

22nd Annual Report 2009-2011



CELEBRATING
25
years
1986-2011

SUJANA UNIVERSAL INDUSTRIES LIMITED



BOARD OF DIRECTORS

CHAIRMAN	:	Shri Y.S. Chowdary
MANAGING DIRECTOR	:	Shri G. Srinivasa Raju
DIRECTORS	:	Dr. K.Srinivasa Rao*
		Shri S.Hanumantha Rao
		Shri J.Ramakrishnan *
		Shri Ashok Kumar De*
		*Independent, Non-Executive Directors

MANAGEMENT COMMITTEE	:	Shri Y.S.Chowdary
		Shri G.Srinivasa Raju
		Shri J. Ramakrishnan

AUDIT COMMITTEE	:	Dr. K.Srinivasa Rao
		Shri S.Hanumantha Rao
		Shri J. Ramakrishnan

SHARE TRANSFER COMMITTEE	:	Shri Y.S.Chowdary
		Shri G.Srinivasa Raju
		Shri J. Ramakrishnan

SHAREHOLDERS GRIEVANCES COMMITTEE	:	Shri Y.S.Chowdary
		Shri G.Srinivasa Raju
		Shri J. Ramakrishnan

REMUNERATION COMMITTEE	:	Shri S.Hanumantha Rao
		Dr. K.Srinivasa Rao
		Shri J. Ramakrishnan

CHIEF FINANCIAL OFFICER	:	Dr. B. Brahmaiah
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COMPANY SECRETARY	:	Shri N. Ravi Kiran
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STATUTORY AUDITORS	:	M/s. T.Raghavendra & Associates
		Chartered Accountants,
		No. 22, Krishna Apartments
		5th Floor, Tilak Road, Abids
		Hyderabad 500 001

COST AUDITORS	:	M/s. B.V.R & Associates
		Cost Accountants, Hyderabad.

BANKERS	:	Bank of Baroda
		Bank of India
		Central Bank of India
		IDBI Bank Limited
		Indian Overseas Bank
		UCO Bank

SUJANA UNIVERSAL INDUSTRIES LIMITED

REGISTERED OFFICE : Plot No. 18
Nagarjuna Hills,
Panjagutta,
Hyderabad – 500 082.

WORKS

- LEC DIVISION : Plot Nos. 10, 11 & 12,
Survey No. 172
Bollaram Village,
Jinnaram Mandal, Medak Dist, A.P.

- DOMESTIC APPLIANCES DIVISION : Plot No. 1B, Survey No. 308,
Sri Venkateswara Co-Operative
Industrial Estate, Jeedimetla,
Hyderabad-500 055.

- STEEL PRODUCTS DIVISION : Plot No. 128/A,
I.D.A. Bollaram
Jinnaram Mandal, Medak Dist, A.P.

- INFRASTRUCTURE DIVISION : Plot No. 18, Nagarjuna Hills,
Panjagutta, Hyderabad -82.

LISTING

: EQUITY
Bombay Stock Exchange Limited (BSE),
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001.

National Stock Exchange of India Limited (NSE),
5th Floor, Exchange Plaza,
Bandra (E), Mumbai - 400 051.

GLOBAL DEPOSITORY RECEIPTS (GDRs)

Luxembourg Stock Exchange,
Societe De La Bourse De Luxembourg,
Societe Anonyme,
Rc Luxembourg - B 6222.

REGISTRAR & SHARE TRANSFER AGENTS

: M/s. Bigshare Services Pvt.Ltd.
G-10, Left Wing, Amrutha Ville,
Opp: Yashoda Hospital,
Raj Bhavan Road, Somajiguda,
Hyderabad - 500 082.
Phone No: 040 – 2337 4967

NOTICE

NOTICE is hereby given that the Twenty Second Annual General Meeting of the Members of the Company will be held on Saturday, the 24th day of September, 2011 at "Kohinoor", Taj Deccan, Road No. 1, Banjara Hills, Hyderabad-500 034, Andhra Pradesh at 10.00 A.M. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited balance sheet of the Company as at 31st March, 2011 and the profit and loss account for the period ended 31st March, 2011 and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri J. Ramakrishnan, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri S. Hanumantha Rao, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration. The retiring Auditors M/s T.Raghavendra & Associates, Chartered Accountants, Hyderabad are eligible for re-appointment.

SPECIAL BUSINESS

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

"RESOLVED that pursuant to the provisions of Section 198, 269, 309, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and subject to the approval of Central Government, if necessary, Shri G.Srinivasa Raju, Managing Director of the Company be and is hereby re-appointed as Managing Director of the Company for period of 5 (five) years commencing from 13.08.2010 and the monthly

remuneration / package is being increased from Rs. 55,000/- to Rs. 1,00,000/- per month until otherwise decided".

"RESOLVED FURTHER THAT Sri N. Ravi Kiran, Company Secretary of the Company be and is hereby authorised to file necessary e-forms with the Registrar of Companies, Andhra Pradesh, Hyderabad."

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

"RESOLVED that pursuant to the provisions of Section 94 and other applicable provisions, if any, of the Companies Act, 1956 the Authorised Share Capital of the Company be increased **from** Rs.200,00,00,000/- (Rupees Two Hundred Crores only) divided into 17,50,00,000 (Seventeen Crores Fifty Lakhs) Equity Shares of Rs.10/- (Rupees Ten only) each and 25,00,000 (Twenty Five Lakhs only) Preference Shares of Rs.100/- (Rupees One Hundred only) each **to** Rs.300,00,00,000/- (Rupees Three Hundred Crores only) divided into 27,50,00,000 (Twenty Seven Crores Fifty Lakhs only) Equity Shares of Rs.10/- (Rupees Ten only) each and 25,00,000 (Twenty Five Lakhs only) Preference Shares of Rs.100/- (Rupees One Hundred only) each by further creation of 10,00,00,000 (Ten Crores only) Equity Shares of Rs.10/- (Rupees Ten only) each."

"RESOLVED FURTHER that, the consent of the members of the Company be and is hereby accorded to the Board/Management Committee of the Board of Directors of the Company to finalise the desired level/limit of authorized share capital of the Company upto Rs. 300 Crores (Rupees Three Hundred Crores only) keeping in view the proposed further issues of the Company and to file necessary e-forms with the Registrar of Companies, Andhra Pradesh, Hyderabad and to do all such acts, deeds,

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matters and things as it may in its absolute discretion deem necessary, proper, desirable or expedient.”

“RESOLVED FURTHER that the date on which the resolution passed by the Board/ Management Committee of the Board to increase the authorized share capital of the Company basing the consent given by the members to the desired levels as above, shall be treated as date of consent given by the members of the Company.”

“RESOLVED FURTHER that the Clause 5(a) of the Memorandum of Association of the Company be altered as follows:

The Authorised Share Capital of the Company is Rs.300,00,00,000/- (Rupees Three Hundred Crores only) divided into 27,50,00,000 (Twenty Seven Crores Fifty Lakhs only) Equity Shares of Rs.10/- (Rupees Ten only) each and 25,00,000 (Twenty Five Lakhs only) Preference Shares of Rs.100/- (Rupees One Hundred only)”

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

“RESOLVED THAT pursuant to the provisions of Section 81 (1A) and other applicable provisions, if any, of the Companies Act, 1956, (including any statutory modification (s) or re-enactments thereof, for the time being in force) and enabling provisions in the Memorandum and Articles of Association of the Company, Foreign Exchange Management Act, 2000, the Listing Agreements entered into by the Company with the Stock Exchanges where the shares of the Company are listed and the prevailing Statutory guidelines and subject to the approval of the Financial Institutions (FIs), Securities and Exchange Board of India (SEBI), Reserve Bank of India (RBI) and all other concerned authorities, if any and to the extent necessary and such other approvals, permissions and sanctions as may

be necessary and subject to that conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions which may be agreed to, by the Board of Directors of the Company (hereinafter referred to as Board) and / or a duly authorized Committee (hereinafter referred to as Committee) thereof for the time being exercising the powers conferred by the Board/Committee, the consent of the Company be and is hereby accorded to the Board/Committee to create, issue, offer or allot either at par or at premium (issue price being not less than the price as arrived at), in accordance with the terms of Chapter VII of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time, either in for cash or for consideration other than cash or in satisfaction of a genuine debt, as may be deemed most appropriate by the Board/Committee, equity shares or any other financial instruments (hereinafter for brevity's sake referred to as “Securities”) to be subscribed either in rupees/ foreign currency(ies) as the Board/Committee at its sole discretion may at any time or times hereinafter decide which Securities when issued or allotted would ultimately result in an increase in the paid up equity share capital of the Company upto an amount not exceeding **Rs. 18.00 Crores** in addition to the existing paid up equity share capital of Rs.138.41 Crores to the non promoters and / or strategic investors and/or to such other persons by way of private placement/preferential issue as may be permitted under the prevailing laws at such price or prices, or in such manner as the Board/Committee thereof may on its absolute discretion think fit in consultation with the lead managers, underwriters, advisors and such other persons and on such terms and conditions including the number of Securities to be issued, face value, premium, fixing the record date or book closure and related or incidental matters”.

“RESOLVED FURTHER THAT in the event of issue of equity shares through preferential

allotment, the relevant date for this purpose will be **25th August, 2011** as per the provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time”.

“RESOLVED FURTHER THAT such of these Securities to be issued as are not subscribed may be disposed of by the Board/Committee thereof, to such persons and in such manner and on such terms as the Board/ Committee may in its all absolute discretion think most beneficial to the Company including offering or placing them with Banks / Financial Institutions / Investment Institutions / Mutual Funds / Foreign Institutional Investors or such other persons or otherwise as the Board/Committee thereof may in its absolute discretion decide”.

“RESOLVED FURTHER THAT the consent of the Company be and is hereby given to the Board/Committee in terms of Section 293(1) (a) and all other applicable provisions, if any, of the Companies Act, 1956 to mortgage and/ or charge in addition to the mortgages/charges created/to be created by the Company in such form and manner and with such ranking and at such time and such terms as the Board/ Committee may determine, all or any of the movable or immovable properties of the Company, both present and future and/or the whole or any part of the undertaking(s) of the Company together with the power to take over the management of the business and concern of the Company in certain events of default in favour of the agents and Trustees/Lenders for securing the Securities (if they comprise fully/ partly secured Convertible Debentures and/ or secured Non Convertible Debentures with or without detachable or Non-Detachable warrant or secured premium notes, floating rate notes/bonds or other secured debt instruments) together with interest, further interest thereon, compound interest in case of default, accumulated interest, remuneration of the Trustees, premium (if any) on redemption, all other costs, charges and expenses payable

by the Company in terms of the Trust Deed/ other documents to be finalised and executed between the Company and the agents and Trustees/Lenders and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board of Directors/Committee thereof and the agents and Trustees/Lenders”.

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board/ Committee be and is hereby authorised to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to the offer/issue, allotment and utilisation of the proceeds of issue of the securities and further to do all such acts, deeds, matters and things in respect of appointment of lead managers, registrars, bankers, trustees, agents, lenders, brokers and underwriters and to finalise and execute all such deeds, documents and writings as may be necessary, desirable or expedient as it may deem fit”.

8. To consider and if thought fit to pass with or without modification(s) the following resolutions as a Special Resolution:

“RESOLVED that, pursuant to the provisions of Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or reenactment thereof for the time being in force) (the “Companies Act”), as also provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the “SEBI Regulations”), the provisions of the Foreign Exchange Management Act, 1999 and rules and regulations made thereunder, including the Foreign Exchange Management (Transfer and Issue of Securities by a Person Resident outside India) Regulation, 2000, Issue of Foreign Currency Convertible Bonds and

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Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993 and rules and regulations made thereunder, if applicable, any other applicable law or laws, rules and regulations (including any amendment thereto or re-enactment thereof for the time being in force) and applicable guidelines/regulations prescribed by the Securities and Exchange Board of India ("SEBI") and/or Reserve Bank of India ("RBI") and/or any other regulatory/statutory authority and clarifications thereon issued from time to time, whether in India or abroad, and enabling provisions in the Memorandum and Articles of Association of the Company and Listing Agreements, entered into by the Company with the stock exchanges where the shares of the Company are listed and subject to the approvals, consents, permissions and/or sanctions of, if applicable including but not limited to, Government of India, RBI, SEBI, Foreign Investment Promotion Board ("FIPB") and/or all other authorities, institutions or bodies, within or outside India, (hereinafter collectively referred to as appropriate authorities) and subject to such terms, alterations, conditions, changes, variations and/or modifications as may be prescribed by any of them while granting such approval (hereinafter referred to as requisite approvals) and as agreed to by the Board of Directors ("Board", which term shall be deemed to include any Committee which the Board may have constituted or may hereinafter constitute to exercise its powers including the powers conferred on the Board by this resolution), the consent of the Company be and is hereby accorded to the Board to create, offer, issue and allot in one or more tranche(s), in the course of domestic or international offerings or qualified institutional placements, with or without an over allotment/green shoe option, in one or more foreign markets or domestic markets, to domestic institutions, foreign institutions, non-resident Indians, Indian public companies, corporate bodies, mutual funds, banks, insurance companies, pension

funds, individuals, qualified institutional buyers or other persons or entities, whether shareholders of the Company or not, through a public issue and/or on a private placement basis and/or qualified institutional placement within the meaning of Chapter VIII of the SEBI Regulations and/or a preferential issue and/or any other kind of public issue and/or private placement, equity shares, preference shares, secured or unsecured debentures, bonds, warrants or any other securities whether convertible into equity shares or not, including, but not limited to, Compulsorily Convertible Preference Shares ("CCPS") and/or Optionally Convertible Preference Shares ("OCPS") and/or Partially Convertible Preference Shares ("PCPS") and/or Non Convertible Preference Shares ("NCPS") and/or Global Depository Receipts ("GDRs") and/or American Depository Receipts ("ADRs") and/or Foreign Currency Convertible Bonds ("FCCBs") and/or with or without attached share warrants and/or Partly Convertible Debentures ("PCDs") and/or Optionally Convertible Debentures ("OCDs") and/or Non Convertible Debentures ("NCDs") and/or Fully Convertible Debentures ("FCDs") and/or bonds with share warrants attached which are convertible into or exchangeable with equity shares and/or any other equity related instrument of the Company or a combination of the foregoing including but not limited to a combination of equity shares with bonds and/or any other securities whether convertible into equity shares or not as may be permitted by law (hereinafter referred to as "securities"), whether secured or unsecured, to be listed on any stock exchange inside India or any foreign/international stock exchange outside India if required, through an offer document and/or prospectus and/or offer letter, and/or offering circular, and/or on public and/or private or preferential basis, whether rupee denominated or denominated in foreign currency, provided that the aggregate of the sums so raised, including premium, if any, shall not exceed **Rs.300 Crores (Rupees**

Three Hundred Crores only), as the Board may determine in accordance with the SEBI Regulations and where necessary in consultation with the lead managers, underwriters, merchant bankers, guarantors, financial and/or legal advisors, rating agencies/ advisors, depositories, custodians, principal paying/transfer/ conversion agents, listing agents, registrars, trustees, printers, auditors, stabilizing agents and all other agencies/ advisors."

"RESOLVED FURTHER that the securities to be created, offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company and the underlying equity shares shall rank pari passu in all respects with the existing equity shares of the Company including payment of dividend, if any, declared including other corporate benefits, if any, for the financial year in which the issue/offer/allotment has been made and subsequent years and shall have the same voting rights as the existing equity shares."

"RESOLVED FURTHER that in addition to all applicable Indian laws, the securities issued in pursuance of this resolution shall also be governed by all applicable laws and regulations of any jurisdiction outside India where they are listed or that may in any other manner apply to such securities or provided in the terms of their issue."

"RESOLVED FURTHER that the Board be and is hereby authorised on behalf of the Company to finalise the pricing, terms and conditions relating to the issue of the securities and any other matter in connection with, or incidental to, the issue of the securities as the Board, in its absolute discretion, deems necessary or desirable, together with any amendments or modifications thereto."

"RESOLVED FURTHER that the pricing of the securities and the pricing of any equity shares issued upon conversion of the securities shall

be made subject to and in compliance with all applicable laws, guidelines, notifications, rules and SEBI regulations."

"RESOLVED FURTHER that the Board be and is hereby authorised to appoint, in its absolute discretion, managers (including lead managers), investment bankers, merchant bankers, underwriters, guarantors, financial and/or legal advisors, depositories, custodians, principal paying/transfer/ conversion agents, listing agents, registrars, trustees and all other agencies, whether in India or abroad, in connection with the proposed issue/offering/allotment of the securities and to negotiate and finalise the terms and conditions (including the payment of fees, commission, brokerage, out of pocket expenses and their charges subject to requisite approvals of the RBI, if any) of the aforesaid appointments and also to, in its absolute discretion, renew or terminate the appointments so made and to enter into and execute all such agreements, arrangements, memorandums, documents etc. with such persons and to seek listing of such securities."

"RESOLVED FURTHER that the Board be and is hereby authorised to determine the form, terms and timing of the issue(s)/offering(s)/allotment(s), including the investors to whom the securities are to be allotted, the proportion in which they are allotted, issue price, face value, number of equity shares or other securities upon conversion or redemption or cancellation of the securities, the price, premium or discount on issue/conversion of securities, rate of interest, period of conversion or variation of the price or period of conversion, listing on one or more Stock Exchanges in India and/or abroad and fixing of record date or book closure and related or incidental matters and finalise and approve the preliminary as well as the final offer documents for the proposed issue of the securities as may be required by the authorities in such issues in India and/or abroad and to authorise any Director or Directors of the Company or any other officer or officers

of the Company to sign the above documents for and behalf of the Company together with the authority to amend, vary or modify the same as such authorised persons may consider necessary, desirable or expedient and for the purpose aforesaid to give such declarations, affidavits, certificates, consents or any other confirmation and/or authorities as may, in the opinion of such authorised person, be required from time to time."

"RESOLVED FURTHER that the Company do apply for listing of any new securities issued with the Bombay Stock Exchange Limited and National Stock Exchange of India Limited or any other stock exchange(s)."

"RESOLVED FURTHER that such of these securities as are not subscribed may be disposed off by the Board, in its absolute discretion in such manner, as the Board may deem fit and as permissible by law."

"RESOLVED FURTHER that in case of a qualified institutional placement pursuant to Chapter VIII of the SEBI Regulations, the allotment of eligible securities within the meaning of Chapter VIII of the SEBI Regulations shall only be to qualified institutional buyers within the meaning of Chapter VIII of the SEBI Regulations, such securities shall be fully paid-up and the allotment of such securities shall be completed within 12 months from the date of this resolution approving the proposed issue or such other time as may be allowed by SEBI Regulations from time to time and the Company shall apply to the National Securities Depository Limited and/or Central Depository Services (India) Limited for admission of the eligible securities to be allotted as per Chapter VIII of the SEBI Regulations."

"RESOLVED FURTHER that in case of a qualified institutional placement of equity shares pursuant to Chapter VIII of the SEBI Regulations, the relevant date for the determination of the price of the equity shares,

shall be the date of the meeting of the Board in which the decision to open the proposed issue is taken or such other time as may be allowed by SEBI Regulations from time to time and such price shall be subject to appropriate adjustments in accordance with the applicable SEBI Regulations."

"RESOLVED FURTHER that in the event securities convertible into equity shares are issued under Chapter VIII of the SEBI Regulations, the relevant date for the purpose of pricing of the equity shares to be issued on conversion, shall be the date of the meeting of the Board in which the decision to open the proposed issue is taken or the date on which the holder(s) of securities which are convertible into or exchangeable with equity shares at a later date become(s) entitled to apply for the said shares or such other time as may be allowed by SEBI Regulations from time to time and such price shall be subject to appropriate adjustments in accordance with the applicable SEBI Regulations."

"RESOLVED FURTHER that subject to the applicable laws the Board be and is hereby authorised to do such acts, deeds and things as the Board in its absolute discretion deems necessary or desirable in connection with the issue of the securities, and to give effect to aforesaid resolution, including, without limitation, the following:

- (a) finalisation of the allotment of the securities on the basis of the subscriptions received;
- (b) finalisation of and arrangement for the submission of the preliminary and final offering circulars/prospectus(es)/ offer document(s), and any amendments and supplements thereto, with any applicable government and regulatory authorities, institutions or bodies, as may be required;
- (c) appointing Lead Managers, Underwriters, Guarantors, Depositories, Registrars, Solicitors, Counsels, Custodians, Escrow

Banks, Trustees, Bankers, Advisors and all such agencies and intermediaries, whether in India or abroad, as may be involved or concerned in such offerings of Securities and to remunerate them by way of commission, brokerage, fees or the like as it deems fit;

- (d) approval of the preliminary and final offering circulars/ prospectus/offer document (including amending, varying or modifying the same, as may be considered desirable or expedient) as finalised in consultation with the Lead Managers/ Underwriters/ Advisors, in accordance with all applicable laws, rules, regulations and guidelines;
- (e) approval of the Deposit Agreement(s), the Purchase/ Underwriting Agreement(s), the Trust Deed(s), the Indenture(s), GDRs/ADRs/FCCBs and other securities, letters of allotment, listing application, engagement letter(s), memoranda of understanding and any other agreements or documents, as may be necessary in connection with the issue/offering (including amending, varying or modifying the same, as may be considered desirable or expedient), in accordance with all applicable laws, rules, regulations and guidelines;
- (f) finalisation of the basis of allotment in the event of oversubscription;
- (g) acceptance and appropriation of the proceeds of the issue of the securities;
- (h) authorisation of the maintenance of a register of holders of the securities, if so required, in India or abroad;
- (i) authorisation of any Director or Directors of the Company or other officer or officers of the Company, including by the grant of power of attorneys, to do such acts, deeds and things as the authorised person in its absolute discretion may deem necessary or desirable in connection with the issue and allotment of the securities;
- (j) seeking, if required, the consent of the Company's lenders, parties with whom the Company has entered into various commercial and other agreements, all concerned government and regulatory authorities in India or outside India, and any other consents that may be required in connection with the issue and allotment of the securities;
- (k) seeking the listing of the securities on any Indian or international stock exchange, submitting the listing application to such stock exchange and taking all actions that may be necessary in connection with obtaining such listing;
- (l) giving or authorising the giving by concerned persons of such declarations, affidavits, certificates, consents and authorities as may be required from time to time;
- (m) deciding the pricing and terms of the securities, and all other related matters, including taking any action on conversion of securities, as per applicable laws, regulations or guidelines; and
- (n) creation of mortgage and / or charge in accordance with Section 293 (1) (a) of the Companies Act, 1956 in respect of securities as may be required either on pari passu basis or otherwise."
- (o) opening one or more bank accounts in the name of Company, including escrow account, special purpose accounts etc., in Indian currency or foreign currency(ies) which such bank or banks in India and/or such foreign countries as may be required in connection with the aforesaid issue/ offer, subject to requisite approvals from the RBI and other overseas regulatory authorities, if any;
- (p) making such applications to the relevant authorities and make the necessary regulatory filings in connection with the issue;

- (q) affixing the Common Seal of the Company on any agreement(s)/documents as may be required to be executed in connection with the above, in terms of Articles of Association of the Company;

"RESOLVED FURTHER that without prejudice to the generality of the foregoing, issue of the securities may be done upon all or any terms or combination of terms in accordance with international practices relating to the payment of interest, additional interest, premium on redemption, prepayment or any other debt service payments and all such terms as are provided customarily in an issue of securities of this nature."

"RESOLVED FURTHER that the Company may enter into any arrangement with any agency or body authorised by the Company for the issue of depository receipts representing the underlying equity shares issued by the Company in registered or bearer form with such features and attributes as are prevalent in international capital markets for instruments of this nature and to provide for the tradability or free transferability thereof as per international practices and regulations (including listing on one or more stock exchange(s) inside or outside India) and under the forms and practices prevalent in the international markets."

"RESOLVED FURTHER that for the purpose of giving effect to the above resolutions, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary or desirable, including without limitation to settle any question, difficulty or doubt that may arise in regard to the offer, issue and allotment of the securities."

"RESOLVED FURTHER that the Board be and is hereby authorised to accept any modifications in the proposal as may be required by the authorities involved in such issues but subject to such conditions as appropriate authorities,

inside or outside India, may impose at the time of their approval and as agreed to by the Board thereof."

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

"RESOLVED that in supersession of all the earlier resolutions passed by the members of the Company and pursuant to the provisions of Section 293(1)(d) of the Companies Act, 1956, the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company / Committee thereof to borrow monies from time to time, but so that the monies to be borrowed together with the monies already borrowed by the Company, for the time being (apart from temporary loans obtained from Company's bankers in the ordinary course of business) may exceed the aggregate of the paid up capital of the Company and its free reserves that is to say reserves not set apart for any specific purpose, but shall not exceed the amount of **Rs.2500.00 Crores (Rupees Two Thousand Five Hundred Crores only)** at any one time."

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

"RESOLVED that pursuant to the provisions of Section 372A and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and subject to the approval of the Public Financial Institutions, and all other concerned authorities, if any and to the extent necessary and such other approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions, which may be agreed to,

by the Board of Directors of the Company (hereinafter referred to as the "Board") and/or duly authorized Committee thereof for the time being exercising the powers conferred by the Board, the consent of the members of the Company be and is hereby accorded to the Board/Committee of the Board to make any loan to and/or to give any guarantee to and/or to provide security, in connection with a loan made by any other person to or other person by and/or to acquire, by way of subscription, purchase or otherwise the securities of M/s Hestia Holdings Limited, Mauritius and M/s Selena Holdings Limited, Mauritius up to an amount of **US \$ 10 Millions** and **US \$ 20 Millions** respectively which exceed sixty percent of the aggregate of the paid-up capital of the Company and its free reserves or hundred percent of free reserves, whichever is more, but the loans to be made and/or the guarantees to be given or security to be provided and/or the investment to be made together with the existing loans made and/or the guarantees given or security provided and/or investment already made, shall not exceed the amount as specified at any point of time"

"RESOLVED FURTHER that for the above purpose the Board/Committee of the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper, desirable or expedient."

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

"RESOLVED that pursuant to the provisions of Section 31 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force), the Articles of Association of the Company be and are hereby altered as follows:

The following new Article No.73A is being added after the existing Article No.73:

73A Service of notices/documents to members

The Company may serve notices/documents (i.e., physical annual report of the Company comprising of Balance Sheet, Profit & Loss Account, Directors' Report, Auditors' Report etc.,) to the members of the Company through e-mail, who registered their email addresses with the Company from time to time. In case, any member has not registered e-mail address for receiving the notices/documents through e-mail, the same will be sent by other modes of services as provided under Section 53 of the Companies Act, 1956.

The following new Article No.89A is being added after the existing Article No.89:

89A Electronic voting by members

The Company may use electronic platform of agencies duly approved by the Ministry of Corporate Affairs (MCA), for capturing accurate electronic voting process, as per Section 192A of the Companies Act, 1956 read with Companies (Passing of the Resolution by Postal Ballot) Rules, 2001.

BY ORDER OF THE BOARD

PLACE: HYDERABAD
DATE : 21.07.2011

G.SRINIVASA RAJU
MANAGING DIRECTOR

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES DULY STAMPED AND SIGNED MUST BE DEPOSITED AT THE COMPANY'S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE TIME FOR HOLDING THE MEETING.
2. Members/Proxies are requested to bring along with them Annual Reports being sent to them.
3. The Share transfer books and Register of Members of the Company will remain closed on 22nd September, 2011 (One day only).

SUJANA UNIVERSAL INDUSTRIES LIMITED

4. The Register of Directors' Shareholding maintained under Section 307 of the Companies Act, 1956, will be available for inspection at the venue of the Annual General Meeting of the Company during the Annual General Meeting. The Register of Directors' Shareholding is also available for inspection of the Members at the registered office of the Company, fourteen days before and three days after, the date of the Annual General Meeting of the Company.
5. The registration of share transfers and other related correspondence will be dealt with by the Company at M/s. Bigshare Services Private Limited of Mumbai, having its branch office at G-10, Left Wing, Amruta Ville, Opp: Yashoda Hospital, Raj Bhavan Road, Somajiguda, Hyderabad - 500 082.
6. Explanatory Statement pursuant to the provisions of Section 173(2) of the Companies Act, 1956 is enclosed.
7. The resolution in item no. 10 is proposed to be passed by the shareholders by way of exercising the voting by them by postal ballot, for which postal ballot form along with instructions and the calendar of events can be found on page nos. 97 & 98.
8. The Ministry of Corporate Affairs (MCA) has taken an initiative in respect of 'Green Initiative in the Corporate Governance' by allowing the Companies to send the notices/documents including annual reports to the members through electronic mode by giving an advance opportunity to the members for registering their e-mail addresses with the Company/ Depository from time to time for receiving the same. In this connection, the members are requested to register their e-mail addresses by sending an e-mail with the following details to 'cssuil@sujana.com' or by visiting our website 'www.sujana.com'

Name of the member	Son of/ Daughter of/ Wife of	Client ID/ Ledger Folio No.	No. of Shares held	Pan No. (mandatory in case of Demat holders)	E-mail address

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 173(2) OF THE COMPANIES ACT, 1956:**Item No. 5**

Shri G.Srinivasa Raju was re-appointed as Managing Director of the Company for a period of 5 years with effect from 13th August ,2010 with enhanced remuneration of Rs.1.00 lac per month. Shri G.Srinivasa Raju is an able and efficient person to shoulder the responsibilities and duties of the Managing Director.

In accordance with the provisions of Section 198, 269 and 309 and Schedule XIII of the Companies Act, 1956, approval of shareholders is required for re-appointment and enhancement of remuneration.

Your directors recommend the resolution for your approval.

None of the directors except Shri G.Srinivasa Raju is interested or concerned in the aforesaid resolution.

Item No. 6

In order to accommodate the various proposed issues, it is proposed to increase the authorised share capital of the Company from Rs.200,00,00,000/- (Rupees Two Hundred Crores only) divided into 17,50,00,000 (Seventeen Crores Fifty Lakhs) Equity Shares of Rs.10/- (Rupees Ten only) each and 25,00,000 (Twenty Five Lakhs only) Preference Shares of Rs.100/- (Rupees One Hundred only) each to Rs.300,00,00,000/- (Rupees Three Hundred Crores only) divided into 27,50,00,000 (Twenty Seven Crores Fifty Lakhs only) Equity Shares of Rs.10/- (Rupees Ten only) each and 25,00,000 (Twenty Five Lakhs only) Preference Shares of Rs.100/- (Rupees One Hundred only) each by further creation of 10,00,00,000 (Ten Crores only) Equity Shares of Rs.10/- (Rupees Ten only) each.”, since the existing authorized capital of the Company will not be sufficient.

The Board/Management Committee of the Board will finalise the desired level/limit of authorized share capital of the Company to be increased upto an extent of Rs. 300 Crores (Rupees Three Hundred Crores only) as required from time to time, keeping in view the proposed further issues of the Company.

The proposed increase in the Authorised Share Capital of the Company requires the approval of the members in the Annual General Meeting.

Consequent upon the increase in Authorised Share Capital of the Company, its Memorandum also require alteration so as to reflect the increase in authorised share capital.

Therefore, your Directors recommend the resolution for your approval.

None of the Directors is interested or concerned in the aforesaid resolution.

Item No. 7

To part finance the capital expenditure in respect of expansion programme, general corporate expenditure and also to part finance the working capital requirements, it is proposed to create, issue, offer, allot equity shares to the non promoters, strategic investors, whether resident in India (individuals as well as bodies corporate) or Non Resident Indians, Overseas Corporate Bodies, Mutual funds, Debenture-holders, Employees, Foreign Institutional Investors (FIIs), Companies, other entities/authorities and to such other persons, through preferential allotment. Section 81 of the Companies Act, 1956 provides, inter alia, that whenever it is proposed to increase the subscribed capital of a Company by a further issue and allotment of shares, such shares shall be offered to the existing shareholders of the Company in the manner laid down in the said Section, unless the shareholders decide otherwise in a general meeting/postal ballot. The listing agreement with the stock exchanges also provide, inter alia, that the Company in first instance should offer all the shares and debentures to be further issued for subscription pro rata to the equity shareholders unless the shareholders decide otherwise.

The consent of the shareholders is therefore being sought pursuant to the provisions of Section 81(1A) of the Companies Act, 1956 and SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time and the listing agreements entered into with the Stock Exchanges,

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authorising the Board/Committee to raise additional capital by further issue of equity shares and/or financial instruments compulsorily convertible into equity shares at later date in such manner or on such terms as the Board/Committee may deem fit in the manner proposed in the Resolution.

The proposed preferential issue is in accordance with the 'Regulations of Preferential Issues' contained in Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("The Regulations") as amended from time to time.

Disclosure under Regulation 73(1) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time, regarding proposed issue and allotment of equity shares and/or convertible warrants as preferential allotment:

(a) The objects of the preferential issue.

The proceeds of issue and allotment of equity shares and/or convertible warrants, as preferential allotment is proposed to be utilized for part financing the capital expenditure in respect of expansion programme, for part financing the working capital requirements of the Company and general corporate purposes.

(b) The proposal of the promoters, directors or key management personnel of the issuer to subscribe to the offer.

The Companies M/s. Prakash Arts Private Limited, Hyderabad and M/s. Sunlight Engineering and Trading Pvt., Ltd, Hyderabad are intending to subscribe to the offer under non promoter category.

(c) The shareholding pattern of the issuer before and after the preferential issue.

Sl. No.	Category	Pre-preferential shareholding (as on 21.07.2011)		Equity Shares proposed to be allotted upto a maximum of	Post-preferential issue shareholding	
		No. of shares	% of holding		No. of shares	% of holding
A.	Promoters					
	a. Indian	33887642	24.41	-	33887642	21.60
	b. Foreign	--	--	--	--	--
	TOTAL (A)	33887642	24.41	--	33887642	21.60
B.	Public Shareholding					
	1. NRIs/FIIs/OCBs	1188363	0.85	--	1188363	0.76
	2. Govt./Banks/Mutual Funds	8432138	6.07	--	8432138	5.38
	3. General Public Shareholding					
	a. Bodies Corporate	11805818	8.50	1,80,00,000	29805818	19.00
	b. Individuals	42027011	30.27	--	42027011	26.80
C.	Shares held by Custodians and against which Depository Receipts have been issued.	41500000	29.89	--	41500000	26.46
	TOTAL (B)	104953430	75.59	1,80,00,000	122953430	78.40
	GRAND TOTAL (A+B)	138841072	100.00	1,80,00,000	156841072	100.00

NOTES:

- 1 The pre and post issue shareholding has been calculated, based on the shareholding of the Company as on 21.07.2011.

(d) The time within which the preferential issue shall be completed.

The allotment of the equity shares and/or convertible warrants, will be completed within a period of 15 days from 24.09.2011, being date on which members sanction is obtained for preferential allotment, as per Section 81(1A) of the Companies Act, 1956 or within 15 days from the date of approval for such allotment by any Regulatory Authority or the Central Government, whichever is later.

The certificate from the statutory auditors of the Company stating that the issue is being made in accordance with the requirements of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time and also a certificate from the statutory auditors of the Company in respect of issue price as per the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time, will be placed before the ensuing annual general meeting of the members of the Company to be held on 24.09.2011.

(e) The identity of the proposed allottees, the percentage of post preferential issue capital that may be held by them and change in control, if any, in the issuer consequent to the preferential issue.

M/s. Prakash Arts Private Limited, Hyderabad, India and M/s. Sunlight Engineering and Trading Pvt. Ltd., Hyderabad under non-promoter group are expressed their intention to subscribe the issue for allotment of equity shares to an extent of Rs.18.00 Crores (Rupee Eighteen Crores only).

The following are the details of post issue shareholding:

Sl. No.	Name of the proposed allottee	Pre-preferential shareholding (as on 21.07.2011)		Equity Shares to be proposed allotted upto a maximum of	Post-preferential issue shareholding *	
		No. of Shares	% of holding		No. of Shares	% of holding
1	M/s. Prakash Arts Private Limited, 3-6-473/1, Street No.5 Himayatnagar, Hyderabad – 500 029	--	--	3000000	3000000	1.91
2	M/s Sunlight Engineering and Trading Private Limited, Flat no. 102, Green Court Apartments, Nizampet Road, Hydernagar, Kukatpally, Hyderabad- 500 0	--	--	15000000	15000000	9.56
TOTAL				18000000	18000000	11.47

* Post Issue Share Capital: The paid up share capital will be increased from Rs. 138,84,10,720 consisting of 13,88,41,072 equity shares of Rs.10/- each to Rs. 156,84,10,720 consisting of 15,68,41,072 equity shares inclusive of equity shares proposed to be issued and allotted in accordance with the regulations of preferential issue under SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time.

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The proposed allottees under non-promoter category does not have any existing holding in the share capital of the Company.

There will neither be any change in the composition of the Board nor be any change in the control of the Company on account of the proposed preferential allotment. However, there will be corresponding change in the shareholding pattern as well as voting rights consequent to preferential allotment.

(f) An undertaking that the issuer shall re-compute the price of the specified securities in terms of the provision of these regulations where it is required to do so.

It is not required to re-compute the price, as the closing prices of equity shares of the Company are available for calculating the price as per Regulation 76(1) SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time.

(g) An undertaking that if the amount payable on account of the re-computation of price is not paid within the time stipulated in these regulations, the specified securities shall continue to be locked-in till the time such amount is paid by the allottees.

Not applicable, as the price will be calculated as per Regulation 76(1) SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time.

Your Directors recommend the resolution for your approval.

None of the Directors of the Company is concerned or interested in the proposed resolution except to the extent of his/her holding of equity shares and to the extent of his/her subscribing to equity shares.

Item No. 8

To part finance the capital expenditure in respect of expansion programme, general corporate expenditure and also to part finance the working capital requirements, it is proposed to issue either equity shares,

preference shares, debentures, bonds, warrants or other securities, including, but not limited to, Compulsorily Convertible Preference Shares ("CCPS"), Optionally Convertible Preference Shares ("OCPS") and/or Partially Convertible Preference Shares ("PCPS"), Non Convertible Preference Shares ("NCPS") and/or Global Depository Receipts ("GDRs") and/or American Depository Receipts ("ADRs") and / or Foreign Currency Convertible Bonds ("FCCBs"), Non Convertible Debentures ("NCDs") with or without attached share warrants and / or Partially Convertible Debentures ("PCDs") and / or Optionally Convertible Debentures ("OCDs") and / or Fully Convertible Debentures ("FCDs") and/or bonds with attached share warrants, including but not limited to a combination of the foregoing in one or more tranches to the eligible investors including but not limited to qualified institutional buyers under the provisions of Chapter VIII of the SEBI (Issue of Capital and Disclosure Requirements), Regulations 2009 ("SEBI Regulations"), such that the aggregate of the sums so raised by issuing equity shares, debentures, bonds and other securities, including premium, if any, shall not exceed Indian Rs.300 Crores (Rupees Three Hundred Crores only) as the Board may determine in accordance with the SEBI Regulations and where necessary in consultation with the lead managers, underwriters, merchant bankers, guarantors, financial and/or legal advisors, rating agencies/advisors, depositories, custodians, principal paying/transfer/conversion agents, listing agents, registrars, trustees, printers, auditors, stabilizing agents and all other agencies/advisors.

To the extent that any part of the above mentioned capital raising plan includes issue of equity shares or securities linked to or convertible into equity shares of the Company, members' approval is being sought. As per provisions of Section 81(1A) of the Companies Act, 1956, the Board of Directors of the Company can issue and allot shares to any person other than existing members, provided that the members approve the same by way of a special resolution. The

Listing Agreements executed by the Company with Bombay Stock Exchange Limited and National Stock Exchange of India Limited also provide that the Company shall, in the first instance, offer all securities for subscription pro rata to the existing Shareholders unless the Shareholders in General Meeting decide otherwise. The equity shares, if any, allotted on issue, conversion of securities or exercise of warrants shall rank in all respects pari passu with the existing equity shares of the Company.

Pursuant to the above, the Board may, in one or more tranches, issue or allot equity shares and any other securities, which are convertible into or exchangeable with equity shares on such date as may be determined by the Board but not later than such time period as permitted under applicable Rules/Regulations/Schemes/Acts/Guidelines/Agreements of all the Regulatory Authorities, as amended from time to time through public issues(s), right issues(s), private placements or any combination thereof.

The relevant date for the purpose of pricing of the Securities issued by way of QIP means:

- (i) in case of allotment of equity shares, the date of the meeting in which the Board of Directors of the issuer decides to open the proposed issue;
- (ii) in case of allotment of eligible convertible securities, either the date of the meeting in which the Board of Directors of the issuer decides to open the issue of such convertible securities or the date on which the holders of such convertible securities become entitled to apply for the equity shares.

The relevant date for the purpose of pricing of the Securities issued by way of GDRs/ADRs/FCCBs shall be the date of the meeting in which the Board of Directors of the issuer decides to open the issue or shall be the date as specified under the applicable law or regulation."

The end usage of the proceeds of the above issue of equity and / or such other convertible

securities shall be in accordance with the provisions of Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993 as amended from time to time, Foreign Currency Exchangeable Bonds Scheme, 2008 as amended from time to time and ECB Guidelines and as per Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time and as per the FDI Policy issued by the Department of Industrial Policy & Promotion as amended from time to time and any other regulatory authorities as amended from time to time.

The detailed terms and conditions for the offer will be determined in consultation with the Advisers, Lead Managers and Underwriters and such other authority or authorities as may be required to be consulted by the Company considering the prevailing market conditions and other relevant factors.

Your Board of Directors recommend the above enabling resolution, as a Special Resolution for your approval in the best interests of the Company.

None of the Directors of the Company is concerned or interested in the proposed resolution except to the extent of his/her holding of equity shares and to the extent of his/her subscribing to equity shares.

Item No. 9

The Company is at present authorized to borrow from the Financial Institutions / Banks/ other lenders (other than the borrowings in the ordinary course of business) in the form of term loan by way of issue of debentures (convertible and/ or non convertible), foreign currency convertible bonds, external commercial borrowings etc., upto an amount of Rs.1000 Crores (Rupees One Thousand Crores only) in accordance with the consent of the members of the Company obtained in the 21st Annual General Meeting held on 27th March, 2010. The existing borrowing limits of Rs.1000 Crores may not be sufficient to enable the Company to raise funds from time to time through borrowings.

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As on date the total borrowings of the Company including working capital limits sanctioned by various banks/other lenders are Rs.710.00 crores. Some of the banks/other lenders are insisting the Company to cover the working capital limits sanctioned/to be sanctioned under the total borrowing limits of the Company under Section 293 (1) (d) of the Companies Act, 1956 as approved by the members of the Company.

Therefore it is proposed to increase the limits of borrowing powers. Approval of the shareholders is sought under Section 293 (1) (d) of the Companies Act, 1956 to increase the present borrowing powers from the present level of Rs.1000 Crores to Rs.2500 Crores (Rupees Two Thousand Five hundred Crores only).

Therefore, your Directors recommend the resolution for your approval.

None of the Director is interested or concerned in the aforesaid resolution.

Item No. 10

The Company Furnished corporate guarantee on behalf of Hestia Holdings Limited, Mauritius and Selena Holdings Limited, Mauritius for securing a loan of US \$ 10 Million and US \$ 20 Million sanctioned by Mauritius Commercial Bank, (Hestia) Standard Bank (Selena) and Afrasia Bank (Selena) Limited respectively.

Section 372A of the Companies Act, 1956 prescribes that the Company can give loan or any guarantee or provide security or acquire or purchase the securities of any other body corporate, upto sixty percent of its paid-up share capital and free reserves, or hundred percent of its free reserves, whichever is more.

Since the Company has already furnished guarantee on behalf of Hestia Holdings Limited, Mauritius and Selena Holdings Limited, Mauritius for securing US\$ 10 Million and US\$ 20 Million respectively, the post facto approval of the members can be obtained in accordance with proviso to Section 372A of the Companies Act, 1956.

Sl. No.	Name of the Company on behalf of whom the corporate guarantee provided/to be provided	The existing limits under Section 372A of the Companies Act, 1956 Rs. in Crores	Proposed limits under Section 372 A of the Companies Act, 1956
1	Hestia Holdings Limited	--	US \$ 10 Million
2	Selena Holdings Limited	--	US \$ 20 Million

Therefore, your Directors recommend the resolution for your approval.

All the directors, holding shares in the Company may be deemed to be concerned or interested in the above resolution to the extent of the shares held by them or their relatives.

Item No. 11

The Ministry of Corporate Affairs (MCA) has taken 'Green Initiative in the Corporate Governance' by allowing paperless compliances by the Companies by sending notices/documents (i.e., Balance Sheets etc.,) to the members of the Company to their registered e-mail addresses and also to use electronic platform of the agencies duly approved by the MCA for capturing accurate electronic voting process in respect of postal ballot.

In order to comply the above initiatives of the MCA, the Company proposed to amend the existing Articles of the Company by including the new Articles after Article Nos. 73 and 89.

Your Directors recommend the resolution for your approval.

None of the Directors of the Company is concerned or interested in the proposed.

BY ORDER OF THE BOARD

PLACE: HYDERABAD
DATE : 21.07.2011

G.SRINIVASA RAJU
MANAGING DIRECTOR

Additional Information

- Brief profile of Shri J. Ramakrishnan, Director, who retires by rotation and is eligible for re-election.

Shri J. Ramakrishnan has been on the Board of directors since 25th July, 1995.

Shri J. Ramakrishnan, retired as Principal Collector, Central excise and Customs Department. He is having over 30 years of experience in Central Excise and Customs Department.

Shri J. Ramakrishnan is presently holding the position of Director in Sujana Metal Products Limited.

- Brief profile of Shri S.Hanumantha Rao, Director, who retires by rotation and is eligible for re-election.

Shri S.Hanumantha Rao has been on the Board since 18th July, 2005. Shri S. Hanumantha Rao did his B.Tech and AICWA and he has worked for more than 20 years in State Bank of India and 3 years as Financial and Management Consultant.

Shri S. Hanumantha Rao, presently holding the position of Directorship in 12 (Twelve) other Companies.

DIRECTORS' REPORT

To
The Members of Sujana Universal Industries Limited,

Your Directors hereby present Twenty Second Annual Report together with the Audited Accounts for the financial year ended 31st March, 2011 comprising Eighteen (18) months from 01.10.2009 to 31.03.2011.

1. Company's Performance:

Your Directors hereby report that the Company achieved a turnover of Rs. 387,741.86 lakhs up to 31.03.2011, consisting of eighteen (18) months, as against the turnover of Rs.139,773.31 lakhs for the previous year ended 30.09.2009 consisting of twelve (12) months.

The highlights of the financial results are as follows:

(Rupees in Lakhs)

	2009-2011 (18 Months)	2008-2009 (12 Months)
Profit before Depreciation & Interest	15,738.08	8,025.88
Interest	8,284.76	2,644.43
Depreciation	4,090.23	2,519.93
Prior year adjustments	137.42	- 299.17
Profit before tax	3,500.51	2,562.35
Provision for tax		
1. Current tax	870.00	442.10
2. Deferred tax	- 89.08	113.58
3. Fringe Benefit tax	---	5.68
Profit after tax	2,719.59	2,000.99
Balance of profit brought forward from earlier years	16,511.76	14,539.04
Profit available for appropriation	19,856.05	16,540.02
Appropriations:		
Proposed Dividend:		
4. Equity	---	---
5. Preference	36.54	24.36
6. Dividend Tax	6.07	3.89
Balance of Profit	19,813.44	16,511.76

SUJANA UNIVERSAL INDUSTRIES LIMITED

2. Operations:

Appliances Division

The total turnover of the Division for the 18 months period ended 31.03.2011 is Rs.843.99 lakhs, which mainly includes the turnover of all varieties of Fans, Fan Components and other products.

Light Engineering Components (LEC) Division:

There is no turnover from this Division for the period under review.

Steel Products Division

The total turnover of the Division for the 18 months period ended 31.03.2011 is Rs.386,897.87 lakhs, which mainly includes the turnover of Casting Division, Processing Division and Trading of Steel products. During the period the export turnover of various products is Rs.65,934.15 lakhs.

Infrastructure Division

The Company has started Infrastructure Division. The Company has plans to undertake construction and developmental activities like integrated residential townships, commercial buildings and specialized design and construction of integrated medical colleges and super specialty hospitals etc.,

3. Subsidiary Companies:

Your Company formed the following wholly owned subsidiaries:

- (a) M/s. PAC Ventures Pte Limited, in Singapore, incorporated on 11th December, 2006 for carrying on the business of general wholesale trade (including general importers and exporters) and its revenue is Rs. 10280.88 Lakhs.
- (b) M/s. Sujana Holdings Limited, in Dubai, incorporated on 4th February, 2007 for carrying on the business of investments and trading and its turnover is Rs. 20663.71 Lakhs.

- (c) M/s. Nuance Holdings Limited in Hong Kong, incorporated on 27th August, 2007 for carrying on the business of investments and trading and its turnover is Rs. 14418.56 Lakhs.
- (d) M/s. Sun Trading Limited in Cayman, islands Incorporated on 18th July, 2008 for carrying on the business of general wholesale trade which includes general imports and exports and its turnover is NIL.
- (e) M/s. Hestia Holdings Limited, Mauritius has become the subsidiary of the Company during the financial period and its turnover is Rs 4633.22 Lakhs.

4. Consolidated Financial Statements

The Consolidated Financial Statements of the Company and its subsidiaries, prepared and presented in accordance with Accounting Standard (AS) 21, are attached to and form part of the Annual Report.

Your Company has availed the general exemption from attaching a copy of the Balance Sheet, Profit and Loss Account, Directors Report and Auditor's report of the subsidiary Companies and other documents required to be attached under Section 212(1) of the Companies Act, 1956, to the Balance Sheet of your Company. The said exemption is granted vide circular issued by Ministry of Corporate Affairs dated 08.02.2011.

Accordingly, the said documents of subsidiary companies are not being attached with the Balance sheet of the Company. A gist of the financial performance of the subsidiary companies is contained in the report. The Annual Accounts of the subsidiary companies are open for inspection by any member/investor at the Company's Registered Office and the Company will make available these documents and the related detailed information upon request by any investor of the Company or any investor of its subsidiary companies who may be interested in obtaining the same.

5. Extension of Financial Year of the Company

Financial Year 2009-10 of the Company extended upto 31.03.2011 consisting of 18 months from 01.10.2009 to 31.03.2011 vide the approval of the Registrar of Companies, Hyderabad Dated : 04.10.2010

The Company has received the approval for extension of time for the purpose of holding Annual General Meeting on or before 26.09.2011. vide the approval of the Registrar of Companies, Hyderabad Dated : 12.05.2011.

6. Scheme of Amalgamation

The Board of Directors of the Company at their meeting held on 12th February, 2011 approved the Scheme of amalgamation between (1) M/s. Lumbini Electricals Private Limited (Infrastructure Division), (2) M/s Futuretech Industries Limited (Infrastructure Division), (3) M/s. Ganga Industrial Corporation Limited (Infrastructure Division), (4) M/s. Vijay Home Appliances Limited, (5) M/s. EBC Bearings (India) Limited and (6) M/s. Heman Fan Components Private Limited.

Your Company received the NOCs from Bombay Stock Exchange Limited & National Stock Exchange of India Limited for the said Scheme.

The Amalgamation would result in synergy of operations and also reduce the overhead and administrative costs substantially, by combining these units it will meet the competition in the domestic and international market and also helps to meet the international standards and it will also reduce the inventory levels which will result in significant savings in procurement of inventory and carrying costs of the inventory.

Your Company is in the process of filing necessary Applications / Petitions before Hon'ble High Court of Andhra Pradesh for the said Scheme.

7. Industrial Relations

Your directors are happy to report that the Industrial Relations have been extremely cordial at all levels throughout the year.

8. Directors

Shri J. Ramakrishnan and Shri S. Hanumantha Rao Directors of the Company, are liable to retire by rotation in the forthcoming Annual General Meeting of the Members of the Company and being eligible offers themselves for reappointment.

9. Directors' Responsibility Statement

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors, based on the representations received from the Operating management, confirm that-

- a. in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;
- b. that they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- c. that they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. That they have prepared the annual accounts on a going concern basis.

10. Promoter Group Companies

Pursuant to an intimation from promoters, names of promoters and companies comprising the "group" as defined in the Monopolies and Restrictive Trade Practices ("MRTP") Act, 1969, have been disclosed on Page No. 28 in the Annual Report of the Company.

11. Code of Conduct

The Board has laid down a Code of Conduct for all Board Members and Senior Management of the Company. The Code of Conduct has been posted on Companies website. Board Members and Senior Management personnel have affirmed Compliance with the Code for the financial year 2009-11. A separate declaration to this effect is made out in the Corporate Governance Report.

12. Statutory Auditors

The Company's Statutory Auditors, M/s. T.Raghavendra & Associates, Chartered Accountants, Hyderabad will retire at the ensuing Annual General Meeting of the Company and being eligible offers themselves for re-appointment.

13. Cost Auditors

M/s. BVR & Associates, Cost Accountants, Hyderabad were appointed as Cost Auditors of the Company for the year 2011-12.

14. Personnel

Information in accordance with Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 is given in Annexure-1 to this report.

15. Human Resource Management

The key resource for your Company is its employees. Your Company has been able to create a favourable work environment that encourages innovation and meritocracy.

The efforts of your Company in the area of employee management and HR practices have been proved effective in Human Resource Management.

16. Further issue of securities of the Company

Pursuant to the special resolution passed by the members of the Company at 21st Annual General meeting of the Company held on 27.03.2010, your Company had successfully completed the issue and allotment of 65,00,000 equity shares of Rs.10/- each at a premium of Rs.2.50/- per share and 2,35,00,000 convertible warrants of Rs. 10/- each at a premium of Rs. 2.50/- per warrant to the Promoter Group. Out of the above 2,35,00,000 convertible warrants, 85,00,000 convertible warrants were converted into equity shares during the period under review and the balance 1,50,00,000 warrants are pending for conversion.

The amount raised through the above said issues have been utilised for the purpose for which they have been raised.

17. Movement in Authorised Capital

As on 30.09.2009, the authorized share capital of the Company is Rs.1,55,00,00,000 (Rupees One hundred Fifty Five Crores) divided into 13,00,00,000 (Thirteen Crores only) equity shares of Rs.10/- each and 25,00,000 (Twenty Five Lakhs) Cumulative Redeemable Preference Shares of Rs.100/- each.

Pursuant to the special resolution passed by the members of the Company at the 21st Annual General meeting of the Company held on 27.03.2010, the authorized share capital of the Company has been increased from Rs. 1,55,00,00,000 (Rupees One hundred Fifty Five Crores) to Rs.200,00,00,000 (Rupees Two Hundred Crores only) divided into 17,50,00,000 (Seventeen Crores Fifty Lakhs only) equity shares of Rs.10/- each and 25,00,000 (Twenty Five Lakhs) Cumulative Redeemable Preference Shares of Rs.100/- each.

18. Listing of Company's Securities:

Your Company's shares are currently listed on Bombay Stock Exchange Limited (BSE), National Stock Exchange of India Limited (NSE), Mumbai and the Global Depository Receipts are currently listed at the Luxembourg Stock Exchange.

19. Dematerialization of Shares:

Your Company's shares have been made available for dematerialization through the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

20. Dividend:

The Board of Directors of your Company has recommended dividend of 1 % on the 24,36,200 Cumulative Redeemable Preference Shares for the year under review as per the terms of issue of Cumulative Redeemable Preference Shares.

21. Fixed Deposits:

The Company has not accepted any fixed deposits and the provisions of Section 58A of the Companies Act, 1956 are not applicable.

22. Conservation of Energy, Research and Development, Technology Absorption, Foreign Exchange Earnings and Outgo:

The details regarding Energy Conservation, Technology, Technology Absorption, Foreign Exchange Earnings and Outgo as required by section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of the particulars in the report of the Board of Directors) Rules, 1988 are given in Annexure 2 and forms part of this report.

23. Corporate Governance:

A detailed report on Corporate Governance has been included separately in the Annual Report. A report on Management Discussion and Analysis prepared and attached to the Directors' Report also forms part of this Annual Report.

24. Explanations to any qualifications in Auditors' Report:

There are no adverse remarks in the Auditors' Report dated 21st July, 2011. However the status on the disputed statutory dues is mentioned in schedule 18 under notes on accounts.

25. Acknowledgment:

The Board of Directors of the Company extends their sincere appreciation to the Government, Bankers, Financial Institutions and others for their kind support. On behalf of the Company, the Board of Directors thanks the Employees for their valuable efforts and the shareholders for their undaunted faith in the Company.

BY ORDER OF THE BOARD

DIRECTOR DIRECTOR

PLACE: HYDERABAD
DATE : 21.07.2011

SUJANA UNIVERSAL INDUSTRIES LIMITED

ANNEXURE - 1

Information as per Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules 1976 and forming part of the Directors' Report for the Period Ended 31st March, 2011.

Name of the Employee	:	Shri Y.S.Chowdary
Age	:	50 Years
Designation	:	Non-Executive Chairman (W.E.F. 14/05/2010)
Remuneration Received	:	Rs. 60.00 Lakhs
Date of commencement of employment	:	1st October, 2009.
Qualifications	:	Bachelor Degree in Mechanical Engineering from Chaitanya Bharathi Institute of Technology, Hyderabad and Master Degree in Engineering with specialization in Machine Tools from P.S.G. College of Technology, Coimbatore.
Experience	:	Shri Y.S.Chowdary has been on the Board of Directors of the Company since 22.08.1986 and elected as Chairman in the meeting of the Board of Directors of the Company held on 30.08.1994. Shri Y.S.Chowdary is a Promoter-Director of Sujana Group. He played an important and key role in establishing the Sujana group of companies. He has been a constant driving force for fostering higher growth amongst all the group companies. Shri Y.S. Chowdary has in depth knowledge and a deep insight into the domestic and global steel products industry.
Number of equity shares held by him (along: with the persons acting in concert with him) and % of the same to the capital of the Company	:	1,159,100 (0.94%)

BY ORDER OF THE BOARD

DIRECTOR

DIRECTOR

PLACE: HYDERABAD

DATE : 21.07.2011

ANNEXURE - 2

Information as per Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report is given below:

A. CONSERVATION OF ENERGY:

- a) Energy conservation Energy saving measures are being implemented to reduce energy cost per unit of manufacture.
- b) Additional investment --NIL-- and proposals, if any, being implemented for reduction of consumption of energy.
- c) Impact of the Cost of production will measures at (a) and (b) come down and prices will above for reduction of energy and consequent impact on cost of production.
- d) Total energy N.A. consumption and energy consumption per unit of production.

B. TECHNOLOGY ABSORPTION:

- e) Efforts made Details given hereunder in technology in Form B. absorption as per Form B.

C. FOREIGN EXCHANGE EARNINGS & OUTGO:

- f) Activities The Company has planned relating to export expansion of export initiatives taken to markers. increase exports, development of new export markets for products and services and export plans.

- g) Total foreign Earned Rs. 659,34.15 lakhs exchange used and Used Rs. 552,15.15 lakhs earned.

FORM-B

Form for disclosure of particulars with respect to Technology Absorption, Research and Development (R&D)

1. **Specific areas in which R&D carried out by the Company:** -Nil-

2. **Benefit derived as a result of the above R & D:** -Nil-

3. **Future plan of Action:**

Completion of product development action.

Expenditure on R&D : -Nil-

Technology Absorption, Adoption and Innovation :

1.	Efforts in brief made towards technology absorption, adoption and innovation	:	Not applicable
2.	Benefits derived as a result of the above efforts e.g. product improvement, cost reduction product development, import substitution.	:	Improvement in sales and margins.
3.	In case of imported technology (imported during the last five years reckoned from the beginning of the financial year) following information may be furnished.	:	Not applicable
	a) Technology imported		
	b) Year of import		
	c) Has technology been fully absorbed		
	d) If not fully absorbed, areas where this has not taken place, reasons here of and future plans of action.		

BY ORDER OF THE BOARD

DIRECTOR DIRECTOR

PLACE: HYDERABAD
DATE : 21.07.2011

MANAGEMENT DISCUSSION AND ANALYSIS

The following Management Discussion and Analysis contains a brief write-up on the industry structure, opportunities and concerns, performance of the Company with respect to the operations and other information.

Industry structure and developments:

The Indian steel industry has witnessed steady growth, on the back of various initiatives taken by the Government of India. The soaring demand from different sectors, such as, infrastructure, real estate and automobile has put the steel industry in India on the world map. The Indian steel industry began expanding into Europe during the 21st century. In 2010, India was ranked as the fourth largest producer of steel by the World Steel Association. Steel industry is of great significance to the economic growth of the country. India has been ranked the world's fifth largest producer of crude steel in 2009 and is projected to become the world's second largest producer by 2015–2016, with a production volume of 54.5 million tonnes (MT). Various states have signed around 222 memorandums of understanding (MoUs), with a projected capacity of about 275.7 MT and an investment of more than US\$ 229 billion. The steel production capacity is likely to reach 124 MT by 2011–12. In 2008–09, the installed capacity for crude steel was estimated at 64.4 MT, while production was estimated at 54.5 MT, resulting in an 85 per cent capacity utilisation. Long-products constituted 57 per cent of the total finished steel consumption, while the remaining 43 per cent was constituted by flat-products. The domestic demand for steel is estimated to rise at an annual average rate of more than 10 per cent till 2014. Investments in the construction and infrastructure sector, as a percentage to GDP, are estimated to be 9 per cent at the end of 2011–12, as against 5 per cent of GDP in 2005–06.

Opportunities, Strengths and Threats:

Some of the growth drivers helping the sector to grow are:

- **Raw Materials are easily available:** India's steel sector has a competitive advantage vis-à-vis the availability of raw materials and workforce, both skilled and unskilled. Iron ore and coal constitute the primary raw material for steel production. The country is endowed

with large reserves of iron ore, with Orissa, Jharkhand, and Chhattisgarh featuring among its iron ore-rich states. India has also a strong workforce base, with about 40 per cent of the country's population constituting its labour force.

- **Sustained growth in the construction and infrastructure sector:** The construction sector is a major consumer of long products such as roads, bars/coil sections, wire and reinforcing. The construction industry is expected to regain momentum over the next few years, with the Indian Government laying emphasis on infrastructure development and increasing expenditure on development activities across sectors. The Eleventh Five Year Plan (2007–2012) has allocated investments worth US\$ 514 billion for the core infrastructure sector, comprising power, roads, highways, railways, ports, airports, mining and irrigation.
- **Automobile sector regaining demand:** India is the world's second largest manufacturer of two wheelers and fifth largest manufacturer of commercial vehicles. The automobile sector in India witnessed a steep recovery in 2009–10, and is expected to register strong growth in both the domestic market and export segments. The production of passenger and commercial vehicles is expected to reach 4.9 million, and the production of two and three-wheeler segments is expected to reach 36.5 million by 2016, further driving the demand for the flat steel segment.
- **Oil and gas sector expanding base:** India's oil and gas sector is on an expansion mode, with the demanding outpacing supply and companies aiming at increasing the gas grid network. This sector is expected to raise the demand for pipelines, the long product segment.
- **Policy and regulatory framework:** Some of the initiatives taken by the Indian Government in the Eleventh Plan to promote the steel sector include:
 - i) The Planning commission has approved a total outlay of US\$ 9.5 billion (INR 456.10 billion) for the development and promotion of the iron and steel sector.

- ii) The scheme for the promotion of research and development in the iron and steel sector has been approved with a budgetary provision of US\$ 24.6 million (INR 1,180 million) to initiate and implement the provisions of the scheme.

Your Company has capabilities to quickly adapt to the changing market conditions and sustain the projected growth in sales and profits. There is severe competition from the other secondary manufacturers and the prices are expected to be volatile.

Your Company has taken up extensive development activity of value added products to improve the margins by achieving higher volume of sales. The efforts of the Company are expected to yield favourable results.

Internal control systems and their adequacy:

The Company has in place adequate internal control systems and procedures commensurate with the size and nature of business. The Company has established internal control systems and the same are constantly reviewed and improved wherever required. Depending on the changing requirements the internal audit department is strengthened. The Company has implemented corporate governance requirement and the audit committee periodically reviews the systems and procedures of the Company.

Financial Performance:

The Gross Block as on 31.03.2011 stood at Rs.40,863.45 lakhs and the Net Block as on 31.03.2011 stood at Rs.20,620.89 lakhs.

The deferred tax liability has been provided in accordance with the requirements of Accounting Standard 22 - Accounting of Taxes on Income, issued by the Institute of Chartered Accountants of India and the Provision for Fringe Benefit tax was created as per Income-Tax Act, 1961

Operational Performance:

Your Company has achieved a turnover of Rs.387,741.86 Lakhs earning a Profit before tax of Rs.3,500.51 lakhs.

Segment Wise Performance**Light Engineering Components (LEC) Division:**

The total turnover of the Division for the 18 months period ended 31.03.2011 is Rs. Nil, which mainly includes the turnover of Bearings, Bearing components and other products.

Appliances Division

The total turnover of the Division for the 18 months period ended 31.03.2011 is Rs.843.99 lakhs, which mainly includes the turnover of all varieties of Fans and Fan Components and other products.

Steel Products Division

The total turnover of the Division for the 18 months period ended 31.03.2011 is Rs.386,897.87 lakhs, which mainly includes the turnover of Casting Division, Processing Division and Trading of Steel products. During the period the export turnover of various products is Rs.659,34.15 lakhs.

Infrastructure Division

The Company has plans to undertake construction and developmental activities like integrated residential townships, commercial buildings and specialized design and construction of integrated medical college and super specialty hospital etc.,

Material developments in Human Resources:

The development of Human Resources is a key strategic challenge in order to prepare people for future responsibilities in terms of professional skills as well as business skills. Sujana Universal Industries Limited has conducted training programmes to its employees enabling them to improve / upgrade their skills.

SUJANA UNIVERSAL INDUSTRIES LIMITED

Persons constituting Group coming within the definition of 'group' as defined in the Monopolies and restrictive Trade practices Act, 1969 include the following:

01. Shri YS Chowdary and his relatives
02. Shri G. Srinivasa Raju and his relatives
03. Shri S. Hanumantha Rao and his relatives
04. Shri R.K. Birla and his relatives
05. Alpha Ventures Limited, Cayman Islands
06. Asian Tide Enterprises Limited, Hong Kong
07. Aspiring Enterprises Private Limited
08. Digitech Business Systems Limited, Hong Kong
09. Empire Gulf FZE, UAE
10. Esteem Hotels Limited
11. Foster Infin and Trading private limited
12. Foster Ventures Pte Ltd., Singapore
13. Gamma Machinery & Equipment Pte. Limited, Singapore
14. Glade Steel Private Limited
15. Hestia Holdings Ltd, Mauritius
16. Indus Creators Private Limited.
17. Indus Housing Private Limited.
18. Kakatiya Enclaves Private Limited.
19. Kakatiya Landscapes Private Limited.
20. Meka Housing and Developers Private Limited.
21. Nuance Holdings Limited, Hong Kong
22. Pac Ventures Pte. Limited, Singapore
23. Pradan Housing Private Limited.
24. Platina Properties and Projects Limited.
25. Selene Holdings Ltd, Mauritius
26. STL Africa Ltd, Mauritius
27. Sujana Capital Services Limited
28. Sujana Energy Limited
29. Sujana Finance and Trading Private Limited
30. Sujana Holdings Limited, India
31. Sujana Holdings Limited, UAE
32. Sujana Ports Limited.
33. Sujana Power(Gangikondan) Limited,
34. Sujana Power (India) Limited,
35. Sujana Power(Tuticorin) Limited,
36. Sujana Projects Limited
37. Sujana Pumps and Motors Private Limited
38. Sujana Towers Limited
39. Sujana Transmissions Limited
40. Sujana Metal Products Limited
41. Sujana Ventures Pte Ltd., Singapore
42. Sun Trading Limited, Cayman Islands
43. Telesuprecon Limited, Mauritius
44. Verma Realtors Private Limited.
45. Yalamanchili Finance and Trading Private Limited
46. Yalamanchili Ventures Pte Ltd., Singapore.
47. Zeva Engineering and Management Services Private Limited.

During the year 2006-07, there was merger of M/s. Sujana Steels Limited with M/s. Sujana Metal Products Limited. M/s. GB Trading and Investments Private Limited, M/s. Lumbini Electricals Private Limited, M/s. Golkonda Finance and Trading private Limited and Prime Infoinvest Limited were Non Promoter shareholders in M/s. Sujana Steels Limited and During the process of merger with M/s. Sujana Metal Products Limited, these Companies were treated as promoters' Group by Bombay Stock Exchange Limited.

The above statement has been published to avail the exemption under regulation 3(1)(e)(i) of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 as amended from time to time.

REPORT ON CORPORATE GOVERNANCE

(As per Clause 49 of the Listing Agreements entered into with the Stock Exchanges)

I. Brief statement on Company's Philosophy on Code of Governance

Your Company's philosophy on Corporate Governance finds its roots in the rich legacy of ethical governance practices, many of which were in place even before they were mandated and the Management of your Company is committed to achieve the values of integrity, honesty, transparency and accountability which are fundamental to the Sujana Group.

The Company seeks to focus on enhancement of long-term value creation for all stakeholders without compromising on integrity, social obligations and regulatory compliances. The Company will continue to focus its energies and resources in creating and safeguarding of shareholders' wealth and, at the same time, protect the interests of all its stakeholders. The company believes that all its operations and actions must result in enhancement of the overall shareholder value in terms of maximization of shareholder's benefits etc. over a sustained period of time.

Clause 49 of the Listing Agreement is effective for the company with effect from 21.08.2007. However, during the year, the Company has its best corporate practices so as to bring them in line with the revised Clause 49 of the listing agreements. The Company adopted the Code of Conduct for Non- Executive Directors as prescribed in the revised Clause.

II. Board of Directors

1. Composition of the Board of Directors

At present the number of Independent Directors is more than 50% of the total number of directors on the Board of the Company.

The Current Policy is to have an appropriate mix of executive and independent directors to maintain the independence of the board and to separate the board functions of governance and management.

Thus, your Company's Board of Directors consists of Six (6) members, out of which one (1) is Managing Director and one (1) is Promoter and Non- Executive Director, and two (2) of them are Independent and Non-Executive Directors, one (1) is Non- Executive Director and one (1) is Nominee Director.

None of the Directors on the Board is a Member on more than 10 Committees and Chairman of more than 5 Committees (as specified in Clause 49), across all the companies in which he is a Director. The necessary disclosures regarding Committee positions have been made by the Directors.

The names and categories of the Directors on the Board, their attendance at the Board Meetings during the year and at the last Annual General Meeting, as also the number of Directorships and Committee memberships held by them in other companies are given below:

SUJANA UNIVERSAL INDUSTRIES LIMITED

Sl. No.	Name of the Director	Category	Designation	No. of Board Meetings attended	Attendance of each Director at last A.G.M
1.	Shri Y.S. Chowdary****	Promoter & Non-Executive Director	Director	3	Yes
2.	Shri G. Srinivasa Raju	Executive Director	Managing Director	5	Yes
3.	Shri V.S.R. Murthy*	Executive Director	Whole Time Director	2	Not Applicable
4.	Shri J. Ramakrishnan	Independent & Non-Executive Director	Director	6	No
5.	Shri S. Hanumantha Rao	Non-Executive Director	Director	6	Yes
6.	Dr. K. Srinivasa Rao	Independent & Non-Executive Director	Director	6	Yes
7.	Shri S. Ramachandran***	IDBI Nominee	Director	2	No
8.	Shri D. Rama Rao**	Independent & Non-Executive Director	Director	2	Yes
9.	Shri Ashok Kumar De	IDBI Nominee	Director	4	Not Applicable

Change in Composition of Board of Directors since the date of last AGM held on 27.03.2010:

* Shri V.S.R. Murthy was resigned as Director from the Board of Directors with effect from 29th January, 2010.

**Shri D. Rama Rao was resigned as Director from the Board and Audit Committee with effect from 14th May, 2010.

*** Nomination of Shri S. Ramachandran was withdrawn by IDBI Bank and appointed Shri Ashok Kumar De as their nominee with effect from 14th May, 2010.

**** Designation of Shri Y.S Chowdary has changed from Executive Director to No- Executive Director with effect from 14th May, 2010.

Sl. No.	Name of the Director	No. of Directorships in other companies*		No. of Committee positions held in other companies	
		No. of Chairmanships	No. of Directorships	No. of Chairmanships	No. of Committee Memberships
1	Shri Y.S. Chowdary	1	15	2	4
2	Shri G. Srinivasa Raju	--	13	3	5
3	Shri V.S.R. Murthy	--	1	--	--
4	Shri J. Ramakrishnan	--	1	--	1
5	Dr. K. Srinivasa Rao	--	1	1	2
6	Shri S. Hanumantha Rao	1	11	1	6
7	Shri S. Ramachandran	--	1	--	--
8	Shri D. Rama Rao	--	--	--	--
9	Shi Ashok Kumar De	--	1	--	--

*Including private limited companies

2. Board Procedure

Your Company's Board of Directors meets atleast once a quarter in a year to review the quarterly results and other items on the Agenda and also on the occasion of the Annual Shareholders' Meeting. When necessary, additional meetings were held. Committees of the Board usually meet the same day of the formal Board Meeting or as and when required.

Six(6) Board Meetings were held during the year 2009–11 and the gap between two meetings did not exceed four months. The dates on which the Board Meetings were held ere as follows:

29th December 2009, 30th January 2010, 14th May, 2010, 13th August, 2010, 12th November, 2010 and 12th February, 2011.

Board Meetings are usually held at the Registered Office of the Company. Notices of Board Meetings were sent to the Directors as required under Section 286 of the Companies Act, 1956. Date of Board Meeting was communicated well in advance and the Agenda, explanatory notes were sent in advance to the Directors.

The information as required under Annexure IA to Clause 49 was being made available to the Board.

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

III. Audit Committee**1. Scope of the Audit Committee**

The main objective of the audit committee of your Company is to monitor and effectively supervise the financial reporting process of your Company with a view to provide accurate, timely and proper disclosures. However the scope of activities of the Audit Committee is as set out in Clause 49 of the Listing Agreements entered with the Stock Exchanges read with Section 292A of the Companies Act, 1956. The terms of reference of the Audit Committee are broadly as follows:

Reviewing the adequacy of Internal Control Systems and the Internal Audit Reports and their compliance thereof;

1. Overseeing of the Company's financial reporting process and the disclosure of its financial information;
2. Holding periodic discussions with the Statutory Auditors and Internal Auditors of the Company concerning the accounts of the Company, internal control systems, scope of audit and observations of the Auditors/ Internal Auditors;
3. Reviewing with Management the quarterly and annual financial statements before submission to the Board;
4. Recommending the board on any matter relating to the financial management of the Company, including Statutory & Internal Audit Reports;
5. Recommending the appointment and removal of External Auditor, fixation of audit fee and also approval for repayment for any other services;
6. Reviewing the adequacy of the internal audit function including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
7. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting matter to the board;
8. Discussions with external auditors before the audit commences, nature and scope of audit as well as post audit discussions to ascertain any area of concern;

SUJANA UNIVERSAL INDUSTRIES LIMITED

9. Reviewing the financial and risk management policies;
10. To look into the reasons for substantial defaults in the payments to depositors, debenture holders, share holders (incase of non payment of declared dividends) and creditors;
11. Reviewing with the management, the statement of uses/application of funds raised through an issue (public issues, right's issues, preferential issue etc.,) the statement of funds utilized for the purpose other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or right's issues and making appropriate recommendation to the board to take up steps in this matter;
12. Such other matters as may be necessary in course of performing their functions.

2. Composition and Procedure of the Audit Committee

The Audit Committee shall meet atleast four times in a year and not more than three months shall elapse between two meetings.

The quorum for the Audit Committee shall be either two members or one third of the members whichever is higher and minimum of atleast two independent directors.

The Audit Committee of your Company comprises of Three (3) members out of which two (2) are independent and non-executive directors and one (1) is non-executive director. Shri S.Hanumantha Rao, a director having financial and accounting knowledge and held Six (6) meetings during the year. The details of the same are:

No. of meetings held during the financial year: 6 (Six)

Sl. No.	Name of the Member	Designation	No. of Meetings attended
1.	Dr. K.Srinivasa Rao	Member & Chairman	6
2.	Shri S. Hanumantha Rao	Member	6
3.	Shri J.Ramakrishnan	Member	6
4.	Shri D.Rama Rao*	Member	2

Change in Composition of Audit Committee since the date of last AGM held on 27.03.2010:

**Shri D.Rama Rao was resigned as an Director and a Member of the Audit Committee with effect from 14th May, 2010.

Dates of Audit Committee Meetings held:

29th December 2009, 30th January 2010, 14th May, 2010, 13th August, 2010, 12th November, 2010 and 12th February, 2011.

The necessary quorum was present at the meetings.

IV. Remuneration Committee

Scope of the Remuneration Committee

The scope of the remuneration committee covers:

- a) Review the performance of the Managing Director, after considering the Company's performance.
- b) Recommends to the Board remuneration including salary, perquisites and commission to be paid to the Company's Managing Director.
- c) Finalise the perquisites package of the Managing Director within the overall ceiling.

2. Composition and other details of the Remuneration Committee

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

The existing Committee comprises of:

Sl.No.	Name of the Member	Designation
1.	Shri S. Hanumantha Rao	Member & Chairman
2.	Dr. K. Srinivasa Rao	Member
3.	Shri J.Ramakrishnan	Member

One Remuneration Committee Meeting was held during the financial period 2009-11

3. Remuneration Packages paid to Executive Directors during the Peiod

Name	Salary. Rs.	Commission/ Incentives Rs.	Deferred Benefits (Perquisites) Rs.	Others	Total Rs.
Shri Y.S Chowdhary	60,00,000	-	-	-	60,00,000
Shri G.Srinivasa Raju	7,99,548	-	5,33,032	-	13,32,580
Shri V.S.R Murthy	2,34,194	-	1,56,130	-	3,90,324

Remuneration Policy:

The Remuneration Committee of Board of Directors of the Company generally decides and makes recommendations to the Board of Directors about the remuneration to be paid to the Directors and other Key Managerial Persons of the Company. The Remuneration recommendations about the remuneration of Directors are subject to the approval of the Members of the Company and the remuneration of the key managerial persons is to be recommended by the Remuneration Committee to the Board.

Sitting Fee details:

Sl. No	Name of the Director	Sitting fee paid During the Period 2009-2011
1	Shri J. Ramakrishnan	48,000
2	Shri S.Ramachandran	8,000
3	Shri D. Rama Rao	16,000
4	Shri Ashok Kumar De	16,000
5	Dr K. Srinivasa Rao	48,000

Sitting fee has been paid to the non-executive directors and Rs. 4,000/- for attending each meeting upto 12th February, 2011 and Rs 10,000/- from May, 2011 onwards.

V. Shareholders' Grievance Committee

1. Scope of the Shareholder's Grievance Committee

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

2. Constitution and Composition of the Shareholders' Grievance Committee

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

SUJANA UNIVERSAL INDUSTRIES LIMITED

No Shareholders' Grievance Committee Meeting was held during the financial year 2009-2010 and all the grievances received by the Company from the members of the Company has been resolved by the Share Transfer Committee.

The existing Committee consists of three directors. The details of the same are:

Sl. No.	Name of the Director	Designation
1.	Shri J. Ramakrishnan	Member & Chairman
2.	Shri Y.S.Chowdary	Member
3.	Shri G.Srinivasa Raju	Member

3. Name and Designation of the Compliance Officer

The name and designation of the Compliance Officer of your Company is Shri N. Ravi Kiran, Company Secretary of your Company.

4. No. of Shareholders Complaints received so far during the year

Nature of queries/complaints	Received	Resolved	Un resolved
No.of requests for change of Address	6	6	-
Advice Procedure for Name Deletion	2	2	
No.of requests for transmission	3	3	-
Duplicate Certificates Requests Letter	1	1	-
Exchange of Share Certificates	13	13	-
Complaint From Statutory Authorities	1	1	-
Miscellaneous Letters	5	5	-
Bank Mandate Form	2	2	-
Request for Exchange Procedures	2	2	-
Total	35	35	-

5. No. of Pending Transfers

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

VI. Share Transfer Committee

The Share Transfer Committee comprises Shri Y.S.Chowdary, Shri G.Srinivasa Raju and Shri J. Ramakrishnan, being Shri G.Srinivasa Raju, Managing Director of your Company, as Chairman of the Committee. The role, terms of reference and the authority and powers of the Share Transfer Committee are in conformity with the provisions of the Companies Act, 1956. During the period under review the Share Transfer Committee met 11 (Eleven) times.

VII. Management Committee

The Management Committee comprises Shri Y.S.Chowdary, Shri G.Srinivasa Raju and Shri J. Ramakrishnan. The role, terms of reference and the authority and powers of the Management Committee are in conformity with the provisions of the Companies Act, 1956. During the period under review the Management Committee met 28 (Twenty eight) times.

VIII. Code of Conduct for the prevention of Insider Trading

The Board has laid down a "Code of Conduct" for the prevention of "Insider Trading" in pursuance of the Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (duly Amended). The Board Members and Senior Personnel have affirmed the compliance with the Code for the financial year 2009-11.

IX. Annual General Body Meetings (AGMs')**Details of Last three AGMS held**

Sl. No.	No. of Annual General Meeting	Date of the Annual General Meeting	Location	Time
1.	21 st A.G.M	27 th March, 2010	Plot Nos. 10,11 & 12, Survey No.172, Bollaram Village, Jinnaram Mandal, Medak Dist, Andhra Pradesh.	10.00 A.M.
2.	20 th A.G.M	27 th February, 2009	Plot Nos. 10,11 & 12, Survey No.172, Bollaram Village, Jinnaram Mandal, Medak Dist, Andhra Pradesh.	10.00 A.M.
3.	19 th A.G.M	31 st December, 2007	Plot Nos. 10,11 & 12, Survey No.172, Bollaram Village, Jinnaram Mandal, Medak Dist, Andhra Pradesh.	10.00 A.M.

Details of Special Resolutions passed in the last three Annual General Meetings:

S.No	AGM for the year	Details of Special Resolution passed
1.	2008-2009	(a) Shifting of Registered Office (b) To make any loan to and/or to give any guarantee to and/or to provide security Under Section 372A of the Companies Act, 1956 (c) To issue equity shares to Promoter group.
2.	2007-2008	(a) Fixation of Chairman's remuneration (b) Appointment of Whole Time Director and fixation of his remuneration
3.	2006-2007	(a) Enhancement of Managing Director's Remuneration and (b) To make any loan to and/or to give any guarantee to and/or to provide security Under Section 372A of the Companies Act, 1956

Details of special resolutions passed in the last year through postal ballot and details of voting pattern.

(A) The following resolutions were passed by the members of the Company through postal ballot on 27th March, 2010. The details are as follows:

S.No	Details of Resolution passed through postal ballot	Details of voting pattern	Person who conducted the postal ballot exercise
1	To Shift the registered office from Plot no 10, I.D.A. Bollaram, Jinnaram Mandal, Medak District, A.P to Plot no, 18, Nagarjuna Hills, Panjagutta, Hyderabad-500082.	No.of votes cast in favour of the resolution - 1,62,52,463 No.of votes cast against the resolution – 4000	Shri Y. Ravi Prasada Reddy, Practicing Company Secretary, FCS No. 5783 CP No. 5360.
2	To give Corporate Guarantee to Sujana Metal Products Limited and Sujana Towers Limited.	No.of votes cast in favour of the resolution – 1,62,52,063 No.of votes cast against the resolution – 4400	

SUJANA UNIVERSAL INDUSTRIES LIMITED

Details of special resolutions which are proposed to be passed through postal ballot – are as follows:

1. To provide Corporate Guarantee on behalf of Hestia Holdings Limited, Mauritius and Selena Holdings Limited, Mauritius under Section 372A of Companies, Act 1956.

Shri Y. Ravi Prasada Reddy, Practicing Company Secretary having certificate of practice number 5360, is appointed as Scrutinizer for conducting the voting through Postal Ballot in a fair and transparent manner.

The calendar of events for the said Postal Ballot is given on Page No. 98

X. Disclosures

1. Materially Significant related party transactions:

There are no materially significant related party transactions i.e. transactions, material in nature with its Promoters, the Directors or the Management, their subsidiaries or relatives etc., having potential conflict with the interests of the Company at large except as mentioned in Schedule 18 to the Annual Accounts for the year ended 31.03.2011.

2. Details of Statutory Non-compliances:

There have not been any non-compliance by the Company and no penalties or strictures imposed on the Company by the Stock Exchanges or SEBI or any Statutory Authority, on any material related to capital markets, during the last three (3) years.

3. Management Discussion and Analysis Report

Management Discussion and Analysis Report form part of this Annual Report and is in accordance with the requirements as laid down in Clause 49 of the Listing Agreement with Stock Exchanges.

4. Details of directors seeking re-appointment at the forthcoming AGM

(a) Shri J. RamaKrishnan, Director of the Company retires by rotation and being eligible, offers himself for re-appointment.

J. Ramakrishnan has been on the Board of directors since 25th July , 1995.

Shri J. Ramakrishnan, retired as Principal Collector, Central excise and Customs Department. He is having over 30 years of experience in Central Excise and Customs Department.

Shri J. Ramakrishnan is presently holding the position of Director in Sujana Metal Products Limited.

(b) Shri S.Hanumantha Rao, Director of the Company retires by rotation and being eligible, offers himself for re-appointment.

Shri S.Hanumantha Rao has been on the Board since 18th July, 2005. Shri S. Hanumantha Rao did his B.Tech and AICWA and he has worked for more than 20 years in State Bank of India and 3 years as Financial and Management Consultant.

Shri S. Hanumantha Rao, presently holding the position of Directorship in 12 (Twelve) other Companies.

5. CEO&CFO Certification:

Certification by Chief Executive Officer and Chief Financial Officer of the Company as required under Clause 49 of the Listing Agreement is provided at the end of Corporate Governance Report.

XI. Means of Communication

1. Publication of Quarterly Financial Results in daily newspapers and updating of the same on the Company's website at www.sujana.com.
2. Furnishing the Quarterly Financial Results to Stock Exchanges in which Company's shares are listed.
3. Sending Balance Sheet, Profit & Loss Account, Directors' Report & Auditors' Report to Shareholders through Post.

XII. General Shareholder Information

1. Details pursuant to 22nd AGM

1.	Date	24.09.2011.
2.	Time	10.00 A.M
3.	Venue	"kohinoor", Taj Deccan, Road No. 1, Banjara Hills, Hyderabad-500 034,
4.	Financial Year	2009-11 (consisting of 18 months from 01.10.2009 to 31.03.2011)
5.	Book Closure Date	22.09.2011 (One day only)
6.	Dividend Payment Date	Not Applicable

2. Details pursuant to Listing of Securities**a. Listing of Securities****- Equity**

The Bombay Stock Exchange Limited, Mumbai
National Stock Exchange of India Limited, Mumbai

- Global Depository Receipts (GDRs)

Luxembourg Stock Exchange (LuxSE)

b. Stock Code

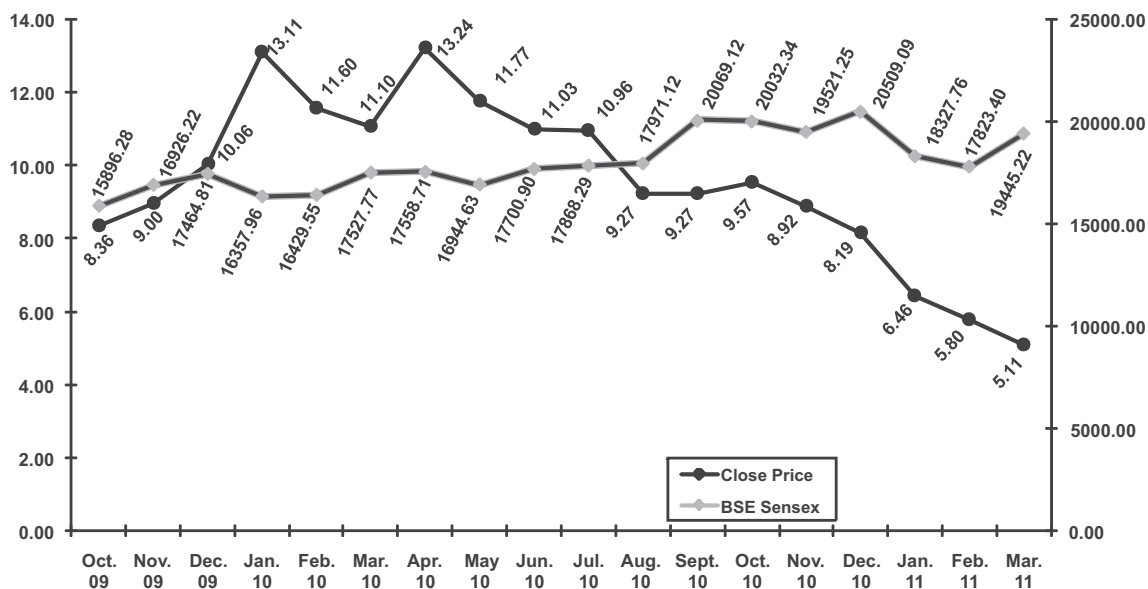
BSE Script Code	:	517224
NSE Script Symbol	:	SUJANAUNI
Demat ISIN Number in NSDL and CDSL for equity shares	:	INE216G01011

SUJANA UNIVERSAL INDUSTRIES LIMITED

3. Market Price Data

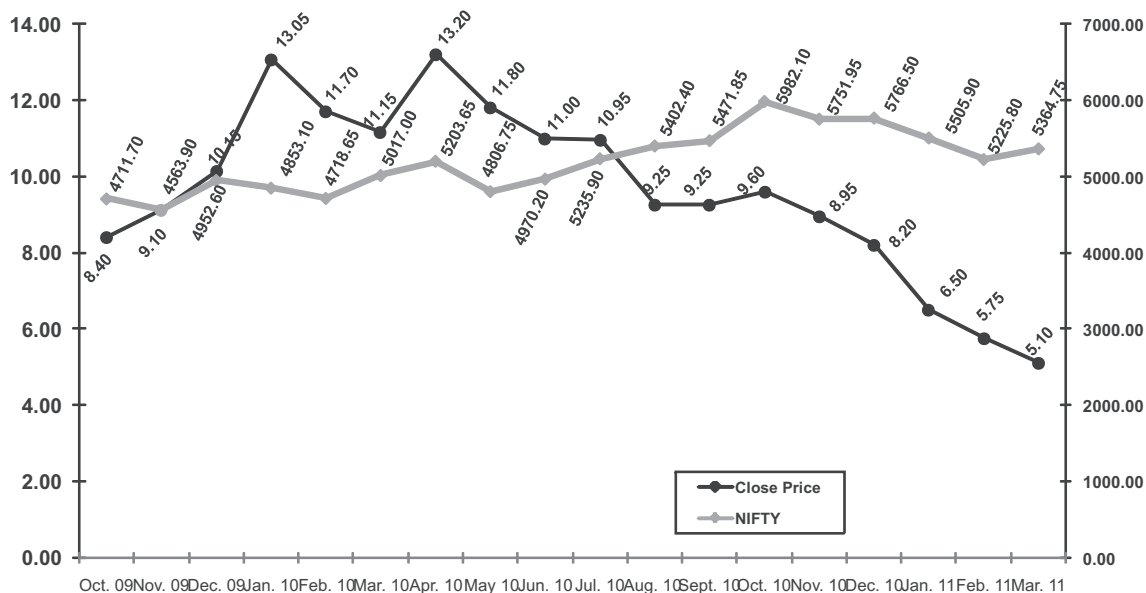
A) BSE

Month	Price in BSE during each month			
	High (Rs.)	Low(Rs.)	Close(Rs)	Index Closing
October 2009	9.45	8.15	8.36	15,896.28
November 2009	9.48	7.47	9.00	16,926.22
December 2009	11.49	8.45	10.06	17,464.81
January 2010	14.65	9.90	13.11	16,357.96
February 2010	13.61	11.00	11.60	16,429.55
March 2010	11.45	10.50	11.10	17,527.77
April 2010	14.48	11.20	13.24	17,558.71
May 2010	13.65	11.40	11.77	16,944.63
June 2010	13.26	10.50	11.03	17,700.90
July 2010	13.27	10.51	10.96	17,868.29
August 2010	12.50	9.15	9.27	17,971.12
September 2010	12.05	8.49	9.27	20,069.12
October 2010	12.40	9.29	9.57	20,032.34
November 2010	11.40	8.11	8.92	19,521.25
December 2010	9.32	6.21	8.19	20,509.09
January 2011	8.55	6.31	6.46	18,327.76
February 2011	6.61	4.50	5.80	17,823.40
March 2011	6.38	4.81	5.11	19,445.22



B) NSE

Month	Price in NSE during each month			
	High (Rs.)	Low(Rs.)	Close(Rs)	Nifty Closing
October 2009	9.50	8.25	8.40	4711.70
November 2009	9.50	7.55	9.10	4563.90
December 2009	11.55	8.45	10.15	4952.60
January 2010	14.70	10.05	13.05	4853.10
February 2010	13.45	11.05	11.70	4718.65
March 2010	13.45	10.90	11.15	5017.00
April 2010	14.45	11.30	13.20	5203.65
May 2010	13.90	11.45	11.80	4806.75
June 2010	12.25	10.50	11.00	4970.20
July 2010	11.95	10.70	10.95	5235.90
August 2010	13.50	9.20	9.25	5402.40
September 2010	11.95	8.70	9.25	5471.85
October 2010	11.75	9.15	9.60	5982.10
November 2010	12.20	8.30	8.95	5751.95
December 2010	9.25	6.35	8.20	5766.50
January 2011	8.40	6.15	6.50	5505.90
February 2011	6.70	4.30	5.75	5225.80
March 2011	6.30	4.80	5.10	5364.75



SUJANA UNIVERSAL INDUSTRIES LIMITED

4. Share Transfer System

Your Company has appointed M/s. Bigshare Services Private Limited for dealing in with the shares of the Company in physical and electronic mode. Presently they are completing the process of transfer within a period of 10 to 15 days from the date of receipt, subject to the documents being valid and complete in all respects.

5. Dematerialization of Shares

92.8 % of the Company's Paid - up capital has been dematerialized upto 31.03.2011. The details are as follows:

Particulars	Number of Shares	% of share capital
NSDL	6,11,46,639	44.04
CDSL	6,76,97,147	48.76
Physical	99,97,286	7.20
Total	13,88,41,072	100.00

6. Distribution of Shareholding

As on 31st March, 2011, the Distribution of Shareholding was as follows:

Range (Rs.)	No. of Shares	% of Shareholding	No. of Shareholders	% of Shareholders
1. Upto 5,000	4126653	2.97	17734	66.67
2. 5,001 – 10,000	3652215	2.63	4072	15.31
3. 10,001 – 20,000	3392351	2.44	2043	7.68
4. 20,001 – 30,000	2053017	1.48	766	2.88
5. 30,001 – 40,000	1377267	0.99	373	1.40
6. 40,001 – 50,000	2223648	1.60	457	1.72
7. 50,001 – 1,00,000	4459556	3.21	571	2.15
8. 1,00,000 and above	117556365	84.68	583	2.19
Total	138841072	100.00	26599	100.00

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

1,50,00,000 convertible warrants out of 2,35,00,000 convertible warrants allotted on 30.03.2010 are outstanding for conversion as on date and the said outstanding is due for conversion on or before 30.09.2011 i.e, before expiry of 18 months from the date of allotment.

8. Shareholding pattern as on 31st March, 2011

S.No	Category	No.of Holders	No.of Shares	% to Equity
1.	Promoters and their Relatives	3	33887642	24.41
2.	Bodies Corporate	538	11555265	8.32
3.	Public	26051	42407579	30.55
4.	Foreign Bodies Corporate	-	-	-
5.	FII's	3	1058848	0.76
6.	Financial Institutions/banks	2	8431738	6.07
7.	Custodians against Depository receipts	1	41500000	29.89
	Total	26598	138841072	100.00

9. Plant Locations

1.	LEC Division	Plot Nos. 10, 11 & 12, Survey No.172, Bollaram Village, Jinnaram Mandal, Medak District, Andhra Pradesh.
2.	Domestic Appliances Division	Plot No.1B, Survey No.308, Sri Venkateswara Co-operative Industrial Estate, Jeedimetla, Hyderabad – 500 055 Andhra Pradesh.
3.	Steel Products Division	Plot Nos. 128/A, Bollaram Village, Jinnaram Mandal, Medak District, Andhra Pradesh.
4.	Infrastructure Division	No.18, Nagarjuna Hills, Panjagutta, Hyderabad – 500 082, Andhra Pradesh.

10. Address for Correspondence

Regd. & Corporate Office:

No.18, Nagarjuna Hills,
Panjagutta, Hyderabad - 500 082.
Ph: 23351882, 23351887.

Registrars and Share Transfer Agents:

Bigshare Services Private Limited,
G-10, Left Wing, Amruta Ville,
Opp: Yashoda Hospital,
Raj Bhavan Road, Somajiguda,
Hyderabad – 500 082.
Phone No.040-23374967.

Declaration in terms of amended Clause 49(1)(d)(ii) of Listing Agreement.

It is hereby confirmed that all the Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct laid down by the Board of Directors for the financial year 2009-11.

Place: Hyderabad
Date: 21.07.2011

G.SRINIVASA RAJU
Managing Director

CEO & CFO CERTIFICATION

We, G.Srinivasa Raju, Managing Director & Chief Executive Officer and Dr.B.Brahmaiah, Chief Financial Officer, to the best of our knowledge and belief, do hereby certify that

1. We have reviewed financial statements and the Cash Flow Statement for the year and that to the best of our knowledge and belief:
 - a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept the responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps they have taken or propose to take to rectify these deficiencies.
4. We have indicated to the auditors and the Audit committee:
 - i) Significant changes in internal control over financial reporting during the year;
 - ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

G. Srinivasa Raju

Managing Director & Chief Executive Officer

Date : 21.07.2011

Place : Hyderabad

Dr. B. Brahmaiah

Chief Financial Officer

Compliance Certificate from Auditors

Auditors' Certificate on Corporate Governance

To

The Members of Sujana Universal Industries Limited,

We have examined the compliance conditions of Corporate Governance by Sujana Universal Industries Ltd., Hyderabad for the period ended 31st March, 2011, 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 Company's management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our knowledge and according to the explanations given to us, We certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Investor's Grievance Committee.

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

Place: Hyderabad

Dated:21.07.2011

for M/s.T.RAGHAVENDRA & ASSOCIATES

CHARTERED ACCOUNTANTS

T.RAGHAVENDRA

AUDITORS' REPORT

To The Members of **Sujana Universal Industries Limited**

We have audited the attached Balance Sheet of M/s. SUJANA UNIVERSAL INDUSTRIES LIMITED as at 31st March, 2011, the Profit and Loss Account for the period 01-10-2009 to 31-03-2011 annexed thereto and the Cash Flow Statement of the Company for the period ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We conducted our audit in accordance with auditing standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditor's Report) Order, 2003 and emended by the Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government in terms of Sub-Section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
3. Further to our comments in the Annexure referred to above and the notes on accounts we report that:
 - a. We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company, so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Profit and Loss Account and the Cash Flow statement dealt with by this report are in agreement with the books of account;
 - d. In our opinion, the Balance Sheet the Profit and Loss Account and the Cash flow Statement dealt with by this report comply with the Accounting Standards referred to in Sub-Section (3C) of Section 211 of the Companies Act, 1956.
 - e. On the basis of written representations received from the directors of the Company, as on 31st March, 2011 and taken on record by the Board of Directors, we report that none of the directors are disqualified from being appointed as a director of the Company in terms clause (g) of Sub-Section (1) of Section 274 of the Companies Act, 1956 on the said date;
 - f. In our opinion and to the best of our information and according to the explanation given to us, the said accounts, read together with the notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
 - i. In so far as it relates to the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011.
 - ii. In so far as it relates to the Profit and Loss Account, of the Profit of the Company for the period ended 31st March, 2011 and
 - iii. In so far as it relates to Cash Flow statement, of the Cash flows for the period ended on that date.

For T. Raghavendra & Associates
CHARTERED ACCOUNTANTS

Place: Hyderabad
Dated: 21.07.2011

T. RAGHAVENDRA
Mem. No. 023806
FRN : 003329S

Annexure referred to in our report of even date on the accounts for the period ended 31st March, 2011

1. a. The Company has maintained proper records showing full particulars including quantitative details and situation of the fixed assets.
b. The assets are physically verified, in phases, by the Management during the year as per the regular programme of verification, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies have been noticed on such verification. In respect of certain class of assets, verification of which is in progress, discrepancies if any noticed, will be dealt with approximately later.
c. The assets disposed off during the period are not substantial and therefore do not affect the going concern status of the Company.
2. a. The stock of raw materials, stores, spare parts and finished goods other than in transit 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 inventory 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 the Company has maintained proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of account.
3. a. According to the information and explanations given to us, the Company has not taken any loans from the companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956.
b. According to the information and explanations given to us, the Company has not granted any loans to the companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956.
c. The Company has not given any loans or advances in the nature of loans.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, with regard to purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system.
5. a. Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the contracts or arrangements that need to be entered in the register maintained in pursuance of Section 301 of the Companies Act, 1956 have been properly entered in the said register.
b. In our opinion and according to the information and explanations given to us, the transactions entered in the register maintained under Section 301 and exceeding during the period by Rupees five lakhs in respect of each party have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.

6. The Company has not accepted any deposits from the public within the meaning of Sections 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 framed there under.
7. The Company has an internal audit system, which in our opinion is commensurate with its size and nature of its business.
8. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules 209(1)(d) of Companies Act, 1956 for maintenance of cost records and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained.
9.
 - a. According to the information and explanations give to us and the records of the Company examined by us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, Customs Duty, Excise Duty, and other material statutory dues as applicable with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2011 for a period of more than six months from the date of becoming payable.
 - b. According to the information and explanations give to us and the records of the Company examined by us, the disputed statutory dues that have not been deposited on account of matters pending before appropriate authorities are as follows :

Rs. in lakhs

Sales Tax	929.01	2003-04 Pending for disposal before the Appellate Deputy Commissioner.
	944.94	2005-06 High Court Disposed off favourable and remanded the matter to the Assessing Authorities for fresh assessment.
	1,660.28	2006-07 High Court Disposed off favourable and remanded the matter to the Assessing Authorities for fresh assessment.
	2,429.92	2007-08 High Court Disposed off favourable and remanded the matter to the Assessing Authorities for fresh assessment.
Total	5,864.15	
C u s t o m s & Central Excise	839.02	Company has preferred an appeal in the CESTAT.

10. The Company does not have accumulated losses as at 31st March 2011 and it has not incurred any cash losses in the financial year ended on that or in the immediately preceding financial year.
11. According to the information and explanations given to us and the records of the Company examined by us, the Company has not defaulted in repayment of dues to financial institution and banks as per the One Time Settlement proposal with the financial institutions and / or banks.

SUJANA UNIVERSAL INDUSTRIES LIMITED

12. According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The provisions of any special statute applicable to chit fund / mutual benefit fund / societies are not applicable to the Company.
14. As the Company is not dealing or trading in shares, securities, debentures and other investments paragraph (xiv) of the Companies (Auditors Report) Order, 2003 is not applicable to the Company for the year.
15. In my opinion and according to the information and explanation given to us, the terms and conditions on which the Company has given guarantee for loan taken by other Company from bank are not prejudicial to the interest of the Company.
16. The Company has not raised any new term loans during the year. The term loans outstanding at the beginning of the year have been applied for the purposes for which they were raised.
17. According to the information and explanations give to us and an overall examination of the balance sheet of the Company, we report that no funds raised on a short-term basis which have been used for long-term investment, and vice versa.
18. The Company has not issued any debentures during the year and therefore paragraph 4(xix) of the order is not applicable.
19. In our opinion, and according to the information and explanations given to us and as far as we could ascertain no personal expenses have been charged to the revenue account.
20. In our opinion, and according to the information and explanations given to us, the Company is not covered within the definition of Sick Industrial Company as contained in Section 3(I) (O) of the Sick Industrial Companies (Special Provisions) Act, 1985.
21. According to the information and explanations given to us there were no damaged goods in the case of goods purchased for re-sale.
22. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

For T. RAGHAVENDRA & ASSOCIATES
Chartered Accountants

Place : Hyderabad
Date : 21.07.2011

T. RAGHAVENDRA
Mem. No. 023806
FRN : 003329S

BALANCE SHEET AS AT 31st MARCH, 2011

(Amount in Rupees)

	SCH. REF	As At 31.03.2011 Rs.	As At 30.09.2009 Rs.
I SOURCES OF FUNDS			
A Shareholder's Funds			
a) Share Capital	1	1,632,030,720	1,482,030,720
b) Share Warrants		46,875,000	-
c) Reserves & Surplus	2	3,979,743,516	3,668,637,965
Sub-Total		<u>5,658,649,236</u>	<u>5,150,668,685</u>
B Loan Funds			
a) Secured Loans	3	2,312,351,124	1,958,460,375
b) Un-secured Loans		154,029,390	-
Sub-Total		<u>2,466,380,514</u>	<u>1,958,460,375</u>
C Deferred Tax Liability		337,121,905	346,029,725
TOTAL (A + B + C)		<u>8,462,151,655</u>	<u>7,455,158,785</u>
II APPLICATION OF FUNDS			
A Fixed Assets			
Gross Fixed Assets	4	4,086,345,754	3,646,963,057
Less: Accumulated Depreciation		2,024,256,423	1,619,576,746
Net Block of Assets		2,062,089,331	2,027,386,311
Capital Work-in-Progress		5,014,316	59,139,858
Sub-Total		<u>2,067,103,647</u>	<u>2,086,526,169</u>
B Investments	5	844,408,012	265,354,245
C Current Assets, Loans & Advances			
i) Current Assets			
a) Inventories	6	471,679,174	501,188,235
b) Sundry Debtors	7	10,051,700,667	5,578,259,007
c) Cash & Bank	8	537,015,462	9,335,097
ii) Loans & Advances	9	1,638,324,282	2,711,430,016
		<u>12,698,719,585</u>	<u>8,800,212,355</u>
Less: Current Liabilities and Provisions	10		
a) Current Liabilities		7,056,818,355	3,649,329,604
b) Provisions		91,261,234	47,604,380
Net Current Assets		<u>5,550,639,996</u>	<u>5,103,278,371</u>
TOTAL (A + B + C)		<u>8,462,151,655</u>	<u>7,455,158,785</u>
Significant Account Policies	17		
Notes to Accounts	18		

As per our report of even date

For and on behalf of the Board

T. Raghavendra & Associates

Chartered Accountants

S. Hanumantha Rao

Director

G. Srinivasa Raju

Managing Director

T. Raghavendra

Mem. No. 023806

Place : Hyderabad
Date : 21.07.2011Place : Hyderabad
Date : 21.07.2011**N. Ravi Kiran**
Company Secretary

SUJANA UNIVERSAL INDUSTRIES LIMITED

PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31st MARCH, 2011

(Amount in Rupees)

	SCH. REF	For The Period Ended 31.03.2011 (18 Months)	For The Year Ended 30.09.2009 (12 Months)
I INCOME			
a) Sales	11	38,774,186,500	13,977,331,591
b) Other Income	12	204,052,327	48,259,356
c) Increase / (Decrease) in Stock	13	29,979,458	(526,493,721)
Total		<u>39,008,218,285</u>	<u>13,499,097,226</u>
II EXPENDITURE			
a) Material Consumed & Bought out goods	14	36,924,540,503	12,246,616,871
b) Manufacturing, Administrative & Selling Exp.	15	509,868,617	449,891,003
c) Depreciation	4	409,023,638	251,993,769
d) Financial Expenses	16	828,476,036	264,443,049
Total		<u>38,671,908,794</u>	<u>13,212,944,692</u>
III PROFIT BEFORE PRIOR PERIOD ADJUSTMENTS AND TAX		336,309,491	286,152,534
IV PRIOR PERIOD ADJUSTMENTS		13,741,933	(29,917,541)
V PROFIT BEFORE TAX		350,051,424	256,234,993
VI PROVISION FOR TAXES			
- Current Tax		87,000,000	44,210,567
- Deferred Tax Liability / (Assets)		(8,907,820)	11,358,395
- Fringe Benefit Tax		-	568,065
VII PROFIT AFTER TAX		271,959,244	200,097,966
Add: Balance brought forward from previous year		1,651,176,437	1,453,904,219
Excess Provision for Tax in earlier years		62,469,634	-
VIII PROFIT AVAILABLE FOR APPROPRIATIONS		1,985,605,315	1,654,002,185
Proposed dividend on Cumulative Redeemable Preference Shares		3,654,300	2,436,200
Dividend Tax		606,934	389,548
BALANCE CARRIED TO BALANCE SHEET		<u>1,981,344,081</u>	<u>1,651,176,437</u>
Significant Account Policies	17		
Notes to Accounts	18		
Earnings Per Share (Face Value of Rs.10 each)			
Basic		2.05	1.59
Diluted		1.84	1.59

As per our report of even date

For and on behalf of the Board

T. Raghavendra & Associates

Chartered Accountants

T. Raghavendra

Mem. No. 023806

S. Hanumantha Rao

Director

G. Srinivasa Raju

Managing Director

Place : Hyderabad
Date : 21.07.2011

Place : Hyderabad
Date : 21.07.2011

N. Ravi Kiran
Company Secretary

CASH FLOW STATEMENT

PARTICULARS	31.03.2011 (Rs.in Lakhs) (18 months)	30.09.2009 (Rs.in Lakhs) (12 months)
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax as per Profit & Loss Account	3,500.51	2,861.53
Adjustments for		
Depreciation	4,046.80	2,519.94
Financial Expenses	8,284.76	2,644.43
Interest earned & other income	(2,040.52)	(482.59)
Operating Profit Before Working Capital Changes	13,791.55	7,543.31
Adjustments for		
Decrease/(Increase)in Inventories	295.09	5,317.37
Decrease/(Increase)in Debtors	(44,734.42)	(32,650.61)
Decrease/(Increase)in in Loans& Advances	10,731.06	(5,141.30)
Increase/(Decrease)in Current Liabilities	34,511.46	21,290.15
Cash Generated from Operations	14,594.74	(3,641.08)
Other Income	1,876.86	-
Extraordinary Item	624.70	(299.18)
Cash from Operating Activities (A)	17,096.30	(3,940.26)
CASH FLOW FROM INVESTING ACTIVITIES		
(Increase)/Decrease in Purchase of Fixed Assets	(4,393.83)	(2,050.41)
(Increase)/Decrease in Investments	(5,790.54)	(1,645.80)
(Increase)/Decrease in revaluation reserve	(3.48)	(6.98)
(Increase)/Decrease in other reserves	(187.14)	-
(Increase)/Decrease in Capital Work in Progress	541.26	-
Cash from Investment Activities(B)	(9,833.73)	(3,703.19)
CASH FLOW FROM FINANCING ACTIVITIES		
Increase/(Decrease)in Share Capital	1,500.00	-
Increase/(Decrease)in Share Warrants	468.75	-
Increase/(Decrease)in Loan Funds	5,079.20	3,827.71
Increase/(Decrease)in Dividend & Taxes paid	(912.61)	(476.04)
Interest & Financial Charges	(8,284.76)	(2,644.43)
Interest Received	163.66	482.63
Net Cash from financing activities (C)	(1,985.76)	1,189.87
Net Increase in cash and cash equivalent (A+B+C)	5,276.81	(6,453.58)
Cash and Cash equivalent as on 01.10.2009	93.34	6,546.92
Cash and Cash equivalent as on 31.03.2011	5,370.15	93.34

As per our report of even date

For and on behalf of the Board

T Raghavendra & Associates

Chartered Accountants

T Raghavendra

Mem. No.023806

Place : Hyderabad
Date : 21.07.2011**S Hanumantha Rao**

Director

Place : Hyderabad
Date : 21.07.2011**G Srinivasa Raju**

Managing Director

N. Ravi Kiran
Company Secretary

SUJANA UNIVERSAL INDUSTRIES LIMITED

SCHEDULES FORMING PART OF BALANCE SHEET

(Amount in Rupees)

	As At 31.03.2011	As At 30.09.2009
SCHEDULE - 1		
SHARE CAPITAL		
Authorized		
17,50,00,000 Equity Shares of Rs.10/- each	1,750,000,000	13,000,000,000
25,00,000 1% Cumulative Redeemable Preference Shares of Rs.100 each	250,000,000	250,000,000
	2,000,000,000	13,250,000,000
Issued, Subscribed and Paid up		
13,88,41,072 Equity Shares of Rs. 10/- each (Previous year 12,38,41,072 Equity shares of Rs. 10/- each)	1,388,410,720	1,238,410,720
Of the 13,88,41,072 equity shares 1,50,00,000 shares of Rs.10 each issued as preferential allotment		
24,36,200 1% Cumulative Redeemable Preference Shares of Rs.100 each	243,620,000	243,620,000
Total	1,632,030,720	1,482,030,720
SCHEDULE - 2		
RESERVES AND SURPLUS		
a) Capital Reserve	2,000,000	2,000,000
b) Share Premium Account		
Opening Balance	1,847,036,584	1,847,036,584
Add: Premium on equity shares allotted	37,500,000	-
Less: Excess share premium collected in earlier years	(56,214,033)	-
	1,828,322,551	1,847,036,584
c) Revaluation Reserve		
Opening Balance	1,642,287	1,990,347
Less: Depreciation on revalued assets	348,060	348,060
	1,294,227	1,642,287
d) General Reserve	166,782,657	166,782,657
e) Profit & Loss Account	1,981,344,081	1,651,176,437
Total (a+b+c+d+e)	3,979,743,516	3,668,637,965
SCHEDULE - 3		
SECURED LOANS		
a) Term Loans		
- From Banks	468,574,784	576,800,800
- From Others	-	-
b) Working Capital Loans		
- From Banks	1,832,846,216	1,379,082,273
- From Others	-	-
c) HP Loans	10,930,124	2,577,302
Total	2,312,351,124	1,958,460,375

(Amount in Rupees)

SCHEDULE - 4 : FIXED ASSETS

Sl. No	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As on 01.10.2009	Additions	Deletions	As on 31.03.2011	As on 01.10.2009	For the period	On Deletions	Upto 31.03.2011	As on 31.03.2011	As on 30.09.2009
1.	Land	8,116,261	-	-	8,116,261	-	-	-	-	8,116,261	8,116,261
2.	Buildings	114,585,707	-	-	114,585,707	45,491,470	5,735,501	-	51,226,971	63,358,736	69,094,237
3.	Plant & Machinery	3,386,913,909	406,040,689	2,498,538	3,790,456,060	1,479,261,149	383,123,250	2,011,101	1,860,373,298	1,930,082,762	1,907,652,760
4.	Electrical Equipments/ Installations	53,383,503	2,694,400	-	56,077,903	33,098,295	6,021,294	-	39,119,589	16,958,314	20,285,208
5.	Office Equipments	26,054,691	7,297,581	-	33,352,272	20,230,016	3,911,254	-	24,141,270	9,211,002	5,824,675
6.	Testing Equipments	10,104	-	-	10,104	8,132	1,972	-	10,104	-	1,972
7.	ERP / Softwares	20,000,000	7,594,464	-	27,594,464	20,000,000	4,744,237	-	24,744,237	2,850,227	-
8.	Furniture & Fixtures	8,462,635	1,149,331	-	9,611,966	4,927,795	852,305	-	5,780,100	3,831,866	3,534,840
9.	Vehicles	29,084,592	21,131,497	4,026,726	46,189,363	16,321,206	4,965,216	2,680,916	18,605,505	27,583,858	12,763,386
10.	Miscellaneous Equipments	351,654	-	-	351,654	238,680	16,668	-	255,348	96,306	112,974
	T O T A L	3,646,963,056	445,907,962	6,525,264	4,086,345,754	1,619,576,743	409,371,698	4,692,017	2,024,256,423	2,062,089,331	2,027,386,313
	Less: Revaluation Reserve						348,060				
		3,646,963,056	445,907,962	6,525,264	4,086,345,754	1,619,576,743	409,023,638	4,692,017	2,024,256,423	2,062,089,331	2,027,386,313

SUJANA UNIVERSAL INDUSTRIES LIMITED

SCHEDULES FORMING PART OF BALANCE SHEET

(Amount in Rupees)

	As At 31.03.2011	As At 30.09.2009
SCHEDULE - 5		
INVESTMENTS		
a) In Subsidiary Companies (Unquoted)	844,408,012	100,774,245
b) In Other Companies (Unquoted)	-	164,580,000
Total	844,408,012	265,354,245
SCHEDULE - 6		
INVENTORIES		
a) Raw Material	28,773,824	81,469,378
b) Semi Finished Goods	8,918,843	6,456,468
c) Stock of Consumables	17,931,970	393,052,570
d) Finished Goods	416,054,537	20,209,819
Total	471,679,174	501,188,235
SCHEDULE - 7		
SUNDRY DEBTORS (Un-secured & Considered Good)		
a) Debtors outstanding less than six months	9,727,408,305	5,457,791,740
b) Other Debts	324,292,362	120,467,267
Total	10,051,700,667	5,578,259,007
SCHEDULE - 8		
CASH AND BANK		
a) Cash on hand	1,433,809	1,549,197
b) Cash at banks		
- In Current Accounts	10,383,631	6,409,671
- As Margin Money	525,198,022	1,376,229
Total	537,015,462	9,335,097
SCHEDULE - 9		
LOANS AND ADVANCES (Un-secured & Considered Good)		
a) Advances to Suppliers	924,262,973	972,059,604
b) Other Advances	89,480,051	900,576,193
c) Advances to Subsidiaries	431,767,352	612,658,834
d) Deposits	137,491,059	157,236,365
e) Balance in Taxes & Duties	52,323,572	54,830,468
f) Tax Deducted at Source	2,167,347	808,865
g) Prepaid Expenses	451,410	11,662,555
h) Advances to Staff	380,518	1,597,132
Total	1,638,324,282	2,711,430,016

SCHEDULES FORMING PART OF BALANCE SHEET

(Amount in Rupees)

	As At 31.03.2011	As At 30.09.2009
SCHEDULE - 10		
CURRENT LIABILITIES AND PROVISIONS		
i) Current Liabilities		
a) Creditors for Suppliers	5,495,078,508	3,221,919,444
b) Creditors for Services and Expenses	17,824,531	16,287,847
c) Other Liabilities	161,783,556	162,268,171
d) Advances from Customers	1,288,615,741	226,644,836
e) Interest Accrued But Not Due	16,057,631	21,532,576
f) Capital creditors	22,840,000	-
g) Advances from Subsidiaries	53,543,036	-
h) TDS Payable	1,075,352	676,730
Sub-total	7,056,818,355	3,649,329,604
ii) Provisions		
a) Provision for Income Tax	87,000,000	44,210,567
b) Provision for Dividend Tax	606,934	389,548
c) Provision for Fringe Benefit Tax	-	568,065
d) Proposed Dividend	3,654,300	2,436,200
Sub-total	91,261,234	47,604,380
Total	7,148,079,589	3,696,933,984

SUJANA UNIVERSAL INDUSTRIES LIMITED

SCHEDULES FORMING PART OF PROFIT & LOSS ACCOUNT

(Amount in Rupees)

	For the Period Ended 31.03.2011	For the Year Ended 30.09.2009
SCHEDULE - 11		
REVENUE		
Sales		
- Domestic	32,180,771,011	9,991,173,165
- Exports	6,593,415,489	3,986,158,426
Total	<u>38,774,186,500</u>	<u>13,977,331,591</u>
SCHEDULE - 12		
Other Income		
a) Interest Earned	16,366,301	29,285,225
b) Job work Income	156,145	3,090,109
c) Excess Provision Written Back	407,122	6,471,519
d) Rent	2,070,000	1,218,000
e) Commission	-	25,935
f) Profit on Sale of Assets	41,435	7,416,514
g) Foreign Exchange Fluctuations	174,548,097	-
h) Miscellaneous income	10,463,227	752,054
Total	<u>204,052,327</u>	<u>48,259,356</u>
SCHEDULE - 13		
INCREASE / (DECREASE) IN STOCK		
i) Opening Stock		
Finished Goods	388,537,455	912,893,235
Semi Finished Goods	6,456,467	8,594,408
Sub-total	<u>394,993,922</u>	<u>921,487,643</u>
ii) Closing Stock		
Finished Goods	416,054,537	388,537,455
Semi Finished Goods	8,918,843	6,456,467
Sub-total	<u>424,973,380</u>	<u>394,993,922</u>
Increase / (Decrease) in stock	<u>29,979,458</u>	<u>(526,493,721)</u>
SCHEDULE - 14		
MATERIAL CONSUMED & BOUGHT OUT GOODS		
Opening Stock of Material	101,679,197	106,102,256
Add: Purchase of Material	1,134,449,382	989,965,632
	1,236,128,579	1,096,067,888
Less: Closing Stock of Material	46,705,794	101,679,197
Raw material Consumed	1,189,422,785	994,388,691
Add: Bought Out Goods	35,735,117,718	11,252,228,180
Total Material Consumed	<u>36,924,540,503</u>	<u>12,246,616,871</u>

SCHEDULES FORMING PART OF PROFIT & LOSS ACCOUNT

(Amount in Rupees)

	For the Period Ended 31.03.2011	For the Year Ended 30.09.2009
SCHEDULE - 15		
MANUFACTURING, ADMINISTRATIVE AND SELLING EXPENSES		
Power and Fuel	255,454,823	179,476,808
Carriage Inwards	13,977,973	-
Machinery Maintenance	9,866,855	2,902,735
Job Work Expenses	9,292,193	9,786,787
Repairs to Buildings	1,253,009	1,241,851
Personnel Costs		
- Salaries and Wages	70,891,774	30,532,741
- Bonus to Employees	1,005,691	2,807,900
- Contribution to ESI and PF	2,330,620	1,600,725
- Staff and Workers Welfare	3,573,333	1,193,737
Directors' Remuneration	7,723,419	13,354,511
Insurance	1,370,682	1,085,926
Printing and Stationery	2,892,237	1,327,590
Postage, Telegrams and Telephones	3,606,938	2,202,129
Travelling and Conveyance		
- General	20,067,187	2,796,120
- Directors	6,283,992	1,442,763
- Foreign	3,089,972	3,666,562
Professional Charges	26,273,921	4,935,898
Rent, Rates & Taxes	17,028,790	4,677,922
Auditor's Remuneration		
- Audit Fees	413,625	250,000
- Tax Audit Fees	82,725	50,000
- Others	22,060	115,000
Foreign Exchange Fluctuations	-	143,041,728
Miscellaneous Expenses	22,239,812	32,936,769
Carriage Outwards	5,973,355	1,503,767
Commission & Discounts	953,794	2,006
Meeting and Conference Expenses	1,895,711	400,319
Advertisement Expenses	5,755,560	2,097,065
Business Development Expenses	16,468,566	4,232,669
Loss on Sale of Fixed Assets	-	228,975
Loss on Sale of Investments	80,000	-
Total	509,868,617	449,891,003
SCHEDULE - 16		
FINANCE CHARGES		
Bank Charges	22,282,311	15,114,556
Interest on Term Loans	111,070,975	157,298,155
Interest on Working Capital Loan	312,544,487	74,737,951
Interest to Others	-	647,228
Other Financial Charges	382,578,263	16,645,159
Total	828,476,036	264,443,049

**SCHEDULE 17:
SIGNIFICANT ACCOUNTING POLICIES**

1. Basis of Preparation of Financial Statements

The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting except interest on Margin Money Deposits in accordance with the Generally Accepted Accounting Principles in India and comply with the Accounting Standards (AS) notified under Section 211 (3C) of the Companies Act, 1956 and other relevant provisions of the Companies Act, 1956, to the extent applicable. The financial statements are presented in Indian rupees.

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 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. Fixed Assets

- a. Fixed assets are carried at cost of acquisition less accumulated depreciation. The cost of fixed assets comprises the purchase price (net of rebates and discounts) and any other directly attributable costs of bringing the assets to working condition for their intended use. Borrowing costs directly attributable to acquisition of those fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalized.
- b. Advances paid towards 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 as capital work-in-progress.

4. Intangible Assets

Intangible Assets are stated at cost of acquisition less accumulated depreciation.

5. Depreciation

- a. Depreciation on Fixed Assets is provided using the straight-line method as per the rates prescribed in Schedule XIV to the Companies Act, 1956.
- b. The rates of depreciation prescribed in Schedule XIV to the Companies Act, 1956 are considered as minimum rates. If the management's estimate of the useful life of a Fixed Asset at the time of acquisition of the Asset or of the remaining useful life on a subsequent review is shorter than envisaged in the aforesaid schedule, depreciation is provided at a higher rate based on the management's estimate of the useful life / remaining useful life.
- c. Depreciation is calculated on a pro-rata basis from/ upto the date the assets are purchased /sold.

6. Investments

- a. Investments are classified as current or long-term in accordance with Accounting Standard 13 on "Accounting for Investments".
- b. Current Investments are stated at lower of cost and fair value. Long Term Investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary.

- c. The investments in fully owned subsidiaries are carried out at the cost of acquisition as the same are long term investments.

7. Revenue Recognition

- a. Revenue is recognized when it is earned and to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.
- b. Revenue from sale of Goods is recognized on delivery of the products, when all significant contractual obligations have been satisfied, the property in the goods is transferred for a price, significant risks and rewards of ownership are transferred to the customers and no effective ownership is retained.
- c. Sales are net of sales returns and trade discounts. Export turnover includes related export benefits. Excise duty and VAT are recovered is presented as a reduction from Gross turnover.
- d. Interest revenue on Fixed Deposits is recognized on accrual basis.

8. Inventories

Inventories are valued at the lower of Cost or Net Realizable Value. Cost of Inventories comprise all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is arrived at,

- a. In case of Raw materials and other trading products on weighted average cost method.
- b. In case of stores and spares on weighted average cost method.
- c. In case of Work in Process and Finished Goods, includes material cost, labour, manufacturing overheads.

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

9. Employee Benefits

- a. Short-term employee benefits

All employee benefits falling due wholly within twelve months of rendering the services are classified as short term employee benefits. The benefits like salaries, wages, short term compensated absences etc. and the expected cost of bonus, ex-gratia are recognised in the period in which the employee renders the related service.

- b. Post-employed benefits

- i. Long-term employee benefits (benefits which are payable after the end of twelve months from the end of the period in which the employees render service) and post-employment benefits (benefits which are payable after completion of employment) are measured on a discounted basis by the Projected Unit Credit Method on the basis of annual third party actuarial valuations.
- ii. Contributions to Provident Fund, a defined contribution plan are made in accordance with the statute, and are recognized as an expense when employees have rendered service entitling them to the contributions.
- iii. The gratuity benefit obligations recognized in the Balance Sheet represents the present value of the obligations as reduced by the fair value of plan assets. Any asset resulting from this calculation is limited to the discounted value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

SUJANA UNIVERSAL INDUSTRIES LIMITED

10. Foreign Currency Transactions

- a. Foreign currency transactions are recorded in the reporting currency at the exchange rates prevailing on the date of the transaction.
- b. Exchange differences arising on the settlement of monetary items on reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.
- c. Non-monetary items such as investments are carried at historical cost using the exchange rates on the date of the transaction.
- d. Closing Monetary Foreign Current assets and current liabilities have been re-instated in the reporting currency at the exchange rate prevailing on Balance Sheet date, in accordance with Accounting Standard 11 on "The Effects of changes in Foreign Exchange Rates" The difference arising on these transactions being charged/revenue to Profit and Loss Account.

11. Taxes on Income

- a. Income taxes are accounted for in accordance with Accounting Standard 22 on "Accounting for Taxes on Income".
- b. Taxes comprise both current and deferred tax. Current tax is measured at the amount expected to be paid/recovered from the revenue authorities, using the applicable tax rates and laws.
- c. Minimum alternate tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal tax after the tax holiday period. Accordingly, it is recognized as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably.
- d. The tax effect of the timing differences that result between taxable income and accounting income and are capable of reversal in one or more subsequent periods are recorded as a deferred tax asset or deferred tax liability.
- e. Deferred tax assets and liabilities are recognized for future tax consequences attributable to timing differences. They are measured using the substantively enacted tax rates and tax regulations.
- f. The carrying amount of deferred tax assets at each balance sheet date is reduced to the extent that it is no longer reasonably certain that sufficient future taxable income will be available against which the deferred tax asset can be realized.
- g. Tax on distributed profits payable in accordance with the provisions of Section 115O of the Income Tax Act, 1961 is in accordance with the Guidance Note on "Accounting for Corporate Dividend Tax" regarded as a tax on distribution of profits and is not considered in determination of profits for the year.

12. Earnings per Share

- a. The Company reports basic and diluted Earnings Per Share (EPS/DEPS) in accordance with Accounting Standard 20 on "Earnings Per Share". Basic EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year.

- b. Diluted EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares from the exercise of Convertible Share Warrants of un-issued share capital, except where the results are anti-dilutive.

13. Leases

- a. Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets acquired on or after 1 April 2001 are capitalized at the fair value or the present value of minimum lease payments at the inception of the lease, whichever is lower.
- b. Lease income from assets given on operating lease is recognized as income in the statement of Profit & Loss account. Lease payments for assets taken on operating lease are recognized as expense in the statement of Profit & Loss account.

14. Segment Reporting

Disclosure is made as per the requirements of the Standard. Details have furnished under item No.11 of Schedule 18 Notes on Accounts.

15. Impairment of Assets

- a. 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 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 recognized in the Profit and Loss Account.
- b. If at the Balance Sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is re-assessed and the asset is reflected at the re-assessed recoverable amount subject to a maximum of depreciated historical cost.

16. Provision for Doubtful Debts /Advances

- a. Provision for Doubtful Debts/ Advances is made when there is uncertainty of realization of debts which are long outstanding. All debts which are over and above one year are provided in full unless there is certainty of its recovery.
- b. In addition to the above, provision is also made in respect of dues in respect of which suits are filed. Writing off doubtful debts/advances are made when the un-realisaibility is established.

17. Provisions, Contingent Liabilities and Contingent Assets

- a. Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.
- b. Contingent Liabilities are not recognised but are disclosed in the notes.
- c. Contingent Assets are neither recognised nor disclosed in the financial statements.

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18. Cash Flow statement

Cash Flow Statement has been prepared using the "Indirect Method" as per the Accounting Standard 3 on "Cash Flow Statements"

19. Borrowing cost

- a. Borrowing Costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use.
- b. All other borrowing costs are charged to profit and loss account

20. Related party disclosure

Disclosure is made as per the requirements of the Standard and as per the clarifications issued by the Institute of chartered Accountants of India under Item No.9 of Schedule 18 Notes on Accounts.

21. Interim Financial Reporting

Quarterly financial results are published in accordance with the requirement of Listing Agreement with Stock Exchanges. The recognition and measurement principle as laid down in the Standard have been followed in the preparation of these results.

SCHEDULE : 18 - NOTES TO ACCOUNTS

1) Share Capital

- a) During the period under review, the Company made a preferential allotment of 1,50,00,000 equity shares @ Rs.12.50/- each share, having face value of Rs. 10/- each, to M/s Yalamanchili Finance & Trading Pvt. Ltd. Out of which 85,00,000 equity shares were allotted against conversion of warrants (out of 2,35,00,000 warrants).
- b) The Company has allotted 24,36,200 of 1% Cumulative Redeemable Preference Shares (CRPS) of Rs.100/ each on 31st March 2006 aggregating to Rs.24.46Cr., and redeemable in 12 quarterly installments co-terminus with the principal repayment. Accordingly the repayment of CRPS starts from October 2014 and will be completed by July 2017.

2) Secured and Unsecured Loans

i) Secured Loans :

- a) Term Loans availed from IDBI Bank Ltd is secured by way of first charge on the entire assets of the Company, both present and future, raking pari passu with the charges already created in favour of existing term lender and second charges on all the current assets of the company, both present and future, and further secured by the guarantees of Sri Y S Chowdary, Chairman, Sri G Srinivasa Raju, Managing Director, in their personal capacities and Corporate Guarantee of M/s Sujana Metal Products Ltd.
- b) Working Capital Loans availed from Banks are inter alia secured by way of pari passu first charge on the current assets and pari passu second charge on fixed assets both present and future and secured by the personal guarantees of Sri Y S Chowdary, Chairman, and Sri G Srinivasa Raju, Managing Director. Further secured by the corporate guarantee of M/s Sujana Metal Products Ltd.

ii) Unsecured Loans :

- a) The Company has obtained the unsecured loans during the period from:
 - (i) SE Investments Ltd which is repayable in 24 installments and carrying interest rate @ 8.50% per annum flat,
 - (ii) Followell Engineering Ltd which is repayable in 90days with an interest rate @ 16% per annum, to meet the working capital requirements.
- b) Loans from Directors are Nil

3) Investments

i) Current and Unquoted :

S. No.	Name of the Company	Country	No. of Equity Shares	Face value	Amount in Rs
A.	Fully Owned Subsidiaries				
a)	- Pac Ventures Pte. Ltd.,	Singapore	27,80,000	1 SGD	84,891,905
b)	- Sujana Holdings Limited - Share Capital	Dubai	5,73,600	100 AED	756,461,800
c)	- Nuance Holdings Limited	Hong Kong	50,000	1 HK\$	2,602,564
d)	- Sun Trading Limited	Cayman Islands	10,000	1 US \$	447,276
e)	- Hestia Holdings Ltd	Mauritius	1	100 US \$	4,467
	Sub-total				844,408,012
B.	Others				—
	Total				844,408,012

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The investments in wholly owned subsidiaries at Singapore, Dubai, Hong Kong, Cayman Islands and Mauritius are at cost of acquisition as on the reporting date of Financial Statements.

During the period the Company disposed the investments in Futuretech Investments Ltd 13,16,000 shares @ Rs.125/- each sold. As a result, the Company incurred a loss of Rs. 80,000.

ii) Long-term and Unquoted : Nil

4) Disclosure as per Clause 32 of Listing Agreement

a) Loans and Advances in the nature of Loans given to Subsidiaries, Associates & Others

Particulars	Name of the Company	Relationship	Amount outstanding As on 31.03.2011 Rs. Lakhs	Maximum amount due at any one time during the year Rs. Lakhs
A. Loans & Advances				
a)	Pac Ventures Pte. Ltd	Subsidiary	234.94	234.94
b)	Sun Trading Limited,	Subsidiary	496.54	496.54
c)	Empire Gulf FZE (Step down subsidiary)	Subsidiary	3,586.19	3,586.19
B. Investments				
a)	Pac Ventures Pte. Ltd.,	Subsidiary	848.92	848.92
b)	Sujana Holdings Limited	Subsidiary	7,564.62	7,564.62
c)	Sun Trading Limited	Subsidiary	4.47	4.47
d)	Nuance Holdings Limited	Subsidiary	26.03	26.03
e)	Hestia Holdings Ltd	Subsidiary	0.04	0.04

b) Loans and advances in the nature of loans to associates by name and amount : Nil

c) Loans and advances in the nature of loans where there is no repayment schedule or payment beyond seven years or no interest or interest below Section 372A of the Companies Act,1956 by name and amount : Nil

d) Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount : Nil

e) Disclosure as applicable to the parent company in the account of subsidiary company

- Pac Ventures Pte Ltd, Singapore – Rs. 543.37 Lakhs

5) Depreciation

Depreciation is provided on Straight Line Basis applying the rates specified in the Schedule XIV to the Companies Act, 1956. However, depreciation on the amount enhanced over the original cost due to revaluation of some of the fixed assets done during the year 1992-93 has been calculated for the year on the same basis as provided on the original cost and the amount of depreciation arising due to revaluation of fixed assets has been adjusted to revaluation reserve.

6) Dues from Directors : Nil

7) Related Party Disclosure

The following are the related parties as defined in Accounting Standard 18 notified under the Companies (Accounting Standard) Rules, 2006

List of Related Parties and Relationships:

Subsidiaries:

Name of the Subsidiary	Country of Incorporation	Extent of Holding (%) as at March 31, 2011
Pac Ventures Pte. Limited	Singapore	100
Sujana Holdings Limited	Dubai	100
Nuance Holdings Limited	Hong Kong	100
Sun Trading Limited	Cayman Islands	100
Hestia Holdings Limited	Mauritius	100

Key Management Personnel :

List of Companies in which Key Managerial Person exercising significant influence

Sl. No	Name of the Company	Name of the Key Managerial Person		
		Sri Y S Chowdary	Sri G Srinivasa Raju	Sri S Hanumantha Rao
1	Esteem Hotels Ltd	✓	✓	
2	Foster Infin and Trading Private Ltd	✓	✓	
3	Hestia Holdings Ltd - Mauritius	✓		
4	Kakatiya Enclaves Private Ltd		✓	
5	Pac Ventures Pte Ltd - Singapore	✓		
6	STL Africa Ltd			✓
7	Sujana Energy Ltd	✓		✓
8	Sujana Finance and Trading Private Ltd	✓	✓	
9	Sujana Holdings Ltd	✓	✓	
10	Sujana Holdings Ltd - Dubai			✓
11	Sujana Metal Products Ltd	✓	✓	✓
12	Sujana Ports Ltd	✓	✓	
13	Sujana Power (Gangikondan) Ltd.	✓		✓
14	Sujana Power (India) Ltd.	✓	✓	✓
15	Sujana Power (Tuticorin) Ltd.	✓		✓
16	Sujana Projects Ltd		✓	✓
17	Sujana Projects Ltd (Livewire)	✓		
18	Sujana Towers Ltd	✓	✓	✓
19	Sujana Transmission Ltd	✓	✓	✓
20	Telesuprecon Ltd		✓	✓
21	Yalamanchali Finance and Trading Private Ltd	✓	✓	

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Related Party Transaction

Rs. in Lakhs

Particulars		Subsidiaries		Associates		Key Management Personnel	
		2009-11	2008-09	2009-11	2008-09	2009-11	2008-09
A	Sales						
	Sujana Metal Products Ltd	-	-	-	-	6,808.61	1,452.46
	Sujana Towers Limited	-	-	-	-	6.90	10.26
	Sub-total	-	-	-	-	6,815.50	1,462.72
B	Purchases						
	Sujana Metal Products Ltd	-	-	-	-	3,289.11	6,368.70
	Sujana Towers Limited	-	-	-	-	419.68	352.32
	Nuance Holdings Ltd	2,167.18	-	-	-	-	-
	Sub-total	2,167.18	-	-	-	3,708.79	6,721.02
C	Investments						
	Sujana Holdings Ltd	7,436.29	-	-	-	-	-
	Hestia Holdings Ltd	0.04	-	-	-	-	-
	Sub-total	7,436.34	-	-	-	-	-
D	Other Income						
	Sujana Towers Limited	-	-	-	-	1.80	-
	Sub-total	-	-	-	-	1.80	-
E	Other Expenses						
	Sujana Metal Products Ltd	-	-	-	-	13.50	31.35
	Sujana Energy Ltd	-	-	-	-	5.04	-
	Sub-total	-	-	-	-	18.54	31.35
F	Capital Expenditure						
	Sujana Energy Ltd	-	-	-	-	22.42	-
	Sub-total	-	-	-	-	22.42	-
G	Remuneration						
	Mr. Y.S.Chowdary	-	-	-	-	60.00	121.15
	Mr. G. Srinivasa Raju	-	-	-	-	13.33	6.60
	Mr V S R Murthy	-	-	-	-	3.90	8.00
	Sub-total	-	-	-	-	77.23	135.75
H	Loans & Advances						
	Pac Ventures Pte. Ltd	234.94	-	-	-	-	-
	Empire Gulf FZE (Step Down Subsidiary)	3,586.19	-	-	-	-	-
	Sujana Charitable Trust	96.90	-	-	-	-	-
	Sub-total	3,918.03	-	-	-	-	-
I	Corporate Guarantees given						
	Sujana Metal Products Ltd	-	-	-	-	10,996.65	10,996.65
	Sujana Energy Ltd	-	-	-	-	-	-
	Hestia Holdings Ltd (USD)	\$ 10.00	-	-	-	-	-
	Selene Holdings Ltd (USD) (Step Down Subsidiary)	\$ 15.00	-	-	-	-	-

8) Retirement Benefits**Gratuity and Leave Encashment****Actuarial Valuation Method :****Projected Unit Credit Method**

		Gratuity		Leave Encashment	
		2009-11 Rs.	2008-09 Rs.	2009-11 Rs.	2008-09 Rs.
(i)	Reconciliation of Opening and Closing balances of the present value of the defined benefit obligation:				
	Obligations at the beginning of the year	6,441,732	5,326,823	1,464,045	-
	Service cost for the year	2,332,421	1,114,909	603,604	1,464,045
	Interest cost	793,622	426,146	180,369	-
	Benefits settled/paid	(543,164)	-	(269,968)	(35,542)
	Actuarial (gain) / loss	(146,506)	(426,146)	89,599	35,542
	Past service cost	-	-	-	-
	Obligations at the end of the year	8,878,105	6,441,732	2,067,649	1,464,045
(ii)	Change in Plan Assets				
	Plan assets at fair value at the beginning of the year	556,788	556,788	-	-
	Expected return on plan assets	78,596	23,663	-	-
	Actuarial gain / (loss)	17,060	(23,663)	-	-
	Contributions	-	-	-	-
	Benefits settled / paid	-	-	-	-
	Plan assets at fair value at the end of the year	652,444	556,788	-	-
(iii)	Reconciliation of present value of the obligation and the fair value of the plan assets				
	Present value of obligation at the end of the year	8,878,105	6,441,732	2,067,649	1,464,045
	Fair value of the plan assets at the end of the year	652,444	556,788	-	-
	Amount recognised in the Balance Sheet	8,225,661	5,884,944	2,067,649	1,464,045
(iv)	Expenses recognised in the Profit & Loss Account				
	Service cost for the year	2,332,421	1,114,909	603,604	1,464,045
	Interest cost	793,622	426,146	180,369	-
	Expected return on plan assets	(78,596)	(23,663)	-	-
	Actuarial (gain) / loss	(163,566)	(402,483)	89,599	35,542
	Past service cost	-	-	-	-
	Net Cost	2,883,881	1,114,909	873,572	1,499,587
(v)	Assumptions				
	Discount rate (Note 1)	8.00%	8.00%	8.00%	8.00%
	Estimated rate of return on plan assets (Note 2)	8.00%	8.50%	0.00%	0.00%
	Rate of escalation in salary per annum (Note 3)	6.00%	6.00%	6.00%	6.00%
	Expected average remaining working live of employees	18 years	18 years	18 years	18 years
	Retirement age	58 years	58 years	58 years	58 years

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Notes:

- The discount rate is based on the prevailing market yield on Government Bonds as at the balance sheet date for the estimated terms of obligations
- In the case of Gratuity, the expected rate of return was assumed to be 8% per annum since the fund has earned interest at this rate as per the certificate issued by Life Insurance Corporation of India Ltd (LIC)
 - In the case of Leave Encashment, the expected rate of return assumed to be 0% since there is no fund except provision.
- Salary increase rate of 6% per annum has been assumed keeping in view of the inflation rate on long term basis.

9) Managerial Remuneration

Amounts in Rs

Particulars	Executive Chairman	Managing Director	Whole Time Director	Total for the period ended 31.03.2011	Total for the year ended 30.09.2009
Salary	60,00,000	7,99,548	2,34,194	70,33,742	1,31,96,000
HRA	--	3,99,774	78,063	4,77,837	1,98,000
Conveyance	--	--	3,123	3,123	--
Medical	--	53,304	3,903	57,207	26,400
Leave Salary / LTA	--	--	23,419	23,419	39,600
Clubs & Membership Fees	--	--	--	--	1,14,511
Special Allowance	--	79,954	47,622	1,27,576	--
Total	60,00,000	13,32,580	3,90,324	77,22,904	1,35,74,511

Computation of Net Profit in accordance with Section 349 of the Companies Act, 1956

Particulars	For the period Ended 31.03.2011 Rs.	For the year Ended 30.09.2009 Rs.
Profit Before Taxation	350,051,424	286,152,534
Add: Loss on sale of fixed asset	-	228,975
Loss on sale of investments	80,000	-
Managerial Remuneration	7,722,904	13,574,511
Depreciation as per accounts	409,023,638	251,993,769
	766,877,966	551,949,789
Less : Depreciation under Sec.350 of the Companies Act, 1956	409,023,638	251,993,769
Net Profit for the year	357,854,328	299,956,020
Remuneration paid to Managing Director/Chairman	7,722,904	13,574,511
% of Managerial Remuneration in Net Profit	2.16%	4.53%

10) Auditors Remuneration**Auditors' Remuneration (Excluding Service Tax)**

Particulars	31.03.2011 Rs.	30.09.2009 Rs.
Audit Fees	375,000	250,000
Tax Audit Fee	75,000	50,000
Others	20,000	115,000
Total	470,000	415,000

11) Segment Reporting

The Company has identified three reportable segments viz. LEC division, Appliance Division, Steel Division. Segments have been identified and reported taking into account the nature of products and services, the differing risks and returns and the internal business reporting systems. The accounting policies adopted for segment reporting are in line with the accounting policy of the Company with following additional policies for segment reporting.

- Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".
- Segment assets and liabilities represent gross assets and liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

(i) Primary Business Segment Information

Rs. in Lakhs

Particulars	Business Segments			Inter Segment Eliminations	Total
	LEC	Appliance	Steel		
A Revenue					
a) External	-	843.99	386,897.87	-	387,741.87
b) Internal	-	-	-	-	-
c) Total	-	843.99	386,897.87	-	387,741.87
B Results					
Segment Result Before Tax	(1,721.13)	(823.98)	6,045.58	-	3,500.51
Less: Taxes					780.92
Profit After Taxes					2,719.59
C Assets					
a) Segment Assets	16,294.11	5,987.54	145,569.00	-	167,850.65
b) Unallocable Assets					8,444.08
c) Total	16,294.11	5,987.54	145,569.00	-	176,294.73
D Liabilities					
a) Segment Liabilities	49.20	122.48	95,060.30	-	95,231.98
b) Unallocable Liabilities					912.61
c) Total	49.20	122.48	95,060.30	-	96,144.60
E Others					
a) Depreciation	1,736.73	601.02	1,752.48	-	4,090.24
b) Capital Expenditure	-	-	50.14	-	50.14
c) Non-Cash Expenses other than Depreciation	-	-	-	-	-

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(ii) Secondary Segments Information: Geographical

Revenue from geographical segment is based on location of its customers and total carrying amount of assets. The total cost incurred during the period to acquire fixed assets is based on geographical locations of the assets.

Rs. in Lakhs

Particulars		31.03.2011
A	Revenue by Geographical Market	
	- In India	321,807.71
	- Outside India	65,934.15
	- Total	387,741.87
B	Additions to Fixed Assets and Intangible Assets	
	- In India	4,459.08
	- Outside India	-
	- Total	4,459.08
C	Carrying Amount of Segment Assets	
	- In India	167,850.65
	- Outside India	8,444.08
	- Total	174,794.73

12) Earnings Per Share (EPS)

Particulars	2009-11 (18 months) Rs.	2008-09 (12 months) Rs.
Net Profit After Tax	271,959,244	200,097,966
Less: Dividend on CRPS	3,654,300	2,436,200
Dividend Tax	606,934	389,548
Net Profit attributable to Equity shareholder	267,698,010	197,272,218
Weighted average number of equity shares for Basic EPS	130,365,752	123,841,072
Weighted average number of equity shares for Diluted EPS	145,365,752	123,841,072
Nominal Value of Ordinary Share	Rs. 10.00	Rs. 10.00
Basic Earnings per Ordinary Share	Rs. 2.05	Rs. 1.59
Diluted Earnings per Ordinary Share	Rs. 1.84	Rs. 1.59

13. Balances under Sundry Debtors, Sundry creditors and Loans & Advances and other receivable and payables include long outstanding amounts are subject to confirmations to be received from some of the parties.
14. As regards to compliance of provisions relating to the dues to the Small Scale Industries in terms of the Companies (Amendment) Act, 1999, the Company has no information, as to whether its suppliers constitute Small Scale Industrial Undertakings and consequently the amount due to such Industrial Undertakings have not been identified.

15. Contingent Liabilities

Particulars		2009-11	2008-09
1. Bank Guarantees / Counter Guarantees given			
a)	Bank of Baroda: Guarantee executed in favour of Commissioner Central Excise (Rs. Lakhs)	Rs. 8.00	Rs. 8.00
b)	Corporate Guarantees furnished on behalf of Sujana Metal Products Ltd. (Rs. Lakhs)	Nil	Rs.10,996.65
c)	Joint Corporate Guarantee executed by the Company along with Sujana Metal Products Ltd. (SMPL), Sujana Towers Ltd. (STL) in favour of Sujana Holding Limited, Dubai and Alpha Ventures Ltd. wholly owned subsidiaries SUIL and SMPL respectively.	US \$ 85 Millions (Note)	US \$ 85 Millions
d)	Corporate Guarantee executed by the Company in favour of Hestia Holdings Ltd, Mauritius, wholly owned subsidiary to SUIL.	US \$ 10 Millions	Nil
e)	Corporate Guarantee executed by the Company in favour of Selene Holdings Ltd, Mauritius, wholly owned subsidiary to Nuance Holdings Ltd.	US \$ 15 Millions	Nil
2. Claims against the Company not acknowledged as debt (Rs. in Lakhs)			
a)	Sales Tax	8,284.21	8,284.21
b)	Excise	839.02	839.02

Note: The limits sanctioned by Duetsche Bank to Alpha Ventures and Sujana Holdings Ltd had been repaid and therefore the Corporate Guarantee provided by the company stands cancelled/ discharged w.e.f. 23rd June 2011

16. Deferred Tax

Deferred Tax Liability as at March 31, 2011 comprises the following

Particulars	As at 31.03.2011 Rs.	As at 30.09.2009 Rs.
Opening Balance	346,029,725	334,671,330
Add: Deferred Tax Liabilities / (Assets)		
(i) On account of difference between book and tax depreciation	(7,630,660)	11,358,395
(ii) Provision for Gratuity	(980,231)	-
(iii) Provision for Leave Encashment	(296,927)	-
Total	(8,907,820)	11,358,395
Closing Balance	337,121,905	346,029,725

17. Earnings in Foreign Currency

Particulars	2009-11 Rs.	2008-09 Rs.
(i) Exports	6,593,415,489	3,986,158,426

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18. Expenditure in Foreign Currency

Particulars	2009-11 Rs.	2008-09 Rs.
(i) Imports	5,518,076,223	2,770,663,317
(ii) Travelling Expenses	3,089,972	3,666,562
(iii) Others	348,577	170,125

19 Additional Information pursuant to the Paras 3 and 4 of the part II of Schedule VI of the Companies Act, 1956

Capacities & Production					
1. Licenced Capacity					
Bearings	Nos.	10,000,000			
Cast Iron Products	MTs	60,000			
Appliances	Nos.	718,000			
2. Installed Capacity					
Bearings	Nos.	10,000,000			
Cast Iron Products	MTs	60,000			
Appliances	Nos.	718,000			
	Units	For the year ended 31.03.2011		For the year ended 30.09.2009	
		Qty	Amount in Rs.	Qty	Amount in Rs.
A) Actual Production					
Ball Bearings & Components	Nos.	-		47,825.00	
Appliances, Ceiling Fans & Other Components	Nos.	148,549.00		73,575.00	
Steel Products	Nos.	14,432.00		10,456.00	
Steel Products (including processed/traded items)	Tonnes	925,920.18		306,126.00	
B) Details of Raw Material Consumed					
Imported	Rs.	-	-		2,770,663,317
Indiginious	Rs.	1,134,449,382	-		9,475,953,554
C) Turnovers					
Bearings & Components	Nos.	-	-	192,610.00	12,466,964
Appliances & Appliances Components	Nos.	148,715.00	84,399,806	73,133.00	39,762,928
Export of Steel Products	Tonnes	143,276.00	4,371,440,743	69,309.00	2,441,252,310
Export of Agri Products	Tonnes	-	-	21,898.00	630,865,742
Others	Nos.	4,285.00	8,435,295	-	926,244,401
Others	Tonnes	3,395,656.76	2,803,012,247	-	-
Steel Products	Tonnes	779,871.59	28,936,299,586	311,163.00	8,075,590,636
Steel Products (including processed/traded items)	Nos./sets	15,042.00	2,570,598,825	12,911.00	1,851,148,610

D) Opening Stocks					
Bearings & Components	Nos.	-	-	144,785	6,903,971
Appliances & Appliances Components	Nos.	9,882.00	7,130,226	9,440	8,029,306
Steel Products	Tonnes	5,553.00	227,081,550	4,175	543,892,572
Steel Products	Nos.	1,720.00	158,719,848	10,591	359,403,130
E) Closing Stock					
Bearings & Components	Nos.	-	-	-	-
Appliances & Appliances Components	Nos.	4,395.00	2,885,339	9,882.00	7,130,226
Steel Products	Tonnes	7,503.77	225,931,068	5,553.00	227,081,550
Steel Products	Nos.	1,110.00	187,238,130	1,720.00	158,719,848
F) Particulars of Raw Materials & Stores, Spares Consumed					
Raw materials, Stores & Spares					
Imported	Rs.	-	-		2,770,663,317
	%	-			22.62
Indigenous	Rs.	1,134,449,382	-		9,475,953,554
	%	100.00			77.38
G) CIF Value of Imports			5,518,076,223		2,770,663,317
H) Purchase of Goods for resale					
Steel products	Tonnes	875,816.26	30,934,997,445		1,152,228,180
Steel products	Nos	14,432.00	2,428,462,930		
Others	Tonnes	3,395,656.76	2,361,616,399		
Others	Nos	4,285.00	8,269,958		
I) FOB Value of Exports			6,593,415,489		3,986,158,426

20. Previous year's figures have been regrouped wherever necessary to conform to current period's classification

21. Figures have been rounded off to nearest rupee.

As per our report of even date

For and on behalf of the Board

T Raghavendra & Associates

Chartered Accountants

T Raghavendra

Mem. No.023806

S Hanumantha Rao

Director

G Srinivasa Raju

Managing Director

N Ravi Kiran

Company Secretary

Place : Hyderabad

Date : 21.07.2011

Place : Hyderabad

Date : 21.07.2011

SUJANA UNIVERSAL INDUSTRIES LIMITED

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration details

Registration No.

L	2	9	3	0	9	A	P	1	9	8	6	P	L	C	0	0	6	7	1	4
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Balance Sheet Date

3	1	-	0	3	-	2	0	1	1
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 State Code

			0	1
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II. Capital Raised during the year (Amount in Crores)

Public Issue <table border="1"><tr><td></td><td></td><td></td><td></td><td></td><td></td><td>N</td><td>I</td><td>L</td></tr></table>							N	I	L	Rights issue <table border="1"><tr><td></td><td></td><td></td><td></td><td></td><td></td><td>N</td><td>I</td><td>L</td></tr></table>							N	I	L	
						N	I	L												
						N	I	L												
Bonus Issue <table border="1"><tr><td></td><td></td><td></td><td></td><td></td><td></td><td>N</td><td>I</td><td>L</td></tr></table>							N	I	L	Private Placement <table border="1"><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>1</td><td>5</td></tr></table>									1	5
						N	I	L												
								1	5											

III. Position of Mobilisation and Deployment of Funds (Amount in Crores)

Total Liabilities <table border="1"><tr><td></td><td></td><td></td><td>1</td><td>5</td><td>6</td><td>1</td><td>.</td><td>0</td><td>2</td></tr></table>				1	5	6	1	.	0	2	Total Assets <table border="1"><tr><td></td><td></td><td></td><td>1</td><td>5</td><td>6</td><td>1</td><td>.</td><td>0</td><td>2</td></tr></table>				1	5	6	1	.	0	2
			1	5	6	1	.	0	2												
			1	5	6	1	.	0	2												
SOURCES OF FUNDS																					
Paid-up Capital <table border="1"><tr><td></td><td></td><td></td><td></td><td>1</td><td>6</td><td>3</td><td>.</td><td>2</td><td>0</td></tr></table>					1	6	3	.	2	0	Reserves & Surplus <table border="1"><tr><td></td><td></td><td></td><td></td><td>3</td><td>9</td><td>7</td><td>.</td><td>9</td><td>7</td></tr></table>					3	9	7	.	9	7
				1	6	3	.	2	0												
				3	9	7	.	9	7												
Secured Loans <table border="1"><tr><td></td><td></td><td></td><td></td><td>2</td><td>3</td><td>1</td><td>.</td><td>2</td><td>4</td></tr></table>					2	3	1	.	2	4	Unsecured Loans <table border="1"><tr><td></td><td></td><td></td><td></td><td></td><td>1</td><td>5</td><td>.</td><td>4</td><td>0</td></tr></table>						1	5	.	4	0
				2	3	1	.	2	4												
					1	5	.	4	0												
Deferred Tax Liabilities <table border="1"><tr><td></td><td></td><td></td><td></td><td></td><td>3</td><td>3</td><td>.</td><td>7</td><td>1</td></tr></table>						3	3	.	7	1	Current Liabilities										
					3	3	.	7	1												
APPLICATION OF FUNDS																					
Net Fixed Assets <table border="1"><tr><td></td><td></td><td></td><td></td><td>2</td><td>0</td><td>6</td><td>.</td><td>4</td><td>2</td></tr></table>					2	0	6	.	4	2	Investments <table border="1"><tr><td></td><td></td><td></td><td></td><td></td><td>8</td><td>4</td><td>.</td><td>4</td><td>4</td></tr></table>						8	4	.	4	4
				2	0	6	.	4	2												
					8	4	.	4	4												
Net Current Assets <table border="1"><tr><td></td><td></td><td></td><td></td><td>1</td><td>2</td><td>6</td><td>9</td><td>.</td><td>8</td><td>7</td></tr></table>					1	2	6	9	.	8	7										
				1	2	6	9	.	8	7											

IV. Performance of Company (Amount in Crores)

Turnover <table border="1"><tr><td></td><td></td><td></td><td>3</td><td>8</td><td>7</td><td>7</td><td>.</td><td>4</td><td>2</td></tr></table>				3	8	7	7	.	4	2	Total Expenditure <table border="1"><tr><td></td><td></td><td></td><td>3</td><td>8</td><td>6</td><td>7</td><td>.</td><td>1</td><td>9</td></tr></table>				3	8	6	7	.	1	9
			3	8	7	7	.	4	2												
			3	8	6	7	.	1	9												
Net Turnover <table border="1"><tr><td></td><td></td><td></td><td>3</td><td>8</td><td>7</td><td>7</td><td>.</td><td>4</td><td>2</td></tr></table>				3	8	7	7	.	4	2	Profit/Loss After Tax <table border="1"><tr><td></td><td></td><td></td><td></td><td>2</td><td>7</td><td>.</td><td>2</td><td>0</td></tr></table>					2	7	.	2	0	
			3	8	7	7	.	4	2												
				2	7	.	2	0													
Profit/Loss Before Tax <table border="1"><tr><td></td><td></td><td></td><td></td><td>3</td><td>5</td><td>.</td><td>0</td><td>1</td></tr></table>					3	5	.	0	1	Dividend : Rs. per Share <table border="1"><tr><td></td><td></td><td></td><td></td><td>2</td><td>7</td><td>.</td><td>2</td><td>0</td></tr></table>					2	7	.	2	0		
				3	5	.	0	1													
				2	7	.	2	0													
Earning Per Share in Rs. <table border="1"><tr><td></td><td></td><td></td><td></td><td></td><td>2</td><td>.</td><td>0</td><td>5</td></tr></table>						2	.	0	5												
					2	.	0	5													

V. Generic Names of Principal Products / Services of the Company

Item Code (ITC No.) : <table border="1"><tr><td>8</td><td>4</td><td>1</td><td>4</td><td>5</td><td>1</td><td></td><td></td><td></td><td></td></tr></table>	8	4	1	4	5	1					Item Code (ITC No.) : <table border="1"><tr><td>8</td><td>4</td><td>8</td><td>2</td><td></td><td></td><td></td><td></td><td></td><td></td></tr></table>	8	4	8	2							Item Code (ITC No.) : <table border="1"><tr><td>7</td><td>2</td><td>0</td><td>1</td><td>1</td><td>3</td><td>0</td><td></td><td>0</td><td>1</td></tr></table>	7	2	0	1	1	3	0		0	1		
8	4	1	4	5	1																													
8	4	8	2																															
7	2	0	1	1	3	0		0	1																									
Product Description : <table border="1"><tr><td>F</td><td>A</td><td>N</td><td>S</td><td></td><td></td><td></td><td></td><td></td><td></td></tr></table>	F	A	N	S							Product Description : <table border="1"><tr><td>B</td><td>E</td><td>A</td><td>R</td><td>I</td><td>N</td><td>G</td><td>S</td><td></td><td></td></tr></table>	B	E	A	R	I	N	G	S			Product Description : <table border="1"><tr><td>C</td><td>A</td><td>S</td><td>T</td><td></td><td></td><td></td><td></td><td>I</td><td>R</td><td>O</td><td>N</td></tr></table>	C	A	S	T					I	R	O	N
F	A	N	S																															
B	E	A	R	I	N	G	S																											
C	A	S	T					I	R	O	N																							

Consolidated Accounts for the Period Ended 31.03.2011

(consisting of (a) annual audited accounts of your Company for the period ended 31st March 2011 (b) audited financial statements of Pac Ventures Pte Ltd, for the year ended 31.03.2011 (c) audited financial statements of Nuance Holdings Limited for the year ended 31.03.2011 (d) un-audited financial Statements of Sujana Holdings Limited 31.03.2011 and (e) audited financial statements of Sun Trading Limited as on 31.03.2011)

AUDITORS' REPORT

To
THE BOARD OF DIRECTORS
SUJANA UNIVERSAL INDUSTRIES LIMITED

1. We have audited the attached consolidated balance Sheet of Sujana Universal Industries Limited ("the Company") and its subsidiaries (the Company and its subsidiaries constitute "the Group") as at March 31, 2011, and also the Consolidated Profit and Loss Account for the period 01.10.2009 to 31.03.2011 on and the Consolidated Cash Flow Statement for the said date both annexed thereto. These consolidated financial statements are the responsibility of the Company's management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. This Standard requires that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of the two subsidiaries namely PAC Venture Pte. Ltd., Singapore and Nuance Holdings Ltd., Hong Kong, whose financial statements reflect total assets of Rs. 8,001.77 lakhs at 31st March, 2011 as the case may be, the total revenue of Rs. 24,699.45 lakhs. These financial statements and other financial information have been audited by other two auditors whose reports have been furnished to us, and our opinion is based solely on the report of other auditors.
4. We have relied on the un-audited financial statements of one subsidiary namely Sujana Holdings Ltd., Dubai and the consolidated financial statements reflect total assets of Rs. 14,889.57 lakhs as at 31.03.2011, total revenue of Rs. 20,663.72 lakhs. These un-audited financial statements as approved by the respective Board of Directors of these companies have been furnished to us by the Management and our report in so far as it relates to the amounts included in respect of the subsidiaries is based solely on such approved un-audited financial statements.

For T. RAGHAVENDRA & ASSOCIATES
Chartered Accountants

Place : Hyderabad
Date : 21.07.2011

T. RAGHAVENDRA
Membership No. 023806
FRN : 003329S

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2011

(Amount in Rupees)

	Sch. Ref.	As At 31.03.2011	As At 30.09.2009
I SOURCES OF FUNDS			
A Shareholders' Funds			
a) Share Capital	1	1,632,030,720	1,482,030,720
b) Share Application Money		-	-
c) Share Warrants		46,875,000	-
d) Reserves & Surplus	2	4,745,701,900	4,406,838,432
Sub-total		<u>6,424,607,620</u>	<u>5,888,869,152</u>
B Loan Funds			
a) Secured Loans	3	2,978,525,755	1,958,460,375
b) Un-secured Loans	4	166,005,405	-
Sub-total		<u>3,144,531,160</u>	<u>1,958,460,375</u>
C Deferred Tax Liability		337,121,905	346,029,725
Total (A + B + C)		<u>9,906,260,685</u>	<u>8,193,359,252</u>
II APPLICATION OF FUNDS			
A Fixed Assets			
Gross Fixed Assets	5	4,088,329,775	3,647,199,120
Less: Accumulated Depreciation		<u>2,025,326,907</u>	<u>1,619,659,617</u>
Net Block of Assets		2,063,002,868	2,027,539,503
Capital Work-in-progress		<u>5,014,316</u>	<u>59,139,858</u>
Sub-total		<u>2,068,017,184</u>	<u>2,086,679,361</u>
B Investments	6	-	164,580,000
C Current Assets, Loans & Advances			
i) Current Assets			
a) Inventories	7	471,679,174	501,188,234
b) Sundry Debtors	8	15,599,463,253	7,405,383,942
c) Cash & Bank	9	766,184,484	24,917,336
ii) Loans & Advances	10	1,285,793,780	2,735,502,803
		<u>18,123,120,691</u>	<u>10,666,992,315</u>
Less: Current Liabilities and Provisions	11		
a) Current Liabilities		10,192,641,681	4,676,476,878
b) Provisions		<u>92,235,509</u>	<u>48,415,546</u>
Net Current Assets		<u>7,838,243,501</u>	<u>5,942,099,891</u>
Total (A + B + C)		<u>9,906,260,685</u>	<u>8,193,359,252</u>

As per our report of even date
T Raghavendra & Associates
Chartered Accountants

T Raghavendra
Mem. No.023806

Place: Hyderabad
Date: 21.07.2011

S Hanumantha Rao
Director

Place: Hyderabad
Date: 21.07.2011

For and on behalf of the Board

N Ravi Kiran
Company Secretary

G Srinivasa Raju
Managing Director

SUJANA UNIVERSAL INDUSTRIES LIMITED

CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED 31ST MARCH, 2011

(Amount in Rupees)

	Sch. Ref.	For the Period Ended 31.03.2011	For the Period Ended 30.09.2009
I INCOME			
a) Sales	12	43,557,108,010	21,493,342,694
b) Other Income	13	204,146,470	48,261,415
c) Increase / (Decrease) in Stock	14	29,979,458	(526,493,721)
Total		<u>43,791,233,938</u>	<u>21,015,110,388</u>
II EXPENDITURE			
a) Material Consumed & Bought out goods	15	41,574,303,942	19,677,409,896
b) Manufacturing, Administrative & Selling Exp.	16	537,445,627	475,653,662
c) Depreciation	5	409,568,655	252,060,528
d) Financial Expenses	17	842,248,390	264,511,584
Total		<u>43,363,566,614</u>	<u>20,669,635,670</u>
III PROFIT BEFORE PRIOR PERIOD ADJUSTMENTS AND TAX		427,667,324	345,474,718
IV PRIOR PERIOD ADJUSTMENTS		13,741,933	(29,917,541)
V PROFIT BEFORE TAX		441,409,257	315,557,177
VI PROVISION FOR TAXES			
- Current Tax		87,507,929	44,994,534
- Deferred Tax Liability / (Assets)		(8,907,820)	11,358,395
- Fringe Benefit Tax		-	568,065
VII PROFIT AFTER TAX		362,809,148	258,636,183
Add: Balance brought forward from previous year		2,355,930,112	2,100,119,677
Excess Provision for Tax in earlier years		62,469,634	-
VIII PROFIT AVAILABLE FOR APPROPRIATIONS		2,781,208,894	2,358,755,860
Proposed dividend on Cumulative Redeemable Preference Shares		3,654,300	2,436,200
Dividend Tax		606,934	389,548
BALANCE CARRIED TO BALANCE SHEET		<u>2,776,947,660</u>	<u>2,355,930,112</u>
Earnings per Shares (Face Value of Rs.10 each)			
Basic		2.75	2.07
Diluted		2.47	2.07

As per our report of even date

For and on behalf of the Board

T Raghavendra & Associates
Chartered Accountants

S Hanumantha Rao
Director

G Srinivasa Raju
Managing Director

T Raghavendra
Mem. No.023806

N Ravi Kiran
Company Secretary

Place: Hyderabad
Date: 21.07.2011

Place: Hyderabad
Date: 21.07.2011

CONSOLIDATED CASH FLOW STATEMENT

PARTICULARS	31.03.2011 (Rs.in Lakhs)	30.09.2009 (Rs.in Lakhs)
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax as per Profit & Loss Account	4,414.09	3,454.75
Adjustments for		
Depreciation	4,056.94	2,519.94
Financial Expenses	8,422.48	2,645.12
Interest earned & other income	(2,041.46)	(482.61)
Operating Profit Before Working Capital Changes	14,852.05	8,137.20
Adjustments for		
Decrease/(Increase)in Inventories	295.09	5,317.37
Decrease/(Increase)in Debtors	(81,940.79)	(37,688.82)
Decrease/(Increase)in Loans & Advances	14,497.09	(5,859.72)
Increase/(Decrease)in Current Liabilities	55,161.65	26,107.57
Increase/(Decrease)in Provisions	438.20	-
Cash Generated from Operations	3,303.29	(3,986.40)
Other Income	2,041.46	482.61
Extraordinary Item	624.70	(299.18)
Cash from Operating Activities (A)	5,969.45	(3,802.97)
CASH FLOW FROM INVESTING ACTIVITIES		
(Increase)/Decrease in Purchase of Fixed Assests	(4,411.31)	(2,049.31)
(Increase)/Decrease in Investments	1,645.80	(1,645.80)
(Increase)/Decrease in revaluation reserve	(3.48)	(6.98)
(Increase)/Decrease in Capital Work in Progress	541.26	-
(Increase)/Decrease in other reserves	(818.06)	-
Cash from Investment activities(B)	(3,045.79)	(3,702.09)
CASH FLOW FROM FINANCIAL ACTIVITIES		
Increase/(Decrease)in Share Capital	1,500.00	-
Increase/(Decrease)in Share Application Money	-	-
Increase/(Decrease)in Share Warrants	468.75	-
Increase/(Decrease)in Loan Funds	11,860.71	3,827.71
Increase/(Decrease)in Dividend & Taxes paid	(917.69)	(484.15)
Interest & Financial Charges	(8,422.48)	(2,645.12)
Net Cash from financing activities (C)	4,489.28	698.44
Net Increase in cash and cash equivalent (A+B+C)	7,412.94	(6,806.62)
Cash and Cash equivalent as on 01.10.2009	248.91	7,055.53
Cash and Cash equivalent as on 31.03.2011	7,661.85	248.91

As per our report of even date

For and on behalf of the Board

T. Raghavendra & Associates

Chartered Accountants

T Raghavendra

Mem. No. 023806

Place : Hyderabad

Date: 21.07.2011

S Hanumantha Rao

Director

Place: Hyderabad

Date: 21.07.2011

G Srinivasa Raju

Managing Director

N Ravi Kiran

Company Secretary

SUJANA UNIVERSAL INDUSTRIES LIMITED

SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET (Amount in Rupees)

	As At 31.03.2011	As At 30.09.2009
SCHEDULE - 1		
SHARE CAPITAL		
Authorized		
17,50,00,000 Equity Shares of Rs.10/- each	1,750,000,000	1,300,000,000
25,00,000 1% Cumulative Redeemable Preference Shares of Rs.100 each	250,000,000	250,000,000
	2,000,000,000	1,550,000,000
Issued, Subscribed and Paid up		
13,88,41,072 Equity Shares of Rs. 10/- each	1,388,410,720	1,238,410,720
(Previous year 12,38,41,072 Equity shares of Rs. 10/- each)		
1% Cumulative Redeemable Preference Shares of Rs.100 each	243,620,000	243,620,000
Total	1,632,030,720	1,482,030,720
SCHEDULE - 2		
RESERVES AND SURPLUS		
a) Capital Reserve	2,000,000	2,000,000
b) Share Premium Account		
Opening Balance	1,847,036,584	1,847,036,584
Add: Premium on equity shares allotted	37,500,000	-
Less: Excess share premium collected in earlier years	(56,214,033)	-
	1,828,322,551	1,847,036,584
c) Revaluation Reserve		
Opening Balance	1,642,287	1,990,347
Less: Depreciation on revalued assets	348,060	348,060
	1,294,227	1,642,287
d) General Reserve	166,782,657	166,782,657
e) Profit & Loss Account	2,776,947,660	2,355,930,112
f) Foreign Currency Translation Reserve	(29,645,195)	33,446,792
Total (a+b+c+d+e+f)	4,745,701,900	4,406,838,432
SCHEDULE - 3		
SECURED LOANS		
a) Term Loans		
- From Banks	468,574,784	576,800,800
- From Others	-	-
b) Working Capital Loans		
- From Banks	2,499,020,847	1,379,082,273
- From Others	-	-
c) HP Loans	10,930,124	2,577,302
Total (a+b+c)	2,978,525,755	1,958,460,375
SCHEDULE - 4		
UN-SECURED LOANS		
- From Banks	-	-
- From Others	154,029,390	-
- Amounts Due to Directors	11,976,015	-
	166,005,405	-

SCHEDULE - 5 : FIXED ASSETS

Amounts in Rs.

Sl. No	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As on 01.10.2009	Additions	Deletions	As on 31.03.2011	As on 01.10.2009	For the period	On Deletions	Upto 31.03.2011	As on 31.03.2011	As on 30.09.2009
1.	Land	8,116,261	-	-	8,116,261	-	-	-	-	8,116,261	8,116,261
2.	Buildings	114,585,707	-	-	114,585,707	45,491,471	5,735,501	-	51,226,972	63,358,735	69,094,236
3.	Plant & Machinery	3,386,913,910	406,040,689	2,498,538	3,790,456,061	1,479,277,263	383,123,250	2,011,101	1,860,389,412	1,930,066,649	1,907,636,647
4.	Electrical Equipments / Installations	53,383,503	2,694,400	-	56,077,903	33,098,295	6,021,294	-	39,119,589	16,958,314	20,285,208
5.	Office Equipments	26,290,754	9,045,538	-	35,336,292	20,296,775	4,456,271	-	24,753,046	10,583,246	5,993,979
6.	Testing Equipments	10,104	-	-	10,104	8,132	1,972	-	10,104	-	1,972
7.	ERP / Softwares	20,000,000	7,594,464	-	27,594,464	20,000,000	4,744,237	-	24,744,237	2,850,227	-
8.	Furniture & Fixtures	8,462,635	1,149,331	-	9,611,966	4,927,795	852,305	-	5,780,100	3,831,866	3,534,840
9.	Vehicles	29,084,592	21,131,497	4,026,726	46,189,363	16,321,203	4,965,216	2,680,916	18,605,503	27,583,860	12,763,389
10.	Miscellaneous Equipments	351,654	-	-	351,654	238,683	16,669	-	255,352	96,302	112,971
	TOTAL	3,647,199,120	447,655,919	6,525,264	4,088,329,775	1,619,659,617	409,916,715	4,692,017	2,024,884,315	2,063,445,460	2,027,539,503
	Add/(Less): Revaluation Reserve/ Prior Period Adjustments						(348,060)		442,592	(442,592)	
		3,647,199,120	447,655,919	6,525,264	4,088,329,775	1,619,659,617	409,568,655	4,692,017	2,025,326,907	2,063,002,868	2,027,539,503

SUJANA UNIVERSAL INDUSTRIES LIMITED

SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET (Amount in Rupees)

	As At 31.03.2011	As At 30.09.2009
SCHEDULE - 6		
INVESTMENTS		
a) In Subsidiary Companies (Unquoted)	-	-
b) In Other Companies (Unquoted)	-	164,580,000
Total	-	164,580,000
SCHEDULE - 7		
INVENTORIES		
a) Raw Material	28,773,824	81,469,378
b) Semi Finished Goods	8,918,843	6,456,467
c) Stock of Consumables	17,931,970	20,209,819
d) Finished Goods	416,054,537	393,052,570
Total	471,679,174	501,188,234
SCHEDULE - 8		
SUNDRY DEBTORS (Un-secured & Considered Good)		
a) Debtors outstanding less than six months	15,275,170,891	7,284,916,674
b) Other Debts	324,292,362	120,467,268
Total	15,599,463,253	7,405,383,942
SCHEDULE - 9		
CASH AND BANK		
a) Cash on hand	1,433,809	13,908,079
b) Cash at banks		
- In Current Accounts	150,378,253	10,882,078
- As Margin Money	614,372,422	127,179
Total	766,184,484	24,917,336
SCHEDULE - 10		
LOANS AND ADVANCES (Un-secured & Considered Good)		
a) Advances to Suppliers	924,262,973	1,022,894,808
b) Other Advances	136,730,884	900,576,193
c) Advances to Subsidiaries	-	563,004,684
d) Deposits	137,899,204	180,128,099
e) Balance in Taxes & Duties	52,347,942	54,830,468
f) Tax Deducted at Source	2,167,347	808,865
g) Prepaid Expenses	32,004,912	11,662,556
h) Advances to Staff	380,518	1,597,130
Total	1,285,793,780	2,735,502,803

SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET (Amount in Rupees)

	as At 31.03.2011	As At 30.09.2009
SCHEDULE - 11		
CURRENT LIABILITIES AND PROVISIONS		
i) Current Liabilities		
a) Creditors for Suppliers	8,126,420,024	4,127,104,925
b) Creditors for Services and Expenses	21,889,164	17,098,869
c) Other Liabilities	444,070,615	167,670,119
d) Advances from Customers	1,560,288,895	226,644,836
e) Interest Accrued But Not Due	16,057,631	21,641,966
f) Capital creditors	22,840,000	115,639,433
g) Advances from Subsidiaries	-	-
h) TDS Payable	1,075,352	676,730
Sub-total	<u>10,192,641,681</u>	<u>4,676,476,878</u>
ii) Provisions		
a) Provision for Income Tax	87,974,275	45,021,733
b) Provision for Dividend Tax	606,934	389,548
c) Provision for Fringe Benefit Tax	-	568,065
d) Proposed Dividends	3,654,300	2,436,200
Sub-total	<u>92,235,509</u>	<u>48,415,546</u>
Total	<u>10,284,877,190</u>	<u>4,724,892,424</u>

SUJANA UNIVERSAL INDUSTRIES LIMITED

SCHEDULES FORMING PART OF CONSOLIDATED PROFIT & LOSS ACCOUNT

(Amount in Rupees)

	For the period ended 31.03.2011	For the year ended 30.09.2009
SCHEDULE - 12		
REVENUE		
Sales		
- Domestic	32,180,771,011	17,507,184,268
- Exports	11,376,336,999	3,986,158,426
Total	<u>43,557,108,010</u>	<u>21,493,342,694</u>
SCHEDULE - 13		
OTHER INCOME		
a) Interest Earned	16,454,114	29,287,284
b) Job work Income	162,475	3,090,109
c) Excess Provision Written Back	407,122	6,471,519
d) Rent	2,070,000	1,218,000
e) Commission	-	25,935
f) Profit on Sale of Assets	41,435	7,416,514
g) Foreign Exchange Fluctuations	174,548,097	-
h) Miscellaneous income	10,463,227	752,054
Total	<u>204,146,470</u>	<u>48,261,415</u>
SCHEDULE - 14		
INCREASE / (DECREASE) IN STOCK		
i) Opening Stock		
Finished Goods	388,537,455	912,893,235
Semi Finished Goods	6,456,467	8,594,408
Sub-total	<u>394,993,922</u>	<u>921,487,643</u>
ii) Closing Stock		
Finished Goods	416,054,537	388,537,455
Semi Finished Goods	8,918,843	6,456,467
Sub-total	<u>424,973,380</u>	<u>394,993,922</u>
Increase / (Decrease) in stock	<u>29,979,458</u>	<u>(526,493,721)</u>
SCHEDULE - 15		
MATERIAL CONSUMED & BOUGHT OUT GOODS		
Opening Stock of Material	101,679,197	106,102,257
Add: Purchase of Material	1,134,449,382	989,965,632
	<u>1,236,128,579</u>	<u>1,096,067,889</u>
Less: Closing Stock of Material	46,705,794	101,679,197
Raw material Consumed	1,189,422,785	994,388,692
Add: Bought Out Goods	40,384,881,157	18,683,021,204
Total Material Consumed	<u>41,574,303,942</u>	<u>19,677,409,896</u>

SCHEDULES FORMING PART OF CONSOLIDATED PROFIT & LOSS ACCOUNT (Amount in Rupees)

	For the period ended 31.03.2011	For the year ended 30.09.2009
SCHEDULE - 16		
MANUFACTURING, ADMINISTRATIVE AND SELLING EXPENSES		
Power and Fuel	255,454,823	179,476,808
Carriage Inwards	13,977,973	-
Machinery Maintenance	9,866,855	2,902,735
Job Work Expenses	9,292,193	9,786,787
Repairs to Buildings	1,253,009	1,261,231
Personnel Costs		
- Salaries and Wages	71,725,951	32,983,715
- Bonus to Employees	1,005,691	2,807,900
- Contribution to ESI and PF	2,513,761	1,682,077
- Staff and Workers Welfare	3,573,333	7,420,550
Director's Remuneration	11,735,013	16,031,311
Insurance	3,810,812	1,231,651
Printing and Stationery	2,892,237	1,540,306
Postage, Telegrams and Telephones	3,606,938	2,536,764
Travelling and Conveyance		
- General	20,067,187	2,973,993
- Directors	6,283,992	2,042,319
- Foreign	3,089,972	3,962,032
Professional Charges	29,994,709	12,439,405
Rent, Rates & Taxes	17,028,790	5,106,162
Auditors Remuneration		
- Audit Fees	668,148	470,885
- Tax Audit Fees	82,725	50,000
- Others	22,060	115,000
Foreign Exchange Fluctuations	6,743	143,076,246
Miscellaneous expenses	38,365,726	34,969,559
Carriage Outwards	5,973,355	1,619,284
Commission & Discounts	953,794	2,038,391
Meeting and Conference expenses	1,895,711	400,319
Advertisement Expenses	5,755,560	2,097,065
Business Development Expenses	16,468,566	4,402,192
Loss on Sale of Fixed Assets	-	228,975
Loss on Sale of Investments	80,000	-
Total	537,445,627	475,653,662
SCHEDULE - 17		
FINANCE CHARGES		
Bank Charges	28,009,513	15,183,091
Interest on Term Loans	111,070,975	157,298,155
Interest on Working Capital Loan	312,972,750	74,737,951
Interest to Others	-	647,228
Other Financial Charges	390,195,152	16,645,159
Total	842,248,390	264,511,584

SUJANA UNIVERSAL INDUSTRIES LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES

SCHEDULE 17: SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Preparation of Financial Statements

The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting except interest on Margin Money deposits in accordance with the Generally Accepted Accounting Principles in India and comply with the Accounting Standards (AS) notified under Section 211 (3C) of the Companies Act, 1956 and other relevant provisions of the Companies Act, 1956, to the extent applicable.

The financial statements are presented in Indian rupees.

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 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. Fixed Assets

- a. Fixed assets are carried at cost of acquisition less accumulated depreciation. The cost of fixed assets comprises the purchase price (net of rebates and discounts) and any other directly attributable costs of bringing the assets to working condition for their intended use. Borrowing costs directly attributable to acquisition of those fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalized.
- b. Advances paid towards 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 as capital work-in-progress.

4. Intangible Assets

Intangible Assets are stated at cost of acquisition less accumulated depreciation.

5. Depreciation

- a. Depreciation on Fixed Assets is provided using the straight-line method as per the rates prescribed in Schedule XIV to the Companies Act, 1956.
- b. The rates of depreciation prescribed in Schedule XIV to the Companies Act, 1956 are considered as minimum rates. If the management's estimate of the useful life of a Fixed Asset at the time of acquisition of the Asset or of the remaining useful life on a subsequent review is shorter than envisaged in the aforesaid schedule, depreciation is provided at a higher rate based on the management's estimate of the useful life / remaining useful life.
- c. Depreciation is calculated on a pro-rata basis from/ upto the date the assets are purchased /sold.

6. Investments

- a. Investments are classified as current or long-term in accordance with Accounting Standard 13 on "Accounting for Investments".

- b. Current Investments are stated at lower of cost and fair value. Long Term Investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary.
- c. The investments in fully owned subsidiaries are carried out at the cost of acquisition as the same are long term investments.

7. Revenue Recognition

- a. Revenue is recognized when it is earned and to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.
- b. Revenue from sale of Goods is recognized on delivery of the products, when all significant contractual obligations have been satisfied, the property in the goods is transferred for a price, significant risks and rewards of ownership are transferred to the customers and no effective ownership is retained.
- c. Sales are net of sales returns and trade discounts. Export turnover includes related export benefits. Excise duty and VAT are recovered is presented as a reduction from Gross turnover.
- d. Interest revenue on Fixed Deposits is recognized on accrual basis.

8. Inventories

Inventories are valued at the lower of Cost or Net Realizable Value. Cost of Inventories comprise all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is arrived at,

- a. In case of Raw materials and other trading products on weighted average cost method.
- b. In case of stores and spares on weighted average cost method.
- c. In case of Work in Process and Finished Goods, includes material cost, labour, manufacturing overheads.

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

9. Employee Benefits

- a. Short-term employee benefits
All employee benefits falling due wholly within twelve months of rendering the services are classified as short term employee benefits. The benefits like salaries, wages, short term compensated absences etc. and the expected cost of bonus, ex-gratia are recognised in the period in which the employee renders the related service.
- b. Post-employed benefits
Long-term employee benefits (benefits which are payable after the end of twelve months from the end of the period in which the employees render service) and post-employment benefits (benefits which are payable after completion of employment) are measured on a discounted basis by the Projected Unit Credit Method on the basis of annual third party actuarial valuations.

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

SUJANA UNIVERSAL INDUSTRIES LIMITED

The gratuity benefit obligations recognized in the Balance Sheet represents the present value of the obligations as reduced by the fair value of plan assets. Any asset resulting from this calculation is limited to the discounted value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

10. Foreign Currency Transactions

- a. Foreign currency transactions are recorded in the reporting currency at the exchange rates prevailing on the date of the transaction.
- b. Exchange differences arising on the settlement of monetary items on reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.
- c. Non-monetary items such as investments are carried at historical cost using the exchange rates on the date of the transaction.
- d. Closing Monetary Foreign Current assets and current liabilities have been re-instated in the reporting currency at the exchange rate prevailing on Balance Sheet date, in accordance with Accounting Standard 11 on "The Effects of changes in Foreign Exchange Rates" The difference arising on these transactions being charged/revenue to Profit and Loss Account.

11. Taxes on Income

I) Indian Entities

- a. Income taxes are accounted for in accordance with Accounting Standard 22 on "Accounting for Taxes on Income".
- b. Taxes comprise both current and deferred tax. Current tax is measured at the amount expected to be paid/recovered from the revenue authorities, using the applicable tax rates and laws.
- c. Minimum alternate tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal tax after the tax holiday period. Accordingly, it is recognized as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably.
- d. The tax effect of the timing differences that result between taxable income and accounting income and are capable of reversal in one or more subsequent periods are recorded as a deferred tax asset or deferred tax liability.
- e. Deferred tax assets and liabilities are recognized for future tax consequences attributable to timing differences. They are measured using the substantively enacted tax rates and tax regulations.
- f. The carrying amount of deferred tax assets at each balance sheet date is reduced to the extent that it is no longer reasonably certain that sufficient future taxable income will be available against which the deferred tax asset can be realized.
- g. Tax on distributed profits payable in accordance with the provisions of Section 115O of the Income Tax Act, 1961 is in accordance with the Guidance Note on "Accounting for Corporate Dividend Tax" regarded as a tax on distribution of profits and is not considered in determination of profits for the year.

II. Foreign Entities

Foreign Companies recognised tax liabilities and assets in accordance with its applicable local laws.

12. Earnings per Share

- a. The Company reports basic and diluted Earnings Per Share (EPS/DEPS) in accordance with Accounting Standard 20 on "Earnings Per Share". Basic EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year.
- b. Diluted EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares from the exercise of Convertible Share Warrants of un-issued share capital, except where the results are anti-dilutive.

13. Leases

- a. Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets acquired on or after 1 April 2001 are capitalized at the fair value or the present value of minimum lease payments at the inception of the lease, whichever is lower.
- b. Lease income from assets given on operating lease is recognized as income in the statement of Profit & Loss account. Lease payments for assets taken on operating lease are recognized as expense in the statement of Profit & Loss account.

14. Segment Reporting

Disclosure is made as per the requirements of the standard. Details have furnished under item No. 4 of Schedule 18 Notes on Accounts.

15. Impairment of assets

- a. 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 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 recognized in the Profit and Loss Account.
- b. If at the Balance Sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is re-assessed and the asset is reflected at the re-assessed recoverable amount subject to a maximum of depreciated historical cost.

16. Provision for Doubtful Debts / Advances

- a. Provision for Doubtful Debts/ Advances is made when there is uncertainty of realization of debts which are long outstanding. All debts which are over and above one year are provided in full unless there is certainty of its recovery.
- b. In addition to the above, provision is also made in respect of dues in respect of which suits are filed. Writing off doubtful debts/advances are made when the un-realisability is established.

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17. Provisions, Contingent Liabilities and Contingent Assets

- a. Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.
- b. Contingent Liabilities are not recognised but are disclosed in the notes.
- c. Contingent Assets are neither recognised nor disclosed in the financial statements.

18. Cash Flow statement

Cash Flow Statement has been prepared using the "Indirect Method" as per the Accounting Standard 3 on "Cash Flow Statements"

19. Borrowing cost

- a. Borrowing Costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use.
- b. All other borrowing costs are charged to profit and loss account

20. Related party disclosure

Disclosure is made as per the requirements of the standard and as per the clarifications issued by the Institute of chartered Accountants of India under Item No.9 of Schedule 18 Notes on Accounts.

21. Interim Financial Reporting

Quarterly financial results are published in accordance with the requirement of listing agreement with stock exchanges. The recognition and measurement principle as laid down in the standard have been followed in the preparation of these results.

22. Consolidation of Financial Statements

The Consolidated Financial Statements of the Company have been prepared in accordance with Accounting Standard 21 on "Consolidated Financial Statements" read with Accounting Standard 23 on "Accounting for Investments in Associate in Consolidated Financial Statements" notified under Section 211(3C) of the Companies Act, 1956 and relevant provisions thereof.

SCHEDULE: 18 - NOTES TO CONSOLIDATED ACCOUNTS:

1. Principles of Consolidation

The Consolidated Financial Statements of the Company have been prepared in accordance with Accounting Standard 21 on "Consolidated Financial Statements" read with Accounting Standard 23 on "Accounting for Investments in Associate in Consolidated Financial Statements" notified under Section 211(3C) of the Companies Act, 1956 and relevant provisions thereof

The Consolidated Financial Statements have been prepared based on line by line consolidation by adding together the book values of like items of assets, liabilities, income and expenses as per the accounts of the parent company and its subsidiary companies and intra group transactions have been eliminated.

The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the parent possible, in the same manner as the parent companies individual accounts. In case of foreign subsidiaries the revenue items, assets and liabilities are converted at the rate prevailing as on the date of the balance sheet.

In case of foreign subsidiaries, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at the rates prevailing at the end of the year. Any exchange differences arising on consolidation is recognised in foreign exchange translation reserve.

The difference between the cost of investments in subsidiaries, and the Company's share of net assets at the time of acquisition of shares in the subsidiaries is recognised in the financial statements as goodwill or capital reserve as the case may be.

The Financial Statements of subsidiaries used in the consolidation are drawn up to the same reporting date as that of the Holding Company i.e., March 31, 2011.

The list of Subsidiary Companies which are included in the consolidation and the parent company's holding therein are as under:

Name of the Subsidiary	Country	% of ownership as at 31 st March 2011
Nuance Holdings Ltd	Hong Kong	100%
Pac Ventures Pte Ltd	Singapore	100%
Sujana Holdings Ltd	Dubai	100%
Sun Trading Ltd	Cayman Islands	100%
Hestia Holdings Ltd	Mauritius	100%

2. Related Party Disclosure

a) List of Related Parties

Relationship

Key Management Personnel:

- | | |
|---------------------------|---------------------|
| i) Sri Y S Chowdary | Chairman |
| ii) Sri G Srinivasa Raju | Managing Director |
| iii) Sri S Hanumantha Rao | Whole Time Director |

SUJANA UNIVERSAL INDUSTRIES LIMITED

b) Related Party Transactions

Particulars		Subsidiaries		Associates		Key Management Personnel	
		2009-11	2008-09	2009-11	2008-09	2009-11	2008-09
A	Sales						
	Sujana Metal Products Ltd	-	-	-	-	6,808.61	1,452.46
	Sujana Towers Limited	-	-	-	-	6.90	10.26
	Sub-total	-	-	-	-	6,815.50	1,462.72
B	Purchases						
	Sujana Metal Products Ltd	-	-	-	-	3,289.11	6,368.70
	Sujana Towers Limited	-	-	-	-	419.68	352.32
	Nuance Holdings Ltd	2,167.18	-	-	-	-	-
	Sub-total	2,167.18	-	-	-	3,708.79	6,721.02
C	Investments						
	Sujana Holdings Ltd	7,436.29	-	-	-	-	-
	Hestia Holdings Ltd	0.04	-	-	-	-	-
	Sub-total	7,436.34	-	-	-	-	-
D	Other Income						
	Sujana Towers Limited	-	-	-	-	1.80	-
	Sub-total	-	-	-	-	1.80	-
E	Other Expenses						
	Sujana Metal Products Ltd	-	-	-	-	13.50	31.35
	Sujana Energy Ltd	-	-	-	-	5.04	-
	Sub-total	-	-	-	-	18.54	31.35
F	Capital Expenditure						
	Sujana Energy Ltd	-	-	-	-	22.42	-
	Sub-total	-	-	-	-	22.42	-
G	Remuneration						
	Mr. Y.S.Chowdary	-	-	-	-	60.00	121.15
	Mr. G. Srinivasa Raju	-	-	-	-	13.33	6.60
	Mr V S R Murthy	-	-	-	-	3.90	8.00
	Sub-total	-	-	-	-	77.23	135.75

H	Loans & Advances						
	Pac Ventures Pte. Ltd	234.94	-	-	-	-	-
	Empire Gulf FZE	3,586.19	-	-	-	-	-
	(Step Down Subsidiary)						
	Sujana Charitable Trust	96.90	-	-	-	-	-
	Sub-total	3,918.03	-	-	-	-	-
I	Corporate Guarantees given						
	Sujana Metal Products Ltd	-	-	-	-	10,996.65	10,996.65
	Sujana Energy Ltd	-	-	-	-	-	-
	Hestia Holdings Ltd (USD)	\$ 10.00	-	-	-	-	-
	Selene Holdings Ltd (USD)	\$ 15.00	-	-	-	-	-
	(Step Down Subsidiary)						

3. Retirement Benefits

Gratuity and Leave Encashment

Actuarial Valuation Method:

Projected Unit Credit Method

		Gratuity		Leave Encashment	
		2009-11	2008-09	2009-11	2008-09
		Rs.	Rs.	Rs.	Rs.
(i)	Reconciliation of Opening and Closing balances of the present value of the defined benefit obligation:				
	Obligations at the beginning of the year	6,441,732	5,326,823	1,464,045	-
	Service cost for the year	2,332,421	1,114,909	603,604	1,464,045
	Interest cost	793,622	426,146	180,369	-
	Benefits settled/paid	(543,164)	-	(269,968)	(35,542)
	Actuarial (gain) / loss	(146,506)	(426,146)	89,599	35,542
	Past service cost	-	-	-	-
	Obligations at the end of the year	8,878,105	6,441,732	2,067,649	1,464,045

SUJANA UNIVERSAL INDUSTRIES LIMITED

(ii)	Change in Plan Assets				
	Plan assets at fair value at the beginning of the year	556,788	556,788	-	-
	Expected return on plan assets	78,596	23,663	-	-
	Actuarial gain / (loss)	17,060	(23,663)	-	-
	Contributions	-	-	-	-
	Benefits settled / paid	-	-	-	-
	Plan assets at fair value at the end of the year	652,444	556,788	-	-
(iii)	Reconciliation of present value of the obligation and the fair value of the plan assets				
	Present value of obligation at the end of the year	8,878,105	6,441,732	2,067,649	1,464,045
	Fair value of the plan assets at the end of the year	652,444	556,788	-	-
	Amount recognised in the Balance Sheet	8,225,661	5,884,944	2,067,649	1,464,045
(iv)	Expenses recognised in the Profit & Loss Account				
	Service cost for the year	2,332,421	1,114,909	603,604	1,464,045
	Interest cost	793,622	426,146	180,369	-
	Expected return on plan assets	(78,596)	(23,663)	-	-
	Actuarial (gain) / loss	(163,566)	(402,483)	89,599	35,542
	Past service cost	-	-	-	-
	Net Cost	2,883,881	1,114,909	873,572	1,499,587
(v)	Assumptions				
	Discount rate (Note 1)	8.00%	8.00%	8.00%	8.00%
	Estimated rate of return on plan assets (Note 2)	8.00%	8.50%	0.00%	0.00%
	Rate of escalation in salary per annum (Note 3)	6.00%	6.00%	6.00%	6.00%
	Expected average remaining working live of employees	18 years	18 years	18 years	18 years
	Retirement age	58 years	58 years	58 years	58 years

Notes:

- The discount rate is based on the prevailing market yield on Government Bonds as at the balance sheet date for the estimated terms of obligations
- In the case of Gratuity, the expected rate of return was assumed to be 8% per annum since the fund has earned interest at this rate as per the certificate issued by Life Insurance Corporation of India Ltd (LIC)
 - In the case of Leave Encashment, the expected rate of return assumed to be 0% since there is no fund except provision.
- Salary increase rate of 6% per annum has been assumed keeping in view of the inflation rate on long term basis.

4. Segment Reporting

The Company has identified three reportable segments viz. LEC division, Appliance Division, Steel Division. Segments have been identified and reported taking into account the nature of products and services, the differing risks and returns and the internal business reporting systems. The accounting policies adopted for segment reporting are in line with the accounting policy of the Company with following additional policies for segment reporting.

- Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".
- Segment assets and liabilities represent gross assets and liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

Primary Business Segment Information

Particulars		Business Segments			Inter Segment Eliminations	Total
		LEC	Appliance	Steel		
A	Revenue					
	a) External	-	843.99	432,559.91	-	433,403.90
	b) Internal	-	-	2,167.18	2,167.18	-
	c) Total	-	843.99	434,727.09	-	433,403.90
B	Results					
	Segment Result Before Tax	(1,721.13)	(823.98)	6,959.16	-	4,414.09
	Less: Taxes					786.00
	Profit After Taxes					3,628.09
C	Assets					
	a) Segment Assets	16,294.11	5,987.54	199,832.85	-	222,114.50
	b) Unallocable Assets					-
	c) Total	16,294.11	5,987.54	199,832.85	-	222,114.50
D	Liabilities					
	a) Segment Liabilities	49.20	122.48	133,200.04	-	133,371.73
	b) Unallocable Liabilities					922.36
	c) Total	49.20	122.48	133,200.04	-	134,294.08
E	Others					
	a) Depreciation	1,736.73	601.02	1,757.93	-	4,095.69
	b) Capital Expenditure	-	-	50.14	-	50.14
	c) Non-Cash Expenses other than depreciation	-	-	-	-	-

SUJANA UNIVERSAL INDUSTRIES LIMITED

(ii) Secondary Segments Information: Geographical

Revenue from geographical segment is based on location of its customers and total carrying amount of assets. The total cost incurred during the period to acquire fixed assets is based on geographical locations of the assets.

Rs. in Lakhs

Particulars	31.03.2011
A Revenue by Geographical Market	
- In India	321,807.71
- Outside India	111,763.37
- Total	433,403.90
B Additions to Fixed Assets and Intangible Assets	
- In India	4,459.08
- Outside India	-
- Total	4,459.08
C Carrying Amount of Segment Assets	
- In India	167,850.65
- Outside India	54,263.73
- Total	222,114.50

5. Earnings Per Share (EPS)

Particulars	2009-11 (18 months)	2008-09 (12 months)
	Rs.	Rs.
Net Profit After Tax	362,809,148	258,636,183
Less: Dividend on CRPS	3,654,300	2,436,200
Dividend Tax	606,934	389,548
Net Profit attributable to Equity shareholder	358,547,914	255,810,435
Weighted average number of equity shares for Basic EPS	130,365,752	123,841,072
Weighted average number of equity shares for Diluted EPS	145,365,752	123,841,072
Nominal Value of Ordinary Share	Rs. 10.00	Rs. 10.00
Basic Earnings per Ordinary Share	Rs. 2.75	Rs. 2.07
Diluted Earnings per Ordinary Share	Rs. 2.47	Rs. 2.07

6. Contingent Liabilities

Particulars	2009-11	2008-09
1. Bank Guarantees / Counter Guarantees given		
a) Bank of Baroda: Guarantee executed in favour of Commissioner Central Excise (Rs. Lakhs)	Rs. 8.00	Rs. 8.00
b) Corporate Guarantees furnished on behalf of Sujana Metal Products Ltd. (Rs. Lakhs)	Nil	Rs.10,996.65
c) Joint Corporate Guarantee executed by the Company along with Sujana Metal Products Ltd.(SMPL), Sujana Towers Ltd.(STL) in favour of Sujana Holding Limited, Dubai and Alpha Ventures Ltd. wholly owned subsidiaries SUIL and SMPL respectively.	US \$ 85 Millions (Note)	US \$ 85 Millions
d) Corporate Guarantee executed by the Company in favour of Hestia Holdings Ltd, Mauritius, wholly owned subsidiary to SUIL.	US \$ 10 Millions	Nil
e) Corporate Guarantee executed by the Company in favour of Selene Holdings Ltd, Mauritius, wholly owned subsidiary to Nuance Holdings Ltd.	US \$ 15 Millions	Nil
2. Claims against the Company not acknowledged as debt (Rs. in Lakhs)		
a) Sales Tax	8,284.21	8,284.21
b) Excise	839.02	839.02

Note: The limits sanctioned by Duetsche Bank to Alpha Ventures and Sujana Holdings Ltd had been repaid and therefore the Corporate Guarantee provided by the company stands cancelled/ discharged w.e.f. 23rd June 2011

7. Previous year's figures have been regrouped wherever necessary to conform to current period's classification

8. Figures have been rounded off to nearest rupee.

As per our report of even date

T Raghavendra & Associates
Chartered Accountants

T Raghavendra
Mem. No.023806

Place: Hyderabad
Date: 21.07.2011

For and on behalf of the Board

S Hanumantha Rao
Director

G Srinivasa Raju
Managing Director

N Ravi Kiran
Company Secretary

Place: Hyderabad
Date: 21.07.2011

Statement pursuant general exemption availed under Section 212(8) of the Companies Act, 1956 relating to Subsidiary companies (as per MCA Circular dt.08.02.2011)

In Rupees

Sl. No.	Name of the Company	Capital	Reserves	Total Assets	Total Liabilities	Details of Investment (Except in case of Investment in subsidiary)	Turnover	Profit/ (Loss) Before Taxation	Provision for Tax	Profit/ (Loss) After Taxation	Proposed Dividend
1	Nuance Holdings Ltd	2,858,154	11,611,695	1,318,517,366	1,304,047,517	-	1,441,856,623	8,317,844	56,006	8,261,838	-
2	Pac Ventures Pte. Ltd	90,807,540	16,748,825	506,025,439	398,469,074	-	1,028,088,342	5,498,437	451,923	5,046,514	-
3	Sun Trading Ltd	445,872	(5,693,103)	47,387,067	52,634,298	-	-	(145,167)	-	(145,167)	-
4	Sujana Holdings Ltd	699,573,168	63,444,368	561,151,128	2,698,133,592	-	2,066,371,961	66,853,153	-	66,853,153	-
5	Hestia Holdings Ltd	4,459	10,819,863	563,903,785	553,079,463	-	463,322,266	10,833,566	-	10,833,566	-

Statement pursuant to Section 212 of the Companies Act, 1956 relating to Subsidiary companies

Sl. No.	Name of the subsidiary Company	Financial year of the subsidiary company ended on	Date on which they became subsidiary company	Number of shares held at the end of the financial year of the Subsidiary company	Extent of interest of holding company at the end of the financial year of the subsidiary company	The net aggregate amount of the subsidiary companies' Profit / (Loss), so far as it concerns the members of the holding company	
						i) Dealt with holding company's accounts	ii) Not dealt with in the holdings company's accounts
						(a) For the financial year ended March 31, 2011 (b) For previous financial years of the subsidiary company since it became subsidiary holding company's subsidiary	(a) For the financial year ended March 31, 2011 (b) For previous financial years of the subsidiary company since it became holding company's subsidiary
1	Nuance Holdings Ltd	31.03.2011	12.12.2006	50000	100%	8,261,838	-
2	Pac Ventures Pte. Ltd	31.03.2011	04.02.2007	2780000	100%	5,046,514	-
3	Sun Trading Ltd	31.03.2011	18.07.2008	573600	100%	(145,167)	-
4	Sujana Holdings Ltd	31.03.2011	11.12.2006	10000	100%	66,853,153	-
5	Hestia Holdings Ltd	31.03.2011	07.03.2011	1	100%	10,833,566	-

SUJANA UNIVERSAL INDUSTRIES LIMITED

(formerly known as "Sujana Industries Limited")

Regd. Office : Plot No. 18, Nagarjuna Hills,
Punjagutta, Hyderabad - 500 082.

POSTAL BALLOT FORM

Sl. No. _____

Votes cast on Resolutions contained in the Notice.

1. Name(s) of Shareholder(s) : _____
(in block letters)
(including joint holders, if any)
2. Regd. Folio No./Client ID : _____
3. Registered address of the sole/ : _____
First named shareholder : _____
4. Number of Shares held : _____

I / We hereby exercise my/our vote in respect of the special business to be transacted through Postal Ballot as stated in the notice of the Company by sending my/our assent or dissent to the said resolution by placing the tick (✓) mark at the appropriate box below.

Resolution No.	Brief Description	I/We assent to the resolution (For)	I/We assent to the resolution (Against)
1	Special Resolution to approve the limits Under Section 372A of the Companies Act, 1956		

Place:

Date :

(Signature of the shareholder)

SUJANA UNIVERSAL INDUSTRIES LIMITED

Instructions :

1. A member desiring to exercise vote by postal ballot may complete this Postal Ballot Form and send it to the Company in the attached self addressed envelope. Postage will be borne and paid by the Company. However, envelopes containing postal ballots, if sent by courier at the expenses of the registered shareholder will also be accepted.
2. This form should be completed and signed by the shareholder. In case of joint holding this form should be completed and signed (as per the specimen signature registered with the Company) by the first named shareholder and in his absence, by the next named shareholder.
3. Unsigned Postal Ballot Form will be rejected.
4. Duly completed Postal Ballot Form should reach the Company not later than the close of working hours on 23.09.2011 Postal Ballot Form received after this date will be strictly treated as if the reply from the member has not been received.
5. Voting rights shall be reckoned on the paid up value of shares registered in the name of the shareholders on the date of dispatch of the notice.

Calendar of Events:

- | | | |
|---|---|------------|
| 1. Date of Dispatch of notice | : | 24.08.2011 |
| 2. Date of completion of Dispatch of notice along with Postal Ballot | : | 24.08.2011 |
| 3. Date of Appointment of Scrutinizer | : | 22.08.2011 |
| 4. Date on which consent given by the Scrutinizer to act as Scrutinizer | : | 22.08.2011 |
| 5. Last date for receiving Postal Ballot papers by Scrutinizer | : | 23.09.2011 |
| 6. Date of signing of the Minutes Book by the Chairman in which the results of Ballot is recorded | : | 24.09.2011 |
| 7. Date of returning the Ballot Papers, register required to be maintained by the Scrutinizer | : | 24.09.2011 |
| 8. Date of Resolution of Management Committee of the Board of Directors, authorizing Managing Director, Secretary to be responsible for the entire Poll process | : | 22.08.2011 |
| 9. Date of handing over the Ballot papers to the designated authority | : | 24.09.2011 |

SUJANA UNIVERSAL INDUSTRIES LIMITED

Regd.Office: Plot No. 18, Nagarjuna Hills, Punjagutta,
Hyderabad - 500 082. A.P.,

Regd Folio No:.....

No of Shares Held.....

PROXY FORM

I/We..... resident(s)
ofbeing a member/members of SUJANA UNIVERSAL
INDUSTRIES LIMITED hereby appoint Mr/Ms.....
of or failing him/her
of.....as my/our proxy to attend and vote for me/us on my/
our behalf at the Twenty Second Annual General Meeting of the Company to be held on the 24th September,
2011 at 10.00 A.M and at any adjournment thereof.

Signed this the day of2011

Signature

Affix
Revenue
Stamp
Re 1.00

Note: The instrument of proxy shall be deposited at the Registered Office of the Company not
less than 48(forty eight) hours before the time for holding the Meeting.

A PROXY NEED NOT BE A MEMBER.

SUJANA UNIVERSAL INDUSTRIES LIMITED

Regd.Office: Plot No. 18, Nagarjuna Hills, Punjagutta,
Hyderabad - 500 082. A.P.,

Member's Folio Number.....

No. of Shares held.....

ATTENDANCE SLIP

(for 22nd AGM)

This Attendance Slip duly filled in to be handed over at the entrance of the Meeting Hall

Name of the Attending Member or proxy (In Block Letters)

I hereby record my presence at the Twenty Second Annual General Meeting to be held on 24.09.2011
at "Kohinoor", Taj Deccan, Road No. 1, Banjara Hills, Hyderabad-500 034 at 10.00 A.M.

To be signed at the time of handing over this slip

.....

Member's/Proxy's Signature

INVITATION FOR LUNCH

Members of the Company are invited to lunch at 12.30 p.m.,
on 24.09.2011 at the venue of the AGM.

PRINTED MATTER
BOOK - POST

If undelivered, please return to:



Sujana Universal Industries Limited

#18, Nagarjuna Hills, Panjagutta, Hyderabad - 500 082.

Phone: 23351882 / 23351887