnings comprise of net accummulated profit/(loss) of the company, after declaration of dividend.

Capital Reserve: Capital Reserve was created on account of merger of various entities with the company.

Capital Redemption Reserve: Capital Redemption Reserve was created on account of Buy back of Shares of the Companies.

(Amount in ₹)

Note : 17	**As at**	**As at**	**As at**
Non - Controlling Interests	**31.03.2018**	**31.03.2017**	**01.04.2016**
Opening Balance	11,154,729	15,567,606	14,200,287
Add: Increase in Minority Interest of Subsidiary	-	1,758,700	-
Less: Minority Interest acquired in a Subsidiary	-	(9,600,000)	-
Add: Earlier Years Profit/Loss	-	1,551,906	-
Current Years Profit & Loss Account	-	1,876,517	1,367,319
Less: Change in Minority Interest due to divestment in a Subsidiary	(11,154,729)	-	-
	-	**11,154,729**	**15,567,606**

(Amount in ₹)

Note : 18 Non Current Liabilities - Borrowings	Sub note	Non Current Portion As at 31.03.2018	As at 31.03.2017	As at 01.04.2016	Current Maturities* As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
(a) Term loan							
from ICICI Bank		152,975,420	265,170,201	456,514,033	113,010,382	71,324,000	121,603,585
from SBI				50,927,117	-	-	30,768,000
(b) Car Loan - Kotak Bank		6,913,105	-	-	2,669,040	-	-
(c) Loan from minority stake holders			23,541,350	65,299,993	-	-	-
TOTAL		**159,888,525**	**288,711,551**	**572,741,143**	**115,679,422**	**71,324,000**	**152,371,585**

*Current Maturities are included in Note:20 - Other Financial Liabilities.

Notes: Term Loan From ICICI Bank:

a. Particulars of Nature of Security

ICICI Bank provided ECB amounting to USD 13,560,000 carrying a fixed interest rate of 6.96%. ECB is secured by first charge on certain fixed assets of the company and personal guarantee of Managing Directors. Long Term ECB liability as at 31.03.2018 amounting to USD 23,47,327 is valued at Rs.65.04 per USD against Rs. 64.84 per USD. as on 31st March,2017.

Instalments Repayable

Non Current Portion						Current Maturities*					
31.03.2018		31.03.2017		01.04.2016		31.03.2018		31.03.2017		01.04.2016	
Month	**USD**	**Month**	**USD**	**Month**	**USD**	**Month**	**USD**	**Month**	**USD**	**Month**	**USD**
Apr- 19	593,775	Apr- 18	275,000	Apr-17	275,000	Apr- 18	275,000	Apr-17	275,000	Apr-16	458,328
July-19	824,448	July-18	275,000	July-17	275,000	July-18	275,000	July-17	275,000	July-16	458,328
Oct-19	929,104	Oct-18	593,776	Oct-17	275,000	Oct-18	593,776	Oct-17	275,000	Oct-16	458,328
		Jan-19	593,776	Jan-18	275,000	Jan-19	593,776	Jan-18	275,000	Jan-17	458,328
		Apr- 19	593,775	Apr- 18	275,000						
		July-19	824,448	July-18	275,000						
		Oct-19	929,104	Oct-18	593,776						
				Jan-19	593,776						
				Apr- 19	593,775						
				July-19	824,448						
				Oct-19	929,104						

b. Car Loan - Kotak Bank

Car Loan from Kotak Bank is availed at the interest rate of 8.04% during the current Financial Year. The Loan is repayable in 60 equal monthly instalments of Rs.222,420 starting on 05-07-2017 and ending on 05-06-2022

(Amount in ₹)

Note: 19 Current Liabilities - Borrowings	Sub note	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Secured				
Working Capital Facilities from Banks				
- Working Capital Demand Loan		-	60,000,000	-
- Cash Credit		-	48,445,081	202,686,634
- Buyers Credit		180,787,500	292,507,624	93,804,001
TOTAL		**180,787,500**	**400,952,705**	**296,490,635**

Particulars of Nature of Security

Working capital loan is secured by first charge on entire current assets of the company on pari passu basis with other banks along with immovable properties forming part of Fixed Assets of the Company and personal guarantee of the Managing Directors.

Note: 20 Trade Payables	Sub note	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
For Goods & Services				
- Total Outstanding dues of Micro and Small Enterprises		-	-	-
- Total Outstanding dues of Creditors Other than Micro and Small Enterprises		22,314,151	20,298,348	68,274,902
TOTAL		**22,314,151**	**20,298,348**	**68,274,902**

Note: 21 Other Financial Liabilities	Sub note	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
(a) Current Maturities on Long Term Debt (Refer Note:17 (a))		115,679,422	71,324,000	152,371,585
(b) Interest Accrued but not due on borrowings		4,702,368	5,315,585	8,627,837
(c) Unclaimed Dividends	a.	1,253,568	1,460,838	2,053,245
(d) Security Deposits		7,086,612	6,857,732	7,555,518
(e) Others*	b.	-	54,032,668	430,753
TOTAL		**128,721,970**	**138,990,823**	**171,038,938**

Notes

a. These figures do not include any amount due and outstanding to be credited to Investor Education and Protection Fund

b. Others Include Deferred Sales Tax and Inter Corporate Liability

Note: 22 Other Current Liabilities	Sub note	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
(a) Other Liabilities		6,594,190	14,486,391	14,632,294
(b) Advance from Customers		5,759,899	20,627,912	6,709,699
(c) Accrued Renatl Income		861,589	1,206,035	1,550,482
TOTAL		**13,215,678**	**36,320,338**	**22,892,475**

Note: 23 Provisions	Sub note	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
(a) Provision for Employee Benefits-Bonus		900,000	900,000	900,000
TOTAL		**900,000**	**900,000**	**900,000**

(Amount in ₹)

Note: 24 Revenue from Operations	Sub note	For the Year 31.03.2018	For the Year 31.03.2017
(a) Sale of Products			
Copper Products		5,353,848,387	3,271,492,566
Sale of Wind Power		59,902,625	106,165,271
SUB - TOTAL		5,413,751,012	3,377,657,837
Less: Inter-Unit Sales		202,354,648	12,055,524
GROSS SALES		5,211,396,364	3,365,602,313
Less: Sales Tax/ GST		658,029,033	123,559,892
NET SALES		4,553,367,331	3,242,042,421
(b) Infrastructure Leasing and Sales		10,609,904	18,614,304
TOTAL		**4,563,977,235**	**3,260,656,725**

Note: 25 Other Income	Sub note	For the Year 31.03.2018	For the Year 31.03.2017
(a) Interest Income			
Interest on Loans,Deposits and Others		21,354,605	40,785,156
(b) Dividend Income		635,118	401,748
(c) Profit on Sale of Sundry Assets		92,516,652	135,333
(d) Profit on sale of Investments		-	26,341,460
(e) Miscellaneous Income		278,321	529,924
(f) Rental Income		461,575	344,447
(g) Balances no Longer Payable Written Back		121,062	1,220,104
TOTAL		**115,367,333**	**69,758,172**

Notes

a. Interest on Loans,Deposits and Others

b. Interest Income is net of interest accrued in the earlier years not received.

Note: 26 Cost of Raw Materials and Components Consumed	Sub note	For the Year 31.03.2018	For the Year 31.03.2017
Opening Stock Raw Materials		455,779,997	214,607,910
Opening Stock Material - In - Transit		-	21,667,360
Add:Purchases net of Modvat		4,066,213,814	2,724,937,227
Less:Closing Stock Raw Materials		329,355,158	455,779,997
Less:Inter-Unit Purchases		202,354,648	12,055,524
Raw Material Consumed		**3,990,284,005**	**2,493,376,976**

Note: 27 (Increase)/Decrease in Inventories	Sub note	For the Year 31.03.2018	For the Year 31.03.2017
Opening Stock WIP		51,533,772	73,157,751
Opening Stock Finished Goods		-	16,399,143
Material in Transit - Stores and Spares		967,413	2,742,000
Opening Stock Stores and Spares		1,812,100	5,789,435
Less: :Closing Stock WIP		39,000,000	51,533,772
Less: :Closing Stock Stores and Spares		-	1,812,100
Less: Material in Transit - Stores and Spares		-	967,413
(Increase)/Decrease in Stock		**15,313,285**	**43,775,044**

(Amount in ₹)

Note: 28	Sub note	For the Year	For the Year
Employee Benefits Expense		**31.03.2018**	**31.03.2017**
Salaries, Wages and Other Employee Benefits		53,738,070	46,631,593
Contribution To Provident And Other Funds		4,799,487	4,174,820
TOTAL		**58,537,557**	**50,806,413**

Note: 29	Sub note	For the Year	For the Year
Finance Costs		**31.03.2018**	**31.03.2017**
Interest Expense			
Cash Credit & Others		8,358,662	15,625,390
Long Term Loan		21,756,671	34,353,878
Financial Charges		8,037,989	11,610,231
TOTAL		**38,153,322**	**61,589,499**

Note: 30	Sub note	For the Year	For the Year
Depreciation and Amortisation Expenses		**31.03.2018**	**31.03.2017**
Depreciation (Refer Note:6)		37,117,709	46,606,169
Amortisation Expenses - Lease Rent		512,630	512,630
TOTAL		**37,630,339**	**47,118,799**

Note: 31	Sub note	For the Year	For the Year
Other Expenses		**31.03.2018**	**31.03.2017**
Consumption Of Stores And Spare Parts		14,704,252	10,592,031
Power And Fuel		127,408,941	95,015,860
Rent		1,680,845	1,690,658
Repairs			
Buildings		447,357	224,941
Machinery		55,240,496	45,261,766
Others		3,727,386	3,600,355
Insurance		1,274,891	1,708,346
Rates And Taxes		3,642,357	1,852,465
Packing And Forwarding		24,307,806	25,640,987
Remuneration To Directors		9,085,000	9,485,227
Loss on Sale Of Investment		127,552	-
Foreign Exchange Fluctuation (Net)		243,464	12,063,099
Other Miscellaneous Expenses		35,048,283	33,584,605
Directors Sitting Fees		405,000	541,000
Payments To The Auditor			
for Statutory Audit		292,700	286,500
for Tax Audit		70,000	75,000
for Taxation/Other Matters		70,000	73,000
for Reimbursement Of Expenses		40,000	40,000
TOTAL		**277,816,330**	**241,735,840**

32 Financial Instruments by Category

Set out below is a comparison, by class, of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximates of fair values:

(Amount in ₹)

Particulars	Carrying value			Fair value		
	31-Mar-18	31-Mar-17	1-Apr-16	31-Mar-18	31-Mar-17	1-Apr-16
Investments	300,000	1,002,896	257,754,483	300,000	1,002,896	257,754,483
Loans	9,980,796	9,131,077	11,365,034	9,980,796	9,131,077	11,365,034
Total Financial Assets	10,280,796	10,133,973	269,119,517	10,280,796	10,133,973	269,119,517
Lease Deposit	8,010,000	8,106,000	9,106,000	7,086,612	6,857,732	7,555,518
Total Financial Liabilities	**8,010,000**	**8,106,000**	**9,106,000**	**7,086,612**	**6,857,732**	**7,555,518**

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

33 .Related Party Disclosure

(a) Name of the Related Parties and related party relationship

Enterprises owned or significantly influenced by key management personnel or their relatives:

(i) Surana Telecom and Power Limited

(ii) Bhagyanagar Properties Limited

(iii) Bhagyanagar Ventures Private Limited

(iv) Surana Solar Systems Private Limited

(v) Metropolitan Ventures India Limited

(vi) Scientia Infocom India Private Limited

(vii) Surana Solar Limited

(viii) Solar Dynamics Private Limited

(ix) Bhagyanagar Metals Limited

Subsidiary Companies

(i) Aanvik Mercantile Private Limited

Key Managerial Personnel

(i) G.M Surana

(ii) Narender Surana

(iii) Devendra Surana

(iv) N.K.Reddy

(v) Surendra Bhutoria

(vi) Badarish H Chimalgi

Relatives of Key Managerial Personnel

(i) Namrata Surana

(ii) Nivriti Surana

(b) The following transactions were carried out with related parties in the ordinary course of business during the year:

(Amount in ₹)

Sl.No.	Nature of Transaction	Name of the Related Parties	2017-18	2016-17
1	**Purchase of Goods**	Surana Solar Limited	2,423,318	2,343,060
		Total	**2,423,318**	**2,343,060**
2	**Purchase of Solar Power**	Surana Solar Systems Pvt Limited	46,434,032	43,534,545
		Total	**46,434,032**	**43,534,545**
3	**Sale of Shares**	Surana Infocom Private Limited	13,541,300	-
		Total	**13,541,300**	**-**
4	**Interest Received**	Surana Solar Limited	-	8,517,335
		Solar Dynamics Private Limited	22,511,723	19,857,961
		Total	**22,511,723**	**28,375,296**

		Narender Surana	-	1,740,000
		Devendra Surana	9,000,000	6,400,000
5	Remuneration-KMP	Narender Munoth	85,000	1,345,227
		N.K.Reddy	246,000	318,387
		Surendra Bhutoria	1,834,000	1,254,000
		Total	**11,165,000**	**11,057,614**
	Remuneration-	Namrata Surana	660,000	600,000
6	Relatives of KMP	Nivrithi Surana	540,000	480,000
		Total	**1,200,000**	**1,080,000**

(Amount in ₹)

Sl.No.	Nature of Transaction	Name of the Related Parties	2017-18	2016-17	2015-16
		Surana Solar Limited			
		Opening Balance	-	116,141,385	112,682,852
		Add: Given During the year	3,151,579	85,838,874	69,793,533
		Less: Recovered During the year	3,151,579	201,980,259	66,335,000
		Closing Balance	-	-	116,141,385
		Scientia Infocom India Private Limited			
		Opening Balance	-	282,133,353	258,796,484
		Add: Given During the year	-	21,800,000	23,336,869
		Less: Recovered During the year	-	303,933,353	-
		Closing Balance	-	-	282,133,353
		Bhagyanagar Properties Limited			
		Opening Balance	(44,828,185)	561,085,555	555,424,048
		Add: Given During the year	45,144,199	53,171,358	56,61,507
		Less: Recovered During the year	316,014	659,085,098	-
		Closing Balance	**-**	**(44,828,185)**	**561,085,555**
		Metropolitan Ventures India Limited			
		Opening Balance	-	65,362,043	65,339,773
	Loans / Advances (given)	Add: Given During the year	30,780	30,000	22,270
		Less: Recovered During the year	30,780	65,392,043	-
		Closing Balance	-	-	65,362,043
		Bhagyanagar Metals Limited			
		Opening Balance	8,937,819	8,400,000	5,700,000
		Add: Given During the year	-	537,819	2,700,000
		Less: Recovered During the year	8,937,819	-	-
		Closing Balance	-	8,937,819	8,400,000
		Solar Dynamics Private Limited			
		Opening Balance	219,571,071	223,755,488	244,206,020
		Add: Given During the year	48,964,512	45,615,583	30,366,735
		Less: Recovered During the year	268,535,583	49,800,000	50,817,267
		Closing Balance	-	219,571,071	223,755,488
		Surana Telecom and Power Limited			
		Opening Balance	(9,152,573)	-	-
		Add: Given During the year	87,178,021	26,643,169	-
		Less: Recovered During the year	78,025,448	35,795,742	-
		Closing Balance	-	(9,152,573)	-

34. In the opinion of Board of Directors and to the best of their knowledge and belief, the value on realization of current assets, loans and advances in the ordinary course of business, would not be less than the amount at which the same are stated in the Balance Sheet.

35. Earnings Per Share (EPS)

(Amount in ₹)

Particulars	2017-18	2016-17
Net Profit after Tax	127,106,339	53,553,473
Net Profit after Tax available for equity share holders - For Basic and Diluted EPS	127,106,339	53,553,473
Weighted Average No. Of Equity Shares For Basic EPS (No.s)	31,995,000	31,995,000
Weighted Average No. Of Equity Shares For Diluted EPS (No.s)	31,995,000	31,995,000
Nominal Value of Equity Shares	2	2
Basic Earnings Per Equity Share	3.97	1.67
Diluted Earnings Per Equity Share	3.97	1.67

36. Contingent Liabilities and Commitments (to the extent not provided for)

Particulars	As at 31-03-2018 Rupees	As at 31-03-2017 Rupees
Contingent Liabilities	4,560,007	5,035,996
Commitments:		
Guarantees issued by banks	30,473,848	24,176,877

37. Retirement and Other Employees Benefits

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

Provident fund is a defined contribution scheme and the company has no further obligation beyond the contribution made to the fund. Contributions are charged to the Profit & Loss account in the year in which they accrue.

Gratuity liability is a defined benefit obligation and is based on the actuarial valuation done. The gratuity liability and the net periodic gratuity cost is actually determined after considering discounting rates, expected long term return on plan assets and increase in compensation level. All actuarial gain/ losses are immediately charged to the Profit & Loss account and are not deferred.

The following table summarizes the components of Net Benefit expenses recognized in the Profit & Loss account and amount recognized in the Balance Sheet for the respective plans.

(Amount in ₹)

a Expenses recognised in the Profit & Loss Account

Particulars	Gratuity	
	2017-18	2016-17
Current service cost	941,713	741,327
Interest cost	121,874	820,303
Expected Return on Planned Assets	(1,097,425)	(953,593)
Net Actuarial Loss/ (Gain) recognized in the year	13,124,201	(9,501,502)
Expenses recognised in Statement of Profit & Loss	**13,090,363**	**(8,893,465)**

b Change in Present value of obligation during the year ended 31st March, 2018

Particulars	Gratuity	
	2017-18	2016-17
Present Value of obligation as at beginning of the year	1,523,419	10,253,785
Interest Cost	121,874	820,303
Current Service Cost	941,713	741,327
Benefits Paid-Actuals	(1,123,711)	(790,494)
Actuarial (Gain)/ Loss on Obligations	13,124,201	(9,501,502)
Present Value of obligation as at end of the year	**14,587,496**	**1,523,419**

c Change in fair value of Plan Assets during the year ended 31st March, 2018

(Amount in ₹)

Particulars	Gratuity	
	2017-18	**2016-17**
Fair value of Plan Assets as at the beginning of the year	12,958,488	11,831,054
Expected Return on Plan Assets	1,097,425	953,593
Contributions	3,979,2186	964,334
Benefits Paid	(1,123,711)	(790,494)
Fair value of Plan Assets as at the end of the year	**16,911,388**	**12,958,488**

d Actuarial Gain/ loss recognized

Particulars	Gratuity	
	2017-18	**2016-17**
Actuarial (Gain) / Loss for the year -Obligation	13,124,201	(9,501,502)
Total Loss for the Year	13,124,201	(9,501,502)
Actuarial (Gain) / Loss recognized in the year	13,124,201	(9,501,502)

e Actuarial assumption

Particulars	Gratuity	
	2017-18	**2016-17**
Discount rate used	8%	8%
Salary escalation	6%	6%

38. Disclosure required under Section 186(4) of the Companies Act 2013

For details of loans, advances and guarantees given and securities provided to related parties refer **Note 33.**

39. Raw material consumed during the year

(Amount in ₹)

Sl.No.	Particulars	2017-18	2016-17
i	Copper	3,846,960,100	2,408,180,700
ii	Others	158,637,190	85,196,276
iii	Inter Unit Transfers		
	(a) Copper Rod / Wires	198,008,000	11,137,500
	(b) Others	4,346,648	918,000
	SUB-TOTAL	**4,207,951,938**	**2,505,432,476**
	Less: Inter Unit Purchases	202,354,648	12,055,500
	TOTAL	**4,005,597,290**	**2,493,376,976**

Note: Material which are included in others do not individually exceed 10 % of consumption.

40. Details of imported and indigenous raw materials, spares and packing materials consumed

Particulars	2017-18		2016-17	
	Value	**% of Total Consumption**	**Value**	**% of Total Consumption**
Raw materials & Components				
(a) Imported	1,366,943,909	34	938,030,180	38
(b) Indigenous	2,638,653,381	66	1,555,346,796	62
TOTAL	**4,005,597,290**	**100**	**2,493,376,976**	**100**
Stores & Spare Parts (including consumed for repair)				
(a) Imported	19,442,689	36	15,585,882	40
(b) Indigenous	34,957,991	64	23,090,624	60
TOTAL	**54,400,680**	**100**	**38,676,506**	**100**

41. CIF Value of Imports

Particulars	2017-18	2016-17
Raw material / Traded Goods	1,366,943,909	938,030,104
Stores & Spares	19,442,689	9,833,960
Total	**1,386,386,598**	**947,864,064**

42. Earnings in Foreign Currency **(Amount in ₹)**

Particulars	2017-18	2016-17
Export Sales	9,546,950	21,292,519
Total	**9,546,950**	**21,292,519**

43. Expenditure in Foreign Currency

Particulars	2017-18	2016-17
Travelling	700,398	539,113
Interest on ECB	20,612,895	32,440,148
Repayment of ECB	75,078,022	259,184,738
Total	**96,391,315**	**292,163,999**

44. Segment Reporting:

Factors used to identify the reportable segments:

The Company has following business segments, which are its reportable segments. These segments offer different products and services, and are managed separately because they require different technology and production processes. Operating segment disclosures are consistent with the information

Reportable segments	Product/Service
1. Copper Products	Manufacturing of Copper Products
2. Wind Power	Generation of Wind Power Energy.

(Amount in ₹)

Particulars	Copper Products		Renewable Energy		Total	
	31.03.2018	31.03.2017	31.03.2018	31.03.2017	31.03.2018	31.03.2017
REVENUE						
External Sales	4,493,464,331	3,135,877,000	59,903,000	60,132,000	4,553,367,331	3,242,042,000
Other Operating Income	-	-	-	-	10,609,904	18,614,000
Total Revenue	**4,493,464,331**	**3,135,887,000**	**59,903,000**	**60,132,000**	**4,563,977,235**	**3,260,656,421**
RESULTS						
Segment results	128,489,912	104,645,524	46,424,000	45,969,216	174,913,912	150,614,740
Unallocable income/ Expenses					29,556,036	(37,666,462)
Operating Profit					204,479,948	112,948,278
Internet Expenses					38,151,000	61,283,314
Profit from Ordinary Activities					166,328,948	51,664,964
NET PROFIT					**166,328,948**	**51,664,964**
OTHER INFORMATION						
Segment Assets	1,211,094,778	1,088,242,933	209,552,000	759,712,611	1,420,646,778	1,847,955,544
Unallocable Assets					389,878,000	308,785,351
TOTAL ASSETS					**1,810,524,778**	**2,156,740,895**
Segment Liabilities	212,500,562	390,6960,831	579,000	248,785,228	213,079,562	639,746,059
Unallocable Liabilities					132,860,000	136,220,983
TOTAL LIABILITIES					**345,939,562**	**775,967,042**
Capital Expenditure	20,330,282	7,508,925	-	-	20,330,282	7,508,925
Unallocable Capital Expenditure					14,651,493	255,830
TOTAL CAPITAL EXPENDITURE					**34,981,775**	**7,764,755**
Depreciation	7,674,547	5,456,935	23,292,013	35,899,576	30,966,560	41,356,511
Unallocable Depreciation					6,151,149	5,749,658
TOTAL DEPRECIATION					**37,117,709**	**46,606,169**

45. Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support Company's operations. The Company's principal financial assets include inventory, trade and other receivables, cash and cash equivalents and land advances and refundable deposits that derive directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk

A. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and other price risk, such as equity price risk and commodity/ real estate risk. Financial instruments affected by market risk include loans and borrowings and refundable deposits

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Company does not enter into any interest rate swaps.

B. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including refundable joint development deposits, security deposits, loans to employees and other financial instruments.

Trade receivables

i. Receivables resulting from sale of properties: Customer credit risk is managed by requiring customers to pay advances before transfer of ownership, therefore, substantially eliminating the Company's credit risk in this respect.

ii. Receivables resulting from other than sale of properties: The firm has established credit limits for customers and monitors their balances on ongoing basis. Credit Appraisal is performed before leasing agreements are entered into with customers. The risk is also marginal due to customers placing significant amount of security deposits for lease and fit out rentals.

Financial Instrument and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's Finance department in accordance with the Company's policy. Investments of surplus funds are reviewed and approved by the Company's Board of Directors on an annual basis The Company's maximum exposure to credit risk for the components of the statement of financial position at 31 March 2018 and 2017 is the carrying amounts.

C. Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank deposits and loans.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

(Amount in ₹)

Year Ended	On Demand	3 to 12 Months	1 to 5 Years	>5 Years	Total
31-Mar-18					
Borrowings	-	296,466,922	159,888,525	-	456,355,447
	-	**296,466,922**	**159,888,525**	**-**	**456,355,447**
31-Mar-17					
Borrowings	108,445,081	363,831,624	288,711,551		760,988,256
	108,445,081	**363,831,624**	**288,711,551**	**-**	**760,988,256**
01-Apr-16					
Borrowings	202,686,245	246,175,586	572,741,143	-	1,021,602,974
	202,686,245	**246,175,586**	**572,741,143**	**-**	**1,021,602,974**

Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

(Amount in ₹)

Particulars	31 Mar 2018	31 Mar 2017	31 Mar 2016
Borrowings (Long term and Short term including Current maturity of Long term Borrowings) **Note :18,19,21**	456,355,447	760,988,256	1,021,602,974
Other Payable (current and non-current, excluding current maturity of long term borrowings) **Note :20,21,22,23**	49,472,377	125,185,509	110,734,730
Less Cash and Cash Equivalents	150,517,996	54,281,155	33,839,334
Net Debt	**355,309,828**	**831,892,610**	**1,098,498,370**
Equity Share capital	63,990,000	63,990,000	127,980,000
Other Equity	1,091,710,006	971,595,124	2,083,388,224
Total Capital	**1,155,699,988**	**1,035,585,124**	**2,211,388,224**
Capital and Net debt	**1,511,009,816**	**1,867,477,734**	**3,309,886,594**
Debt Equity ratio (in %)	**23.51**	**44.55**	**33.19**

46. First-time adoption of Ind AS

These financial statements, for the year ended March 31, 2018, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on March 31, 2018, together with the comparative period data as at and for the year ended March 31, 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 1, 2016, the Company's date of transition to Ind AS.

Exemptions applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

(a) Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for investment property covered by Ind AS 40 Investment Properties. Accordingly, the Company has elected to measure all of its property, plant and equipment and investment property at their previous GAAP carrying value.

(b) Ind AS 27 requires investments in subsidiaries to be recorded at cost or in accordance with Ind AS 109 in its separate financial statements. However Ind AS 101 provides an option in case the Company decides to measure such investment at cost (determined in accordance with Ind AS 27) or deemed cost (fair value or previous GAAP carrying amount) at that date. The Company can avail the above exemption and recognize the investment in firms at the previous GAAP carrying amount at the date of transition to Ind AS.

The Company has also prepared a reconciliation of equity as at March 31, 2017 and April 1, 2016 under the Previous GAAP with the equity as reported in these financial statements under Ind AS, that reflect the impact of Ind AS on the components of statement of balance sheet which is presented below:

(Amount in ₹)

Particulars	31-Mar-17	01-Apr-16
Equity under previous GAAP	**1,035,542,891**	**2,211,368,224**
Adjustments (net of tax)::	42,233	-
Others	-	-
Equity under Ind AS	**1,035,585,124**	**2,211,368,224**

The Company has prepared a reconciliation of the net profit for the previous year ended March 31, 2017 under the Previous GAAP with the total comprehensive income as reported in these financial statements under Ind AS, that reflect the impact of Ind AS on the components of statement of profit and loss which is presented below:

(Amount in ₹)

Particulars	31-Mar-17
Net profit as per previous GAAP	53,511,241
Adjustments (net of tax)	
Others	42,233
Net profit as per IND AS	53,553,474
Other Comprehensive Income (net of tax)	-
Total Comprehensive Income as per IND AS	**53,553,474**

Notes to reconciliations between previous GAAP and Ind AS

Other comprehensive income

Under Indian GAAP, the Company has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP profit/loss to profit/loss as per Ind AS. Further, Indian GAAP profit/loss is reconciled to total comprehensive income as per Ind AS.

47. Previous year's figures have been regrouped and rearranged, wherever found necessary.

As per our report of even date attached
For Luharuka & Associates
Chartered Accountants,
Firm Reg No.01882S

For Bhagyanagar India Limited

Rameshchand Jain
Partner
M. No. 023019

Narender Surana
Managing Director
DIN: 00075086

Devendra Surana
Managing Director
DIN: 00077296

Place: Secunderabad,
Date : 26th May, 2018

Surendra Bhutoria
Chief Financial Officer

Badarish H Chimalgi
Company Secretary
Membership No: A32651

BHAGYANAGAR INDIA LIMITED

(CIN:- L27201TG1985PLC012449)

Form AOC - 1

(Pursuant to First proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies / joint ventures

Part "A": Subsidiaries

1	Sl. No.	1
2	Name of the Subsidiary	**Aanvik Mecantile Private Limited**
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as holding Company
4	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries	N/A
5	Share Capital	146,950,000
6	Reserves & Surplus	(1,479,207)
7	Total Assets	147,570,778
8	Total Liabilities	2,099,985
9	Investments	-
10	Turnover	-
11	Profit before taxation	(1,542,088)
12	Provision for taxation	-
13	Profit after taxation	(1,542,088)
14	Proposed Dividend	-
15	% of shareholding	100.00%

1	Names of subsidiaries which are yet to commence operations - Aanvik Mercantile Private Ltd.
2	Names of subsidiaries which have been ceased to be Subsidiaries during the year -Solar Dynamics Private Limited and Bhagyanagar Metals Limited

As per our report of even date attached
For Luharuka & Associates
Chartered Accountants,
Firm Reg No.01882S

For Bhagyanagar India Limited

Rameshchand Jain
Partner
M. No. 023019

Narender Surana
Managing Director
DIN: 00075086

Devendra Surana
Managing Director
DIN: 00077296

Place: Secunderabad,
Date : 26th May, 2018

Surendra Bhutoria
Chief Financial Officer

Badarish H Chimalgi
Company Secretary
Membership No: A32651

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BHAGYANAGAR INDIA LIMITED

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

33RD ANNUAL GENERAL MEETING

Attendance Slip

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

Name and address of
First/Sole Member :

I certify that I am a member/proxy for a member of the Company. I hereby record my presence at the 33rd Annual General Meeting of the Company, at Grand Solitaire Hotel, 1-240, 41 & 43, S.D.Road, Parklane, Secunderabad, Telangana - 500003 at 10.00 A.M on Monday, the 24th September, 2018.

Name of the Member/Proxy
(Block Letters)

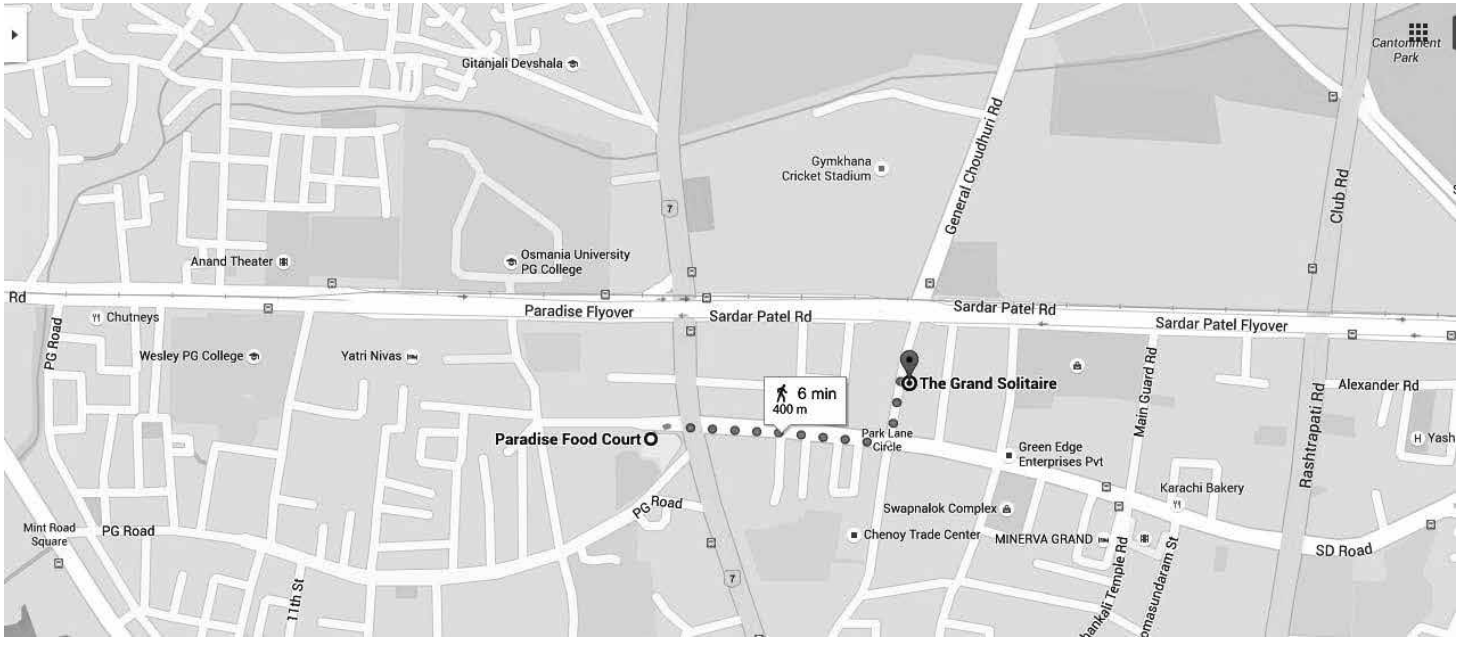
Signature of the Member/Proxy

Note:

1. Member / Proxy must bring the Attendance Slip to the Meeting and hand it over, duly signed at the registration counter.
2. Member / Proxy holder should bring his / her copy of Annual Report for reference at the meeting.
3. Strike out whichever is not applicable.
4. No gifts will be given.

AGM VENUE

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



BHAGYANAGAR INDIA LIMITED

(CIN: L27201TG1985PLC012449)

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

33RD ANNUAL GENERAL MEETING

Proxy Form

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

Name of the Member(s): _____

Registered Address:_____

_____

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

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

A Name : _____

Address : _____

E-mail Id :_____Signature:_____

Or failing him/her

B Name : _____

Address : _____

E-mail Id :_____Signature:_____

Or failing him/her

I/We hereby exercise my/our vote in respect of the Resolution(s) to be passed for the business stated in the notice dated 6th August, 2018, convening the 33rd Annual General Meeting of the Company to be held on 24th September, 2018, by conveying my/our assent or dessent to the said Resolution(s) by placing the tick (√) mark at the appropriate box below:

Item Nos.	Resolutions		Vote (see note d.) (Please mention no. of shares)		
			For	Against	Abstain
1	Adoption of Audited Financial Statements of the Company (including Consolidation of Accounts) for the Financial year ended 31st March, 2018 together with the reports of the Directors and Auditors thereon.	Ordinary Resolution			
2	Re-appointment of Shri N. Krupakar Reddy who retires by rotation.	Ordinary Resolution			
3	Re-appointment of Shri Devendra Surana as Managing Director of the Company.	Special Resolution			
4	Re-appointment of Shri Narender Surana as Managing Director of the Company.	Special Resolution			
5	Revision of Remuneration of Shri N. Krupakar Reddy, Whole-time Director of the Company.	Special Resolution			
6	Appointment of Shri G. Mangilal Surana as Non-Executive Director of the Company.	Special Resolution			
7	Appointment of Shri O. Swaminatha Reddy as Non-Executive Independent Director of the Company.	Special Resolution			
8	Appointment of Shri R. Surender Reddy as Non-Executive Independent Director of the Company.	Special Resolution			
9	Appointment of Shri D. Venkata Subbaiah as Non-Executive Independent Director of the Company.	Special Resolution			
10	To approve the overall limits u/s 186 for Loans/ Guarantees/ Securities/ Investment by the Company.	Special Resolution			
11	To raise funds through issue of Shares/Convertible Securities/ADR/ GDRIFCCB's/ECB's etc.	Special Resolution			
12	To approve and ratify the remuneration of Cost Auditors for the financial year 2018-19.	Ordinary Resolution			
13	Approval of charges for service of documents on the shareholders.	Ordinary Resolution			

Place :

Date :

Revenue Stamp

Signature of the Shareholder

Notes:

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

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

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

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



If undelivered please return to:

Secretarial Department

BHAGYANAGAR INDIA LIMITED

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