
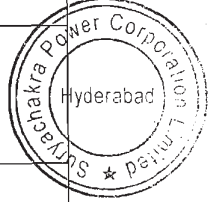

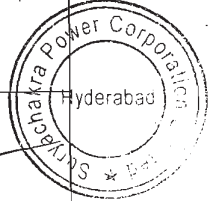


FORM B


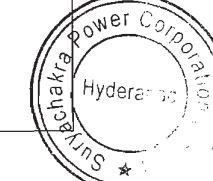
FORMAT OF COVERING LETTER OF THE ANNUAL AUDIT REPORT TO BE FILED WITH THE STOCK EXCHANGE:

1.	Name of the Company	SURYACHAKRA POWER CORPORATION LIMITED
2.	Annual Financial Statements for the year ended	31st March, 2015
3.	Type of Audit Qualification	Qualified
4.	Frequency of qualification	Details given in the Annexure
5.	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the Director's Report	Details given in the Annexure
6.	Additional comments from the Board / Audit Committee chair	Nil

Chief Financial Officer	 (V L Narasimha Rao)	
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Managing Director	 (Dr. S M Manepalli)	
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Audit Committee Chairman	 (V S Murthy)	
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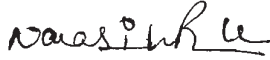
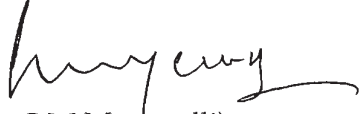
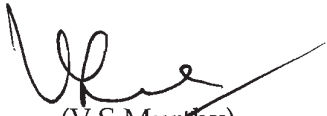

Auditor of the Company	 C. V. K. MURALIDHAR BHASKARA RAO & CO. Chartered Accountants 5-D, FIFTH FLOOR "KAUTILYA" 6-3-652, Somajiguda, HYDERABAD-500 082	
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Annexure

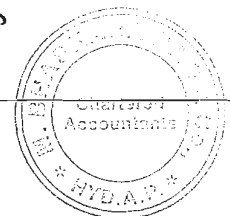
Sl. No.	Frequency	Auditors Qualification	Page No. in the Annual Report and Board's explanation
1.	12	Regarding revenue from Andaman & Nicobar Administration (A&N Administration) - pending final agreement with A&N Administration, we are unable to comment on the extent of ultimate recoverability of Rs.4,93,44,300/- withheld by A&N Administration during the year ended March 31, 2015 (year ended 31.03.2014: Rs.5,32,99,282) and the total receivables including interest accrued thereon as at March 31, 2015 of Rs.35,80,82,014/- (31.03.2014: Rs.30,87,37,714) on account of amounts withheld which are subject to confirmation by the A&N Administration.	12. The PPA with A&N Government is initially for a period of 15 years with further extension of three further periods of five years each and contains a set of pre-determined formulae for calculation of revenue on monthly billings etc., pending final confirmation of actual capital expenditure no adjustment has been made in the revenues. Revenues for the year ended 31 st March, 2015 includes an amount of Rs.4,93,44,300/- (as against Rs.5,32,99,282/- for the year ended 31.03.2014) billed by the company has a variable charge payment under the PPA, which has been rejected/withheld by A&N Administration on the grounds of technical interpretation of the formulae for computation of such charges. The total receivables on account of such rejections including interest thereon as at 31.03.2015 amounted to Rs.35,80,82,014/-
2.	4	Regarding the company's assessment that no provisioning is required against the carrying amounts of its long term investments in its subsidiary, Suryachakra Global Enviro Power Limited – Rs. 22,27,79,241/- for the reasons stated in the said note. We are unable to comment on the recoverability of the carrying amounts of the said investment or advances.	12. Due to liquidity crunch, the re-commissioning process could not be completed. However the management allowed M/s. India bulls Financial Services Ltd (Now changed as India Bulls Housing Finance Ltd) to run the unit, but they could not run due to high cost of raw material and probable losses. The matter is also pending before DRT and Hon'ble High Court of Andhra Pradesh. Since the matter is sub-judice, the Board is unable to give its opinion on the same. However efforts are being made to contest against M/s. India bulls and to stop them from further proceedings.
3.	4	Regarding its investment in Suryachakra Energy (Chhattisgarh) Private Limited, a wholly owned subsidiary of the company – Rs.36,48,00,725. Completion and implementation of the power project of Suryachakra Energy (Chhattisgarh) Private Limited depends on the ability of the management to infuse the requisite funds. Hence, we are unable to comment on the recoverability of the carrying amounts of the said investment	12. SECPL is a 100% subsidiary of the company. SECPL has obtained most of the requisite licenses for setting up the 350MW project; signed a Memorandum of Understanding (MOU) with Chhattisgarh State Electricity Board; and entered into an implementation Agreement with Chhattisgarh State Power Distribution Company Limited, for setting up the said power project. Management is confident of mobilizing the requisite funds to execute the project and recover the investment made in the project. Hence, no provision for diminution in the value of investment is considered necessary in the opinion of the Board.
4.	4	Regarding advances to Suryachakra Global Ventures Limited (SGVL), a wholly owned subsidiary of the company incorporated in Hong Kong – Rs. 70,59,96,278 which in turn has advanced the said amount to M/s Symphony Trading and Investment Limited (STIL), Hong Kong for acquiring coal mines for the company/SGVL during the quarter ended June 2011. In the absence of information regarding financial worthiness of STIL / securities in favour of the company, we are unable to comment on the extent of recoverability of the advance	12. SGVL is a wholly owned subsidiary of the company incorporated in Hong Kong under Companies Ordinance. The Company has decided to acquire coal mines through SGVL for captive use by other subsidiaries. SGVL has entered into an MOU with Symphony Trading and Investments Limited (STIL) having offices in Singapore, Hong Kong etc., for acquiring interests in coal mines in Indonesia. STIL is having experience in identifying and acquiring suitable coal mines for its clients. In view of the prevailing uncertain conditions relating to coal mining activities in Indonesia, the company has recalled the advance given to STIL and is making all efforts to recover the advance. During the previous year, management has intensified the efforts and recovered partial amount and efforts are being made for recovery of balance amount and the negotiations have been commenced with STIL Shortfall if any, in recovery will be adjusted in the year of final settlement. Hence no provision towards doubtful advance has been made.
5.	1	Regarding advances to Suryachakra Thermal Energy (Andhra) Private Ltd Rs.3,06,61,484/- and Suryachakra Thermal Energy (Madhya Pradesh) Private Limited Rs.3,81,01,314/- which are considered good and fully recoverable for the reasons stated therein. We are unable to comment on the extent of ultimate recoverability.	13. The advances are recoverable, as the said companies have already invested the money in acquiring various assets for implementation of their contemplated projects.
6.	1	Regarding Capital advances considered good and fully recoverable for the reasons stated therein, We are unable to comment on the extent of ultimate recoverability.	13. The company has advanced for the purpose of refurbishment of DG sets for 20 MW Power Plant situated at Bamboo flat in Andaman & Nicobar Islands. The company is making efforts to carry out the refurbishment of DG sets.



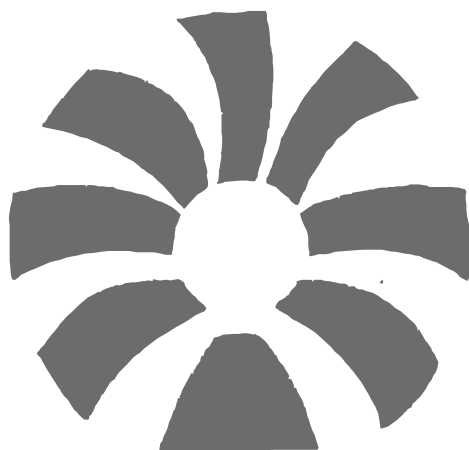
7.	2	Regarding non-provision of interest on loans from certain lenders on account of legal cases filed by them for recovery of their dues. We are unable to comment on the extent of interest expense for the year ended March 31, 2015 and the cumulative liability up to March 31, 2015.	13. The management is in touch with Lenders for OTS without interest and they suggested to give a concrete proposal and the same is under active consideration with the Lenders. Management is confident of resolving the issues pertaining to Lenders amicably and hence no provision of interest has been made.
8.	3	Regarding the non-availability of confirmation of balances for secured loans, trade payables, creditors for capital goods and loans and advances. In the absence of confirmation of balances, we are unable to comment on the impact of adverse variances, if any, as at March 31, 2014.	13. The Board is confident of convincing all secured creditors, trade creditors and to make OTS and settle their accounts as most of the creditors are known to the management and they would listen to the versions of the management. Hence no confirmations have been obtained from all the creditors.
9.	6	The company is not regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.	13. The following amounts were in arrears as at March 31, 2015 for a period of more than six months from the date they became payable (1)TDS amount Rs.59,95,270/-(2) Service Tax Rs.8,55,251/- (3) VAT Rs.5,46,250/- and (4) Provident Fund dues Rs.4,05,222/-.. Efforts are being made to deposit the above dues at the earliest.
10.	4	Default in repayment of dues to banks.	13.The company's bankers viz: State Bank of India has been coordinating with the company to the satisfaction of the Management and the bank is recovering the dues from the receivables received from A&N Govt. and the same is credited to the company's SBI Account from time to time.

Chief Financial Officer	 (V L Narasimha Rao)
Managing Director	 (Dr. S M Manepalli)
Audit Committee Chairman	 (V S Murthy)
Auditor of the Company	We confirm that the above is the Complete list of Qualifications included in the Audit Report of M/s. Surya Chakra Power Corporation Ltd for the year ended March 31, 2015 

M. BHASKARA RAO & CO.,
Chartered Accountants
5-D, FIFTH FLOOR
"KAUTILYA"
6-3-652, Somajiguda,
HYDERABAD-500 082



SURYACHAKRA POWER CORPORATION LIMITED



**20TH ANNUAL REPORT
2014-15**



Board of Directors	:	Mr. V.S. Murthy Mr. P.V. Subba Rao Mr. K. Vijay Kumar Dr. S.M. Manepalli, Managing Director Mrs. M. Mangatayaru
Company Secretary	:	Mr. P. S. Chandramouli (Upto 31.07.2015) Mr. K.V. R. Raju (From 26.08.2015)
Audit Committee	:	Mr. V.S. Murthy Mr. K. Vijay Kumar Mr. P.V. Subba Rao
Statutory Auditors	:	M/s. M Bhaskara Rao & Co Chartered Accountants 6-3-652, 5th Floor, Kautilya, Somajiguda, Hyderabad-5000 82
Bankers	:	State Bank of India
Regd. Office	:	Suryachakra House, Plot No.304-L-III, Road No.78, Jubilee Hills, Hyderabad -500 096.
Plant	:	Bamboo Flat, Near Fire Brigade, South Andaman, Port Blair - 744 107. A & N Islands

**NOTICE**

Notice is hereby given that the 20th Annual General Meeting of the Members of Suryachakra Power Corporation Limited will be held on **Wednesday, the 30th day of September, 2015 at 10.00 A.M** at Hotel Devi Grand, # 11-5-152, Bhavani Nagar, Moosapet 'X' Roads, Hyderabad-500018 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2015 and the Profit and Loss account for the period ended on that date, including consolidated financial statements and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. K. Vijay Kumar (DIN:00267744) who retires by rotation and being eligible offers himself for re-appointment
3. To Ratify the appointment of M/s M. Bhaskara Rao & Co., Statutory Auditors

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

“RESOLVED that pursuant to the provisions of Section 139 and all other applicable provisions of the Companies Act, 2013 (the “Act”) read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby ratifies the appointment of M/s. M. Bhaskara Rao & Co., Chartered Accountants (Firm Regn. No.000459S), as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General meeting until the conclusion of the Annual General Meeting to be held for the financial year 2015-16 on such remuneration as may be determined by the Board of Directors.”

SPECIAL BUSINESS:**4. APPROVAL OF REMUNERATION PAYABLE TO COST AUDITORS**

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

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), approval of the Company be and is hereby accorded for the payment of Rs.25,000/- as remuneration to M/s kju & Associates, 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 ending 31st March, 2016.”

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

By Order of the Board of Directors
For SURYACHAKRA POWER CORPORATION LIMITED

Sd/-
Dr. S.M. Manepalli
Managing Director

Place: Hyderabad
Date: 13.08.2015

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.

The proxy form(s) in order to be effective must be received by the company at the registered office of the Company not less than 48 hours before the commencement of the meeting.

2. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of business item no. 4 of the notice, is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday the 23rd September 2015 to Wednesday the 30th September 2015(both days inclusive).
4. Pursuant to clause 49 of the Listing agreement, the particulars of Directors seeking appointment and re-appointment at the meeting are annexed.
5. Members holding shares in physical form are requested to intimate any change in their address quoting their registered folio number to the Registrars and Share Transfer Agents namely M/s. Karvy Computershare Private Limited, Seat No.52, 6th Floor, Karvy Selenium Tower - B, Plot No. 31 & 32 Financial Dist., Gachibowli, Nanakramguda, Seri Lingampally, Hyderabad - 500 032. Phone No.040-67162222.
6. Members holding shares in electronic form are requested to intimate any change in their address to the depository participant (DP) with whom the de-mat account is maintained.
7. Members are requested to bring attendance slip duly filled in along with a copy of Annual Report to the Meeting.
8. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
9. As a part of Green Initiative in Corporate Governance, the Ministry of Corporate Affairs (MCA), Government of India vide its Circular has allowed paperless compliances by Companies inter-alia stating that if the Company sends official documents to their shareholders electronically, it will be in compliance with the provisions of the Companies Act, 2013.

If any member is interested to receive documents in physical form, a communication in this regard may be made to the registered office of the Company.

10. Members desiring any information on Accounts are requested to write to CFO or Company Secretary at an early date so as to enable the management to reply at the meeting.
11. Annual Report of the company has been uploaded on website of the company www.suryachakra.in
12. The Company is pleased to offer e-voting facility to all its members to enable them to cast their vote electronically in terms of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement (including any statutory modification or re-enactment thereof for the time being in force). Accordingly, a member may exercise his / her vote by electronic means and the Company may pass any resolution by electronic voting system in accordance with the above provisions.
13. Members can opt for only one mode of voting, i.e., either by physical poll or e-voting. In case Members cast their votes through both the modes, then voting done by such members will be treated as invalid.
14. Members who do not have access to e-voting facility have been additionally provided a facility through Ballot Paper, enclosed herewith in Form No. MGT - 12. They may send duly completed Ballot Paper to the Scrutinizer, M/s. L D Reddy & Co., Practicing Company Secretaries (CPNo. 3752) having its office at Plot No.6-2-1/2, Flat No.504, Afjal Commercial Complex, Beside MMTS Railway Station (South), Lakdi-Ka-Pool, Hyderabad-500004 so as to reach on or before the conclusion of the 20th Annual General Meeting or can carry the same to the AGM and deposit in the Ballot Box during the Meeting. Members have the option to request for physical copy of Ballot Paper by sending an e-mail to suryachakra.power@gmail.com by mentioning their Folio No. / DP ID and Client ID.



15. The facility for voting through Ballot paper shall also be made available at the meeting and the members attending the meeting, who have not already cast their vote by e-voting shall be able to exercise their right at the meeting.

The procedure and instructions for e-voting are as under:

- i) Open your web browser during the voting period and navigate to 'https://evoting.karvy.com'
- ii) Enter the login credentials (i.e., user-id & password) mentioned on the E-Voting Particulars Form. Your folio/DP Client ID will be your User-ID.

User - ID	For Members holding shares in Demat Form: a) For NSDL: 8 Character DP ID Followed by 8 Digits client ID b) For CDSL: 16 Digits beneficiary ID For Members holding shares in Physical Form: * Event No. Followed by Folio Number registered with the company
Password	Your Unique password is printed on the E-Voting Particulars Form/ via email forwarded through the electronic notice
Captcha	Enter the Verification code i.e., please enter the alphabets and numbers in the exact way as they are displayed for security reasons.

- iii) Please contact our toll free No. **1-800-34-54-001** for any further clarifications.
- iv) Members can cast their vote online from 10 am on Saturday 26th September, 2015 to 5:00 pm on Tuesday 29th September, 2015.
- v) After entering these details appropriately, click on "LOGIN".
- vi) Members holding shares in Demat/Physical form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of atleast one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this password can be used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that Company opts for e-voting through **Karvy Computershare Private Limited e-Voting platform**. System will prompt you to change your password and update any contact details like mobile #, email ID etc on 1st login. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential
- vii) You need to login again with the new credentials.
- viii) On successful login, system will prompt to select the 'Event' i.e., '**Suryachakra Power Corporation Limited**'.
- ix) If you are holding shares in Demat form and had logged on to "https://evoting.karvy.com" and casted your vote earlier for any company, then your exiting login id and password are to be used.
- x) On the voting page, you will see Resolution Description and against the same the option 'FOR/AGAINST/ABSTAIN' for voting .Enter the number of shares (which represents number of votes) under 'FOR/AGAINST/ABSTAIN' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR/AGAINST' taken together should not exceed your total shareholding. If the shareholder does not wants to cast, select 'ABSTAIN'.
- xi) After selecting the resolution you have decided to vote on, click on "SUBMIT".A confirmation box will be displayed .If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xii) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.



- xiii) Corporate / Institutional Members (Corporate / FIS / FIIIS / Trust / Mutual Funds / Banks etc.) are required to send scanned copy (PDF format) of the relevant Board Resolution to the Scrutinizer through e-mail to L.d.reddy@gmail.com with copy to evoting@karvy.com. The file scanned image of the Board Resolution should be in the naming format "Corporatename_Eventno"

Registered Office of the Company:

Suryachakra House, Plot No.304-L-III, Road No.78, Jubilee Hills, HYDERABAD-500 096

Corporate Identity Number: L40103TG1995PLC019554

E-mail: suryachakra.power@gmail.com / Website: www.suryachakra.in

Registrar and Share Transfer Agents:

Karvy Computer Share Private Limited

Unit: Suryachakra Power Corp. Ltd,

Seat No.52, 6th Floor, Karvy Selenium Tower-B, Plot No. 31 & 32, Financial Dist.,

Gachibowli, Nanakramguda, Seri Lingampally, Hyderabad -500 032, Phone No.040-67161585

**EXPLANATORY STATEMENT:****(Pursuant to Section 102(1) of the Companies Act, 2013)**

The following Explanatory Statement sets out the material facts relating to the special business mentioned in the accompanying Notice:

ITEM NO. 4

Pursuant to the provisions of Section 148 of the Companies Act, 2013 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.

The Board, on the recommendation of the Audit Committee, appointed M/s kju & Associates as the Cost Auditors to conduct the audit of the cost records of the Company for the Financial Year 2015-16 and recommended to the members payment of Rs.25,000 as remuneration.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice for payment of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2016. The Board of Directors recommends the above resolution for your approval.

None of the Directors or any key managerial personnel or any relative of any of the Directors of the Company or the relatives of any key managerial personnel is, in anyway concerned or interested in the above resolution.

ANNEXURE TO THE NOTICE**Details of Director seeking re-appointment at the forthcoming Annual General Meeting**

(In Pursuance of Clause 49 of the Listing Agreement)

Name	K. Vijay Kumar
Date of Birth	08.10.1945
Date of Appointment	15.05.2012
Qualification	Engineering Graduate
Nature of Experience in specific functional areas	43 years in various engineering & power projects
No. of Shares held in the Company as on 31-03-2015	NIL
Members of the Committee of Board of Directors of the Company	Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee
Directorships held in other Companies Excluding Private Limited and Foreign Companies	NIL
Chairman/Member in Mandatory Committees of the Companies	NIL

In the opinion of the Board, Mr. K.Vijay Kumar, proposed to be re-appointed as Director fulfils the conditions specified in the Section 149(6) and other applicable provisions of the Companies Act, 2013 and the rules made there under.



DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting their 20th Annual Report of the company together with the Audited Accounts for the year ended March 31, 2015.

FINANCIAL PERFORMANCE:

(Rs. in million)

Particulars	Year ended 31.03.2015 (12 months)	Period ended 31.03.2014 (12 Months)
Income from sale of power	1424.03	1459.95
Other Income	0.47	0.53
	1424.50	1460.48
Profit before interest and depreciation	83.94	77.69
Interest and Finance Charges	31.22	38.84
Depreciation	50.97	61.76
Profit after interest and Depreciation but before exceptional items	1.75	(22.90)
Exceptional items (net)	912.37	-
Profit/(Loss) before Tax	(910.62)	(22.90)
Current Tax	-	-
Mat Credit entitlement	-	(9.21)
Profit/(Loss) after Tax	(910.62)	(32.11)

REVIEW OF OPERATIONS:

The Board observed that the company achieved a turnover of Rs.1424.03 Million for 12 months (Stand alone) as against the previous year's turnover of Rs.1459.95 Million (stand alone) and there is a decrease in turnover by Rs.35.92 Million, which is a decrease by 2.46% over the last year. The net loss for the year is Rs.910.62 million against the net loss for the previous year of Rs.32.11 Million. There was a shut down of one of the gen sets at the A&N Plant and also the production was hampered due to frequent overhaul of another genset.

Management Discussion and Analysis Report for the year under review, stipulated under Clause 49 of the Listing Agreement entered with BSE Ltd forms part of this Annual Report. The Board reviews the progress of the Company from time to time and guide the Company towards its corporate goals.

DIVIDEND:

Your Directors are unable to recommend any dividend on the Equity Capital of the Company due to continuous losses.

DIRECTORS:

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. K. Vijay Kumar, Director will retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment as a Director of the Company.

Further details about the above director are given in the Corporate Governance Report as well as in the Notice of the ensuing Annual General Meeting being sent to the shareholders along with the Annual Report

**Evaluation of the Board's Performance**

In compliance with the Companies Act, 2013, and Clause 49 of the Listing Agreement, the performance evaluation of the Board and of its Committees was carried out during the year under review. More details on the same is given in the Corporate Governance Report.

Familiarization Program for Independent Directors

The Company has formulated a familiarization program for the Independent Directors to provide insights into the Company to enable the Independent Directors to understand its business in depth and contribute significantly to the Company. The details of such program are available in the Company's website www.suryachakra.in

Statement of declaration by Independent Directors

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed both under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchange.

Nomination & Remuneration Policy

The company follows a policy on remuneration of Directors and Senior Management Employees. The policy is approved by the Nomination & Remuneration Committee and the Board. More details on the same are given in the Corporate Governance Report.

Disposing Off investment in Loss Making Subsidiaries

During the period under review, Your Company, in order to improve its financial performance, has disposed off its investments in its direct and step down loss making subsidiaries viz., Suryachakra Global Enviro Power Limited (SGEPL) for Rs.6,27,080/-, South Asian Agro Industries Limited for Rs.1,20,205/-, M.S.M. Energy Limited for Rs.3,42,600/- and Sri Panchajanya Power Private Limited for Rs.1,57,800/- on account of continuous losses incurred in power plants located at Chhattisgarh and Maharashtra and on account of non-viability of these plants since inception.

The shares held by your Company in SGEPL and the shares held by SGEPL in the above step-down subsidiaries were already transferred as per the decision of the board in its meeting held on 3.06.2015.

Report on the performance and financial position of each of the subsidiaries has been provided in Form AOC-1 at Annexure-6

Petition with APTEL against the order of Joint Election Regulatory Commission (JERC):

The Appellate Tribunal for Electricity (APTEL), New Delhi has delivered their judgment on 28.11.2014 on the appeals filed by your Company and A&N Administration against the order dated 03.07.2013 of the JERC, directing JERC to finalise the completed capital cost.

Meanwhile the A&N Administration filed a Civil Appeal No.1652 of 2015 in Hon'ble Supreme Court of India on 09.02.2015 for quashing the order dated 28.11.2014 of APTEL and stay further proceedings at JERC. However, Hon'ble Supreme Court admitted the appeal but not stayed any proceedings at JERC.

Accordingly, JERC, in turn, after verifying all the documents in respect of completed project cost issued its order dated 29.04.2015, fixing the completed project cost at Rs.77.64 Cr and your company consequently submitted a supplementary invoice for Rs.141.51 Crore, for the period upto March, 2015.

An Execution petition was filed before JERC, New Delhi by your Company and the same was posted now posted for 14th September 2015 for adjudication.

**Maintenance of the power plant:**

Your Company has made arrangements for overhauling and repairs of the engines through a firm and it is expected to be completed by December 2015. On completion of the overhauling the monthly revenues are expected to increase by about Rs.50 lacs per month from January 2016 onwards.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to Section 134(5) of the Companies Act, 2013, the Directors confirm that:

- a] in the preparation of the annual accounts, the applicable Accounting Standards had been followed along with proper explanations relating to material departures;
- b] The Directors had 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 and of the profit or loss of the company for that period;
- c] the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d] the Annual Accounts were prepared on a going concern basis
- e] the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- f] the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DISCLOSURES UNDER THE COMPANIES ACT, 2013**i) Extract of Annual Return:**

The details forming part of the extract of the annual return is enclosed in Form MGT.9 at Annexure - I.

ii) Number of Board Meetings:

The Board of Directors met 4 times during the year 2014-2015. The details of the board meetings and the attendance of the Directors are provided in the Corporate Governance Report.

iii) Composition of Audit Committee:

The Board has constituted the Audit Committee which comprises of Sri V S Murthy, as the Chairman and Sri P V Subba Rao, and Sri K Vijaya Kumar as the members. More details on the committee are given in the Corporate Governance Report.

iv) Related Party Transactions:

There are no materially significant related party transactions made by the company with Promoters, Directors or Key Managerial Personnel etc., which may have potential conflict with the interest of the company at large. Thus disclosure in Form AOC-2 is not required.

- v) No Loans/Guarantees / Investments under Section 186 of the Companies Act, 2013 have been made during theyear.

CORPORATE GOVERNANCE:

As per Clause 49 of the Listing Agreement on Corporate Governance, Management Discussion and Analysis Report forms part of the Annual Report (Annexure - 5). The company has complied with the corporate governance requirements under the Companies Act, 2013, and as stipulated under the listing agreement with the stock exchanges. A separate section on corporate governance under the Listing Agreement, along with a certificate from the Practising Company Secretary confirming the compliance, is annexed and forms part of the Annual Report (Annexure - 2).

Corporate Social Responsibility Policy

As per Companies Act 2013, Your Company does not fall under the Corporate Social Responsibility criteria. The Company would ensure the provisions of the Act, as and when the same is applicable.

**Risk Management Policy**

The Board of Directors has developed and implemented Risk Management Policy for the Company. It has identified and assessed internal and external risks, with potential impact and likelihood, that may impact the Company in achieving its strategic objectives or may threaten its existence.

Whistle Blower Policy

The Company has in place a Whistle Blower policy for vigil mechanism for Directors and employees to report to the management about unethical behavior, fraud, violation of Company's Code of Conduct. None of the Personnel has been denied access to the audit committee.

Declaration about Compliance with the Code of Conduct by Members of the Board and Sr. Management Personnel

The Company has complied with the requirements about Code of Conduct for Board members and Sr. Management Personnel.

Disclosure under the SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (prevention, prohibition and redressal) Act, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary and trained) are covered under the Policy. The following is a summary of sexual harassment complaints received and disposed off during each Calendar year:

- a) No. of Complaints received - NIL
- b) No. of Complaints disposed off – NIL

Statutory Auditors:

The Statutory Auditors of the Company viz., M/s M. Bhaskara Rao & Co., Chartered Accountants, Hyderabad were appointed in the Annual General Meeting on 30.09.2014 for 5 years. As per the provisions of section 139 (1) of the Companies Act, 2013, the appointment needs to be ratified by the member at the every subsequent annual general meeting. The directors recommend ratification of their appointment.

The Auditors' Report to the Shareholders for the year under review contain some qualifications, to which explanations are given below.


EXPLANATIONS TO THE QUALIFICATIONS MADE BY THE AUDITORS IN THEIR REPORT:

Auditor's Qualification	Board's explanation
<p>Regarding revenue from Andaman & Nicobar Administration (A&N Administration) - pending final agreement with A&N Administration, we are unable to comment on the extent of ultimate recoverability of Rs.49,344,300/- withheld by A&N Administration during the year ended March 31, 2015 (year ended 31.03.2014: Rs.5,32,99,282) and the total receivables including interest accrued thereon as at March 31, 2015 of Rs.35,80,82,014/- (31.03.2014: Rs.30,87,37,714) on account of amounts withheld which are subject to confirmation by the A&N Administration.</p>	<p>The PPA with A&N Government is initially for a period of 15 years with further extension of three further periods of five years each and contains a set of pre-determined formulae for calculation of revenue on monthly billings etc., pending final confirmation of actual capital expenditure, no adjustment has been made in the revenues. Revenues for the year ended 31st March, 2015 includes an amount of Rs.4,93,32,078/- (as against Rs.49,344,300/- for the year ended 31.03.2014) billed by the company has a variable charge payment under the PPA, which has been rejected/with held by A&N Administration on the grounds of technical interpretation of the formulae for computation of such charges. The total receivables on account of such rejections including interest thereon as at 31.03.2015 amounted to Rs.35,80,82,014/-</p>
<p>Regarding the company's assessment that no provisioning is required against the carrying amounts of its long term investments in its subsidiary, Suryachakra Global Enviro Power Limited – Rs. 22,27,79,241/- for the reasons stated in the said note. We are unable to comment on the recoverability of the carrying amounts of the said investment or advances.</p>	<p>Due to liquidity crunch, the re-commissioning process could not be completed. However the management allowed M/s. India bulls Financial Services Ltd (Now changed as India Bulls Housing Finance Ltd) to run the unit, but they could not run due to high cost of raw material and probable losses. The matter is also pending before DRT and Hon'ble High Court of Andhra Pradesh. Since the matter is sub-judice, the Board is unable to give its opinion on the same. However efforts are being made to contest against M/s. India bulls and to stop them from further proceedings.</p>
<p>Regarding its investment in Suryachakra Energy (Chhattisgarh) Private Limited, (SECPL), a wholly owned subsidiary of the company – Rs.36,48,00,725. Completion and implementation of the power project of Suryachakra Energy (Chhattisgarh) Private Limited depends on the ability of the management to infuse the requisite funds. Hence, we are unable to comment on the recoverability of the carrying amounts of the said investment</p>	<p>SECPL is a 100% subsidiary of the company. SECPL has obtained most of the requisite licenses for setting up the 350 MW project; signed a Memorandum of Understanding (MOU) with Chhattisgarh State Electricity Board; and entered into an implementation Agreement with Chhattisgarh State Power Distribution Company Limited, for setting up the said power project. Management is confident of mobilizing the requisite funds to execute the project and recover the investment made in the project. Hence, no provision for diminution in the value of investment is considered necessary in the opinion of the Board.</p>
<p>Regarding advances to Suryachakra Global Ventures Limited (SGVL), a wholly owned subsidiary of the company incorporated in Hong Kong – Rs. 70,59,96,278 which in turn has advanced the said amount to M/s Symphony Trading and Investment Limited (STIL), Hong Kong for acquiring coal mines for the company/SGVL during the quarter ended June, 2011. In the absence of information regarding financial worthiness of STIL / securities in favour of the company, we are unable to comment on the extent of recoverability of the advance</p>	<p>SGVL is a wholly owned subsidiary of the company incorporated in Honkong under Companies Ordinance. The Company has decided to acquire coal mines through SGVL for captive use by other subsidiaries. SGVL has entered into an MOU with Symphony Trading and Investments Limited (STIL) having offices in Singapore, Hong Kong etc., for acquiring interests in coal mines in Indonesia. STIL is having experience in identifying and acquiring suitable coal mines for its clients. In view of the prevailing uncertain conditions relating to coal mining activities in Indonesia, the company has recalled the advance given to STIL and is making all efforts to recover the advance. During the previous year, management has intensified the efforts and recovered partial amount and efforts are being made for</p>



	recovery of balance amount and the negotiations have been commenced with STIL Shortfall, if any, in recovery will be adjusted in the year of final settlement. Hence, no provision towards doubtful advance has been made.
Regarding advances to Suryachakra Thermal Energy (Andhra) Private Ltd Rs.3,06,61,484/- and Suryachakra Thermal Energy (Madhya Pradesh) Private Limited Rs.3,81,01,314/- which are considered good and fully recoverable for the reasons stated therein. We are unable to comment on the extent of ultimate recoverability.	The advances are recoverable, as the said companies have already invested the money in acquiring various assets for implementation of their contemplated projects.
Regarding Capital advances considered good and fully recoverable for the reasons stated therein, We are unable to comment on the extent of ultimate recoverability.	The company has advanced for the purpose of refurbishment of DG sets for 20 MW Power Plant situated at Bamboo flat in Andaman & Nicobar Islands. The company is making efforts to carry out the refurbishment of DG sets.
Regarding non-provision of interest on loans from certain lenders on account of legal cases filed by them for recovery of their dues. We are unable to comment on the extent of interest expense for the year ended March 31, 2015 and the cumulative liability up to March 31, 2015.	The management is in touch with Lenders for OTS without interest and they suggested to give a concrete proposal and the same is under active consideration with the Lenders. Management is confident of resolving the issues pertaining to Lenders amicably and hence no provision of interest has been made.
Regarding the non-availability of confirmation of balances for secured loans, trade payables, creditors for capital goods and loans and advances. In the absence of confirmation of balances, we are unable to comment on the impact of adverse variances, if any, as at March 31, 2015.	The Board is confident of convincing all secured creditors, trade creditors and to make OTS and settle their accounts as most of the creditors are known to the management and they would listen to the versions of the management. Hence no confirmations have been obtained from all the creditors.
The company is not regular in depositing undisputed statutory dues including Provident Fund, Income Tax, Sales Tax, Service tax and other material statutory dues applicable to it with the appropriate authorities.	The following amounts were in arrears as at March 31, 2015 for a period of more than six months from the date they became payable (1)TDS amount Rs.59,95,270/-(2) Service Tax Rs.8,55,251/- (3) VAT Rs.5,46,250/- and (4) Provident Fund dues Rs.4,05,222/-.. Efforts are being made to deposit the above dues at the earliest.
Default in repayment of dues to banks.	The company's bankers viz: State Bank of India has been coordinating with the company to the satisfaction of the Management and the bank is recovering the dues from the receivables received from A&N Govt and the same is credited to the company's SBI Account from time to time



Secretarial Audit

The Board had appointed M/s L D Reddy & Co, Company Secretaries in Whole-time Practice, to carry out Secretarial Audit under the provisions of Section 204 of the Companies Act, 2013 for the financial year 2014-15. The report of the Secretarial Auditor is annexed to this report as Annexure - 3.

The Secretarial Auditors' Report to the Shareholders for the year under review contains some qualifications, to which explanations are given below.

Secretarial Auditor's Qualification	Board's explanation
Non filing of Form No. Mgt-15 for Report on Annual General Meeting	Since it was recently introduced then, now it will be complied with
Non Disclosure under Regulation 30(1) and 30(2) of The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011	Now it will be complied with
An Inquiry was initiated under section 7A of the EPF & MP ACT, 1956 against the company.	Due to non receipt of receivable from our customers, i.e., Electricity Department of Andaman and Nicobar Administration, There are some defaults and efforts are being made to regularise the same.
The company has defaulted in payment of Bank Dues, Therefore SBI Global Factors Limited has filed a petition before Hon'ble High Court of Andhra Pradesh for winding up of the company	Due to non receipt of receivable from our customers, i.e., Electricity Department of Andaman and Nicobar Administration, There are some defaults and efforts are being made to regularise the same.
The company is not regular in paying statutory dues like PF, Gratuity, TDS, Service Tax, Sales Tax, etc.,	Due to non receipt of receivable from our customers, i.e., Electricity Department of Andaman and Nicobar Administration, There are some defaults and efforts are being made to regularise the same.
As plant is located in Andaman and Nicobar Island, Physical Verification was not done, therefore we are unable to report on the compliance of Labour law at Factory Site.	Efforts are being made to comply with the Labour Laws at the Factory site.
Court cases are filed against the company, Directors and other guarantors for default of payment of dues to bank and other unsecured creditors	Discussions are on with the Bankers to sort out the issue
Court Cases are filed by the company to recover debts and to safeguard its business	They are to safeguard the business of the Company only.
The coal investment made in SGVL could not be recovered so far from Indonesia. Out of US\$ 190.00 lacs, the management could recover only US\$ 25.91 lacs and the balance is yet to be recovered	Efforts are being made to recover the balance amount also.

Cost Auditors

Pursuant to the provisions of Section 148 of the Companies Act, 2013, M/s. kju & Associates, Practicing Cost Accountants (Firm Regn. No.000474), have been appointed to conduct audit of cost records of Power (Electricity) for the year 2015-16.

Cost Audit Report will be submitted to the Central Government within the prescribed time.

**Conservation of Energy, Technology Absorption & Foreign Exchange Earnings and Outgo:**

The statement giving the particulars with respect to Conservation of Energy, Technology absorption and Foreign Exchange Earnings and outgoing as required under Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules 2014 is annexed hereto at Annexure- 4 and forms part of the Report.

Fixed deposits:

During the year under review, your Company has neither invited nor accepted any deposits from the public.

Insurance:

The properties of your Company including its buildings, plant and machinery and stocks have been adequately insured as required.

Particulars of Employees and related disclosures

The information required under Section 197 (12) of the Companies Act, 2013 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 may be treated as NIL.

Personnel & Industrial Relations:

Relations between employees and the management continued to be cordial during the year. The Human Resource Department is committed in its quest to improve and maintain employee morale and satisfaction at all levels.

Acknowledgment:

Your Directors would like to express their grateful thanks for the assistance and co-operation received from the Financial Institutions, Banks, Government Authorities, Customers, Vendors and Members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the excellent services of the executives, staff and workers of the company.

For and on behalf of the Board of Directors

Dr. S.M. Manepalli
Managing Director

Mr. K. Vijay Kumar
Executive Director

Place: Hyderabad.

Date: 13.08.2015.



ANNEXURE - 1

FORM No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March, 2015

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

I. REGISTRATION AND OTHER DETAILS:

- i) CIN: L40103TG1995PLC019554
- ii) Registration Date: 28th February, 1995
- iii) Name of the Company: Suryachakra Power Corporation Limited
- iv) Category/Sub-Category of the Company: Company limited by Shares/Indian-Non Government Company.
- v) Address of the registered office and contact details:
Suryachakra House, Plot No: 304-L-III, Road No: 78, Jubilee Hills, Hyderabad-500 096,
Ph. No.: 040-3082 3000
- vi) Whether listed company: Yes
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if Any M/s.Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot No.31-32, Gachibowli, Financial District, Nanakramguda, HYDERABAD - 500 032. Tel.: 040-67161585
Contact Person : Mr. B.Venkata Kishore

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl.No.	Name and Description of Main Products / Services	NIC Code of the Product	% to total turnover of the Company
1.	Generation of Electricity	400.3	100

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

Sl No	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ /Associate	% of Shares Held	Applicable Section
1	Suryachakra Global Enviro Power Ltd., Suryachakra House, Plot No.304-L-III, Road No.78, Jubilee Hills, Hyderabad 500 096	U27100TG1995PLC020207	Subsidiary	100	2(87)
2	South Asian Agro Industries Limited, Suryachakra House, Plot No.304-L-III, Road No.78, Jubilee Hills, Hyderabad 500 096	U99999TG1995PLC020481	Subsidiary	100	2(87)
3	M.S.M. Energy Limited, Suryachakra House, Plot No.304-L-III, Road No.78, Jubilee Hills, Hyderabad 500 096	U72200TG2000PLC033475	Subsidiary	100	2(87)
4	Sri Panchajanya Power Private Limited, Suryachakra House, Plot No.304-L-III, Road No.78, Jubilee Hills, Hyderabad 500 096	U40100TG1988PTC008947	Subsidiary	100	2(87)
5	Suryachakra Energy (Chattisgarh) Pvt. Ltd. Suryachakra House, Plot No.304-L-III, Road No.78, Jubilee Hills, Hyderabad 500 096	U40105TG2008PTC058175	Subsidiary	100	2(87)
6	Suryachakra Global Ventures Ltd. RM 2101, Hong Kong Trade Centre, 161-7 Des Voeux Road, Central Hong Kong		Subsidiary	100	2(87)



IV (i) SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

Category - Wise Share Holding Between 31/03/2014 and 31/03/2015

Category Code	Category of Shareholders	No. of Shares held at the Beginning of the year				No. of Shares held at end of the year				
		Demat	Physical	Total Total Shares	% of Total Shares	Demat	Physical	Total	% of	% Change During the Year
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
(A) PROMOTER AND PROMOTER GROUP										
(1)	INDIAN									
(a)	Individual / HUF	5589641	0	5589641	3.74	5316804	0	5316804	3.55	0.18
(b)	Central/ State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	26786899	0	26786899	17.90	24519297	0	24519297	16.39	1.52
(d)	Financial Institution /Banks	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(1)	32376540	0	32376540	21.64	29836101	0	29836101	19.94	1.70
(2)	FOREIGN									
(a)	Individuals (NRIs/ Foreign Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Bodies Corporate	5221898	0	5221898	3.49	5221898	0	5221898	3.49	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	0.0	0	0	0	0.00	0.00
	Sub-Total A(2)	5221898	0	5221898	3.49	5221898	0	5221898	3.49	0.00
	TotalA=A(1)+ A(2)	37598438	0	37598438	25.13	35057999	0	35057999	23.43	1.70
(B) PUBLIC SHAREHOLDERS										
(1)	Institutions									
(a)	Mutual Funds/UTI	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Financial Institutions Banks	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Central / State Govt.	0	0	0	0.00	0	0	0	0.00	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 Inestors	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):	0	0	0	0.00	0	0	0	0.00	0.00
(2)	NON-INSTITUTIONS									
(a)	Bodies Corporate	11983071	2053800	14036871	9.38	15167194	2053800	17220994	11.51	-2.13
(b)	Individuals									
	(i) Individuals holding nominal share capital upto Rs. 1 Lakh	42445192	22121	42467313	28.38	44221571	22821	44244392	29.57	-1.19
	(ii) Individuals holding nominal share capital in excess of Rs.1 Lakh	53833488	62500	53895988	36.02	51346530	62500	51409030	34.36	1.66
(c)	Others									



	Clearing Members	235413	0	235413	0.16	168596	0	168596	0.11	0.04
	Non Resident Indians	1394436	0	1394436	0.93	1529449	0	1529449	1.02	-0.09
	Trusts	4501	0	4501	0.00	2500	0	2500	0.00	0.00
(d)	Qualified Foreign									
	Investor	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total B(2)	109896101	2138421	112034522	74.87	112435840	2139121	114574961	76.57	-1.70
	Total B= B(1)+B(2)	109896101	2138421	112034522	74.87	112435840	2139121	114574961	76.57	-1.70
(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)	147494539	2138421	149632960	100.00	147493839	2139121	149632960	100.00	

(ii) SHARE HOLDING OF PROMOTERS

S. No	Shareholder's Name	Shareholding at the beginning of the Year			Shareholding at the end of the year			
		No. of share	% of total shares of the Company	% of shares pledged/ encumbered to total shares	No. of Shares	% of total shares of the Company	% of share of pledged encumbered to total shares \	
1.	MAUKTIKA ENERGY PVT. LTD	19751397	13.20	100.00	19751397	13.20	100.00	-56.55
2.	MANEPALLI INVESTMENTS PVT LTD	3452602	2.31	63.79	1500000	1.00	100.00	0.00
3.	MANEPALLI INVESTMENTS PVT.LTD	1442900	0.96	100.00	1442900	0.96	100.00	-3.67
4.	SURYAMANIKYAM MANEPALLI	1428600	0.95	100.00	1376100	0.92	100.00	0.00
5.	MANGATAYARU MANEPALLI	1256100	0.84	100.00	1256100	0.84	100.00	0.00
6.	MAUKTIKA ENERGY PVT LTD	1100000	0.74	0.00	1100000	0.74	0.00	-7.27
7.	M SESHAVATHARAM	1039744	0.69	99.89	964194	0.64	99.88	0.00
8.	AASRIT ENERGY PVT LTD	725000	0.48	100.00	725000	0.48	100.00	0.00
9.	MANEPALLI SUNITHA	552500	0.37	99.55	552500	0.37	99.55	0.00
10.	SURYA MANIKYAM MANEPALLI	535595	0.36	99.92	535595	0.36	99.92	-100.00
11.	MAUKTIKA ENERGY PVT LTD	315000	0.21	100.00	0	0.00	0.00	-55.60
12.	MANGATAYARU MANEPALLI	170468	0.11	55.60	75681	0.05	0.00	0.00
13.	SESHAVATHARAM MANEPALLI	153700	0.10	100.00	153700	0.10	100.00	0.00
14.	MANGATAYARU MANEPALLI	134800	0.09	100.00	134800	0.09	100.00	0.00
15.	TONTEPU SRILATHA	100000	0.07	100.00	100000	0.07	100.00	0.00
16.	SRILATHA THONTEPU	70000	0.05	100.00	70000	0.05	100.00	0.00
17.	K RATNA HARITHA	70000	0.05	100.00	70000	0.05	100.00	0.00
18.	KOLLURI RATNA HARITHA	50000	0.03	100.00	0	0.00	0.00	-100.00
19.	VENKATA RAJU THONTEPU	28134	0.02	100.00	28134	0.02	100.00	0.00
20.	SM INFRASTRUCTURE INVESTMENT LTD	5221898	3.49	100.00	5221898	3.49	100.00	0.00



(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

S.No.	Shareholders Name	Share holding at the beginning of the year			Cumulative Share during the year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of total shares of the Company	Reason for Change
1	MAUKTIKA ENERGY PVT LTD	19751397	13.20	19751397	13.20	There is no Change
2	MANEPALLI INVESTMENTS PVT LTD	3452602	2.31	3452602	2.31	
	31. 10. 2014	1250259	0.84	2202343	1.47	Sold
	13. 2. 2015	702343	0.47	1500000	1.00	Pledge Invoked
	At the end of the year			1500000	1.00	
3	MANNEPALLI INVESTMENTS PVT.LTD	1442900	0.96	1442900	1.00	There is no change
4	SURYAMANIKYAM MANEPALLI	1428600	0.95	1428600	0.96	
	13. 2. 2015	52500	0.04	1376100	0.95	Pledge Invoked
	At the end of the year			1376100	0.92	
5	MANGATAYARU MANEPALLI	1256100	0.84	1256100	0.92	There is no change
6	MAUKTIKA ENERGY PVT LTD	1100000	0.74	1100000	0.84	There is no change
7	M SESHAVATHARAM	1039744	0.69	1039744	0.74	There is no Change
	13. 2. 2015	75550	0.05	964194	0.69	Pledge Invoked
	At the end of the year			75550	0.64	
8	AASRIT ENERGY PRIVATE LIMITED	725000	0.48	725000	0.48	There is no Change
9	MANEPALLI SUNITHA	552500	0.37	552500	0.37	There is no Change
10	SURYA MANIKYAM MANEPALLI	535595	0.36	535595	0.36	There is no Change
11	MAUKTIKA ENERGY PVT LTD	315000	0.21	315000	0.21	
	13. 2. 2015	315000	0.21	0	0.00	Pledge Invoked
	At the end of the year			0	0.00	
12	MANGATAYARU MANEPALLI	170468	0.11	170468	0.11	
	13. 2. 2015	94787	0.06	75681	0.05	Pledge Invoked
	At the end of the year			75681	0.05	
13	SESHAVATHARAM MANEPALLI	153700	0.10	153700	0.10	There is no Change
14	MANGATAYARU MANEPALLI	134800	0.09	134800	0.09	There is no Change
15	TONTEPU SRILATHA	100000	0.07	100000	0.07	There is no Change
16	SRILATHA THONTEPU	70000	0.05	70000	0.05	There is no Change
17	K RATNA HARITHA	70000	0.05	70000	0.05	There is no Change
18	KOLLURI RATNA HARITHA	50000	0.03	50000	0.03	
	13. 2. 2015	50000	0.03	0	0.00	Pledge Invoked
	At the end of the year			0	0.00	
19	VENKATA RAJU THONTEPU	28134	0.02	28134	0.02	There is no Change
20	SM INFRASTRUCTURE INVESTMENT LTD	5221898	3.49	5221898	3.49	There is no Change



(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

S. No.	For each of the Top Ten Shareholders	Shareholding at the end of the year		Cumulative Shareholding during the year		
		No. of Shares	% of Total Share of the Company	No. of Shares	% of Total share of the Company	Reason for Change
1.	PILLI RAJENDRA KUMAR	1702504	1.14	1702504	1.14	Sold
	30. 5. 2014	107500	0.07	1595004	1.07	Sold
	6. 6. 2014	939378	0.63	655626	0.44	Sold
	13. 6. 2014	140000	0.09	515626	0.34	Sold
	20. 6. 2014	45000	0.03	470626	0.31	Sold
	30. 6. 2014	153498	0.10	317128	0.21	Sold
	11. 7. 2014	10000	0.01	307128	0.21	Sold
	25. 7. 2014	20000	0.01	267128	0.18	Sold
	13. 2. 2015	152128	0.10	0	0.00	Sold
2	RITA RAJKUMAR SINGH	1272178	0.85	1272178	0.85	
	23. 5. 2014	75000	0.05	1347178	0.90	Bought
	30. 5. 2014	1347178	0.90	0	0.00	Sold
3	RAMA KRISHNA DEVARASETTY	954714	0.64	954714	0.64	
	16. 5. 2014	20000	0.01	934714	0.62	Sold
	23. 5. 2014	34714	0.02	900000	0.60	Sold
	13. 6. 2014	25000	0.02	875000	0.58	Sold
	30. 6. 2014	23260	0.02	898260	0.60	Bought
	18. 7. 2014	50000	0.03	848260	0.57	Sold
	19. 12. 2014	50000	0.03	898260	0.60	Bought
	At the end of the year			898260	0.60	
4	AMRITA WADHAWAN	867442	0.58	867442	0.58	
	28. 11. 2014	400000	0.27	467442	0.31	Sold
	At the end of the year			467442	0.31	
5	JAINAM SHARE CONSULTANTS PVT. LTD	524024	0.35	524024	0.35	
	4. 4. 2014	5300	0.00	529324	0.35	Bought
	11. 4. 2014	300	0.00	529024	0.35	Sold
	18. 4. 2014	15750	0.01	544774	0.36	Bought
	25. 4. 2014	6350	0.00	538424	0.36	Sold
	2. 5. 2014	1500	0.00	536924	0.36	Sold
	9. 5. 2014	17001	0.01	553925	0.37	Bought
	16. 5. 2014	5347	0.00	548578	0.37	Sold
	23. 5. 2014	79969	0.05	628547	0.42	Bought
	30. 5. 2014	34860	0.02	663407	0.44	Bought
	6. 6. 2014	8994	0.01	672401	0.45	Bought
	13. 6. 2014	67869	0.05	604532	0.40	Sold
	20. 6. 2014	5542	0.00	610074	0.41	Bought
	30. 6. 2014	2153	0.00	607921	0.41	Sold
	4. 7. 2014	15050	0.01	622971	0.42	Bought
	11. 7. 2014	12550	0.01	635521	0.42	Bought



	18. 7. 2014	12000	0.01	647521	0.43	Bought
	25. 7. 2014	2750	0.00	650271	0.43	Bought
	1. 8. 2014	6180	0.00	644091	0.43	Sold
	8. 8. 2014	12750	0.01	631341	0.42	Sold
	15. 8. 2014	1600	0.00	629741	0.42	Sold
	22. 8. 2014	15000	0.01	614741	0.41	Sold
	29. 8. 2014	2545	0.00	617286	0.41	Bought
	5. 9. 2014	4600	0.00	621886	0.42	Bought
	12. 9. 2014	11344	0.01	610542	0.41	Sold
	19. 9. 2014	2200	0.00	612742	0.41	Bought
	30. 9. 2014	10958	0.01	623700	0.42	Bought
	3. 10. 2014	2500	0.00	621200	0.42	Sold
	10. 10. 2014	3770	0.00	617430	0.41	Sold
	17. 10. 2014	2800	0.00	614630	0.41	Sold
	24. 10. 2014	3678	0.00	610952	0.41	Sold
	31. 10. 2014	3300	0.00	607652	0.41	Sold
	7. 11. 2014	13583	0.01	621235	0.42	Bought
	14. 11. 2014	1000	0.00	620235	0.41	Sold
	21. 11. 2014	100	0.00	620135	0.41	Sold
	28. 11. 2014	4000	0.00	624135	0.42	Bought
	5. 12. 2014	20300	0.01	644435	0.43	Bought
	12. 12. 2014	2000	0.00	642435	0.43	Sold
	19. 12. 2014	5200	0.00	647635	0.43	Bought
	31. 12. 2014	5000	0.00	642635	0.43	Sold
	2. 1. 2015	500	0.00	642135	0.43	Sold
	9. 1. 2015	2420	0.00	639715	0.43	Sold
	16. 1. 2015	29026	0.02	610689	0.41	Sold
	23. 1. 2015	8615	0.01	602074	0.40	Sold
	30. 1. 2015	6146	0.00	608220	0.41	Bought
	6. 2. 2015	7695	0.01	615915	0.41	Bought
	13. 2. 2015	4800	0.00	611115	0.41	Sold
	20. 2. 2015	54698	0.04	556417	0.37	Sold
	27. 2. 2015	4202	0.00	552215	0.37	Sold
	6. 3. 2015	1480	0.00	553695	0.37	Bought
	13. 3. 2015	22302	0.01	575997	0.38	Bought
	20. 3. 2015	700	0.00	576697	0.39	Bought
	27. 3. 2015	6446	0.00	583143	0.39	Bought
	31.03.2015	3500	0.00	579643	0.39	Sold
	At the end of the year			579643	0.39	
6	BRIJESH ANILKUMAR TRIVEDI	486043	0.32	486043	0.32	
	6. 6. 2014	96000	0.06	390043	0.26	Sold
	13. 6. 2014	35000	0.02	355043	0.24	Sold
	20. 6. 2014	10000	0.01	345043	0.23	Sold
	30. 6. 2014	10000	0.01	335043	0.22	Sold
	4. 7. 2014	335043	0.22	0	0.00	Sold

(v) Shareholding of Directors & KMP

S.No.	Shareholders Name	Shareholding at the end of the year		Cumulative Shareholding during the year		
		No. of Shares	% of Total Share of the Company	No. of Shares	% of Total Share of the Company	Reason for Change
1	V S MURTHY	200	0.00	200	0.00	There is no change
2	P V SUBBA RAO	300	0.00	300	0.00	There is no change



V INDEBTEDNESS

Amount in Rs.

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	277,803,130	370,579,169		648,382,299
ii) Interest due but not paid	15,314,747	123,152,922		138,467,669
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	293,117,877	493,732,091		786,849,968
Change in Indebtedness during the financial year				
Additions	29,073,075	-		29,073,075
Reduction	52,876,464	-		52,876,464
Net Change	(23,803,389)	-		(23,803,389)
Indebtedness at the end of the financial year				
i) Principal Amount	224,926,666	370,579,169		595,505,835
ii) Interest due but not paid	44,387,822	123,152,922		167,540,744
iii) Interest accrued but not due	-	-		-
Total (i+ii+iii)	269,314,488	493,732,091		763,046,579

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl.No	Particulars of Remuneration	Name of the MD/WTD/Manager		Total Rs. in Lakhs
		Dr. S.M. Manepalli Managing Director	Mr. K. Vijay Kumar Executive Director	
1.	a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	36.00	11.88	47.88
	b) Value of perquisites u/s 17(2) of the Income tax Act, 1961			
	c) Profits in lieu of salary under section 17(3) of the income Tax Act, 1961			
2.	Stock option			
3.	Sweat Equity			
4.	Commission as % of profit Others (Specify)			
5.	Others, please specify			
	Total(A)	36.00	11.88	47.88
	Ceiling as per the Act	60.00	60.00	120.00

**B. Remuneration to other directors:**

S.No.	Particulars of Remuneration	Name of the Director		Total Rs. in Lakhs
		Mr. P.V. Subba Rao	Mr. V.S. Murthy	
1.	Independent Directors			
	a) Fee for attending board	0.28	0.14	0.42
	b) Commission			
	c) Others, Please specify			
	Total(1)	0.28	0.14	0.42
2.	Other Non Executive Directors			
	a) Fee for attending board committee Meetings			
	b) Commission			
	c) Others, Please specify			
	Total (2)			
	Total (B) = (1+2)	0.28	0.14	0.42
	*Total Managerial Remuneration			47.88
	*Overall Ceiling as per the Act			120.00

* Excluding Sitting Fee paid to the directors for attending the meetings

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

Sl.No		CEO	Key Managerial Personnel		Total Amount (Rs.)
			Company Secretary	CFO	
1	Gross Salary				
	a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961		1,350,000	1,676,760	3,026,760
	b) Value of perquisites u/s 17(2) of the Income Tax Act 1961				
	c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961				
2.	Stock Option				
3.	Sweat Equity				
4.	Commission as % of Profit others, specify				
5.	Others, please specify				
	Total		1,350,000	1,676,760	3,026,760

VII THERE ARE NO PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES BY RD/NCLT/COURT



ANNEXURE -2

CORPORATE GOVERNANCE REPORT

1. Company's Philosophy on Code of Governance

The Board of Directors of the company believes in and fully supports the principles of Corporate Governance. While striving to achieve the financial targets, the company seeks to follow the business principles and ethics and in all its dealings. The company has been regularly implementing the best practices of corporate governance in order to attain total transparency, accountability and integrity.

In accordance with the requirement of Stock Exchange Regulations and the provisions of the Listing Agreement, the compliance report on the corporate governance is reproduced here under:

2. Board of Directors:

In terms of the Company's Corporate Governance Policy, all statutory and other significant and material information are placed before the Board to enable it to discharge its responsibility of strategic supervision of the Company as trustees of the Shareholders.

Composition:

The Board comprises of 2 Executive Directors and 2 Non-Executive Independent Directors and one woman Director. The following is the Composition of the Board;

S.No.	Name of the Director	Category
1.	Mr. V.S. Murthy (DIN: 00829046)	Non-Executive & Independent Director
2.	Mr. P.V. Subba Rao (DIN: 00545224)	Non-Executive & Independent Director
3.	Mr. K. Vijay Kumar (DIN: 00267744)	Executive Director - (Technical)- (Non-Independent Director)
4.	Dr. S.M. Manepalli (DIN: 00896147)	Managing Director
5.	Mrs. M. Mangatayaru (DIN: 00297032)	Non-Executive & Non-Independent Woman Director

Disclosures regarding Director seeking appointment / reappointment:

Mr. K Vijay Kumar, Executive Director seeking re-appointment in the ensuing AGM.

Board Meetings

During the year under review the Board met 4 (Four) times on the following dates i.e., on 30.05.2014, 14.08.2014, 14.11.2014, 13.02.2015.

The gap between the Board Meetings does not exceed four months.

Attendance of each Director at the Board Meetings and the last AGM and Membership of Boards and Committees of other Companies is as follows:

Name of the Director	Attendance Particulars		*Directorships in other Companies	# Committee Positions held in other companies
	Board Meetings	Last AGM		
Mr. V.S. Murthy	2	Yes	Nil	Nil
Mr. P.V. Subba Rao	4	Yes	Nil	Nil
Mr. K. Vijay Kumar	3	Yes	Nil	Nil
Dr. S.M. Manepalli	4	Yes	Nil	Nil
Mrs. M. Mangatayaru	1	No	Nil	Nil

* Excludes Directorships held in foreign companies, private companies and alternate Directorships.

only Audit Committee and Stakeholders Relationship Committee are considered for its purpose.



3. Audit Committee

The Audit Committee was formed by the Board of Directors. The terms of reference of this committee cover the matters specified in the clause 49 of the Listing Agreement and as may be referred to the committee by the Board of Directors of the company.

Statutory Auditors are invitees to the meeting. The Audit Committee met (4) four times during the Financial Year 2014-15 i.e., 30th May, 2014, 14th August, 2014, 14th November, 2014 and 13th February, 2015.

Composition, meetings and attendance particulars of the Audit Committee during the year is as follows:

S.No.	Name of the Director	Category	No. of Meetings held	No. of Meetings attended
1.	Mr. V.S. Murthy	Chairman	4	2
2.	Mr. K. Vijay Kumar	Member	4	3
3.	Mr. P.V. Subba Rao	Member	4	4

4. Nomination and Remuneration Committee

a) Brief terms of reference

The Nomination and Remuneration Committee is responsible to determine on behalf of the Board and on behalf of the Shareholders with agreed terms of reference, the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment.

b) Composition:

Nomination and Remuneration Committee consists of the following Directors viz. Mr. V.S. Murthy, Mr. K. Vijay Kumar and Mr. P.V. Subba Rao. Mr. V.S. Murthy is the Chairman of the Nomination and Remuneration Committee and he is a Non-Executive and Independent Director.

c) During the year under review no meetings were held

d) Remuneration Policy on appointment of Directors and Senior Management Personnel.

- i. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- ii. Formulation of criteria for evaluation of Independent Directors and the Board;
- iii. Devising a policy on Board diversity;
- iv. Identifying persons who are qualified to become directors and persons suitable to be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.
- v. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully.
- vi. Relationship of remuneration to performance is clear and meets appropriate performance bench marks; and
- vii. Remuneration to directors, key managerial personnel and senior management involves a balance reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

e) Performance Evaluation:

Pursuant to the provision of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as evaluation of the working of its Board Committees. A structured questionnaire was prepared after circulating the draft forms, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

f) Details of Remuneration paid to Directors for the year ended 31st March, 2015:

in Rs.

Name of the Director	Board	Audit Committee	Salary	Perquisites/Commission	Total
	Sitting Fees	Sitting Fees			
Mr. V.S. Murthy	10,000	4,000	-	-	14,000
Dr. S.M. Manepalli	-	-	36,00,000	-	36,00,000
Mr. K. Vijay Kumar	-	-	11,88,000	-	11,88,000
Mr. P.V. Subba Rao	20,000	8,000	-	-	28,000
Mrs. M Mangatayaru	5,000	--	-	-	5,000
Total	35000	12,000	47,88,000	-	48,35,000

5. Stakeholders Relationship Committee

The Stakeholders Relationship Committee is empowered to perform all the functions of the Board in relation to handling of Shareholders Grievances. It primarily focuses on:

- ◆ Review of investor complaints and their redressal;
- ◆ Review of the queries received from investors;
- ◆ Review of the work done by share transfer agent; and
- ◆ Review of corporate actions related work.

The Stakeholders Relationship Committee consists of three Directors viz. Mr. V.S. Murthy, Chairman, Mr. K. Vijay Kumar and Mr. P. V. Subba Rao as Members of the committee. During the year no Shareholder's Grievance Committee meetings were held as there were no complaints to be decided at committee's level except one compliant from a shareholder and the same was resolved at office/registrars level.

6. General Body Meetings:

- a) Details of Annual General Meetings held for the last three years and details of special resolutions passed in the previous three AGMs are as under:

Financial Year ended	Date and time of AGM	Location	Details of special resolutions passed On 31st March
2014	Tuesday, the 30th September 2014 at 10.00 AM	Hotel Devi Grand, # 11-5-152, Bhavani Nagar, Moosapet 'X' Roads, Hyderabad - 500018.	2
2013	Monday, the 30th September 2013 at 10.00 AM Hyderabad-500 072.	Adda Function Hall, IV Floor, Padmavathi Plaza, Bhagyanagar Colony, Opp. KPHB, Kukatpally,	3
2012	Saturday, the 29th September 2012 at 10.00AM Hyderabad-500 072.	Adda Function Hall, IV Floor, Padmavathi Plaza, Bhagyanagar Colony, Opp. KPHB, Kukatpally,	NII



- b) Special resolutions passed at the last 3 Annual General Meetings
- i) There were no special resolution passed at the AGM held on 29.09.2012
 - ii) At the AGM held on 30.09.2013
 - a) Amendment of Object Clause of the Memorandum of Association by insertion of business of manufacturing and trading of Bio-mass pellets.
 - b) Approval of Appointment and remuneration payable to Mr K Vijaya Kumar, Executive Director.
 - c) Approval of Appointment and remuneration payable to Mrs B N Raja Kumari, Executive Director.
 - iii) At the AGM held on 30.09.2014
 - a) Approval of Appointment and remuneration payable to Dr. S M Manepalli, Managing Director
 - b) Approval to borrow money in excess of the paid up capital and free reserves of the Company, in the aggregate not exceeding Rs.2,500 Crore.
- c) There was neither special resolution through postal ballot passed last year nor proposed to be conducted this year.

7. Disclosures

- a) There were no materially significant related party transactions that may have potential conflict with the interests of the company at large. The related party transactions, if any, will be reported/ disclosed in notes to accounts in the Annual Report.

b) Disclosure of Accounting Treatment

Your Company has not adopted any alternative accounting treatment prescribed differently from the Accounting Standards.

c) CEO / CFO Certification

In terms of Clause 49(IX) of the Listing Agreement, the Certificate duly signed by Managing Director and Chief Financial Officer of the Company was placed before the Board of Directors along with the financial statements for the year ended March 31, 2015, at its meeting held on 13/08/2015.

There was no incidence of non-compliance during the last three years by the company on any matter related to capital market. There were no penalties imposed nor strictures passed on the company by Stock Exchange, SEBI or any statutory authority.

d) Whistle Blower policy and affirmation that no personnel has been denied access to the audit committee.

The Company has in place a Whistle Blower policy for vigil mechanism for Directors and employees to report to the management about unethical behavior, fraud, violation of Company's Code of Conduct. None of the Personnel has been denied access to the audit committee.

The company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement. Regarding adoption of non mandatory requirements there are separate posts of Chairman and Managing Director.

8. Means of Communication

a) Quarterly results.

Quarterly report is not being sent to each household of shareholders as shareholders are intimated through the press and the Company's Website www.suryachakra.in

b) Quarterly results are normally published in which newspapers

The Quarterly results are usually published in Business Standard and Andhra Prabha.

c) Any website, where displayed

www.suryachakra.in

d & e) Whether it also displays official news releases and the presentations made to institutional investors or to the analysts.

The website shall be used for this purpose, when the occasion arises.



9. General Shareholders Information

- (a) Annual General Meeting Date and time Venue : Wednesday, the 30th Sept. 2015 at 10.00AM.
: Hotel Devi Grand, # 11-5-152,
Bhavani Nagar, Moosapet 'X' Roads,
Hyderabad-500 018.
- (b) Financial Year Calendar : 1st April to 31st March, following
- (c) Book Closure dates : 23.09.2015 to 30.09.2015 (Both days inclusive)
- (d) Listing on Stock Exchange with Stock code

Name and Address of Stock Exchange	Scrip code / Trading Symbol
BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001.	532874/Suryachakra

ISIN Code for Demat: INE274101016

(e) **Market Price Data:**

Market Price Data: High, low during each month in the last financial year and performance in comparison to broad based index like BSE Sensex are given below:

(ii)

Stock Exchange, Mumbai				
Month	Share Price (Rs)		BSE Sensex	
	High	Low	High	Low
April, 2014	1.65	1.22	22939.31	22197.51
May, 2014	3.39	1.31	25375.63	22277.04
June, 2014	3.58	2.40	25725.12	24270.20
July, 2014	3.14	1.99	26300.17	24892.00
August, 2014	2.58	2.00	26674.38	25232.82
September, 2014	3.05	2.00	27354.99	26220.49
October, 2014	2.57	2.10	27894.32	25910.77
November, 2014	2.54	2.00	28822.37	27739.56
December, 2014	2.47	1.70	28809.64	26469.42
January, 2015	3.42	1.86	29844.16	26776.12
February, 2015	3.37	2.55	29560.32	28044.49
March, 2015	2.85	1.71	30024.74	27248.45

- (f) **Registrars and Transfer Agent** : Karvy Computer share Pvt Ltd.
: Unit: Suryachakra Power Corporation Ltd.
Seat No.52, 6th Floor, Karvy Selenium Tower-B
Plot No. 31 & 32, Financial Dist., Gachibowli,
Nanakramguda, Serilingampally, Hyderabad-500 032,
Ph : 040-67161585
- Contact Person : Mr. B.V. Kishore
- (g) **Share Transfer System** : The Company has appointed M/s Karvy Computershare Private Limited, as its Registrar and Share Transfer Agent, who are fully equipped to carry out share transfer activities and redress investor complaints.

**(h) Distribution of Shares & Share Holding Pattern :**Distribution schedule as on 31st March, 2015

S.No.	Category	No.of Cases	% of Cases	Amount in Rs.	% of Amount
1.	1-5000	29134	61.95	67274910	4.50
2.	5001 - 10000	7033	14.96	62170820	4.15
3.	10001 - 20000	3978	8.46	64649350	4.32
4.	20001 - 30000	1785	3.80	47063770	3.15
5.	30001 - 40000	746	1.59	27509880	1.84
6.	40001 - 50000	1157	2.46	56455650	3.77
7.	50001 - 100000	1631	3.47	129243150	8.64
8.	100001 & Above	1563	3.32	1041962070	69.63
	Total	47027	100.00	1,496,329,600	100.00

b) Shareholding Pattern as on 31st March, 2015

Category of Share holder	No. of shares held	Percentage of holding
Promoters	38963675	26.04
Banks / Mutual Funds / FI / FIIS	0	0
Private Corporate Bodies	17220994	11.51
NRIs / OCBs	1529449	1.02
Indian Public	91918842	61.42
Total	149632960	100.00

(i) Dematerialization of Shares and Liquidity

The Company's shares are available for dematerialization on both the Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The shares of the company are actively traded in the BSE Limited

There are no outstanding GDRs/ADRs/Warrants or any Convertible Instruments.

- (j). Plant Location : Bamboo flat, Near Fire Brigade,
South Andaman, Port Blair - 744 107

(k) Address for Investors' Correspondence :

- i) for transfer / dematerialisation of share, change of address of members and other queries relating to the shares of the Company:

Karvy Computershare Private Limited

Unit: Suryachakra Power Corp. Ltd,
Seat No.52, 6th Floor, Karvy Selenium Tower - B,
Plot No. 31 & 32 Financial Dist., Gachibowli, Nanakramguda, Seri Lingampally,
Hyderabad - 500 032.Ph: 040-67161585

- ii) any queries relating to annual reports, etc

The Company Secretary
Suryachakra Power Corporation Ltd, Suryachakra House, Plot No.304-L-III,
Road No.78, Jubilee Hills, Hyderabad – 500 096. Email: suryachakra.power@gmail.com

The above report has been approved by the Board of Directors in their meeting held on 13/08/2015.



DECLARATION

CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, the Board Members and the Senior Management personnel have affirmed compliance with the Code of Conduct for the year ended 31st March, 2015.

Place: Hyderabad
Date: 13.08.2015

Sd/-
Dr. S.M. Manepalli
Managing Director

**CERTIFICATE OF COMPLIANCE OF CONDITIONS OF CORPORATE
GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT.**

To
The Members
Suryachakra Power Corporation Limited

I have examined the compliance of conditions of Corporate Governance by Suryachakra Power Corporation Limited, for the year ended on 31st March, 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

Date: 13.08.2015
Place: Hyderabad

For L.D. Reddy & Co.,
Company Secretaries

Sd/-
L. Dhananjaya Reddy
(Proprietor)
C.P. No.3752
M.No.13104

**ANNEXURE - 3****Secretarial Audit Report**

For the Financial Year Ended 31-03-2015

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

To,
The Board of Directors
M/s.Suryachakra Power Corporation Limited
Suryachakra House, Plot No:304-L-III,Road No:78, Jubilee Hills
Hyderabad-500033

We have conducted the Secretarial Audit on the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s.Suryachakra Power Corporation Limited(hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period ended on 31-03-2015, complied with the statutory provisions listed hereunder and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s.Suryachakra Power Corporation Limited(“**The Company**”) for the financial year ended on 31-03-2015 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 thereunder;
 - iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
 - 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, 1992;
 - c. The Securities and Exchange Board of India (Issue of capital and Disclosure Requirements) Regulations, 2009;
 - e. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines , 1999;
 - f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - 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, 2008;
 - i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2008;
 - vi) The Following other laws are specifically applicable in the view of the management
 - i. The Factories Act, 1948
 - ii. The Payment of Wages Act, 1936
 - iii. The Minimum Wages Act, 1948
 - iv. Employees Provident Fund And Misc. Provisions Act, 1952



- v. The Payment of Bonus Act, 1965
 - vi. Income Tax Act 1961 and Indirect Tax Law
 - vii. The Payment of Gratuity Act, 1972
 - viii. The Insurance Act, 1938 [AS AMENDED BY INSURANCE (AMENDMENT) ACT, 2002]
2. We have also examined the compliance with the applicable clauses of the Listing Agreement entered into by the Company with the BSE Limited.
3. **We report that** the Company has, in our opinion, complied with the provisions of the Companies Act, 1956 and the Rules made under that Act and the provisions of Companies Act, 2013 as notified by Ministry of Corporate Affairs and the Memorandum and Articles of Association of the Company, with regard to:
- ◆ Forms, returns, documents and resolutions required to be filed with the Registrar of Companies except Form No. Mgt-15 for Report on Annual General Meeting.
 - ◆ The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act
 - ◆ The 19th Annual General Meeting held on 30th September 2014;
 - ◆ Payment of remuneration to Directors including the Managing Director and Whole-time Directors,
 - ◆ Transfer of certain amounts as required under the Act to the Investor Education and Protection Fund and uploading of details of unpaid and unclaimed dividends on the websites of the Company and the Ministry of Corporate Affairs;
 - ◆ Format of Balance Sheet and statement of profit and loss is as per Schedule VI to the Companies Act 1956
4. **We further report that:**
- The Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited;
 - The Company has complied with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;
 - The Company has complied with the provisions of the Securities Contracts (Regulation) Act, 1956 and the Rules made under that Act, with regard to maintenance of minimum public shareholding.
 - There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Companies Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.
5. **We further report that :**
- Disclosure under Regulation 30(1) and 30(2) of The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011;
6. **We further report that :**
- ◆ An Inquiry was initiated under section 7A of the EPF & MP ACT 1956 against the company
 - ◆ The company has defaulted in payment of Bank Dues, Therefore SBI Global Factors Limited has filed a petition before Hon'ble High Court of Andhra Pradesh for winding up of the company.
 - ◆ The company is not regular in paying statutory dues like PF, Gratuity, TDS, Service Tax and Sales Tax.
7. **We further Report that** during the audit Period the Company has
- ◆ As plant is located in Andaman and Nicobar Island, Physical Verification was not done, therefore we are unable to report on the compliance of Labour laws at Factory Site.



- ◆ Court cases are filed against the company, Directors and other guarantors for default of payment of dues to bank and to other unsecured creditors
- ◆ Court Cases are filed by the company to recover debts and to safeguard its business

8 We further report that :

- ◆ The coal investment made in SGVL could not be recovered sofar from Indonesia.Out of USD of 190.00 lacs, the management could recover only USD of 25.91 lacs and the balance is yet to be recovered

9. We further Report that during the audit Period the Company has

- No Public /Right/Preferential Issue of Shares/Debentures/Sweat Equity etc.,
- No Redemption/Buy-back of Securities
- No Merger/Amalgamation/Reconstruction, etc.,
- No Foreign Technical Collaborations

For L.D. Reddy & Co.,
Company Secretaries

Sd/-

L. Dhananjaya Reddy

(Proprietor)

C.P. No.3752

M.NO.13104

Date: 13.08.2015
Place: Hyderabad

**ANNEXURE-4****Statement of Conservation of Energy, Technology Absorption & Foreign Exchange Earnings and Outgo under Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014****A) CONSERVATION OF ENERGY:**

- (a) Energy conservation measures taken.

Your Company continues to implement various programs taken up in the previous years such as (1) power factor improvement (2) recycling of effluent water, etc.

- (b) To revive renewable business, successful trial runs were conducted with the energy plantation as backward integration for the renewable energy i.e., cultivation of Napier grass and other species.

- (c) Additional investments and proposals, if any, being implemented for reduction of consumption of energy: NIL

B) TECHNOLOGY ABSORPTION:

Your Company uses state of the art technology for improving the productivity and quality of services. To create adequate infrastructure, the Company continues to invest in the latest technology and innovations.

The efforts helped the company to remain in business on a competitive basis, with continued improvement.

The technologies have been fully absorbed and the Company's production rate has exceeded the design criteria of the plant. The quality and yields are comparable to the World Leaders in the Industry. The Indian Technicians are fully trained in all operations.

C) FOREIGN EXCHANGE EARNED AND OUTGO / USED:

Foreign exchange Earned and outgo for the year ended 31.03.2015 was NIL, as against the previous year NIL

ANNEXURE -5**MANAGEMENT DISCUSSION AND ANALYSIS****a. Industry structure and developments**

India has different models for sale and purchase of bulk power - integrated utility [State Electricity Board (SEB)], single buyer (MoU based/regulated generation), competitive bidding, captive power generation and sale to captive users. At the consumer end, India has models such as monopoly where the incumbent state distribution company is the sole provider of electricity, franchisee model, retail competition, etc. Migration to a more mature market structure is expected to occur gradually. With the proposed amendment to the Electricity Act, 2003 (EA, 2003) on the anvil, the market structure may alter significantly in the long-term.

b. Opportunities and Threats

The growth in domestic market has in the last few years been constrained given the uncertainties around fuel supply, financial condition of discoms, challenges of land acquisition, water linkages and various statutory clearances. As the power sector is seen as a key driver supporting the growth of the nation at large, the new Government at the Centre has been pursuing reforms which is expected to ease some of the known constraints.

c. Segmentwise or productwise performance

The requisite information is already furnished in the financial review under Directors Report. Hence the review of company's business is not reproduced once again here.

d. Outlook

Outlook for the Company appears to be promising.

e. Risks and concerns

The Company is exposed to certain financial risks, principally interest rate risk, liquidity risk and credit risk, risks associated with the economy, regulations, competition etc. These risks are managed through risk management policies that are designed to minimize the potential adverse effects of these risks on financial performance of the Company. The Risk



Management framework of the Company ensures, that the compliance with the requirements of Clause 49 of the Listing Agreement. The framework establishes risk management.

Across all service areas and functions of the Company, and has in place, the procedures to inform the Board Members about the risk assessment and minimization process. These processes are periodically reviewed to ensure that the management of the Company controls risks through a defined framework.

f. Internal control systems and their adequacy:

The Company has adequate Internal Control systems commensurate with the size and nature of business of the company. The Internal Control system is constantly assessed and strengthened with tighter control procedures. The Internal Control systems ensure effectively of operations compliance with internal policies and applicable laws and regulations, protection of resources and assets, and accurate reporting of financial transactions.

g. Discussion on financial performance with respect to operational performance.

The requisite information is already furnished in the financial review under Directors Report. Hence the review of company's business is not reproduced once again here.

h. Material developments in Human Resources / Industrial Relations front, including number of people employed.

The company currently has adequate man power and personel to conduct the business without any complication or hindrances. The company recognizes the importance and contribution of the employees. Human resource is viewed to be as one of the most important factor in the growth process with a view to cross further frontiers in business performance, The Company strives to organize training modules for understanding and improving the core skills of the employees. The overall human and industrial relations have remained peaceful and composed during the year. The Company is currently working on providing much better and comfortable working environment and training regimes to the employed personnel.

The total number of people employed in the Company as on 31st March, 2015 is 35.

CAUTIONARY STATEMENT

Readers are advised to kindly note that the above discussion contains statements about risks, concerns, opportunities, etc., which are valid only at the time of making the statements. A variety of factors known/unknown, expected or otherwise may influence the financial results. These statements are not expected to be updated or revised to take care of any changes in the underlying presumptions.

Readers may therefore appreciate the context in which these statements are made before making use of the same.



**Annexure 6
Form AOC-1**

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

Part "A": Subsidiaries

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

Sl. No.	Particulars	Details	Details
1.	Name of the subsidiary	Suryachakra Energy (Chattisgarh) Pvt. Ltd	Suryachakra Global Ventures Ltd., HK
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31.03.2015	31.12.2014
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR	USD
4.	Share capital	20,000,000	7
5.	Reserves & surplus	336,653,725	(2035012)
6.	Total assets	4,639,49,402	92,70,27,744
7.	Total Liabilities	4,639,49,402	92,70,27,744
8.	Investments	—	—
9.	Turnover	—	—
10.	Profit before taxation	(25,318)	—
11.	Provision for taxation	—	—
12.	Profit after taxation	(25,318)	—
13.	Proposed Dividend	—	—
14.	% of shareholding	100	100

**INDEPENDENT AUDITOR'S REPORT**

The Member of
Suryachakra Power Corporation Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Suryachakra Power Corporation Limited ("the Company"), which comprise the standalone Balance Sheet as at March 31, 2015, standalone the Statement of Profit and Loss, standalone the Cash Flow Statement and a summary of significant accounting policies and other explanatory information for the year then ended.

Management's Responsibility for the Standalone Financial Statements:

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

Auditor's Responsibility:

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Basis for Qualified Opinion

Attention is invited to:

- (a) *Note - 33 to the financial statements regarding revenue from Andaman & Nicobar Administration (A&N Administration) - pending final agreement with A&N Administration, we are unable to comment on the extent of ultimate recoverability of Rs.49,344,300/- withheld by A&N Administration during the year ended March 31, 2015 (year ended 31.03.2014: Rs.5,32,99,282) and the total receivables including interest accrued thereon as at March 31, 2015 of Rs.35,80,82,014/ - (31.03.2014: Rs.30,87,37,714) on account of amounts withheld which are subject to confirmation by the A&N Administration.*



- (b) Note 34(a) to the financial statements regarding the company's assessment that no provisioning is required against the carrying amounts of its investments in subsidiary Suryachakra Global Enviro Power Limited Rs. 22,27,79,241, despite the complete erosion of its net worth and continued suspension of operations for the reasons stated in the said note. We are unable to comment on the recoverability of the carrying amounts of the said investment or advances.
- (c) Note 34(b) to the financial statements regarding its investment in Suryachakra Energy (Chhattisgarh) Private Limited, a wholly owned subsidiary of the company - Rs. 36,48,00,725. Completion and implementation of the power project of Suryachakra Energy (Chhattisgarh) Private Limited depends on the ability of the management to infuse the requisite funds. Hence, we are unable to comment on the recoverability of the carrying amounts of the said investment.
- (d) Note 34(c) to the financial statements regarding advances to Suryachakra Global Ventures Limited (SGVL), a wholly owned subsidiary of the company incorporated in Hong Kong Rs. 70,59,96,278 which in turn has advanced the said amount to M/s Symphony Trading and Investment Limited (STIL), Hong Kong for acquiring coal mines for the company/SGVL during the quarter ended June 2011. In the absence of information regarding financial worthiness of STIL/securities in favour of the company, we are unable to comment on the extent of recoverability of the advance.
- (e) Note 35 to the financial statements regarding advances to Suryachakra Thermal Energy (Andhra) Private Limited Rs.3,06,61,484 and Suryachakra Thermal Energy (Madhya Pradesh) Private Limited Rs.3,81,01,314 which are considered good and fully recoverable for the reasons stated therein. We are unable to comment on the extent of the ultimate recoverability.
- (f) Note 36 to the financial statements regarding capital advances considered good and fully recoverable for the reasons stated therein. We are unable to comment on the extent of ultimate recoverability.
- (g) Note 37 to the financial statements regarding non-provision of interest on loans from certain lenders on account of legal cases filed by them for recovery of their dues. We are unable to comment on the extent of interest expense and loss for the year ended March 31, 2015 and the cumulative liability and cumulative reserves and surplus up to March 31, 2015.
- (h) Note 39 to the financial statements regarding the non-availability of confirmation of balances for secured loans, trade payables, creditors for capital goods and loans and advances. In the absence of confirmation of balances, we are unable to comment on the impact of adverse variances, if any, as at March 31, 2015.

The consequential impact of the above matters on the loss for the year and the retained earnings as at March 31, 2015 is indeterminable.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, the aforesaid standalone 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, 2015 and its loss and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note - 38 to the financial statements regarding the winding up petition filed by one of the unsecured creditors of the Company, which is pending for hearing before the Honourable High Court of Andhra Pradesh.

Our opinion is not modified in respect of this matter.

Report Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraph 3 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.



- b) Except for the effects of the matters described in the Basis for Qualified Opinion paragraph above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) Except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) The matters described in the Basis for Qualified Opinion paragraph above, and matters described in the Emphasis of Matters paragraph above in our opinion, may have an adverse effect on the functioning of the Company.
- f) On the basis of the written representations received from the directors as on 31 March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 37 & 38 to the financial statements
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) The following are the instances of delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

for M BHASKARA RAO & CO.
CHARTERED ACCOUNTANTS
Firm Registration No. 000459 S

V.K. MURALIDHAR
PARTNER
Membership No.201570

Hyderabad, May 27, 2015



SURYACHAKRA POWER CORPORATION LIMITED
ANNEXURE TO THE AUDITORS' REPORT
(STATEMENT REFERRED TO IN PARAGRAPH -1 UNDER "REPORT ON OTHER LEGAL AND
REGULATORY REQUIREMENTS" SECTION OF OUR REPORT OF EVEN DATE)

- (i) In respect of its fixed assets:
- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) The management has conducted physical verification of major assets during the year, which in our opinion is reasonable having regard to the size of the Company and the nature of the assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification
- (ii) In respect of its inventories:
- a) The inventories consisting of raw materials, stores, spares and consumables have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - 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
 - c) In our opinion and according to the information and explanation given to us, and on the basis of our examinations of the inventory records, the Company is maintaining proper records. The discrepancies noticed on physical verification of inventory as compared to book records were not material to the operations of the Company and the same have been properly dealt with in the books of account.
- (iii) According to the information and explanations given to us, the Company has granted secured and unsecured loans and advances to companies covered in the register maintained under Section 189 of the Act.
- a) According to the information and explanations given to us, the terms of the arrangement do not stipulate any repayment schedule for principal and interest.
 - b) Hence, there is no overdue amount in respect of the above loans.
- (iv) In our opinion and, according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventories and fixed assets and for sale of goods and services. In our opinion and according to the information and explanations given to us, there is no continuing failure to correct major weakness in internal control system.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from public. Accordingly, the provisions of clause 3(v) of the Order are not applicable to the company.
- (vi) We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records prescribed under Section 148(1) of the Act and we are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we are not required to and have not carried out a detailed audit of the same.
- (vii) a) The company is not regular in depositing undisputed statutory dues including Provident Fund, Income tax, Sales tax, Service Tax and material statutory dues applicable to it with the appropriate authorities. According to the information and explanations given to us, the provisions of employees state insurance, wealth tax custom duty, excise duty and cess are not applicable to the company at present. The following undisputed amounts were in arrears as at March 31, 2015 for a period of more than six months from the date they became payable:

	Rupees
Tax Deduction at Source	47,32,154
Service Tax	5,90,280
Provident Fund	53,966
VAT	5,46,250

- b) According to the information and explanations given to us, there were no dues of Income Tax / Sales Tax / Wealth Tax / Service Tax / Custom Duty / Excise Duty / Cess which have not been deposited on account of any dispute.



- c) In our opinion and according to the information and explanations given to us, the amounts required to be transferred to investors education and protection fund, in accordance with the relevant provisions of the companies Act-1956 (1 to 1956) and rules made there under has been transferred to such fund within time.
- (viii) Subject to the effects of the matters described in the Basis for Qualified Opinion paragraph of our report of even date, the accumulated losses of the Company at the end of the financial year are not less than 50% of its net worth and it has incurred cash losses in the financial year under report and in the immediately preceding financial year.
- (ix) In our opinion and according to the information and explanations given to us, the Company has defaulted in repayment of dues to banks. The period and the amount of default have been set out in the Appendix to this report.
- (x) In our opinion and according to the information and explanations given to us, the Company has given guarantees for loans taken by its subsidiary from banks or financial institutions. The terms and conditions of the guarantees given by the company for loans taken by one of its subsidiaries from Bunge Emissions Fund Limited are prima facie not prejudicial to the interests of the Company.
- (xi) In our opinion and according to the information and explanations given to us, the term loans availed by the Company during the earlier years have been applied for the purpose for which the loans were obtained.
- (xii) During the course of our examinations of the books and records of the Company carried out in accordance with the generally accepted practices in India and according to the information and explanations given to us, no instance of fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

For **M.BHASKARA RAO & CO;**
CHARTERED ACCOUNTANTS
Firm Registration No. 000459 S

V.K.MURALIDHAR
PARTNER
Membership No. 201570

Hyderabad, May 27, 2015

**APPENDIX****Details of defaults in repayment of principal and interest on term loans to banks and financial institutions:****(A) SBI Working Capital Term Loan - I****Principal :**

Month	Amount to be Paid	Amount Paid	Balance Payable	Due Date	Actual payment date	Delay days
May'2013	70,444	70,444	-	31.05.2013	08.02.2014	253
June'2013	19,32,800	19,32,800	-	30.06.2013	08.02.2014	224
July'2013	19,32,800	19,32,800	-	31.07.2013	08.02.2014	193
August'2013	19,32,800	19,32,800	-	31.08.2013	16.05.2014	259
September'2013	19,32,800	19,32,800	-	30.09.2013	16.05.2014	229
October'2013	19,32,800	19,32,800	-	31.10.2013	16.05.2014	198
November'2013	19,32,800	19,32,800	-	30.11.2013	21.10.2014	326
December'2013	19,32,800	19,32,800	-	31.12.2013	21.10.2014	295
January'2014	19,32,800	19,32,800	-	31.01.2014	21.10.2014	264
February'2014	19,32,800	19,32,800	-	28.02.2014	21.10.2014	236
March'2014	19,32,800	19,32,800	-	31.03.2014	21.10.2014	205
April'2014	19,32,800	13,29,442	6,03,358	30.04.2014	21.10.2014	175
May'2014	19,32,800	-	19,32,800	31.05.2014	-	-
June'2014	19,32,800	-	19,32,800	30.06.2014	-	-
July'2014	19,32,800	-	19,32,800	31.07.2014	-	-
August'2014	19,32,800	-	19,32,800	31.08.2014	-	-
September'2014	19,32,800	-	19,32,800	30.09.2014	-	-
October'2014	19,32,800	-	19,32,800	31.10.2014	-	-
November'2014	19,32,800	-	19,32,800	30.11.2014	-	-
December'2014	19,32,800	-	19,32,800	31.12.2014	-	-
January'2015	19,32,800	-	19,32,800	31.01.2015	-	-
February'2015	19,32,800	-	19,32,800	28.02.2015	-	-
March'2015	19,32,800	-	19,32,800	31.03.2015	-	-

Interest on SBI Working Capital Term Loan -I :

Month	Amount to be paid	Amount Paid	Balance Payable	Due Date	Actual payment date	Delay days
December' 2013	12,50,406		12,50,406	31.12.2013	-	
January'2014	12,24,034		12,24,034	31.01.2014	-	
February'2014	10,59,054		10,59,054	28.02.2014	-	
March' 2014	11,59,724	-	11,59,724	31.03.2014	-	
April'2014	11,22,314	-	11,22,314	30.04.2014	-	-
May'2014	11,28,286	-	11,28,286	31.05.2014	-	-
June'2014	10,59,437	-	10,59,437	30.06.2014	-	-
July'2014	10,94,752	-	10,94,752	31.07.2014	-	-
August'2014	10,94,752	-	10,94,752	31.08.2014	-	-
September'2014	10,59,437	-	10,59,437	30.09.2014	-	-
October'2014	986,464	-	986,464	31.10.2014	-	-
November'2014	954,643	-	954,643	30.11.2014	-	-
December'2014	986,464	-	986,464	31.12.2014	-	-
January'2015	986,464	-	986,464	31.01.2015	-	-
February'2015	8,91,000	-	8,91,000	28.02.2015	-	-
March'2015	986,464	-	986,464	31.03.2015	-	-



(A) SBI Working Capital Term Loan - II

Principal :

Month	Amount to be paid	Amount Paid	Balance Payable	Due Date	Actual payment date	Delay days
June'2013	2,96,987	2,96,987	-	30.06.2013	08.02.2014	223
July'2013	16,07,200	16,07,200	-	31.07.2013	08.02.2014	193
August'2013	16,07,200	16,07,200	-	31.08.2013	17.04.2014	230
September'2013	16,07,200	16,07,200	-	30.09.2013	17.04.2014	200
October'2013	16,07,200	16,07,200	-	31.10.2013	17.04.2014	169
November'2013	16,07,200	16,07,200	-	30.11.2013	17.04.2014	139
December'2013	16,07,200	16,07,200	-	31.12.2013	28.07.2014	210
January'2014	16,07,200	16,07,200	-	31.01.2014	28.07.2014	179
February'2014	16,07,200	16,07,200	-	28.02.2014	28.07.2014	151
March'2014	16,07,200	16,07,200	-	31.03.2014	28.07.2014	120
April'2014	16,07,200	16,07,200	-	30.04.2014	28.07.2014	90
May'2014	16,07,200	16,07,200	-	31.05.2014	21.10.2014	144
June'2014	16,07,200	16,07,200	-	30.06.2014	21.10.2014	114
July'2014	16,07,200	9,88,692	6,18,508	31.07.2014	21.10.2014	83
August'2014	16,07,200	-	16,07,200	31.08.2014	-	-
September'2014	16,07,200	-	16,07,200	30.09.2014	-	-
October'2014	16,07,200	-	16,07,200	31.10.2014	-	-
November'2014	16,07,200	-	16,07,200	30.11.2014	-	-
December'2014	16,07,200	-	16,07,200	31.12.2014	-	-
January'2015	16,07,200	-	16,07,200	31.01.2015	-	-
February'2015	16,07,200	-	16,07,200	28.02.2015	-	-
March'2015	16,07,200	-	16,07,200	31.03.2015	-	-

Interest on SBI Working Capital Term Loan - II:

Month	Interest to be paid	Interest Paid	Balance Payable	Due Date	Actual payment date	Delay days
December'2013	10,36,861	-	10,36,861	31.12.2013	-	-
January'2014	10,15,347	-	10,15,347	31.01.2014	-	-
February'2014	8,80,009	-	8,80,009	28.02.2014	-	-
March'2014	9,64,355	-	9,64,355	31.03.2014	-	-
April'2014	9,03,415	-	9,03,415	30.04.2014	-	-
May'2014	8,98,299	-	8,98,299	31.05.2014	-	-
June'2014	8,69,322	-	8,69,322	30.06.2014	-	-
July'2014	8,11,669	-	8,11,669	31.07.2014	-	-
August'2014	8,11,669	-	8,11,669	31.08.2014	-	-
September'2014	7,85,486	-	7,85,486	30.09.2014	-	-
October'2014	7,68,354	-	7,68,354	31.10.2014	-	-
November'2014	7,43,568	-	7,43,568	30.11.2014	-	-
December'2014	7,68,354	-	7,68,354	31.12.2014	-	-
January'2015	7,68,354	-	7,68,354	31.01.2015	-	-
February'2015	6,93,997	-	6,93,997	28.02.2015	-	-
March'2015	7,68,354	-	7,68,354	31.03.2015	-	-

**(B). SREI Loan amount :****Principal**

Date	Amount	Delay days
30.04.2011	44,58,257	1431
31.05.2011	1,13,108	1400
30.06.2011	1,09,460	1370
31.07.2011	51,69,467	1339
31.08.2011	1,03,343	1308
30.09.2011	1,00,009	1278
31.10.2011	57,43,578	1247
30.11.2011	1,00,009	1217
31.12.2011	1,79,297	1186
01.01.2012	1,17,90,461	1185
01.04.2012	12,19,315	1094

Interest on SREI Loan

Date	Amount	Delay days
Up to June' 2012	12,72,665	1004
July, 2012	509,778	973
August, 2012	509,778	942
September, 2012	493,333	912
October, 2012	535,182	881
November, 2012	517,918	851
December, 2012	535,182	820
January, 2013	561,851	789
February, 2013	507,479	761
March' 2013	5,61,851	730



SURYACHAKRA POWER CORPORATION LIMITED

Balance Sheet as at March 31, 2015

(All amounts in Indian rupees, except share data and where otherwise stated)

Particulars		Note No.	AsAt March 31, 2015	AsAt March 31, 2014
I.	EQUITYANDLIABILITIES			
1	Shareholders' funds			
	(a) Share capital	3	1,496,329,600	1,496,329,600
	(b) Reserves and surplus	4	(337,837,020)	572,784,301
2	Non-current liabilities			
	(a) Long-term borrowings	5	77,880,000	118,907,481
	(b) Long-term provisions	6	1,961,574	1,921,956
3	Current liabilities			
	(a) Short-term borrowings	7	408,329,325	425,664,666
	(b) Trade payables	8	101,667,605	180,962,897
	(c) Other current liabilities	9	338,965,119	304,471,907
	TOTAL		2,087,296,203	3,101,042,808
II.	ASSETS			
1	Non-current assets			
(a)	Fixed assets			
	Tangible assets	10	101,223,314	152,597,969
	(b) Non current investment	11	579,538,647	1,247,876,290
	(c) Long-term loans and advances	12	891,991,200	1,173,013,656
	(d) Other non-current assets	13	127,574,329	127,574,329
2	Current assets			
	(a) Inventories	14	59,069,151	60,195,962
	(b) Trade receivables	15	322,607,627	329,059,023
	(c) Cash and cash equivalents	16	152,057	267,174
	(d) Short-term loans and advances	17	5,139,880	10,458,405
	TOTAL		2,087,296,203	3,101,042,808
	Significant accounting policies	(1-2)		

As per our report of event date attached

For M. Bhaskara Rao & Co.,
Chartered AccountantsV.K. Muralidhar
PartnerDr. S.M. Manepalli
Managing DirectorK. Vijay Kumar
DirectorP. Satish Chandra Mouli
Company SecretaryV.L. Narasimha Rao
Chief Financial officer

Hyderabad, May 27th, 2015



SURYACHAKRA POWER CORPORATION LIMITED
Statement of Profit and Loss for the year ended March 31, 2015
 (All amounts in Indian rupees, except share data and where otherwise stated)

Particulars	Note No.	Year ended March 31, 2015 (Amount)	Period ended March 31, 2014 (Amount)
1 Revenue from operations	18	1,424,032,070	1,459,951,867
2 Other income	19	465,843	531,549
3 Total Revenue (1+ 2)		1,424,497,913	1,460,483,416
4 Expenses:			
Cost of materials consumed	20	1,264,393,222	1,310,740,809
Operation and maintenance expense	21	32,486,023	34,344,903
Employee benefits expense	22	16,325,939	16,194,763
Finance costs	23	31,218,373	38,836,688
Depreciation and amortization expense	10	50,965,500	61,760,889
Other expenses	24	27,361,977	21,510,483
Total expenses		1,422,751,033	1,483,388,535
5 Profit / (Loss) before exceptional items and tax (3 - 4)		1,746,880	(22,905,119)
Less: Exceptional items		912,368,201	-
Profit / (Loss) before tax		(910,621,321)	(22,905,119)
6 Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		-	-
(3) Mat Credit availed in earlier years written off		-	9,205,659
7 Profit / (Loss) for the year (5-6)		(910,621,321)	(32,110,778)
8 Earnings per equity share of Rs.10/- each	43		
Before exceptional items		0.01	(0.21)
After exceptional items		(6.09)	(0.21)
Corporate information and significant accounting policies	1&2		

See accompanying notes forming part of the financial statements
 As per our report of event date attached

For M. Bhaskara Rao & Co.,
 Chartered Accountants

V.K. Muralidhar
 Partner

Dr. S.M. Manepalli
 Managing Director

K. Vijay Kumar
 Director

P. Satish Chandra Mouli
 Company Secretary

V.L. Narasimha Rao
 Chief Financial officer

Hyderabad, May 27, 2015



SURYACHAKRA POWER CORPORATION LIMITED

Cash flow statement for the year ended March 31, 2015

(All amounts in Indian rupees, except share data and where otherwise stated)

	For the year ended March 31, 2015 (Rupees)	For the year ended March 31, 2014 (Rupees)
Cash flows from operating activities		
Net profit before tax	(910,621,321)	(32,110,778)
Adjustments:		
Interest income	-	-
Finance charges	31,218,372	38,836,688
Depreciation	50,965,500	61,760,889
Provision no longer required written back	-	(526,260)
Provision for Doubtful debts / advances	251,830,479	-
Provision for Dimunution of Value of Investment	668,337,722	-
Profit on sale of fixed assets	(465,843)	-
Operating profit before working capital changes	91,264,909	67,960,539
(Increase)/Decrease in inventory	1,126,812	(3,569,788)
(Increase)/Decrease in trade receivables	6,451,396	(25,822,368)
(Increase)/Decrease in loans and advances	33,765,543	(7,284,506)
Increase/(Decrease) in current liabilities and provisions	(80,228,776)	27,833,674
Cash generated from operations	52,379,883	59,117,551
MAT Credit written off	-	9,205,659
Income taxes paid/ (refund)	(744,960)	4,176,718
<i>Net cash generated from operating activities</i>	53,124,843	64,146,492
Cash flows from investing activities:		
Interest received	-	5,289
Purchase of investments	(79)	-
Purchase of fixed assets	-	(26,652)
Proceeds from sale of fixed assets	875,000	-
<i>Net cash generated from / (used in) investing activities</i>	874,921	(21,363)
	For the year ended March 31, 2015 (12 Months)	For the year ended March 31, 2014 (12 Months)
Cash flows from financing activities:		
Proceeds/(Repayment) of borrowings, net	(51,585,721)	(32,870,097)
Interest paid	(2,529,160)	(31,701,403)
<i>Net cash generated from / (used in) financing activities</i>	(54,114,881)	(64,571,500)
Net increase in cash and cash equivalents	(115,117)	(446,371)
Cash and cash equivalents at beginning of the year	267,174	713,545
Cash and cash equivalents at end of the year	152,057	267,174
Notes:		
1. Components of cash and cash equivalents as at (Refer Note 16)		
Cash in hand	88,208	10,258
Balances with scheduled banks		
- in current accounts	63,849	106,536
- in deposit accounts		
- Share application money received for allotment of securities and due for refund	-	150,380
	152,057	267,174

See accompanying notes forming part of financial statements

As per our report of event date attached
For M. Bhaskara Rao & Co.,
Chartered Accountants

For Suryachakra Power Corporation Limited

V.K. Muralidhar
Partner

Dr. S.M. Manepalli
Managing Director

K. Vijay Kumar
Director

P. Satish Chandra Mouli
Company Secretary

V.L. Narasimha Rao
Chief Financial officer

Hyderabad, May 27,2015

**SURYA CHAKRA POWER CORPORATION LIMITED**

(Notes to the financial statements for the year ended March 31, 2015)

Note 1: Corporate Information

Suryachakra Power Corporation Limited (“the Company”) was incorporated on 28 February 1995, as a Public Limited Company. The Company was converted into a Private Limited Company with effect from 9 August 2000. Pursuant to this, the name of the Company was changed to “Suryachakra Power Corporation Private Limited”. The Company was re-converted into a public limited company with effect from 8 September 2005. Pursuant to this, the name of the Company was changed to Suryachakra Power Corporation Limited.

The Company is engaged in the generation and sale of electricity. The commercial operation started with effect from 1 April 2003. The Company is listed in Bombay Stock Exchange since 23 July 2007. The Company is also engaged in business of trading of coal from the year 31 March 2009.

Note 2: Significant accounting policies**1. Basis of preparation of financial statements**

The accounts have been prepared on accrual basis under historical cost convention in accordance with the Generally Accepted Accounting Principles in India (“Indian GAAP”) to comply with the Accounting Standards specified under Section 133 of Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 (“the 2013 Act”) /Companies Act, 1956 (“the 1956 Act”), as applicable. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

2. Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

3. Revenue recognition

- a) The Company’s revenue from sale of electricity is based on the Power Purchase Agreement (PPA) entered into with Andaman and Nicobar (A & N) Administration. The PPA is for a period of 15 years initially and shall have an extension of the terms and the effective term of 3 further periods of 5 years each and contains a set of pre-defined formulae for calculation of revenue to be billed on a monthly basis. Such billings as per the terms of the PPA include a fixed charge payment, a variable charge payment, incentive payment, foreign exchange adjustment and charge in law adjustment. The revenue from sale of power is recognised on the basis of billing to A&N Administration as per the terms and conditions contained in the PPA.
- b) Revenue from trading of goods, where the Company acts as an agent are recognised when the related services are performed.
- c) Income from interest on deposits is recognised on the time proportionate method using the underlying interest rates.

4. Fixed assets and depreciation:*Fixed assets*

Fixed assets are carried at the cost of acquisition or construction less accumulated depreciation. The cost of fixed assets includes taxes, duties, freight and other incidental expenses related to the acquisition and installation of the respective assets. Borrowing costs directly attributable to acquisition or construction of those fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalized. The cost of fixed assets also includes exchange differences arising in respect of foreign currency loans taken or other liabilities incurred before 1 April 2004 for the purpose of their acquisition and constitution.

Advances paid towards the acquisition of fixed assets outstanding at each balance sheet date and the cost of fixed assets not ready for their intended use before such date are disclosed under Capital work-in-progress.

Depreciation

Depreciation on fixed assets used in generation of electricity is provided using the straight-line method at the rates prescribed by Central Government vide Notification Nos. S.O. 265 (E) and 266 (E) dated 27 March 1994 and 29 March 1994, respectively, issued under the Electricity Supply Act, 1948. Depreciation is calculated on a pro-rata



(Notes to the financial statements for the year ended March 31,2015)

basis from the date of installation till the date the assets are sold or disposed. Individual assets costing less than Rs. 5,000 are depreciated in full in the year of acquisition.

5. Investments:

Long term investments are carried at cost less any other-than temporary diminution in value, determined separately for each individual investment

6. Inventories

Inventories are valued at the lower of cost and net realisable value. Cost of inventories comprises cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

The methods of determining cost of various categories of inventories are as follows:

Raw materials	First-in-first-out (FIFO)
Stores, spare parts and consumables	First-in-first-out (FIFO)

7. Earnings per share

The basic earnings per share ("EPS") is computed by dividing the net profit after tax attributable to equity shareholders, for the year by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. The dilutive potential equity shares are deemed to be converted as of the beginning of the year, unless they have been issued at a later date.

8. Employee benefits

Contribution payable to an approved gratuity fund (a defined benefit plan), determined by an independent actuary at the balance sheet date are charged to profit and loss account. Provision for compensated absences is made on the basis of actuarial valuation as at the balance sheet date, carried out by an independent actuary. All actuarial gain and losses arising during the year are recognised in the profit and loss account of the year.

Contributions payable to the recognised provident fund, which is a defined contribution scheme, are charged to the profit and loss account.

9. Foreign exchange transactions

Foreign currency transactions are recorded using the exchange rates prevailing on the dates of the respective transactions. Exchange difference arising on foreign currency transactions settled during the year are recognised in the Profit and Loss Account except that exchange differences arising in respect of any loan taken or other liabilities incurred before 1 April 2004 for the purpose of acquisition or construction of fixed assets are adjusted to the carrying amount of fixed assets.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rate on that date. Non monetary assets are recorded at the rates prevailing on the date of transaction.

10. Provisions and contingent liabilities

The Company recognises a provision when there is a present obligation as a result of an obligating event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

11. Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that any assets forming part of its cash generating units may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the



(Notes to the financial statements for the year ended March 31,2015)

asset belongs to is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the profit and loss account. If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the reassessed recoverable amount subject to a maximum of depreciated historical cost.

12. Leases

Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalized at fair value of the asset taken on lease or present value of the minimum lease payments at the inception of the lease, whichever is lower. Leases that do not transfer substantially the risks and rewards of ownership are classified as operating leases and recorded as expenses in the statement of profit and loss account on a straight line basis over the lease term.

13. Income tax

Income tax expense comprises current tax and deferred tax.

Current tax

The current charge for income taxes is calculated in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax

Deferred tax charge or benefit reflects the tax effects of timing differences between accounting income and taxable income. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantially enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax consequences of timing differences which originates during the year and reverse after the tax holiday period are recognised in the year in which the timing differences originates. Deferred tax assets are reviewed at each balance sheet date and written-down or written-up to reflect the amount that is reasonably / virtually certain to be realised.

The break-up of the deferred tax assets and liabilities as at the balance sheet date has been arrived at after setting-off deferred tax assets and liabilities where the Company has a legally enforceable right and an intention to set-off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws.

Minimum Alternate Tax (MAT) credit entitlement represents amounts paid in a year under Section 115 JAA of the Income Tax Act 1961 ('IT Act'), in excess of the tax payable, computed on the basis of normal provisions of the IT Act. Such excess amount can be carried forward for set off against future tax payments for ten succeeding years in accordance with the relevant provisions of the IT Act. Since such credit represents a resource controlled by the Company as a result of past events and there is evidence as at the reporting date that the Company will pay normal income tax during the specified period, when such credit would be adjusted, the same has been disclosed as "MAT Credit entitlement", under "Loans and Advances" in balance sheet with a corresponding credit to the profit and loss account, as a separate line item. Such assets are reviewed as at each balance sheet date and written down to reflect the amount that will not be available as a credit to be set off in future, based on the applicable taxation law then in force.



Notes to the financial statements for the year ended March 31,2015
(All amounts in Indian rupees, except share data and where otherwise stated)

Note: 3 Share Capital	As at 31 March 2015		As at 31 March 2014	
	Number	Amount	Number	Amount
Authorised Equity Shares of Rs. 10/- each	150,000,000	1,500,000,000	150,000,000	1,500,000,000
Issued, Subscribed and Fully Paid up Equity Shares of Rs. 10/- each	149,632,960	1,496,329,600	149,632,960	1,496,329,600
Total	149,632,960	1,496,329,600	149,632,960	1,496,329,600

3.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	As at 31 March 2015		As at 31 March 2014	
	Number	Amount	Number	Amount
Equity Shares of Rs. 10/- each At the beginning of the year	149,632,960	1,496,329,600	149,632,960	1,496,329,600
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	149,632,960	1,496,329,600	149,632,960	1,496,329,600

3.2 Rights, preferences and restrictions attached to equity shares

The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive surplus from sale of assets after setting off of the liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

3.3 Details of shareholders holding more than 5% shares in the Company

	As at March 31,2015		As at March 31,2014	
	Number	% Holding	Number	% Holding
Mauktika Energy Private Limited	20,851,397	13.94%	21,166,397	14.15%

Note No: 4 Reserves and Surplus	As at 31 March 2015		As at 31 March 2014	
	Securities Premium Account Opening balance	727,199,288		727,199,288
Add: on shares issued during the year	-		-	
Closing Balance	727,199,288		727,199,288	
Surplus/(deficit) in the statement of profit and Loss Opening balance	(154,414,987)		(122,304,209)	
Add: Profit / (Loss) for the year	(910,621,321)		(32,110,778)	
Closing balance	(1,065,036,308)		(154,414,987)	
Total Reserves and Surplus	(337,837,020)		572,784,301	



(Notes to the financial statements for the year ended March 31, 2015)
(All amounts in Indian rupees, except share data and where otherwise stated)

Note: 5 Long Term Borrowings	As at 31 March 2015		As at 31 March 2014	
	Non-Current	Current	Non-Current	Current
Secured				
From Bank				
State Bank of India (Kolkata) working capital term loan	77,880,000	84,171,539	118,907,481	77,244,058
From Others				
SREI Equipment Finance Private Limited - Rupee Term Loan	-	28,886,304	-	28,886,304
Total	77,880,000	113,057,843	118,907,481	106,130,362
Less: Amount disclosed under “ Other current liabilities” (Refer Note No.9)	-	113,057,843	-	106,130,362
Total	77,880,000	-	118,907,481	-

5.1 Nature of Security for term loans

A. Working Capital Term loans from State Bank of India (SBI) is secured by:

- (i) First charge on the entire fixed assets of company, present and future on pari passu basis with other term lender, SREI Equipment Finance Private Limited
- (ii) Registered mortgage of leasehold rights of land measuring 4.12 Ha. Bearing Survey Nos. 462, 467,636, 635/2, 625/1, 634/1, 635/3 and 635/4 situated at Bambooflat, Ferragunj Tehsil, Andaman, A & N Island, including assignment of Power Purchase Agreement, EPC contract and O&M contract, insurance policy and other project documents.
- (iii) Collateral security by way of :
 - (a) Pledge of 84,37,388 shares of Suryachakra Power Corporation Limited (Face value of Rs.10)
 - (b) Vacant urban residential plot no.74 admeasuring 350 sq.yards, Survey Nos.300P, 302, 309P, in the name of Shri M. Seshavatharam and situated in Krishnaja Hills, Village : Bachupally, Mandal : Quthubullapur, District : Ranga Reddy, Andhra Pradesh.
 - (c) Open vacant plots of land in the name of Shri M. Naveen Babu admeasuring -1.47 acres RS No.368; 0.97 acre RS No.09;0.38 acre RS No.11. All three at village. Thorreddu, Rajahmundry Rural Mandal, District East Godavari, Andhra Pradesh. 3.02 acres Rs No. 246/1,village : Madhurapudi, Korukondala Mandal, District East Godavari, Andhra Pradesh.
 - (d) 6 Nos. vacant residential plots in the name of Shri M. Naveen Babu in Western Block No.6-95, 6-95/1, 6-97, 6-97/1, 6-97/3 and 6-96 admeasuring 2082.88 sq. yards situated in RS 124/4, at village: Thorreddu, Rajahmundry Rural Mandal, District East Godavari, Andhra Pradesh.
- (iv) Personal Guarantee of Dr. S.M. Manepalli, Managing Director, Shri M. Seshavatharam and Smt T. Sreelatha relatives of Director and Shri M. Naveen Babu,
- (v) Corporate guarantee by Mauktika Energy Private Limited and Manepalli Investments Private Limited

Details of Shares pledged:	No. of Shares Pledged
Smt. M. Manepalli	956,100
Dr. S.M. Manepalli	966,100
Mauktika Energy Private Limited	5,789,608
Shri M. Seshavatharam	532,680
Manepalli Investment Private Limited	92,900
Smt. T. Sreelatha	100,000
Total	8,437,388



(Notes to the financial statements for the year ended March 31,2015)
(All amounts in Indian rupees, except share data and where otherwise stated)

B. Term loan from SREI Equipment Finance Private Limited is secured by :

- (i) First charge on all movable and immovable assets, present and future of the company in favour of SREI on a pari-passu basis with SBI.
- (ii) Assignment in favour of SREI, SBI on a pari-passu basis, of all rights titles and interests of the company in, to and under all assets of the project and all project documents, insurance policies, permits/approval etc, to which the company is a party and all other contracts relating to project.
- (iii) Pari-passu first charges on company's all the accounts including but not limited to Trust and Retention Account and the Debt-Service Letter of Credit / Reserve Account.
- (iv) The Equity Shares held by promoters in the project company (minimum 51%) shall be pledged to SREI and SBI on a pari-passu basis.
- (v) Non-disposal undertaking by Caterpillar and BSES for not disposing off their respective equity shares of SPCL during the currency of the credit facilities sanctioned to SPCL without the written consent of SREI and SBI.

5.2 Terms of repayment of secured term loans

- (i) Working capital term loan from State Bank of India (Kolkata) carries an interest of 12.75% per annum and is repayable in thirty three monthly unequal installments.
- (ii) Term loan from SREI Equipment Finance Private Limited carries an interest of 19.5% per annum. The loan outstanding as on the date of the balance sheet has fallen due for repayment.

5.3 The company has defaulted in repayment of loans and interest in respect of the following:

Particulars	As at March 31, 2015		As at March 31, 2014	
	Period of Defalut	Amount	Period of Defalut	Amount
Term Loans from Banks				
Principal	April' 14 to March' 15	35,340,266	May' 13 to March' 14	34,764,058
Interest	Dec' 13 to March' 15	30,53,11,08	Sep' 13 to March' 14	15,179,563
Term Loans From others				
Principal	July' 2011 to March '15	28,886,304	July' 2011 to March' 14	28,886,304
Interest	April' 2013 to March' 15	6,005,017	April' 13 to March' 14	6,005,017

Note: 6 Long Term Provisions	As at 31 March, 2015 Amount	As at 31 March 2014 Amount
Provison for employee benefits	-	-
Compensated absences	311,159	334,883
Gratuity	1,650,415	1,587,073
Total	1,961,574	1,921,956



Notes to the financial statements for the year ended March 31,2015
(All amounts in Indian rupees, except share data and where otherwise stated)

Note: 7 Short Term Borrowings	As at 31 March 2015	As at 31 March 2014
(a) Loans repayable on demand From Banks (Secured) (Refer Note No.7.1) Cash credit facility from State Bank of India	33,988,823	52,765,287
Sub-Total	33,988,823	52,765,287
(b) Deposits (Unsecured) Inter-corporate deposits	113,600,000	113,600,000
Sub-Total	113,600,000	113,600,000
(c) Other loans and advances (Unsecured) (i) Working Capital loan SBI Global Factors Limited (Formerly Global Trade Finance Limited) (Refer Note No.37)	256,979,169	256,979,169
(ii) Managing Director	3,761,333	2,320,210
Sub-Total	260,740,502	259,299,379
Total	408,329,325	425,664,666

7.1 Nature of Security for Cash Credit

Cash Credits from State Bank of India is secured by:

- (i) Exclusive first charge on the entire current assets of the company both present and future
- (ii) Assignment of LC from Andaman and Nicobar Administration
- (iii) Collateral security on second charge on all fixed assets of the company

7.2 The company has defaulted in repayment of loans and interest in respect of the following:

Particulars	As at		As at	
	31 March 2015		31 March 2014	
	Period of Defalut	Amount	Period of Defalut	Amount
Cash Credit Facility - Principal	-	-	-	-
Cash Credit Facility - Interest	March' 2015	7,897,604	March'2014	765,847
Intercorporate deposits				
Principal	3 Year 3 months	110,000,000	2 Year 3 Months	110,000,000
Principal	3 Year 3 months	3,600,000	2 Year 3 Months	3,600,000
Working capital loan from SBI Global Factors Limited				
Principal	6 Years	256,979,169	5 Years	256,979,169
Interest		94,710,901		94,710,901

Note: 8 Trade Payables	As at March 31, 2015	As at March 31, 2014
Other than Acceptances	101,667,605	180,962,897
Total	101,667,605	180,962,897



Notes to the financial statements for the year ended March 31,2015
(All amounts in Indian rupees, except share data and where otherwise stated)

Note: 9	As at	As at
Other Current Liabilities	31 March, 2015	31 March 2014
Current maturities of long term borrowings	113,057,843	106,130,362
Interest accrued and due on borrowings	174,453,543	145,764,330
Unclaimed share application money#	-	150,380
Other Payables		
Statutory remittances (contributions to PF, With holding taxes, VAT, Service tax, etc)	7,808,943	8,555,500
Payables for capital goods	23,644,790	23,871,335
Advance from customers	20,000,000	20,000,000
Total	338,965,119	304,471,907

Amount paid into investors education and protection fund during the year Rs. 1,50,380/-.

Note : 11	As at		As at	
	31March, 2015		March 31, 2014	
Non-Current Investments	Number	Amount	Number	Amount
(Trade, unquoted - Long term, at cost)				
A. In Subsidiary Companies				
<u>Investment in equity instruments of Rs.10 each fully Paid</u>				
(a) Suryachakra Global Enviro Power Limited ¹	62,707,977	891,116,963	48,905,355	891,116,884
Less: provision for diminution in the value of Investment	-	668,337,722	-	-
		222,779,241		891,116,884
(b) <u>Suryachakra Energy (Chattisgarh) Private Limited</u>	2,000,000	356,600,000	2,000,000	356,600,000
<u>Investment in equity instruments of Hong Kong \$1 each fully Paid</u>				
Suryachakra Global Venuters Limited	1	6	1	6
B. In Other Companies				
(a) <u>Investment in equity instruments of Rs.10 each fully paid</u>				
Suryachakra Power Venture Private Limited	15,940	159,400	15,940	159,400
Aggregate amount of unquoted investments		579,538,647		1,247,876,290



Notes to the financial statements for the year ended March 31, 2015
(All amounts in Indian rupees, except share data and where otherwise stated)

Note : 10
Fixed assets

Description	Gross Block		Depreciation			Net Block				
	As at April 1st, 2014	Additions	Deletions/ Adjustments	As at March 31 2015	Upto March 31, 2014	For the Year	Deletions/ Adjustments	Upto March 31, 2015	As at March 31, 2015	As at March 31, 2014
Land development	67,291,429	-	-	67,291,429	48,705,447	4,486,095	-	53,191,542	14,099,887	18,585,982
Buildings and roads	253,569,050	-	-	253,569,050	191,862,900	31,662,563	-	223,525,463	30,043,587	61,706,150
Plant & Machinery	539,943,659	-	-	539,943,659	471,278,033	14,217,899	-	485,495,932	54,447,727	68,665,626
Furniture & fittings	5,509,725	-	-	5,509,725	3,778,811	3,661,117	-	4,144,928	13,64,797	1,730,914
Office equipments	2,129,362	-	-	2,129,362	1,980,615	74,447	-	2,055,062	74,300	148,747
Computer equipments	4,922,931	-	-	4,922,931	4,551,942	158,379	-	4,710,321	212,610	370,989
Vehicles	4,137,936	-	900,000	3,237,936	2,748,373	-	490843	2,257,530	980,406	1,389,563
Total	877,504,092	-	900,000	876,604,092	724906121	50965500	490843	775,380,778	101,223,314	152,597,971
Previous Year	877477440	26,652	-	877,504,092	663145232	61760889	-	724,906,121	152,597,969	214,332,210



Notes to the financial statements for the year ended March 31,2015
(All amounts in Indian rupees, except share data and where otherwise stated)

Note : 12 Long Term Loans and Advances	As at 31March, 2015	As at 31March,2014
Capital Advance		
Unsecured, considered good	103,659,272	143,096,251
Doubtful	7,800,000	-
	111,459,272	143,096,251
Less: Provision for doubtful capital advance	7,800,000	-
	103,659,272	143,096,251
Security Deposits		
Unsecured , considered good	317,623	414,623
Loans and advances to related parties (Refer Note30)		
Secured, considered good*	-	139,098,212
Unsecured, considred good	783,891,846	885,537,151
Doubtful	383,128,691	139,098,212
	1,167,020,537	1,163,733,575
Less: Provision for doubtful loans and advances	383,128,691	139,098,212
	783,891,846	1,024,635,363
Advance Income tax (Net of provision Rs. 98,69,101(31.03.14 Rs. 98,69,101)	4,122,459	4,867,419
	891,991,200	1,173,013,656
* Secured by a second charge by way of hypothecation of the fixed assets of the lonee situated at Madwa Village, Tehsil: Janjgir, Champa, District: Janjgir, Champa - Chattisgarh.		
Note : 13 Other Non-Current Assets	As at 31March, 2015	As at 31March,2014
Interest accrued on amounts withheld by Andaman and Nicobar Administration	127,574,329	127,574,329
Total	127,574,329	127,574,329
Note : 14 Inventories	As at 31March, 2015	As at 31March,2014
Raw Materials	25,977,554	26,121,417
Stores and spares	33,091,597	34,074,545
Total	59,069,151	60,195,962
Note : 15 Trade Receivables (Refer Note 34 & 35)	As at 31March, 2015	As at 31March,2014
Outstanding for a period exceeding six months from the date they are due for Payment		
Unsecured, Considered good	230,507,685	181,163,385
Doubful	37,850,636	37,850,636
	268,358,321	219,014,021
Less: provision for Doubtful debts	37,850,636	37,850,636
	230,507,685	181,163,385
Others		
Unsecured, Considered good	92,099,942	147,895,638
Total	322,607,627	329,059,023



Notes to the financial statements for the year ended March 31,2015
(All amounts in Indian rupees, except share data and where otherwise stated)

Note: 16 Cash and cash equivalents	As at 31 March, 2015	As at 31 March, 2014
(a) Cash on hand	88,208	10,258
(b) Balance with banks		
(i) In current account	63,849	106,536
(ii) In earmarked accounts		
- Share application money received for allotment of securities and due for refund ¹	-	150,380
Total	152,057	267,174

Note :

¹ represents the portion of oversubscribed share application money, received during the public offer in July 2007, refundable to the applicants

Note: 17 Short-term loans and advances (Unsecured, considered good)	As at 31 March, 2015	As at 31 March, 2014
Prepaid expenses	2,553,150	2,959,068
Loans and advances to employees	-	26,884
Other Loans and advances		
Advance to suppliers and others	671,648	5,814,823
Advances recoverable in cash or in kind or for value to be received	1,915,082	1,657,630
Total	5,139,880	10,458,405
Note: 18 Revenue from operations	Year ended March 31, 2015 (Amount)	Year ended March 31, 2014 (Amount)
Sale of electricity	1,427,679,228	1,462,434,039
Less: Rebate and other deductions	5,728,365	4,009,860
Sub-total	1,421,950,863	1,458,424,179
Other operating revenue		
Sale of scrap	2,081,207	1,527,688
Total	1,424,032,070	1,459,951,867
Note: 19 Other Income		
Interests on Deposits	-	5,289
Profit on sale of Assets	465,843	-
Provision no longer required written back	-	526,260
Total	465,843	531,549
Note: 20 Cost of materials consumed		
HSD	1,234,069,306	1,282,692,507
Lube oil	30,323,916	28,048,302
Total	1,264,393,222	1,310,740,809



Notes to the financial statements for the year ended March 31,2015
(All amounts in Indian rupees, except share data and where otherwise stated)

Note: 21 Operation and maintenance expenses	Year ended March 31, 2015 (Amount)	Year ended March31,2014 (Amount)
Power & Fuel	1,049,397	1,355,452
Plant expenses	11,714,194	9,513,372
Consumption of Stores and Spares	19,722,432	23,476,079
Total	32,486,023	34,344,903
Note: 23		
Employee Benefits Expense		
Salaries and wages	15,533,030	15,442,988
Contribution to Provident fund and other fund	366,763	372,592
Staff welfare expenses	426,146	379,183
Total	16,325,939	16,194,763
Note: 24		
Finance Costs		
Interest on tem loan	21,941,318	25,539,452
Interest on working capital loan	7,131,757	10,163,633
Interest on short term borrowings	1,215,180	2,333,817
Bank Charges	930,118	799,786
Total	31,218,373	38,836,688
Note: 25 Other expenses		
Insurance	3,088,164	3,187,676
Rates and taxes	437,522	948,997
Legal and Professional charges	4,894,539	6,039,058
Communication Expenses	628,629	857,695
Travelling Expenses	5,263,001	4,008,185
Rent	1,256,110	1,151,000
Printing & Stationery	491,493	674,172
Directors Sitting Fees	42,000	76,000
Vehicle Maintenance	74,030	207,498
Miscellaneous Expenses	3,386,490	4,360,202
Provision for Doubtful Advances	7,800,000	-
Sub-Total	27,361,977	21,510,483
Note: 26		
Contingent Liabilities and commitments (to the extent provided for)		
(i) Contingent liabilities		
(a) Claims against the company not acknowledged as debt - Liquidated damages for delay in commencement of commercial operations	31,570,000	31,570,000
(b) Corporate guarantee given to Bunge Emissions Fund Limited against the loan provided to Suryachakra Global Enviro Power Limited, a subsidiary of the company	70,908,000	70,908,000
(ii) Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account not provide for (net of advances)	-	-



Notes to the financial statements for the year ended March 31,2015
(All amounts in Indian rupees, except share data and where otherwise stated)

Note: 27 Paymens to the auditors comprises of (excluding service tax)	As at March 31, 2015	As at March 31, 2014
As auditors - statutory audit	500,000	600,000
Total	500,000	500,000

Note: 28**Disclosures under Section 22 of Micro, Small and Medium Enterprises Development Act, 2006**

The Ministry of Micro, Small and Medium Enterprises has issued an office Memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allotted after filing of the Memorandum. However, the Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at year end together with interest paid / payable as required under the said Act, have not been given. Further in the view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Micro, Small and Medium Enterprises Development Act, 2006 is not expected to be material. The Company has not received any claim for interest from any supplier under the said Act.

Note :29**Disclosure as per Clause 32 of the Listing Agreements with the Stock Exchanges****A. Loans and advances in the nature of loans given to subsidiaries, associates and others and investment in shares of the Company by such parties**

Name of the Party	Relationship	Amount outstanding		Maximum balance outstanding at any time during the year	
		As at March 31, 2015	As at March 31, 2014	2014-15	2013-14
Suryachakra Global Enviro Power Limited* (Gross of provision for doubtful advances Rs. 38,31,28,691 (31.03.2014; Rs. 13,90,98,212)	Subsidiary	383,128,691	379,841,729	383,128,691	379,841,729
Suryachakra Global Ventures Limited	Subsidiary	705,996,278	705,996,278	850,125,542	850,125,542
Suryachakra Energy (Chhattisgarh) Pvt Ltd	Subsidiary	8,200,725	8,200,725	8,200,725	8,200,725
Suryachakra Thermal Energy (Andhra) Pvt Ltd	Enterprise over which	30,661,484	30,661,484	30,661,484	30,661,484
Suryachakra Thermal (Madhya Pradesh) Pvt Ltd	keyManagement Personnel has	38,101,314	38,101,314	38,101,314	38,101,314
Suryachakra Power Venture Private Limited	significant influence	932,045	932,045	932,045	1,000,000

Note :

- (a) Loans and Advances shown above, fall under the category of "Long Term Loans & Advances" in nature of Loans. No repayment schedule has been specified in respect of these loans.
- (b) All the above loans and advances are interest free
- (c) * Secured by a second charge by way of hypothecation of the fixed assets of the lonee situated at Madwa Village, Tehsil: Janjgir, Champa, District : Janjgir, Champa - Chattisgarh.

B. Investment by the loanee in the shares of the Company and subsidiaries

None of the loanees and loanees of subsidiary companies have made investments in shares of the Company.

- (i) Investment by Suryachakra Global Enviro Power Limited in it's subsidiaries, in equity shares:

Name of the Company	No. of Shares 2014-15	No. of Shares 2013-14
South Asian Agro Industries Limited	12,020,500	12,020,500
MSM Energy Limited	34,260,000	34,260,000
Sri Panchajanya Power Private Limited	15,780,000	15,780,000



Notes to the financial statements for the year ended March 31,2015
(All amounts in Indian rupees, except share data and where otherwise stated)

Note : 30**Details of unhedged foreign currency exposures**

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below.

	Aas at March 31, 2015		As at March 31, 2014	
	INR Equivalent	US Dollar	INR Equivalent	US Dollar
Amounts receivable in foreign currency on account of: Loans granted	705,996,278	16,409,114	705,996,278	16,409,114

Note : 31**Expenditure in foreign currency**

Particulars	Year ended March 31,2015	Year ended March 31, 2014
Interest on foreign currency Loan	-	-
Total	-	-

Note : 32 Details of consumption of imported and indigenous Items	Year ended March 31, 2015		Year ended March31, 2014	
	%	Amount	%	Amount
<u>Imported</u>				
Raw material	--	--	--	--
Spare parts	--	--	--	--
<u>Indigenous</u>				
Raw material	100%	1,264,393,222	100%	1,310,740,809
Spare parts	100%	19,722,432	100%	23,476,079

Note : 33**Revenue from A & N Administration**

- (i) The Company's revenue from sale of electricity is based on the Power Purchase agreement (PPA) entered into with the Andaman and Nicobar (A & N) Administration. The PPA is for a initial period of 15 years and can be extended on mutual terms and conditions for three further periods of five (5) years each and contains a set of pre-defined formulae for calculation of the revenue to be billed on a monthly basis. Such billings as per terms of the PPA include a fixed charge payment, a variable charge payment, incentive payment, foreign exchange adjustment and change-in-law adjustment.
- (ii) The Company, for the purpose of determining the fixed charge monthly billings, invoices the A & N Administration based on the capital cost as envisaged in the PPA. Pending final confirmation of actual capital expenditure, no adjustment is made to the revenue. Such adjustments, if any, will be made in the period in which the amount becomes determinable and is confirmed by the A & N Administration.
- (iii) Revenues for the year ended March 31, 2015 include an amount of Rs.49,344,300 (Previous year: Rs.5,32,99,282) billed by the company as charges under the PPA, which has been rejected / withheld by the A & N Administration on the grounds of the technical interpretation of the formulae for computation of such charges. Aggregate receivables as at March 31, 2015 on account of such rejections / withheld amounts to Rs. 23,05,07,685 as at March 31, 2015 (Previous year: Rs. 18,11,63,385). Further as at 31st March 2015 the Company also has to receive an amount of Rs.12,75,74,329 from A & N Administration towards interest on the above stated rejections / withheld amounts which have been recognized in earlier years. Management is pursuing the matter with A & N Administration and is confident of recovering the amount. The amount so far recognized in the books of accounts upto 31.03.2015, is a part of claim preferred on A & N Administration.



Notes to the financial statements for the year ended March 31,2015
(All amounts in Indian rupees, except share data and where otherwise stated)

The Company believes that the amounts billed including interest thereon are recoverable based on the interpretation that can be inferred from the formulae contained in the PPA.

Note: 34

Investment in subsidiaries and Advances to Subsidiaries

The company as at March 31, 2015 is having the following investments (including advances) in its subsidiaries:

Name of the Subsidiary	Equity Shares Amount		Loans and Advance (Net of Provisions) Amount	
	Asat	Asat	Asat	Asat
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
(a) Suryachakra Global Enviro Power Limited*	222,779,241	891,116,884	-	240,743,517
(b) Suryachakra Energy (chhattisgarh) Private Limited	356,600,000	356,600,000	8,200,725	8,200,725
(c) Suryachakra Global Ventures Limited	6	6	705,996,278	705,996,278

* Investment in equity shares is net of provision for diminution in value Rs. 668,337,722/- (31.03.2014: Nil). Loans and advances are net of provision for doubtful advances Rs. 38,31,28,691/- (31.03.2014 : Rs. 139,098,212)

Status of the subsidiaries is as follows:

(a) Suryachakra Global Enviro Power Limited (SGEPL):

SGEPL along with its subsidiaries is engaged in generation and sale of power. SGEPL and its subsidiaries have incurred substantial losses and the net worth of these companies has been fully eroded. In view of high input cost, operations of these companies were suspended from the financial year 2011-12 onwards. Secured loan lenders have issued notices under section 13(2) of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act 2002(SARFAESI Act) and Winding up Petitions Under Section 433 and 434 of Companies Act 1956. Except one Power Plant owned by M/s.Sri Panchajanya Power Private Limited at Hingoli, Maharashtra all other three plants and one Plant in project stage were taken over by the respective secured loan lenders. The lenders have issued auction notice for sale of the plant and called for bids. The Company has filed a petition in the Debt Recovery Tribunal (DRT), Hyderabad seeking stay on the auction proceedings. The matter is pending before DRT. Indiabulls Housing Finance Limited - a secured Lender for SGEPL and South Asian Agro Industries Ltd has initiated alleged criminal proceedings against the Managing Director of the Company and other Directors and Guarantors. These criminal proceedings were challenged by the company and the matter is pending before Courts. The management's effort to resume operations of these plants did not materialize. Management is considering various options available to it including the disposal of these plants to a strategic investor. The Management is of the opinion that there would be impairment in recovery of carrying value investments and recovery of advances given. Hence, as a measure of prudence, the company has made a provision of Rs.66,83,37,722 (being 75% of the carrying value of investments) towards diminution in the value of investments and Rs.24,40,30,479 towards provision for doubtful advances.

(b) Suryachakra Energy (Chhattisgarh) Private Limited (SECPL) :

SECPL is a 100% subsidiary of the company engaged in setting upto a 350MW coal based power project at Sapos Village, Jangir-Champa District in the State of Chhattisgarh at an estimated project cost of Rs. 19,00,00,00,000.SECPL has obtained most of the requisite licenses for setting up the project; signed a Memorandum of Understanding (MOU) with Chhattisgarh State Electricity Board; and entered into an Implementation Agreement with Chhattisgarh State Power Distribution Company Limited, for setting up the said power project.Up to 31st March, 2015, SECPL has spent an amount of Rs. 45,59,27,070 towards advances to suppliers of capital equipments and incidental expenses. Management is confident of mobilizing the requisite funds to execute the project and recover the investment made in the project. Hence, no provision in the value of investment and advance extended is considered necessary at this stage.



Notes to the financial statements for the year ended March 31,2015
(All amounts in Indian rupees, except share data and where otherwise stated)

(c) Suryachakra Global Ventures Limited (SGVL):

SGVL is a wholly owned subsidiary of the company incorporated in Honking under Companies Ordinance. The Company through SGVL has decided to acquire a coal mine for captive use by its subsidiaries. Out of the proceeds of the GDRs issued during the year 2011-12, the Company has advanced an amount of Rs. 85,01,25,542/- (USD 1,90,00,000) to SGVL.

SGVL has entered into an MOU with Symphony Trading and Investments Limited (STIL) for acquiring interests in coal mines in Indonesia. STIL is having offices in Singapore, Honking etc., and having experience in identifying and acquiring suitable coal mines for its clients.

Pursuant to the said MOU, SGVL on 28th April'2011, has paid USD 1,90,00,000 as advance to STIL for acquiring interests in two coal mines from M/s. Surajaya Indelberg in Indonesia. As per MOU, STIL has agreed to return the advance, if transaction of coal mine acquisition is not successful within the timelines mutually agreed / extended. Due to change in policies of Indonesia, the transaction could not be completed.

In view of the prevailing uncertain conditions relating to coal mining activities in Indonesia, the company has called back the advance given to STIL and making efforts to recover the advance. During the 2012-13, management has intensified the efforts for recovery; commenced the negotiations and was in the process of initiating legal remedies. Pursuant to the said efforts, the Company could recover an amount of Rs. 14,41,29,264/- (USD 25,90,886) during the year 2013-14 and pursuing for recovery of the balance amount.

Management is confident of recovery of the advance. Shortfall if any, in recovery will be adjusted in the year of final settlement. Hence no provision towards doubtful advances, if any, has been made.

Note: 35

Advance to related parties -Suryachakra Thermal Energy (Andhra) Private Limited Rs.3,06,61,484 and Suryachakra Thermal (Madhya Pradesh) Private Limited Rs.3,81,01,314.

The company in earlier year had given the above advances to acquire land / to incur preliminary expenses in connection with setting up the power projects. Due to financial difficulties the company could not make further progress with regard to these projects. The land acquired is yet to be registered in the name of the Company. Company had entered into a formal agreements with the vendors and the agreements are live. Company is making efforts to bring in the investors and realise the advance given. Hence, no provision for doubtful advances is considered at this stage.

Note: 36

Capital Advances

In the earlier years, the Company has given Capital Advances for enhancing the capacities and increasing the efficiencies of the existing plant and machinery. Net advances given as at 31st March 2015 aggregate to Rs.10,36,59,272. Due to financial difficulties, the company could not go ahead with the envisaged expansion and modifications. Management is making efforts and expects to recover the balance amount at the earliest. Hence, no provision in the value of advance is considered necessary at this stage.

Note: 37

Interest on Borrowings

Certain lenders of the Company have initiated legal proceedings against the company for recovery of their dues. Company is negotiating with the lenders for settling the dues amicably. The company has stopped providing for the interest and other charges on loans from these lenders. Accordingly no interest on these loans have been provided in the financial statements for the year ended 31st March, 2015. The liability if any will be recognized in the year of settlement of dispute.

**Note: 38****Notices from SBI Global Factors Ltd:**

During the earlier years M/s. SBI Global Factors Limited an unsecured creditor has filed a petition before the Honourable High Court of Andhra Pradesh for winding up of the company u/s 443 (1) (c) of the Companies Act, 1956. The Honourable High Court of Andhra Pradesh, had admitted the petition. SBI the holding entity of SBI Global Factors Ltd and the Principal Lender of the company has impleaded opposing the winding up petition. The company is confident of resolving the matter amicably.

Note: 39**Confirmation of Balances**

The Company has not received confirmation of balances from Lenders, Trade payables, Suppliers for capital goods, Loans & Advances including capital advances given by the company as at 31st March 2015. In the absence of confirmation of balances from these parties, provision for adverse variations, if any, in the carrying amounts of these balances are not quantifiable. However, management is confident that the settlement with the said parties will be made at the carrying amounts and no provision is required at present for adverse variations. Adjustment for shortfall / excess payment, if any, will be made in the year of settlement.



Notes to the financial statements for the year ended March 31,2015
(All amounts in Indian rupees, except share data and where otherwise stated)

Note: 40**Employee benefits**

The following table sets out the status of the gratuity plan as required under AS 15 (Revised):

Reconciliation of opening and closing balance of the present value of the defined benefit obligation

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Opening defined benefit obligation	629,821	1,359,252
Current service cost	86,532	65,715
Interest cost	39,693	108,740
Actuarial losses / (gains)	(97,619)	96,114
Benefits paid	-	(1,000,000)
Closing defined benefit obligation	658,427	629,821
Changing in the fair value of assets		
Opening fair value of plan assets	399,697	594,251
Expected return on plan assets	35,973	42,275
Contributions by employer	-	763,171
Benefits paid	-	(1,000,000)
Closing fair value of plan assets	435,670	399,697
Amount recognized in Balance Sheet		
Present value of funded obligations	658,427	629,821
Fair value of plan assets	(435,670)	(399,697)
Net asset/(liability)	222,757	230,124
Amounts in the balance sheet		
Net asset/(liability)	222,757	230,124
Expense recognised in statement of profit and loss account		
Current services cost	86,532	65,715
Interest on defined benefit obligation	39,693	108,740
Expected return on plan assets	(35,973)	(42,275)
Net actuarial losses /(gains) recognized in the year	(97,619)	(96,114)
Amount, included in employee benefit expense	-	-
Actual return on plan assets	(35,973)	(42,275)
Asset information		
Category of assets		
Insurer managed funds	435,670	399,697
Summary of Actuarial Assumptions		
Financial assumptions at the valuation date:		
Discount rate	8.00%	8.00%
Expected rate of return on plan assets	9.00%	9.00%
Salary escalation rate	4.00%	4.00%



Notes to the financial statements for the year ended March 31,2015
(All amounts in Indian rupees, except share data and where otherwise stated)

Discount rate: The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

Expected rate of return on plan assets: This is based on the expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

Salary escalation rate: The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

Note: 41

Segment Reporting

The Company's operations predominantly consists of generation and sale of electricity. Hence there are no reportable segments under the Accounting Standard - 17. The Company's business operations are primarily concentrated in India. The conditions prevailing in India being uniform, no separate geographical disclosures are considered necessary.

Note: 42

Related party transactions

(a) The related parties where control exists are subsidiaries and step down subsidiaries. There are no other parties over which the company has control.

(b) **Related parties where control exists and with whom transactions have taken place during the year are as follows:**

(i) **Subsidiaries**

- Suryachakra Global Enviro Power Limited -
- Suryachakra Energy (Chhattisgarh) Private Limited (From March' 05,2011)
- Suryachakra Global Ventures Limited

(ii) **Step down subsidiaries**

- South Asian Agro Industries Limited
- MSM Energy Limited
- Sri Panchajanya Power Private Limited

(iii) **Key Managerial Personnel (KMP) represented on the Board of Directors**

- Dr. S. M. Manepalli, Managing Director
- Mr. K Vijay Kumar, Executive Director
- Mrs. B.N.Raja Kumari
- Mr. V. L. Narasimha Rao, Chief Financial Officer
- Mr. P. Satish Chandramouli, Company Secretary

(iv) **Enterprises over which Key Managerial Personnel or their relatives have significant influence (Significant interest entities)**

- Suryachakra Thermal Energy (Andhra) Private Limited
- Suryachakra Thermal (Madhya Pradesh) Private Limited
- Suryachakra Power venture Private Limited

(v) **Non-Executive on the Board of Directors**

- Mr. V. S. Murthy



Notes to the financial statements for the year ended March 31,2015
(All amounts in Indian rupees, except share data and where otherwise stated)

(c) Particulars of related party transactions and balances

A) Following is a summary of related party transactions:

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
1. Loans/Advances granted to subsidiary and step down subsidiaries		
a) Suryachakra Global Enviro Power Limited	3,711,962	-
Total	3,711,962	-
2. Repayment/ transfer of loans by subsidiary and step down subsidiaries		
a) Suryachakra Global Enviro Power Limited	425,000	-
Total	425,000	-
3. Remuneration to key Managerial Personnel/ Non Executive Directors		
a) Dr. S.M. Manepalli	36,00,000	36,00,000
b) Mr. K. Vijay Kumar	1,188,000	1,188,000
c) Ms. B.N. Rajakumari	-	512,052
d) Sitting fees to Non-executive directors	42,000	76,000
e) Mr. V. L. Narasimha Rao, Chief Financial Officer	16,76,760	-
f) Mr. P. Satish Chandramouli, Company Secretary	13,50,000	-
Total	7,856,760	5,376,052
4. Unsecured loan taken from key Managerial Personnel		
a) Dr. S.M. Manepalli	1,949,223	2,295,710
Total	1,949,223	2,295,710
5. Unsecured loan repaid to Key Managerial Personnel		
a) Dr. S.M. Manepalli	508,100	6,088,755
Total	508,100	6,088,755
6. Provision for diminution in value of investments		
a) Suryachakra Global Enviro Power Limited	668,337,722	-
Total	668,337,722	-
7. Provision for doubtful advances		
a) Suryachakra Global Enviro Power Limited	244,030,479	-
Total	244,030,479	-



Notes to the financial statements for the year ended March 31,2015
(All amounts in Indian rupees, except share data and where otherwise stated)

B) Details of outstanding balances from related parties

Particulars	As at March 31, 2015	As at March 31, 2014
1. Remuneration payable to Key Managerial Personnel		
a) Dr. S. M Manepalli	5,003,130	2,383,500
b) Mr. K Vijay Kumar	738,897	505,437
c) Ms. B N Rajakumari	-	190,183
d) Mr. V.L. Narasimha Rao, Chief Financial Officer	1,418,480	-
e) Mr. Satish Chandramouli, Company Secretary	837,468	-
Total	7,997,975	3,079,120
2. Unsecured loan to Subsidiaries and Stepdown Subsidiaries		
a) Suryachakra Global Enviro Power Limited	383,128,691	278,196,424
b) Suryachakra Energy (Chhattisgarh) Private Limited	8,200,725	8,200,725
c) Suryachakra Global Ventures Ltd	705,996,278	850,125,542
Total	1,097,325,694	1,136,522,691
3. Provision for doubtful advances to subsidiaries stepdown subsidiaries		
a) Suryachakra Global Enviro Power Limited	383,128,691	139,098,212
Total	383,128,691	139,098,212
4. Unsecured loan to Enterprises significantly Influenced by KMP		
a) Suryachakra Thermal Energy (Andhra) Private Limited	30,661,484	30,661,484
b) Suryachakra Thermal (Madhya Pradesh) Private Limited	38,101,314	38,101,314
c) Suryachakra Power Venture Private Limited	932,045	932,045
Total	69,694,843	69,694,843
5. Unsecured loan from Key Managerial Personnel		
a) Dr. S.M. Manepalli	3,761,333	2,320,210
Total	3,761,333	2,320,210

Note: 43 Earnings per share

The carrying value of the assets and liabilities of the discontinuing operations are as follows:

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Before exceptional items		
Net Profit / (Loss) for they year before exceptional item attributable to the equity shareholders	1,746,880	(32,110,778)
Weighted average number of equity shares considered for computation of basic and diluted earnings per share from continuing operations - Basic and Diluted	149,632,960	149,632,960
Par value per share	10	10
Earnings per share form continuing operations-Basic and Diluted	0.01	(0.21)
After exceptional items		
Net profit / (loss) for the year after exceptional item attributable to the equity shareholders	(910,621,321)	(32,110,778)
Weighted average number of equity shares considered for computation of basic and diluted earnings per share	149,632,960	149,632,960
Par value per share	10	10
Earnings per share from continuing operations - Basic and Diluted	(6.09)	(0.21)



Notes to the financial statements for the year ended March 31,2015
(All amounts in Indian rupees, except share data and where otherwise stated)

Note: 44

Deferred taxes

The Company had started claiming deduction under Section 80-IA of the Income Tax Act, 1961 from the year ended 31, March 2011. Based on the assessment of the deferred tax as on March 31, 2015, the timing differences arising in the current year will reverse within the tax holiday period. Accordingly, no deferred tax has been recognised in the books of accounts of the Company as on March 31,2015

Note: 45

Previous year figures

Previous figures have been recasted/ restated to conform to the current classification

As per our report of even date attached

For M. Bhaskara Rao & Co.,

Chartered Accountants

for Suryachakra Power Corporation Limited

V.K. Muralidhar
Partner

Dr. S.M. Manepalli
Managing Director

K. Vijay Kumar
Director

P. Satish Chandra Mouli
Company Secretary

V.L. Narasimha Rao
Chief Financial officer

Hyderabad, May 27,2015

**INDEPENDENT AUDITOR'S REPORT**

To
The Members of
Suryachakra Power Corporation Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Suryachakra Power Corporation Limited (“the Holding Company”) and its subsidiaries (the Holding Company and its subsidiaries together referred to as “the Group”), which comprise the Consolidated Balance Sheet as at March 31, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the consolidated financial statements”).

Management's Responsibility for the Consolidated Financial Statements:

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

Auditor's Responsibility:

Our responsibility is to express an opinion on these consolidated 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.

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.

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 financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. 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.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

Basis for Qualified Opinion

Attention is invited to:

- (a) Note - 28 to the consolidated financial statements regarding revenue from Andaman & Nicobar Administration (A&N Administration) - pending final agreement with A&N Administration, we are unable to comment on the extent of ultimate recoverability of Rs.4,93,44,300/- withheld by A&N Administration during the year ended March 31, 2015 (year ended 31.03.2014: Rs.5,32,99,282) and the total receivables including interest accrued thereon as at March 31, 2015 of Rs.35,80,82,014/- (31.03.2014: Rs.30,87,37,714) on account of amounts withheld which are subject to



- (b) Note 31 to the consolidated financial statements regarding advances to Suryachakra Global Ventures Limited (SGVL), a wholly owned subsidiary of the group incorporated in Hong Kong Rs.70,59,96,278 which in turn has advanced the said amount to M/s Symphony Trading and Investment Limited (STIL), Hong Kong for acquiring coal mines for the group/SGVL during the quarter ended June 2011. In the absence of information regarding financial worthiness of STIL/securities in favour of the group, we are unable to comment on the extent of recoverability of the advance.
- (c) Note 29 to the consolidated financial statements regarding advances to Suryachakra Thermal Energy (Andhra) Private Limited Rs.3,06,61,484 and Suryachakra Thermal Energy (Madhya Pradesh) Private Limited Rs.3,81,01,314 which are considered good and fully recoverable for the reasons stated therein. We are unable to comment on the extent of the ultimate recoverability.
- (d) Note 33 to the consolidated financial statements regarding capital advances considered good and fully recoverable for the reasons stated therein. We are unable to comment on the extent of ultimate recoverability.
- (e) Note 30 to the consolidated financial statements regarding non-provision of interest on loans from certain lenders on account of legal cases filed by them for recovery of their dues. We are unable to comment on the extent of interest expense for the year ended March 31, 2015 and the cumulative liability up to March 31, 2015.
- (f) Note 35 to the consolidated financial statements regarding the non-availability of confirmation of balances for secured loans, trade payables, creditors for capital goods and loans and advances. In the absence of confirmation of balances, we are unable to comment on the impact of adverse variances, if any, as at March 31, 2015.

The consequential impact of the above matters on the loss for the year and the retained earnings as at March 31, 2015 is indeterminable.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2015 and its consolidated loss and its consolidated cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note - 32 to the consolidated financial statements regarding the winding up petition filed by one of the unsecured creditors of the Group, which is pending for hearing before the Honourable High Court of Andhra Pradesh.

Our opinion is not modified in respect of this matter.

Other Matter

We did not audit the financial statements of one subsidiary whose financial statements reflect group's share of total assets (net) of Rs. (-)20,35,004 as at March 31, 2015 and total revenues of Rs. Nil for the year ended on that date, as considered in the consolidated financial statements based on the un-audited financial statements prepared by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, the financial statements of the subsidiary are not material to the Group.

Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory Requirements below are not modified in respect of the above matters with respect to the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Companies Act, 2013, based on the comments in the auditors' reports of the Holding Company and subsidiary incorporated in India, we give in the Annexure a statement on the matters specified in paragraph 3 of the Order.
2. As required by Section 143(3) of the Act, we report that:



- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b) Except for the effects of the matters described in the Basis for Qualified Opinion paragraph above, in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Group so far as it appears from our examination of those books.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement 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) Except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) The matters described in the Basis for Qualified Opinion paragraph and Emphasis of Matter paragraph above, in our opinion, may have an adverse effect on the functioning of the Group.
- f) On the basis of the written representations received from the directors of the Holding Company as on 31 March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies is disqualified as on 31 March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.
- h) 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 consolidated financial statements disclosed impact of pending litigations on the consolidated financial position of the Group— Refer Note 32 to the consolidated financial statements
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - ii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company.

for M BHASKARA RAO & Co.,
CHARTERED ACCOUNTANTS
Firm Registration No. 000459S

V.K. MURALIDHAR
PARTNER
Membership No.201570

Hyderabad, May 27, 2015



Re: Suryachakra Power Corporation Limited
Annexure to the Independent Auditors' Report on Consolidated Financial Statements
(Statement referred to in paragraph -1 under "Report on Other Legal and Regulatory Requirements" section of our report of even date)

Our reporting on the Order includes one subsidiary incorporated in India, to which the Order is applicable, to the extent considered applicable for reporting under the Order in the case of the consolidated financial statements.

- (i) In respect of the fixed assets of the Holding Company:
 - (a) The Holding Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The management of Holding Company has conducted physical verification of major assets during the year, which in our opinion is reasonable having regard to the size of the Company and the nature of the assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (ii) In respect of the inventories of Holding Company:
 - (a) The inventories consisting of raw materials, stores, spares and consumables have been physically verified during the year by the management of the Holding Company. In our opinion, the frequency of verification is reasonable.
 - (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 of the Holding Company are reasonable and adequate in relation to the size of the Holding Company and the nature of its business.
 - (c) In our opinion and according to the information and explanation given to us, and on the basis of our examinations of the inventory records, the Holding Company is maintaining proper records. The discrepancies noticed on physical verification of inventory as compared to book records were not material to the operations of the Holding Company and the same have been properly dealt with in the books of account.
- (iii) According to the information and explanations given to us, the Holding Company has granted secured and unsecured loans and advances to companies covered in the register maintained under Section 189 of the Act.
 - (a) According to the information and explanations given to us, the terms of the arrangement do not stipulate any repayment schedule for principal and interest.
 - (b) There is no overdue amount in respect of the above loans.
- (iv) In our opinion and, according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the respective entities and the nature of its business with regard to purchase of inventories and fixed assets and for sale of goods and services. In our opinion and according to the information and explanations given to us, there is no continuing failure to correct major weakness in internal control system.
- (v) According to the information and explanations given to us, the Holding Company and Subsidiary Company has not accepted any deposits from public. Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Group.
- (vi) We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the Holding Company and Subsidiary Company pursuant to the rules made by the Central Government for the maintenance of cost records prescribed under Section 148(1) of the Act and we are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we are not required to and have not carried out a detailed audit of the same.
- (vii) (a) The Holding company is not regular in depositing undisputed statutory dues including Provident Fund, Income Tax, Sales Tax, Service tax and other material statutory dues applicable to it with the appropriate authorities. According to the information and explanations given to us, the provisions of Employees' State Insurance, Wealth Tax, Customs Duty, Excise Duty and Cess are not applicable to the Company at present. The following undisputed amounts were in arrears as at March 31, 2015 for a period of more than six months from the date they became payable:



	Rupees
Tax Deduction at Source	47,32,154
Service Tax	590,280
Provident Fund	53,966
VAT	5,46,250

- (b) According to the information and explanations given to us, there were no dues of Income Tax / Sales Tax / Wealth Tax / Service Tax / Custom Duty / Excise Duty / Cess which have not been deposited on account of any dispute.
- (c) In our opinion and according to the information and explanations given to us, the amounts required to be transferred to Investors' Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 [1 of 1956] and rules made there under has been transferred to such fund within time.
- (viii) Subject to the effects of the matters described in the Basis for Qualified Opinion paragraph of our report on the consolidated financial statements of even date, the accumulated losses of the Holding Company and Subsidiary Company at the end of the financial year are not less than 50% of its net worth and have incurred cash losses in the financial year under report and in the immediately preceding financial year.
- (ix) In our opinion and according to the information and explanations given to us, the Holding Company has defaulted in repayment of dues to banks. The period and the amount of default have been set out in the Appendix to this report.
- (x) In our opinion and according to the information and explanations given to us, the Group has not given any guarantees for loans taken by others from banks or financial institutions.
- (xi) In our opinion and according to the information and explanations given to us, the term loans availed by the Holding Company during the earlier years have been applied for the purpose for which the loans were obtained.
- (xii) During the course of our examinations of the books and records of the Holding Company and Subsidiary Company carried out in accordance with the generally accepted practices in India and according to the information and explanations given to us, no instance of fraud on or by the Holding Company and Subsidiary Company has been noticed or reported during the year, nor have we been informed of such case by the management of the respective entities.

for M BHASKARA RAO & Co.,
 CHARTERED ACCOUNTANTS
 Firm Registration No. 000459S

V.K. MURALIDHAR
 PARTNER
 Membership No.201570

Hyderabad, May 27, 2015



APPENDIX

Details of defaults by the Holding Company in repayment of principal and interest on term loans to banks and financial institutions:

(A) SBI Working Capital Term Loan - I**Principal :**

Month	Amount to be Paid	Amount Paid	Balance Payable	Due Date	Actual payment date	Delay days
May'2013	70,444	70,444	-	31.05.2013	08.02.2014	253
June'2013	19,32,800	19,32,800	-	30.06.2013	08.02.2014	224
July'2013	19,32,800	19,32,800	-	31.07.2013	08.02.2014	193
August'2013	19,32,800	19,32,800	-	31.08.2013	16.05.2014	259
September'2013	19,32,800	19,32,800	-	30.09.2013	16.05.2014	229
October'2013	19,32,800	19,32,800	-	31.10.2013	16.05.2014	198
November'2013	19,32,800	19,32,800	-	30.11.2013	21.10.2014	326
December'2013	19,32,800	19,32,800	-	31.12.2013	21.10.2014	295
January'2014	19,32,800	19,32,800	-	31.01.2014	21.10.2014	264
February'2014	19,32,800	19,32,800	-	28.02.2014	21.10.2014	236
March'2014	19,32,800	19,32,800	-	31.03.2014	21.10.2014	205
April'2014	19,32,800	13,29,442	6,03,358	30.04.2014	21.10.2014	175
May'2014	19,32,800	-	19,32,800	31.05.2014	-	-
June'2014	19,32,800	-	19,32,800	30.06.2014	-	-
July'2014	19,32,800	-	19,32,800	31.07.2014	-	-
August'2014	19,32,800	-	19,32,800	31.08.2014	-	-
September'2014	19,32,800	-	19,32,800	30.09.2014	-	-
October'2014	19,32,800	-	19,32,800	31.10.2014	-	-
November'2014	19,32,800	-	19,32,800	30.11.2014	-	-
December'2014	19,32,800	-	19,32,800	31.12.2014	-	-
January'2015	19,32,800	-	19,32,800	31.01.2015	-	-
February'2015	19,32,800	-	19,32,800	28.02.2015	-	-
March'2015	19,32,800	-	19,32,800	31.03.2015	-	-

Interest on SBI Working Capital Term Loan -I :

Month	Amount to be paid	Amount Paid	Balance Payable	Due Date	Actual payment date	Delay days
December' 2013	12,50,406	-	12,50,406	31.12.2013	-	-
January'2014	12,24,034	-	12,24,034	31.01.2014	-	-
February'2014	10,59,054	-	10,59,054	28.02.2014	-	-
March' 2014	11,59,724	-	11,59,724	31.03.2014	-	-
April'2014	11,22,314	-	11,22,314	30.04.2014	-	-
May'2014	11,28,286	-	11,28,286	31.05.2014	-	-
June'2014	10,59,437	-	10,59,437	30.06.2014	-	-
July'2014	10,94,752	-	10,94,752	31.07.2014	-	-
August'2014	10,94,752	-	10,94,752	31.08.2014	-	-
September'2014	10,59,437	-	10,59,437	30.09.2014	-	-
October'2014	986,464	-	986,464	31.10.2014	-	-
November'2014	954,643	-	954,643	30.11.2014	-	-
December'2014	986,464	-	986,464	31.12.2014	-	-
January'2015	986,464	-	986,464	31.01.2015	-	-
February'2015	8,91,000	-	8,91,000	28.02.2015	-	-
March'2015	986,464	-	986,464	31.03.2015	-	-

**(A) SBI Working Capital Term Loan - II**

Principal :

Month	Amount to be paid	Amount Paid	Balance Payable	Due Date	Actual payment date	Delay days
June'2013	2,96,987	2,96,987	-	30.06.2013	08.02.2014	223
July'2013	16,07,200	16,07,200	-	31.07.2013	08.02.2014	193
August'2013	16,07,200	16,07,200	-	31.08.2013	17.04.2014	230
September'2013	16,07,200	16,07,200	-	30.09.2013	17.04.2014	200
October'2013	16,07,200	16,07,200	-	31.10.2013	17.04.2014	169
November'2013	16,07,200	16,07,200	-	30.11.2013	17.04.2014	139
December'2013	16,07,200	16,07,200	-	31.12.2013	28.07.2014	210
January'2014	16,07,200	16,07,200	-	31.01.2014	28.07.2014	179
February'2014	16,07,200	16,07,200	-	28.02.2014	28.07.2014	151
March'2014	16,07,200	16,07,200	-	31.03.2014	28.07.2014	120
April'2014	16,07,200	16,07,200	-	30.04.2014	28.07.2014	90
May'2014	16,07,200	16,07,200	-	31.05.2014	21.10.2014	144
June'2014	16,07,200	16,07,200	-	30.06.2014	21.10.2014	114
July'2014	16,07,200	9,88,692	6,18,508	31.07.2014	21.10.2014	83
August'2014	16,07,200	-	16,07,200	31.08.2014	-	-
September'2014	16,07,200	-	16,07,200	30.09.2014	-	-
October'2014	16,07,200	-	16,07,200	31.10.2014	-	-
November'2014	16,07,200	-	16,07,200	30.11.2014	-	-
December'2014	16,07,200	-	16,07,200	31.12.2014	-	-
January'2015	16,07,200	-	16,07,200	31.01.2015	-	-
February'2015	16,07,200	-	16,07,200	28.02.2015	-	-
March'2015	16,07,200	-	16,07,200	31.03.2015	-	-

Interest on SBI Working Capital Term Loan - II:

Month	Interested to be paid	Interest Paid	Balance Payable	Due Date	Actual payment date	Delay days
December' 2013	10,36,861	-	10,36,861	31.12.2013	-	-
January' 2014	10,15,347	-	10,15,347	31.01.2014	-	-
February'2014	8,80,009	-	8,80,009	28.02.2014	-	-
March' 2014	9,64,355	-	9,64,355	31.03.2014	-	-
April'2014	9,03,415	-	9,03,415	30.04.2014	-	-
May'2014	8,98,299	-	8,98,299	31.05.2014	-	-
June'2014	8,69,322	-	8,69,322	30.06.2014	-	-
July'2014	8,11,669	-	8,11,669	31.07.2014	-	-
August'2014	8,11,669	-	8,11,669	31.08.2014	-	-
September'2014	7,85,486	-	7,85,486	30.09.2014	-	-
October'2014	7,68,354	-	7,68,354	31.10.2014	-	-
November'2014	7,43,568	-	7,43,568	30.11.2014	-	-
December'2014	7,68,354	-	7,68,354	31.12.2014	-	-
January'2015	7,68,354	-	7,68,354	31.01.2015	-	-
February' 2015	6,93,997	-	6,93,997	28.02.2015	-	-
March'2015	7,68,354	-	7,68,354	31.03.2015	-	-

**(B). SREI Loan amount :****Principal**

Date	Amount	Delay days
30.04.2011	44,58,257	1431
31.05.2011	1,13,108	1400
30.06.2011	1,09,460	1370
31.07.2011	51,69,467	1339
31.08.2011	1,03,343	1308
30.09.2011	1,00,009	1278
31.10.2011	57,43,578	1247
30.11.2011	1,00,009	1217
31.12.2011	1,79,297	1186
01.01.2012	1,17,90,461	1185
01.04.2012	12,19,315	1094

Interest on SREI Loan

Date	Amount	Delay days
Up to June' 2012	12,72,665	1004
July, 2012	509,778	973
August, 2012	509,778	942
September, 2012	493,333	912
October, 2012	535,182	881
November, 2012	517,918	851
December, 2012	535,182	820
January, 2013	561,851	789
February, 2013	507,479	761
March' 2013	5,61,851	730



Consolidated Balance Sheet as at March 31, 2015
(All amounts in Indian rupees, except share data and where otherwise stated)

Particulars	Note No.	As At March 31, 2015	As At March 31, 2014
I. EQUITY AND LIABILITIES			
1. Shareholder's funds			
(a) Share Capital	3	1,496,329,600	1,496,329,600
(b) Reserves and surplus	4	(119,569,352)	(960,565,323)
2. Non-Current liabilities			
(a) Long-term borrowings	5	163,234,295	322,206,956
(b) Other Long-term liabilities	6	16,039,830	16,039,830
(c) Long-term provisions	7	1,961,574	4,677,314
3. Current liabilities			
(a) Short-term borrowings	8	404,577,992	1,410,285,914
(b) Trade payables	9	101,667,605	231,432,241
(c) Other current liabilities	10	343,231,803	1,872,667,216
Total		2,407,473,347	4,393,073,748
II. ASSETS			
1. Non-current assets			
(a) Fixed assets			
(i) Tangible assets	11	101,223,314	1,971,488,230
(ii) Capital work-in-progress		455,927,070	656,108,935
(iii) Goodwill on consolidation		-	6,649,692
(b) Non current investment	12	222,938,641	159,400
(c) Long-term loans and advance	13	177,934,970	1,168,258,022
(d) Other non current assets	14	127,574,329	127,574,329
2. Current assets			
(a) Inventories	15	59,069,155	66,946,440
(b) Trade receivables	16	322,607,627	330,817,434
(c) Cash and cash equivalents	17	449,451	1,372,728
(d) Short-term loans and advances	18	931,895,790	55,845,538
(e) Other Current Assets	19	7,853,000	7,853,000
Total		2,407,473,347	4,393,073,748
Corporate information and Significant accounting policies	1&2		

See accompanying notes forming part of the financial statements

As per our report of even date attached

For M. Bhaskara Rao & Co.,

Chartered Accountants

for Suryachakra Power Corporation Limited

V.K. Muralidhar
Partner

Dr. S.M. Manepalli
Managing Director

K. Vijay Kumar
Director

Hyderabad, May 27, 2015

P. Satish Chandra Mouli
Company Secretary

V.L. Narasimha Rao
Chief Financial officer



Consolidated Statement of Profit and Loss for the year ended March 31, 2015
(All amounts in Indian rupees, except share data and where otherwise stated)

Particulars	Note No.	Year ended March 31, 2015	Year ended March 31, 2014
1. Revenue from operations	20	1,424,032,070	1,477,018,967
2. Other income	21	465,843	9,288,831
3. Total Revenue (1+2)		1,424,497,913	1,486,307,798
4. Expenses:			
Cost of materials consumed	22	1,264,393,222	1,325,448,843
Operation and maintenance expense	23	32,486,023	47,634,039
Employee benefits expense	24	16,325,939	18,127,829
Finance costs	25	31,218,373	42,157,578
Depreciation and amortization expense	11	50,965,500	174,171,321
Other expenses	26	27,387,295	41,076,410
Total expenses		1,422,776,351	1,648,616,020
5. Profit before exceptional items and tax (3-4)		1,721,562	(162,308,222)
6. Exceptional items	31	912,368,201	-
7. Profit/(loss) before tax		(910,646,639)	(162,308,222)
8. Tax expense:			
Current tax		-	-
Mat Credit		-	9,205,659
9. Profit / (Loss) for the year before minority Interest (7-8) Operation (7-8)		(910,646,639)	(171,513,881)
14. Minority Interest		-	(36,416,414)
15. Profit /(Loss) for the year		(910,646,639)	(135,097,467)
16. Earnings per equity share of Rs. 10/- each fully paid	37		
Basic and Diluted			
Before exceptional items			
Basic and Diluted		0.01	(1.08)
After exceptional items			
Basic and Diluted		(0.09)	(1.15)
Corporate information and Significant accounting policies	1&2		

See accompanying notes forming part of the financial statements

As per our report of even date attached

For M. Bhaskara Rao & Co.,
Chartered Accountants

for Suryachakra Power Corporation Limited

V.K. Muralidhar
Partner

Dr. S.M. Manepalli
Managing Director

K. Vijay Kumar
Director

Hyderabad, May 27, 2015

P. Satish Chandra Mouli
Company Secretary

V.L. Narasimha Rao
Chief Financial officer



Consolidated Cash Flow Statement for the year ended March 31, 2015
(All amounts in Indian rupees, except share data and where otherwise stated)

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Cash flows from operating activities		
Net profit before tax	(910,646,639)	(171,513,881)
Adjustments:		
Interest income	-	(209,170)
Finance charges	31,218,373	42,157,578
Depreciation	50,965,500	174,171,321
Provision no longer required written back	-	(8,553,401)
Provision for Doubtful debts / advances	251,830,479	
Loss on stock	-	2,692,500
Provision for Dimunition of Value of Investment	668,337,722	
Profit on sale of fixed assets	(465,843)	
Operating profit before working capital changes	91,239,592	38,744,947
(Increase)/Decrease in inventory	1,126,808	11,826,378
(Increase)/Decrease in trade receivables	6,451,396	(20,188,751)
(Increase)/Decrease in loans and advances	33,796,545	108,074,239
Increase/(Decrease) in current liabilities and provisions	(80,198,778)	2,189,708
Cash generated from operations	52,415,563	140,646,521
MAT Credit written off	-	-
Income taxes (paid)/ refund	744,960	4,867,419
<i>Net cash generated from operating activities</i>	53,160,523	135,779,102
Cash flows from investing activities:		
Interest received	-	5,289
Payment of advance for fixed assets	-	26,652
Purchase of investments	(79)	-
(Increase) / Decrease in capital expenditure -net	-	(2,951,129)
Proceeds from sale of fixed assets	875,000	
<i>Net cash generated from / (used in) investing activities</i>	874,921	(2,919,188)
	Year ended March 31, 2015	Year ended March 31, 2014
Cash flows from Financing Activities :		
Proceeds/(Repayment) of borrowings, net	(51,685,721)	(105,944,955)
Interest paid	(2,529,160)	(28,546,911)
<i>Net cash generated from / (used in) financing activities</i>	(54,214,881)	(134,491,866)
Net increase in cash and cash equivalents	(179,437)	(1,631,951)
Cash and cash equivalents at beginning of the year*	628,888	3,004,678
Cash and cash equivalents at end of the year	449,451	1,372,727
Notes:		
1. Components of cash and cash equivalents as at (Refer Note 16)		
Cash in hand	254,411	749,006
Balances with scheduled banks		
- in current accounts	195,040	473,342
- in deposit accounts		
- Share application money received for allotment of securities and due for refund	-	150,380
	449,451	1,372,727

* opening cash and cash equivalents are net of cas and cash equivalents relating to subsidiaries de-consolidated during the year

See accompanying notes forming part of the financial statements

As per our report of even date attached

For M. Bhaskara Rao & Co.,

Chartered Accountants

for Suryachakra Power Corporation Limited

V.K. Muralidhar
Partner

Dr. S.M. Manepalli
Managing Director

K. Vijay Kumar
Director

Hyderabad, May 27,2015

P. Satish Chandra Mouli
Company Secretary

V.L. Narasimha Rao
Chief Financial officer



Notes to Consolidated Financial Statements for the year ended March 31, 2015
(All amounts in Indian rupees, except share data and where otherwise stated)

Note - 3 Share Capital	As at 31 March, 2015		As at March 31, 2014	
	Number	Amount	Number	Amount
Authorised				
Equity Shares of Rs. 10/- each	150,000,000	150,00,000,000	150,000,000	1,500,000,000
Issued, Subscribed and Fully Paid up				
Equity Shares of Rs. 10/- each	149,632,960	1,496,329,600	149,632,960	1,496,329,600
Total	149,632,960	1,496,329,600	149,632,960	1,496,329,600

3.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares of Rs. 10/- each				
At the beginning of the year	149,632,960	1,496,329,600	149,632,960	1,496,329,600
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	149,632,960	1,496,329,600	149,632,960	1,496,329,600

3.2 Rights, preferences and restrictions attached to equity shares

The company has only one class of shares referred to as equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive surplus from sale of assets after setting off of the liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

3.3 Details of shareholders holding more than 5% shares in the company

	As at March 31, 2015		As at March 31, 2014	
	Number	% Holding	Number	% Holding
Mauktika Energy Private Limited	20,851,397	13.94%	21,166,397	14.15%



Notes to Consolidated Financial Statements for the year ended March 31, 2015
(All amounts in Indian rupees, except share data and where otherwise stated)

Note - 4 Reserves and Surplus	As At March 31, 2015	As At March 31, 2014
Capital reserve		
Opening balance	400,001	100,627,617
Add: Additions during the year	-	-
Closing balance	400,001	100,627,617
Securities premium account		
Opening balance	727,199,288	727,199,288
Add: premium on shares issued during the year	-	-
Closing balance	727,199,288	727,199,288
Foreign currency translation reserve		
Opening balance		
Add: Effect of foreign exchange rate variations during the year (net)	219,973,465	219,973,465
Closing Balance	275,488	-
	220,248,953	219,973,465
Surplus/(deficit) in the statement of profit and Loss		
Opening balance	(156,770,955)	(1,836,851,812)
Add: Profit / (Loss) for the year	(910,646,639)	(135,097,467)
Closing balance	(1,067,417,594)	(1,971,949,279)
Add: Minority's share of losses in excess of its interest in the subsidiaries equity	-	(36,416,414)
Closing balance	(1,067,417,594)	(2,008,365,693)
Total	(119,569,352)	(960,565,323)



Notes to Consolidated Financial Statements for the year ended March 31, 2015

(All amounts in Indian rupees, except share data and where otherwise stated)

Note-5	As at March 31, 2015		As at March 31, 2014	
	Non-Current	Current	Non-Current	Current
Long Term Borrowings				
<u>Secured</u>				
<u>From Bank</u>				
State Bank of India (Kolkata) working capital term loan (Refer Note 5.1)	77,880,000	84,171,539	118,907,481	77,244,058
State Bank of India term loan (Refer Note 5.2)	-	-	-	182,318,000
State Bank of Hyderabad term loan (Refer Note 5.2 (b), (c), (d), (e) and 5.3)	-	-	-	178,406,792
Syndicate Bank term loan (Refer Note 5.4)	-	-	-	263,100,000
IDBI Bank Limited term loan (Refer Note 5.2 (b), (c), (d), (e) and 5.5)	-	-	-	181,822,000
IDBI Bank Limited- Carbon Credit term loan (Refer Note 5.6)	-	-	-	103,219,779
<u>From others</u>				
Indiabulls Housing Finance Limited (Refer Note 5.7)	-	-	-	147,975,348
SREI Equipment Finance Private Limited- rupee term loan (Refer Note 5.8)	-	28,886,304	-	28,886,304
<u>Unsecured Loan</u>				
<u>From others</u>				
Bunge Emissions Fund Limited (Refer Note 5.9)			63,520,000	
Intercorporate loans	80,691,624		101,197,927	
Related parties	4,662,671		38,581,548	
Total	163,234,295	113,057,843	322,206,956	1,162,972,281
Less: Amount disclosed under "Other current liabilities" (Refer Note 10)		113,057,843	-	1,162,972,281
Total	163,234,295	-	322,206,956	-



Notes to Consolidated Financial Statements for the year ended March 31, 2015

(All amounts in Indian rupees, except share data and where otherwise stated)

- 5.1 (a) Working capital term loan from State Bank of India (Kolkata) carries an interest of 12.75% per annum and is repayable in thirty three monthly unequal instalments.
- (b) Working capital term loan from State Bank of India (SBI) is secured by: First charge on the entire fixed assets of company, present and future on pari passu basis with other term lender, SREI Equipment Finance Private Limited. Registered mortgage of leasehold rights of land measuring 4.12 Ha. Bearing Survey Nos. 462, 467, 636, 635/2, 625/1, 634/1, 635/3 and 635/4 situated at Bambooflat, Ferrargunj Tehsil, Andaman, A& N Islands, including assignment of Power Purchase Agreement, EPC contract and O&M contract, insurance policy and other project documents.
- (c) Collateral security by way of:
- Collateral security by way of: Pledge of 84,37,388 shares of Suryachakra Power Corporation Limited (face value of Rs.10). Vacant urban residential plot no. 74 admeasuring 350 sq.yards, Survey Nos.300P, 302, 309P, in the name of Shri M. Seshavatharam and situated in Krishnaja Hills, Village: Bachupally, Mandal: Quthubullapur, District Ranga Reddy, Andhra Pradesh. Open vacant plots of land in the name of Shri M. Naveen Babu admeasuring— 1.47 acres RS No.368; 0.97 acre RS No.09; 0.38 acre RS No.11. All three at village: Thorreddu, Rajahmundry Rural Mandal, District East Godavari, Andhra Pradesh. 3.02 acres RS No.246/1, village: Madhurapudi, Korukondala Mandal, District East Godavari, Andhra Pradesh. Six vacant residential plots in the name of Shri M. Naveen Babu in Western Block No.6-95, 6-95/1, 6-97, 6-97/1, 6-97/3 and 6-96 admeasuring 2082.88 sq. yards situated in RS 124/4, at village: Thorreddu, Rajahmundry Rural Mandal, District East Godavari, Andhra Pradesh.
- (d) Personal Guarantee of Dr. S.M Manepalli, Managing Director, Shri M. Seshavatharam and Smt T. Sreelatha relatives of Director and Shri M. Naveen Babu,
- (e) Corporate guarantee of Mauktika Energy Private Limited and Manepalli Investments Private Limited.
- 5.2 (a) Term Loan from State Bank of India (SBI) carries an interest of 19.36% per annum and is repayable in 59 monthly installments of Rs. 22,50,000/- each - Aggregating to Rs. 13,27,50,000/- and one installment of Rs. 24,00,000/-
- (b) The term loan is secured by first charge on all fixed assets of the company including equitable mortgage of 24.35 acres of land in Ghat No 88 and 145 at Kolhapur Village, Bhatkuli (Tq), Amaravati District, Maharashtra and 20.38 acres of land in Ghat No 128,129,54 and 55 at Borwand Village, Parbhani (Tq), Parbhani District, Maharashtra. Assignment of all rights under EPA and Escrow of receivables under EPA
- (c) Collateral Security :(1) Residential house property situated on Unit No AH5 in RS Dage No 338, J L No. Mouza Shikarpur, P S Rajarhat, Kolkatta standing in the names of Dr. S.M. Manepalli director of the company and Smt. M Mangatayaru relative of the directors of the company. (2) Residential house property at Kishanja Retreat in Sy. No 317/1, RS No 22/1 Udhagamandalam Village, Doddabetta Nilgiris District, Tamilnadu standing in the name of Sri M Seshavatharam, director of MSM Energy Limited, a subsidiary of the Company. (3) Flat No G-4, Ground Floor, Sai Hasthina Residency, in Plot No A - 46 in TS No 174, Ward No 29, Block No 65 at Narasanna Nagar, Kakinada East Godavari District standing in the name of Smt. M Suneeta, relative of a director of the company.
- (d) Pledge of 30% of the shares held by the promoters of MSM Energy Limited, a subsidiary of the Company on pari passu basis. Certain properties held by Dr. S M Manepalli, M. Mangatayaru, M Seshavatharam and M Sunitha on pari passu basis. 2,00,000 Equity shares of the Company (SPCL) held by the Promoters on pari passu basis



Notes to Consolidated Financial Statements for the year ended March 31, 2015

(All amounts in Indian rupees, except share data and where otherwise stated)

- (e) Personal guarantees of Dr. S M Manepalli, M. Mangatayaru, M Seshavatharam and M Sunitha (IDBI to the extent of Rs.18,18,22,000)
- 5.3 Term Loan from State Bank of Hyderabad (SBH) carries an interest of 15.20% per annum and is repayable in 60 monthly installments of Rs. 22,00,000/- each - Aggregating to Rs. 13,20,00,000/-. For security particulars refer Note 5.2 (b), (c), (d) and (e).
- 5.4 (a) Term loan from Syndicate bank carries an interest of 17.5% per annum. Pursuant to a demand notice dated June 7, 2012 from the bank, the loan outstanding as on March 31, 2013 has fallen due for repayment.
- (b) The loan is secured by (i) Unregistered Equitable Mortgage of lease hold rights on Plot No.. C-9 MIDC Industrial area, Limbala Hingoli Maharashtra state and building , hypothecation of plant and machinery, equipment and other assets. (ii) First charges on all receivable to be routed through escrow account and first charge on DSRA account. (iii) Collateral security as second charge by way of equitable mortgage of lands situated at Beeramguda, Ameenpur Village, Medak District belonging to the directors and their relatives, pledge of 47,34,000 Equity Shares of the company held by holding company and pledge of 29,10,000 Equity Shares of Suryachakra Power corporation Limited.
- 5.5 Term Loan from IDBI Bank Limited to the extent of Rs.18,18,22,000/- carries an interest of 14.50% per annum and is repayable in 60 monthly installments of Rs. 22,75,000/- each - Aggregating to Rs. 13,65,00,000/-. For security particulars refer Note 5.2 (b), (c), (d) and (e).
- 5.6 (a) Carbon Credit Term Loan from IDBI Bank Limited carries an interest of 16.50% per annum, repayable in one bullet installment on July 01, 2013 and is secured by:
- (b) Exclusive first charge on the carbon credits / receivables from sale of carbon credits, escrow account to be opened with IDBI Bank for receipt of proceeds from sale of carbon credits. Undertaking by the subsidiary companies to create a first charge on all fixed and current assets of the subsidiary companies ranking paripassu with other lenders in the event of currency of the loan extending beyond July 01, 2013.
- (c) Collateral security to the extent of Rs.6,67,50,000/- by way of (1) Personal guarantees of Dr. S.M. Manepalli and Mr. M. Seshavatharam, directors of the subsidiary MSM Energy Limited (MSMEL) and Ms. Sunitha and Ms. Mangatayaru relatives of directors. (2) Pledge of 20% of the equity shares of MSMEL held by the promoters of the Company "Suryachakra Global Enviro Power Limited". (3) Extension of pledge of the Equity shares of MSMEL pledged for securing the term loans availed from SBH, SBI and IDBI Bank Limited by MSMEL.
- (d) Collateral security to the extent of Rs.2,29,47,685/- by way of (1) mortgage of 50.425 acres of fish culture ponds situated at Guttinadeevi Village, Near Yanam, East Godavari District, Andhra Pradesh belonging to the promoters of SAAIL, a subsidiary of the Company. (2) Pledge of 25% of the equity shares of SAAIL held by the promoter company "Suryachakra Global Enviro Power Limited" (SGEPL) and exclusive pledge of 50,000 equity shares of the Company (SPCL) held by promoters. (3) Personal guarantees of Dr. S. M. Manepalli and Mr. M. Seshavatharam, directors of SAAIL and Ms. Sunitha and Mrs.M. Mangatayaru relatives of directors.
- (e) Collateral security to the extent of Rs.1,35,22,094 by way of (1) mortgage of 50.425 acres of fish culture ponds situated at Guttinadeevi Village, Near Yanam, East Godavari District, Andhra Pradesh belonging to the promoters of SGEPL. (2) Pledge of 25% of the equity shares of SGEPL held by the promoters of SGEPL and exclusive pledge of 50,000 equity shares of SPCL held by the promoters. (3) Personal guarantees of Dr. S.M. Manepalli director of the company and Mr. M. Seshavatharam, Ms. Sunitha and Ms.M.Mangatayaru relatives of director. Further, an undertaking by SPCL, the Promoters of the Company that the shares held by it will not be disposed off during the tenure of CER loan.
- 5.7 (a) Term loan from Indiabulls Housing Finance Limited (Formerly known as Indiabulls Financial Services Limited) carries an interest of 17.50% per annum and is repayable in ninety (90) equated monthly instalments.
- (b) Term loan is secured by first charge by way of equitable mortgage on the fixed assets of the 9.8 MW bio mass based power plant located at Khajuri village, Balodo bazar, District Raipur, Chhattisgarh, along with equitable mortgage of the land on which the above plant is situated.



- (c) Hypothecation on (a) the power purchase agreement entered into between the borrower and the Chhattisgarh State Power Distribution Company Limited (CPDCL) (b) the escrow agreement and the designated escrow account opened with the designated bank of the lenders, to which the entire receivables from the sale of power to CPDCL shall be deposited.
- (d) Pledge of 25% of the share capital of the subsidiaries SAAIL and SGEPL free from encumbrances and charges
- (e) Personal guarantee of the promoter directors Dr. S M Manepalli and Sri M. Seshavatharam.
- 5.8 (a) Term loan from SREI Equipment Finance Private Limited carries an interest of 19.5% per annum. The loan outstanding as on the date of the balance sheet has fallen due for repayment.
- (b) Term loan from SREI Equipment Finance Private Limited is secured by: First charge on all moveable and immovable assets, present and future of the company in favour of SREI on a pari-passu basis with SBI. Assignment in favour of SREI, SBI on a pari-passu basis, of all rights titles and interests of the company in, to and under all assets of the project and all projects documents, insurance policies, permits/approval etc, to which the company is a party and all other contracts relating to project. Pari-passu first charges on company's all the accounts including but not limited to Trust and Retention Account and the Debt-Service Letter of Credit / Reserve Account. The Equity Shares held by promoters in the project company (minimum 51%) shall be pledged to SREI and SBI on a pari-passu basis.
- (c) Non-disposal undertaking by Caterpillar and BSES for not disposing off their respective equity shares of SPCL during the currency of the credit facilities sanctioned to SPCL without the written consent of SREI and SBI.
- 5.9 Loan from Bunge Emissions Fund Limited is secured by corporate guarantee, provided by the Company for a sum of Euro 1.00 million. This loan automatically gets adjusted against sale of CER's by the subsidiary SGEPL to the Lender.
- 5.10 The company has defaulted in repayment of loans and interest to banks has given below :

Bank	Nature of Dues	As at March 31, 2015		As At March 31, 2014	
		Period of default	Amount	Period of default	Amount
State Bank of India (Kolkata) working Capital term loan	Principal	May' 14 to March' 15	35,340,266	May' 13 to March' 14	34764058
	Interest	Sept' 13 to March' 15	30,531,108	Dec' 13 to March' 14	15,179,563
Others					
SREI Equipment Finance Private Limited	Principal	April' 11 to March' 15	28,886,304	April' 11 to March' 14	28,886,304
		April' 11 to March' 15	6,005,017	April' 11 to March' 14	6,005,017



Notes to Consolidated Financial Statements for the year ended March 31, 2015
(All amounts in Indian rupees, except share data and where otherwise stated)

Note - 6 Other Long Term Liabilities	As at March 31, 2015	As at March 31, 2014
Other Payables	16,039,830	16,039,830
Total	16,039,830	16,039,830

Note -7 Long Term Provisions	As at March 31, 2015	As at March 31, 2014
(a) Provision for employee benefits		
Provision for Leave Encashment	311,159	485,826
Provision for Gratuity Liability	1,650,415	1,878,042
(b) Provision - others	-	2,313,446
Total	1,961,574	4,677,314

Note -8 Short Term Borrowings	As at March 31, 2015	As at March 31, 2014
Secured		
From Bank		
(a) Loans repayable on demand		
(i) State Bank of India - Cash credit (Refer Note 8.1)	33,998,823	52,765,287
(ii) IDBI Bank - cash credit (Refer Note 8.2)	-	87,253,005
(iii) Syndicate Bank - overdraft (Refer Note 8.3)	-	80,429,883
Unsecured		
From Others		
(a) Deposits		
(i) Inter - corporate deposits	113,600,000	113,600,000
(b) Other loans and advances		
(i) Working capital loan from SBI Global Factors Limited	256,979,169	256,979,169
(ii) Inter Corporate Loans	-	819,090,412
(iii) Others	-	168,158
Total	404,577,992	1,410,285,914

8.1 Cash credit from State Bank of India is secured by exclusive first charge on the entire current assets of the company both present and future; assignment of LC from Andaman and Nicobar Administration and collateral security on second charge on all fixed assets of the company

8.2 Cash credit from IDBI Bank Limited carries an interest of 14% per annum and is secured by first charge on entire current assets and second charge on the entire fixed assets of step down subsidiary "M.S.M Energy Limited" both present and future located at Borwand village, Parbhani and Kolhapur village and Amaravati district in the State of Maharashtra and personal guarantees of Dr. S M Manepalli and Shri M. Seshavatharam, directors of the company and Smt M. Sunita and Smt. M. Mangatayaru, relatives of the directors.

8.3 Overdraft from Syndicate Bank carries an interest of 19% per annum and is secured by hypothecation of stocks and book debts, second charge on the fixed assets of step down subsidiary "Sri Panchajanya Power Private Limited (SPPPL) and collateral security by way of first charge on lands situated at Beeramguda, Ameenpur Village, Medak District belonging to directors of SPPPL and their relatives and pledge of 47,34,000 equity shares of SPPPL held by the company and 29,10,000 equity shares of the company. Personal guarantees of Dr. S M Manepalli, director of SPPPL, Sri M. Seshavatharam and Smt. M. Mangatayaru, the relatives of Dr. S. M. Manepalli.

8.4



Notes to Consolidated Financial Statements for the year ended March 31, 2015
(All amounts in Indian rupees, except share data and where otherwise stated)

8.4 The company has defaulted in repayment of loans and interest in respect of the following:

Particulars	As at March' 31, 2015		AsAt March 31, 2014	
	Period of Default	Amount	Period of Default	Amount
Loans repayable on demand from banks				
Principal	Aug' 11 to Mar' 15	167,253,005	Aug'11 to Mar' 14	167,253,005
Interest	1-6 years	150,345,568	1-5 years	150,345,568
Inter Corporate Deposits from others				
Principal	39 months	113,600,000	27 Months	113,600,000
Interest	4 years	28,480,090	4 Years	28,480,090
Other loans and advances				
Principal	5 years	256,979,169	4 years	256,979,169
Interest	5 years	94,710,901	4 years	94,710,901
Note - 9 Trade Payables			As at March31,2015	As at March31,2014
Other Acceptances			101,667,605	231,432,241
Total			101,667,605	231,432,241
Note - 10 Other Current Liabilities			Aas at March 31, 2015	As at March31, 2014
Current maturities of long term borrowings (Refer Note 5)			113,057,843	1,162,972,281
Interest accrued and due on borrowings			174,453,543	557,023,899
Interest accrued but not due on term loan			-	1,578,634
Unclaimed share applicaion money#			-	150,380
Other Payables				
Statutory remittance (contribution to PF, withholding taxes, etc)			7,814,943	12,755,349
Payable for capital goods			23,644,790	96,880,860
Advance from customers			20,000,000	20,000,000
Other payables			4,260,684	21,305,813
Total			343,231,803	1,872,667,216

Amounts paid into Investor Education and Protection Fund during the year Rs.1,50,380.



Notes to Consolidated Financial Statements for the year ended March 31, 2015
(All amounts in Indian rupees, except share data and where otherwise stated)

Note -11 : Fixed assets

Description	Gross Block				Accumulated Depreciation			Net Block		
	Balance As at April 1st, 2014	Additions	Adjustments	As at March 31, 2015	Upto March 31, 2014	for the Year	Adjustments	Upto March 31, 2015	As at March 31, 2015	As t March 31, 2014
Land and site development	48,847,297	-	(18,444,132)	67,291,429	48,998,068	4,486,095	292621	53,191,542	14,099,887	48,847,297
Buildings and Roads	402,318,536	-	148,749,486	253,569,050	242,297,770	31,662,563	50,434,870	223,525,463	30,043,587	402,318,536
Plant and Machinery (Note 1 and 2)	1,493,872,203	-	953,928,544	539,943,659	869,874,645	14,217,899	398,596,612	48,5495,932	54,447,727	1,493,872,203
Computers&Equipments	460,446	-	(4,462,485)	4,922,931	8,208,430	158,379	3,656,488	4,710,321	212,610	460,446
Furniture and Fittings	5,074,676	-	(435,049)	5,509,725	6,040,281	366,117	2,261,470	4,144,928	1,364,797	5,074,676
Office Equipments	9,574,245	-	7,444,883	2,129,362	11,332,008	74,447	9,35,393	2,055,062	74,300	9,574,245
Vehicles	11,340,821	-	8,102,885	3,237,936	12,185,406	-	9,927,876	2,257,530	980,406	11,340,821
Total	1,971,488,224	-	1,094,884,132	876604092	1,198,936,608	50,965,500	474,521,330	775,380,778	101,223,314	1,971,488,230
Previous Total	3,170,398,181	26,652	-	31,704,24,833	1,024,765,287	174,171,321	-	1,198,936,608	1,971,488,225	2,204,766,359



Notes to Consolidated Financial Statements for the year ended March 31, 2015
(All amounts in Indian rupees, except share data and where otherwise stated)

Note -12 Non Current Investment	As at March' 31, 2015		As at March 31, 2014	
	Number	Amount	Number	Amount
Investment in equity instruments of Rs.10/- fully paid (Refer Note No.1)				
A. In Subsidiary Companies				
Suryachakra Power Venture Private Limited	62,707,977	891,116,963	-	-
Less: Provision for diminution in the value of Investment		668,337,722	-	-
Total		222,779,241		-
B. In Other Companies				
Suryachakra Power Venture Pvt Ltd.	15,940	159,400	15,940	159,400
Total		222,938,641		159,400
Note - 13 Long Term Loans and Advances		As at March 31, 2015	As at March 31, 2014	
Capital Advance				
Unsecured, considered good		103,659,272	163,518,108	
Doubtful		7,800,000	540,286,458	
		111,459,272	703,804,566	
Less: Provision for doubtful advances		7,800,000	-	
		103,659,272	703,804,566	
Less : Written off		-	540,286,458	
		103,659,272	163,518,108	
Security Deposits				
Unsecured, considered good		458,396	3,421,742	
Loans and advances to related parties (Refer Note 36)				
Secured, considered good		-	-	
Unsecured, considered good		69,694,843	-	
Doubtful		383,128,691	-	
		452,823,534	69,694,843	
Less: Provision for doubtful loans and advances		383,128,691	-	
Total		69,694,843	69,694,843	
Other Loans and advances				
Unsecured, Considered good		-	926,755,910	
Advance incometax (net of provisions Rs. 41,22,459 (30.06.2012 : Rs. 98,69,101)		4,122,459	4,867,419	
Total		177,934,970	1,168,258,022	
Note - 14 Other Non Current Assets		As at March 31, 2015	As at March 31, 2014	
Interest accrued on amonts withheld by Andaman and Nicobar Administration (Refer Note 28)		127,574,329	127,574,329	
Total		127,574,329	127,574,329	



Notes to Consolidated Financial Statements for the year ended March 31, 2015
(All amounts in Indian rupees, except share data and where otherwise stated)

Note - 15 Inventories	As at March 31, 2015	As at March 31, 2014
Raw Materials and components	25,977,556	26,121,418
Stores and spares	33,091,599	40,825,022
Total	59,069,155	66,946,440
Note - 16 Trade Receivables	As at March 31, 2015	As at March 31, 2014
Trade receivables outstanding for a period less than six months from the date they are due for payment (<i>Refer Note 28</i>)		
Unsecured, considered good	230,507,685	182,921,796
Doubtful	37,850,636	37,850,636
	268,358,321	220,772,432
Less: Provision for doubtful debts	37,850,636	37,850,636
	230,507,685	182,921,796
Other trade receivables	92,099,942	147,895,638
Unsecured, considered good		
Total	322,607,627	330,817,434
Note - 17 Cash and cash equivalents	As at March 31, 2015	As at March 31, 2014
Cash on hand	254,411	749,006
Balances with banks in current account in earmarked accounts ¹	195,040	473,342
¹ Share application money received for allotment of securities, due for refund	-	150,380
Total	449,451	1,372,728
¹ Represents the portion of oversubscribed share application money, received during the public offer in July 2007, refundable to the applicants		
Note - 18 Short-term loans and advances	As at March 31, 2015	As at March 31, 2014
Loans and advances to employees		
Unsecured, considered good	-	110,384
Prepaid expenses		
Unsecured, considered good	2,553,150	3,714,018
Other loans and advances		
Advance to suppliers and others		
Unsecured, considered good	671,648	6,043,308
Advances recoverable in cash or in kind or for value to be received	928,670,992	45,977,828
Unsecured, considered good	-	56,794,092
Doubtful	928,670,992	102,771,920
Less: Written off		(56,794,092)
Total	928,670,992	45,977,828
Total	931,895,790	55,845,538



Notes to Consolidated Financial Statements for the year ended March 31, 2015
(All amounts in Indian rupees, except share data and where otherwise stated)

Note - 19 Other Current Assets	Year ended March 31, 2015	Year ended March 31, 2014
Other receivables	7,853,000	7,853,000
Total	7,853,000	7,853,000
Note - 20 Revenue from operations		
Sale of electricity (<i>Refer Note 28</i>)	1,427,679,228	1,479,501,139
Less: Rebate and otehr deduction	5,728,365	4,009,860
	1,421,950,863	1,475,491,279
Other operating revenue		
Sale of scrap	2,081,207	1,527,688
Total	1,424,032,070	1,477,018,967
Note - 21 Other Income		
Interest on deposits	-	209,170
Profit on sale of assets	465,843	-
Provision no longer required written back	-	9,079,661
Total	465,843	9,288,831
Note - 22 Cost of materials consumed		
HSD	1,234,069,306	1,282,692,507
Lube Oil	30,323,916	28,048,302
Biomass material	-	13,038,599
Coal	-	1,669,434
Total	1,264,393,222	1,325,448,843
Biomass material consumed comprises of:		
Rice Husks	-	13,038,599
Note - 23 Operation and maintenance expense		
Power & Fuel	1,049,397	5,608,542
Plant expenses	11,714,194	13,198,578
Consumption of sotes and spares	19,722,432	23,476,079
Others	-	5,350,841
Total	32,486,023	47,634,039
Note - 24 Employee Benefits Expense		
Salaries and wages	15,533,030	17,133,541
Contribution to Provident fund and other fund	366,763	448,650
Staff welfare expenses	426,146	545,638
Total	16,325,939	18,127,829
Note - 25 Finance costs		
Interest on term loan	21,941,318	25,539,452
Interest on working capital loan	7,131,757	10,163,633
Interest on hort term borrowings	1,215,180	2,333,817
Interest on vehicle loan and others	-	638,930
Bank charges	930,118	3,481,746
Total	31,218,373	42,157,578



Notes to Consolidated Financial Statements for the year ended March 31, 2015

(All amounts in Indian rupees, except share data and where otherwise stated)

Particulars	Year ended March 31, 2015		Year ended March 31, 2014
Note - 26			
Other expenses			
Insurance	3,088,164		5,979,605
Rates & taxes	442,322		1,283,438
Legal & Professional Fees	4,382,739		10,372,331
Loss on Stock	-		2,692,500
Telephone & Internet Charges	628,629		961,987
Travelling Expenses	5,263,001		5,009,814
Rent	1,256,110		1,151,000
Printing & Stationery	491,493		675,101
Directors Sitting Fees	42,000		78,000
Vehicle Maintenance	74,030		354,162
Repairs & Maintenance			
- Plant & Machinery	-		672,084
- Others	-		232,672
Office Maintenance	-		327,923
Provision for doubtful advances	7,800,000		-
Auditors Remuneration - Audit Fees	530,901		1,026,521
Bad and doubtful advances written off	-	600,732,733	
Less: Provision for doubtful	-	(597,080,550)	3,652,183
Miscellaneous Expenses	3,387,907		6,607,088
Total	27,387,295		41,076,410
Note - 27		As at	As at
Contingent liabilities and commitments)		March 31, 2015	March 31, 2014
(to the extent not provided for			
(i) Contingent liabilities			
(a) claims against the company not acknowledged as dbt			
- Liquidated damages for delay in commencement of commercial operations		31,570,000	31,570,000
- Energy Charges demanded by Maharashtra State Electricity Distribution Company Limited		-	11,451,026
(b) Corporate guarantee given to Bunge Emissions Fund Limited against the loan provided to Suryachakra Power Limited, a subsidiary of the Company		70,908,000	70,908,000
(ii) Commitments			
Estimated amount of contracts remaining to be executed on Capital account and not provided for		-	678,225,521



Notes to Consolidated Financial Statements for the year ended March 31, 2015

(All amounts in Indian rupees, except share data and where otherwise stated)

Note - 28 : Revenue from A & N Administration

- (i) The Company's revenue from sale of electricity is based on the Power Purchase agreement (PPA) entered into with the Andaman and Nicobar (A & N) Administration. The PPA is for a initial period of 15 years and can be extended on mutual terms and conditions for three further periods of five (5) years each and contains a set of pre-defined formulae for calculation of the revenue to be billed on a monthly basis. Such billings as per terms of the PPA include a fixed charge payment, a variable charge payment, incentive payment, foreign exchange adjustment and change-in-law adjustment.
- (ii) The Company, for the purpose of determining the fixed charge monthly billings, invoices the A & N Administration based on the capital cost as envisaged in the PPA. Pending final confirmation of actual capital expenditure, no adjustment is made to the revenue. Such adjustments, if any, will be made in the period in which the amount becomes determinable and is confirmed by the A & N Administration.
- (iii) Revenues for the year ended March 31, 2015 include an amount of Rs.49,344,300/- (Previous year: Rs.5,32,99,282) billed by the company as variable charge payment under the PPA, which has been rejected / withheld by the A & N Administration on the grounds of the technical interpretation of the formulae for computation of such charges. Aggregate receivables as at March 31, 2015 on account of such rejections / withheld amounts to Rs. 23,05,07,685 as at March 31, 2015 (Previous year: Rs. 18,11,63,385). Further as at 31st March 2015 the Company also has to receive an amount of Rs.127,574,329 Lakhs from A & N Administration towards interest on the above stated rejections / withheld amounts which have been recognized in earlier years. Management is pursuing the matter with A & N Administration and is confident of recovering the amount. The amount sofar recognized in the books of accounts upto 31.03.2015, is a part of claim preferred on A & N Administration.

The Company believes that the amounts billed including interest thereon are recoverable based on the interpretation that can be inferred from the formulae contained in the PPA.

Note - 29

Advance to related parties -Suryachakra Industries Private Ltd (Formerly Known as Suryachakra Thermal Energy (Andhra) Private Limited) Rs.3,06,61,484 and Suryachakra Thermal (Madhya Pradesh) Private Limited Rs.3,81,01,314.

The company in earlier year had given the above advances to acquire land / to incur preliminary expenses in connection with setting up the power projects. Due to financial difficulties the company could not make further progress with regard to these projects. The land acquired is yet to be registered in the name of the Company. Company had entered into a formal agreements with the vendors and the agreements are live. Company is making efforts to bring in the investors and realise the advance given. Hence, no provision for doubtful advances is considered at this stage.

Note - 30 :

Interest and Borrowings

Certain lenders of the Company have initiated legal proceedings against the company for recovery of their dues. Company is negotiating with the lenders for settling the dues amicably. The company has stopped providing for the interest and other charges on loans from these lenders. Accordingly no interest on these loans have been provided in the financial statements for the year ended 31st March, 2015. The liability if any will be recognized in the year of settlement of dispute.

Note - 31 : Suryachakra Global Venture Ltd (SGVL):

SGVL is a wholly owned subsidiary of the company incorporated in Hongkong under Companies Ordinance. The Company through SGVL has decided to acquire a coal mine for captive use by its subsidiaries. Out of the proceeds of the GDRs issued during the year 2011-12, the Company has advanced an amount of Rs. 85,01,25,542/- (USD 1,90,00,000) to SGVL. SGVL has entered into an MOU with Symphony Trading and Investments Limited (STIL) for acquiring interests in coal mines in Indonesia. STIL is having offices in Singapore, Hongkong etc., and having experience in identifying and acquiring suitable coal mines for its clients. Pursuant to the said MOU, SGVL on 28th April'2011, has paid USD 1,90,00,000 as advance to STIL for acquiring interests in two coal mines from M/s. Surajaya Indelberg in Indonesia. As per MOU, STIL has agreed to return the advance, if transaction of coal mine acquisition is not successful within the timelines mutually agreed / extended. Due to change in policies of Indonesia, the transaction could not be completed. In view of the prevailing uncertain conditions relating to coal mining activities in Indonesia, the company has called back the advance given to STIL



Notes to Consolidated Financial Statements for the year ended March 31, 2015

(All amounts in Indian rupees, except share data and where otherwise stated)

and making efforts to recover the advance. During the 2012 -13, management has intensified the efforts for recovery; commenced the negotiations and was in the process of initiating legal remedies. Pursuant to the said efforts, the Company could recover an amount of Rs. 14,41,29,264/- (USD 25,90,886) during the year 2013-14 and pursuing for recovery of the balance amount. Management is confident of recovery of the advance. Shortfall if any, in recovery will be adjusted in the year of final settlement. Hence no provision towards doubtful advances, if any, has been made.

Note - 32 : Winding up petitions

(a) SBI Global Factors Limited

During the period ended June 30, 2012, M/s. SBI Global Factors Limited an unsecured creditor of the Company had filed a petition before the Honourable High Court of Andhra Pradesh for winding up of the company u/s 443 (1) (c) of the Companies Act, 1956. The Honourable High Court of Andhra Pradesh, had admitted the petition. Company has appealed against the said petition which is pending for hearing. Company is confident of resolving the matter amicably.

Note: 33

Capital Advances:

In the earlier years, the Company has given Capital Advances for enhancing the capacities and increasing the efficiencies of the existing plant and machinery. Net advances given as at 31st March 2015 aggregate to Rs.10,36,59,272. Due to financial difficulties, the company could not go ahead with the envisaged expansion and modifications. Management is making efforts and expects to recover the balance amount at the earliest. Hence, no provision in the value of advance is considered necessary at this stage.

The Group has not received confirmation of balances from Lenders, Trade payables, Suppliers for capital goods, Loans & Advances including capital advances given by the company as at 31st March 2015. In the absence of confirmation of balances from these parties, provision for adverse variations, if any, in the carrying amounts of these balances are not quantifiable. However, management is confident that the settlement with the said parties will be made at the carrying amounts and no provision is required at present for adverse variations. Adjustment for shortfall / excess payment, if any, will be made in the year of settlement.

Note - 35 : Segment Reporting

The Group's operations predominantly consists of generation and sale of electricity. Hence there are no reportable segments under the Accounting Standard - 17. The Group's business operations are primarily concentrated in India. The conditions prevailing in India being uniform, no separate geographical disclosures are considered necessary.

Note - 36

Related party transactions

(a) Related parties where significant influence exists and with whom transactions have taken place during the year are as follows:

(i) Key Management Personnel (KMP) represented on the Board of Directors (including Executive Directors in subsidiaries and step-down subsidiaries)

- Dr. S. M. Manepalli, Managing Director
- Mr. K Vijay Kumar, Executive Director
- Mrs. B.N.Raja Kumari, Executive Director
- Mr. V.L.Narasimha Rao, Chief Financial Officer
- Mr. P.Satish Chandramouli, Company Secretary

(ii) Enterprises over which Key Managerial Personnel or their relatives have significant influence

- Suryachakra Thermal Energy (Andhra) Private Limited
- Suryachakra Thermal (Madhya Pradesh) Private Limited
- Suryachakra Power Venture Private Limited

(iii) Non-executive Directors on the Board

- Mr. V. S. Murthy

(iv) Relatives of Key Managerial Personnel

- Mrs. M. Sunita



Notes to Consolidated Financial Statements for the year ended March 31, 2015
(All amounts in Indian rupees, except share data and where otherwise stated)

(A) Following is a summary of related party transactions:

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
1. Loans / Advances Granted to subsidiary and step down subsidiaries		
a) Suryachakra Global Enviro Power Limited	3,711,962	-
Total	3,711,962	-
2. Repayment/transfer of loans by subsidiary and step down subsidiaries		
a) Suryachakra Global Enviro Limited	425,000	-
Total	425,000	-
3. Loans/Advances granted to enterprises significantly influenced by KMP		
a) Suryachakra Thermal Energy (Andhra) Private Limited	-	6,400,000
Total	-	6,400,000
4. Repayment of loans by enterprises significantly influenced by KMP		
a) Suryachakra Thermal Energy (Andhra) Private Limited	-	104,720
b) Suryachakra Power Venture Private Limited	-	67,955
Total	-	104,720,00
5. Remuneration to Key Management personnel / Non-executive Directors		
a) Dr. S.M. Manepalli	3,600,000	3,600,000
b) Mr. K Vijay Kumar	1,188,000	1,188,000
c) Ms. B N Rajakumari	-	512,052
d) V.L. Narasimha Rao	1,676,760	-
e) P. Satish chandramouli	1,350,000	-
f) Sitting fees to Non- Executive directors	42,000	78,000
Total	7,856,760	5,378,052
6. Unsecured loan taken from Key Managerial Personnel (net)		
a) Dr. S.M. Manepalli	1,949,223	2,295,710
Total	1,949,223	2,295,710
7. Unsecured loan repaid to Key Managerial personnel		
a) Dr. S M Manepalli	508,100	6,088,755
Total	508,100	6,088,755
8. Provision for diminution in value of investment		
a) Suryachakra Global Enviro Power Limited	668,337,722	-
Total	668,337,722	-
9. Provision for doubtful advances		
a) Suryachakra Global Enviro Power Limited	244,030,479	-
Total	244,030,479	-



Notes to Consolidated Financial Statements for the year ended March 31, 2015
(All amounts in Indian rupees, except share data and where otherwise stated)

b) Details of outstanding balances of relatd parties

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
1. Remuneration to Key Management Personnel/ Non-executive directors		
a) Dr. S. M Manepalli	5,003,130	2,383,500
b) Mr. K Vijay Kumar	738,897	505,437
c) Ms. B N Rajakumari	-	190,183
d) Mr. V L Narasimha Rao	1,418,480	-
e) Mr. Satish Chandramouli	837,468	-
Total	5,742,027	3,079,120
2. Unsecured Loan to Subsidiaries and Stepdown Subsidiaries		
a) Suryachakra Global Enviro Power Limited	383,128,691	-
Total	383,128,691	-
3. Provision for doubtful advances to Subsidiaries and Stepdown Subsidiaries		
a) Suryachakra Global Enviro Power Limited	383,128,691	-
Total	383,128,691	-
4. Unsecured loan to Enterprises significantly influenced by		
a) Suryachakra Thermal Energy (Andhra) Private Limited	30,661,484	30,661,484
b) Suryachakra Thermal (Madhya Pradesh) Private Limited	38,101,314	38,101,314
c) Suryachakra Power Venture Private Limited	932,045	932,045
Total	69,694,843	69,694,843
5. Unsecured Loan from KMP		
a) Dr. S.M. Manepalli	3,761,333	37,590,210
Total	3,761,333	37,590,210
6. Unsecured loan from relatives of KMP		
a) Mrs. M. Sunita	-	100,000
Total	-	100,000
7. Other Payables		
a) Manepalli Sehsavatharam	-	132,574
Total	-	132,574



Notes to Consolidated Financial Statements for the year ended March 31, 2015

(All amounts in Indian rupees, except share data and where otherwise stated)

Note : 37

Earnings per share

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Before exceptional items		
Net profit / (Loss) for the year before exceptional item attributable to the equity Shareholders	1,721,562	(162,308,222)
Weighted average number of equity shares considered for computation of basic and diluted earnings per share	149,632,960	149,632,960
Par value per share	10	10
Earnings per share from continuing operations - Basic Diluted	0.01	(1.08)
After exceptional items		
Net profit/ (Loss) for the year after exceptional item attributable to the equity shareholders	(910,646,639)	(171,513,881)
Weighted average number of equity shares considered for computation of basic and diluted earnings per share	149,632,960	149,632,960
Par value per share	10	10
Earnings per share from continuing operations - Basic and Diluted	(6.09)	(1.15)

Note - 38

Deferred taxes

The Company, its subsidiary and step down subsidiaries enjoy the tax holiday under section 80-IA of Income Tax Act, 1961. Based on the assessment carried out by the Company of timing differences as on March 31, 2014, the Company believes that such timing differences will reverse within the tax holiday period. Accordingly, no deferred tax has been recognised in the consolidated financial statements of the Group as on March 31, 2014.

Note - 39

Previous figures have been recasted/ restated to conform to the current classification

As per our report of even date attached

For **M. Bhaskara Rao & Co.,**

Chartered Accountants

for Suryachakra Power Corporation Limited

V.K. Muralidhar
Partner

Dr. S.M. Manepalli
Managing Director

K. Vijay Kumar
Director

Hyderabad, May 27,2015

P. Satish Chandra Mouli
Company Secretary

V.L. Narasimha Rao
Chief Financial officer



**Form No. MGT-11
Proxy form**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies
(Management and Administration) Rules, 2014]

CIN: L40103TG1995PLC019554

Name of the company: Suryachakra Power Corporation Limited

Registered office : "Suryachakra House", Plot No.304-L-III, Road No. 78, Jubilee Hills, Hyderabad – 500096,
Ph.No.914030823000, Email id: suryachakra.power@gmail.com, website: www.suryachakra.in

Name of the member (s):	
Registered address:	
E-mail Id:	
Folio No/ Client Id:	
DP ID:	

I/We, being the member (s) of _____ equity shares of the above named Company, hereby appoint

1.	Name:	
	Address:	
	E-mail Id: or failing him	Signature
2.	Name:	
	Address:	
	E-mail Id: or failing him	Signature
3.	Name:	
	Address:	
	E-mail Id: or failing him	Signature

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 20th Annual General Meeting of the Company to be held on Wednesday, 30th September, 2015 at 10.00 a.m. at Hotel Devi Grand, # 11-5-152, Bhavani Nagar, Moosapet 'X' Roads, Hyderabad -500018 and at any adjournment thereof in respect of such resolutions as are indicated below:

S. No.	Resolutions
1.	Consideration and adoption of Audited Balance Sheet of the Company for the year ended 31 st March, 2015 and Profit and Loss Account for the year ended on that date including Consolidated Statements and Report of Board of Directors and Auditors thereon
2.	Re-Appointment of Mr. K Vijay Kumar, who retires by rotation
3.	Ratification of Appointment of Auditors and fixing their remuneration
4.	Appointment of cost auditors of the Company for the financial year ending 31 st March, 2016

Signed this _____ day of _____ 2015.

Signature of shareholder: _____ Signature of Proxy holder(s) _____

Affix
Revenue
Stamp

Note:

This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



SURYACHAKRA POWER CORPORATION LIMITED

Regd. Office: Suryachakra House, Plot No.304-L-III, Road No.78, Jubilee Hills, Hyderabad - 500 033.

ATTENDANCE SLIP

20TH ANNUAL GENERAL MEETING

30th day of September, 2015 at 10.00 A.M.

1. Regd. Folio No. : _____
2. Client ID No. : _____
3. DP ID No. : _____
4. No. of shares held : _____
5. Name of the Member/ Proxy : _____

I am a member/proxy for the member of the Company. I hereby record my presence at the 20th Annual General Meeting of the members of the Company at Hotel Devi Grand, # 11-5-152, Bhavani Nagar, Moosapet 'X' Roads, Hyderabad -500018.

Signature of the Member / Proxy

Note: Please complete and sign this attendance slip and hand it over at the entrance of the hall.

**Form No. MGT- 12****Polling Paper**

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1) (c) of the Companies (Management and Administration) Rules, 2014]

Name of the Company: Suryachakra Power Corporation Limited

Registered Office: "Suryachakra House", Plot No.304-L-III, Road No. 78, Jubilee Hills, Hyderabad – 500096,
Ph.No.914030823000, Email id: suryachakra.power@gmail.com, website: www.suryachakra.in
CIN: L40103TG1995PLC019554

BALLOT PAPER

S No	Particulars	Details
1	Name of the first named Shareholder (In Block Letters)	
2	Postal address	
3	Registered Folio No./ *Client ID No. (*applicable to investors holding shares in dematerialized form)	
4	Class of Shares	Equity

I hereby exercise my vote in respect of Ordinary/Special Resolutions enumerated below by recording my assent or dissent to the said resolutions in the following manner:

S. No.	Item No.	No. of Shares held by me	I assent to the resolution	I dissent from the resolution
1.	Consideration and adoption of Audited Balance Sheet of the Company for the year ended 31st March, 2015 and Profit and Loss Account for the year ended on that date including Consolidated Statements and Report of Board of Directors and Auditors thereon			
2.	Re-Appointment of Mr. K. Vijay Kumar, who retires by rotation			
3.	Ratification of Appointment of Auditors and fixing of their remuneration			
4.	Appointment of cost auditors of the Company for the financial year ending 31st March, 2016			

Place:

Date:

(*as per Company records)

(Signature of the shareholder*)

**Book - Post
Printed Matter**



If Undelivered please return to :
Suryachakra Power Corporation Limited
Regd. Office : "Suryachakra House"
Plot No. 304-L-III, Road No.78
Jubilee Hills, Hyderabad - 500 096
Tel No. : 040-3082 3000; Fax No. : 040 - 2354 1339
Website : www.suryachakra.in
E-mail : cosecretary@suryachakra.com