

# SWAGRUHA

## Infrastructure Limited

Regd. Off : # 362, 2<sup>nd</sup> Floor, 11<sup>th</sup> Cross,  
4<sup>th</sup> Main, 2<sup>nd</sup> Block,  
(near BDA Shopping Complex),  
RT Nagar, Bengaluru - 560032,  
Karnataka, India  
E-mail: [info@swagruhainfra.com](mailto:info@swagruhainfra.com)  
Website: [www.swagruhainfra.com](http://www.swagruhainfra.com)  
Phone - +91-80-64350517

To,

Date: 29.09.2017

BSE Limited  
P. J. Towers, Dalal Street  
Mumbai-400001

Dear Sir / Madam,

Sub: Annual Report for the financial year 2016-2017 as per Regulation 34(1) of SEBI  
(LODR), Regulations, 2015

Unit: M/s. Swagruha Infrastructure Limited - (Scrip Code: 531909)

With reference to the subject cited, we hereby enclosed the Annual Report for the  
financial year 2016-2017 as per Regulation 34 (1) of SFBI (I ODR), Regulations, 2015.

This is for the records of the exchange.

Thanking you.

Yours faithfully,  
For Swagruha Infrastructure Limited

N L Kalyani  
Managing Director  
DIN: 01669808

CIN: L24134TG1994PLC017327



# ANNUAL REPORT 2016 - 2017



**SWAGRUHA INFRASTRUCTURE LIMITED**

# **SWAGRUHA INFRASTRUCTURE LIMITED**

## **23<sup>rd</sup> ANNUAL REPORT**

2016 – 2017

CIN: L24134KA1994PLC103470

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## **CORPORATE INFORMATION**

### **BOARD OF DIRECTORS**

- |                               |  |
|-------------------------------|--|
| • Mrs. Nerogi Lakshmi Kalyani | : Chairperson & Managing Director (DIN 01669808)     |
| • Mr. Jayasimha Reddy         | : Executive Director (DIN 06490738)                  |
| • Mr. Babu Sahebe Shaik       | : Executive Director cum CFO (DIN 06716186)          |
| • Mr. Gopal Gillela           | : Non-Executive Independent Director (DIN: 06369221) |
| • Mr. Mathew Oommen           | : Non-Executive Independent Director (DIN: 01940161) |
| • Mr. M. Sridhar              | : Non-Executive Independent Director (DIN: 07911295) |

### **REGISTERED OFFICE**

H. No. 362, 2<sup>nd</sup> Floor,  
11<sup>th</sup> Cross, 4<sup>th</sup> Main,  
2<sup>nd</sup> Block, R. T. Nagar,  
Bengaluru – 560 032  
Karnataka

### **STATUTORY AUDITORS**

M/s. M. M. Reddy & Co,  
Chartered Accountants  
G-8, Amrutha Ville,  
Opp. Yashodha Hospital,  
Rajbhavan Road, Somajiguda,  
Hyderabad - 500 082, Telangana

### **INTERNAL AUDITOR**

M/s. Chanamolu & Co.,  
Chartered Accountants  
Hyderabad

### **SECRETARIAL AUDITOR**

S.S. REDDY & ASSOCIATES,  
Practicing Company Secretaries  
Plot No.6-3-354/13, A1,  
Suryateja Apartments,  
Hindi Nagar, Panjagutta,  
Hyderabad-500034, Telangana.

### **BANKERS**

IDBI Bank, RT Nagar Branch

### **AUDIT COMMITTEE**

Mr. Gopal Gillela	:	Chairman
Mr. Mathew Oommen	:	Member
Mrs. Nerogi Lakshmi Kalyani	:	Member

**NOMINATION & REMUNERATION COMMITTEE**

Mr. Gopal Gillela	:	Chairman
Mr. M. Sridhar	:	Member
Mr. Mathew Oommen	:	Member

**STAKEHOLDER RELATIONSHIP COMMITTEE**

Mr. Gopal Gillela	:	Chairman
Mr. Mathew Oommen	:	Member
Mrs. Nerogi Lakshmi Kalyani	:	Member

**RISK MANAGEMENT COMMITTEE**

Mr. Gopal Gillela	:	Chairman
Mr. Mathew Oommen	:	Member
Mrs. Nerogi Lakshmi Kalyani	:	Member

CORPORATE IDENTITY NUMBER	:	L24134KA1994PLC103470
LISTED AT	:	BSE Limited
ISIN	:	INE587J01027
WEBSITE	:	<a href="http://www.swagruhainfra.com">www.swagruhainfra.com</a>
E-MAIL ID	:	<a href="mailto:info@swagruhainfra.com">info@swagruhainfra.com</a>

**REGISTRAR & SHARE TRANSFER AGENTS**

Venture Capital and Corporate Investments Private Limited

Address: 12-10-167, Bharat Nagar, Hyderabad-500018

Contact No. : 040-23818475, 23818476

Fax: 040-238680240

Email: [info@vccipl.com](mailto:info@vccipl.com)

Website: [www.vccipl.com](http://www.vccipl.com)

## **NOTICE**

Notice is hereby given that the 23rd Annual General Meeting of the Shareholders of M/s. Swagruha Infrastructure Limited will be held on Thursday, the 28th day of September, 2017 at 9.30 A.M. at the Registered Office of the Company at H. No. 362, 2nd Floor, 11th cross, 4th Main, 2nd Block (near BDA Shopping Complex), RT Nagar, Bengaluru-560032 to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2017, the Statement of Profit & Loss and Cash Flow Statement for the year ended on that date together with the Notes attached thereto, along with the Reports of Auditors and Directors thereon.
2. To appoint a director in place of Mr. Babu Sahebe Shaik (DIN: 06716186) who retires by rotation and being eligible, offer himself for re-appointment.
3. To re-appoint M/s. M.M Reddy & Co., Chartered Accountants, Hyderabad as Statutory Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at remuneration as may be fixed by the Board.

### **SPECIAL BUSINESS:**

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

**“RESOLVED THAT** pursuant to the provisions of section 149, 152 of the Companies Act, 2013 and rules made there under, Mr. M. Sridhar (holding DIN 07911295), who was appointed as ‘Additional Director’ in the Board of the Company on 29.08.2017 pursuant to the provision of Section 161 (1) of the Companies Act, 2013 (“the Act”) read with Articles of Association of the Company , and whose term of office expires at the ensuing Annual General Meeting of the Company, and in respect of whom the Company has received a notice in writing from a member under section 160 of the Companies Act, 2013 signifying his intention to propose Mr. M. Sridhar as a candidate for the office of a Director of the Company who meets the criteria of Independence as provided under Section 149(6) of the Companies Act, 2013, be and is hereby appointed as Independent Director of the Company , not liable to retire by rotation, to hold office for a term of 3 (three) consecutive years commencing from the date of his appointment as Additional Director i.e. 29.08.2017 up to the conclusion of Annual General Meeting (AGM) to be held in the respective year.

**“RESOLVED FURTHER THAT** Mrs. N L Kalyani, Managing Director is authorized to take necessary action in this regard including filing of necessary forms with Registrar of Companies, Hyderabad.”

For and on behalf of the Board  
Swagruha Infrastructure Limited

Place: Bengaluru  
Date: 29.08.2017

Sd/-  
N.L. Kalyani  
Chairperson & Managing Director  
(DIN: 01669808)



**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument of Proxy in order to be effective shall be deposited at the registered office of the Company by not less than 48 hours before the commencement of the Meeting.

Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty (50) members and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy, who shall not act as a proxy for any other person or shareholder. The appointment of proxy shall be in the Form No. MGT.11 annexed herewith.

2. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business to be transacted at the Annual General Meeting as set out in the Notice is annexed hereto
3. The Register of Members and Share Transfer Books of the Company will remain closed from 22.09.2017 to 28.09.2017 (Both days Inclusive).
4. Members holding shares in the electronic form are requested to inform any changes in address/bank mandate directly to their respective Depository Participants.
5. Members are requested to hand over the enclosed Attendance Slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID Numbers for identification.
6. Corporate Members are requested to send to the Company's Registrar & Transfer Agent, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
7. In case of joint holders attending the Meeting, only such joint holders who are higher in the order of names will be entitled to vote.
8. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrar and Share Transfer Agents (M/s. Venture Capital and Corporate Investments Private Limited).
9. As a measure of austerity, copies of the annual report will not be distributed at the Annual General Meeting. Members are therefore, requested to bring their copies of the Annual Report to the Meeting.

Members holding shares in the same name under different ledger folios are requested to apply for Consolidation of such folios and send the relevant share certificates to M/s. Venture Capital and Corporate Investments Private Limited, Share Transfer Agents of the Company for their doing the needful.

10. Members are requested to send their queries at least 10 days before the date of meeting so that information can be made available at the meeting. Members are requested to send their queries at least 10 days before the date of meeting so that information can be made available at the meeting.
11. In respect of shares held in physical mode, all shareholders are requested to intimate changes, if any, in their registered address immediately to the registrar and share transfer agent of the company and correspond with them directly regarding share transfer / transmission / transposition, Demat / Remat, change of address, issue of duplicate shares certificates, ECS and nomination facility.

12. In terms of Section 72 of the Companies Act, 2013, a member of the company may nominate a person on whom the shares held by him/her shall vest in the event of his/her death. Members desirous of availing this facility may submit nomination in prescribed Form-SH-13 to the company/RTA in case shares are held in physical form, and to their respective depository participant, if held in electronic form.
13. Electronic copy of the Annual Report for 2016-2017 is being sent to all the members whose Email-IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2016-2017 is being sent in the permitted mode.
14. Members may also note that the Notice of the Annual General Meeting and the Annual Report for 2016-2017 will also be available on the Company's website [www.swagruhainfra.com](http://www.swagruhainfra.com) in for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id [info@swagruhainfra.com](mailto:info@swagruhainfra.com).
15. Voting through electronic means  
Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL). The Members, whose names appear in the Register of Members / list of Beneficial Owners as on 22.09.2017, are entitled to vote on the Resolutions set forth in this Notice. The e-voting period will commence at 09.00 a.m. on 25.09.2017 and will end at 05.00 p.m. on 27.09.2017. The Company has appointed Mr. S. Sarveswar Reddy, Practicing Company Secretary, to act as the Scrutinizer, to scrutinize the e-voting process in a fair and transparent manner. The Members desiring to vote through remote e-voting refer to the detailed procedure given hereinafter.

The instructions for e-voting are as under:

**(A) In case of members receiving e-mail:**

- (i) The voting period begins on 25.09.2017 and will end at 05.00 p.m. on 27.09.2017. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22.09.2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
  - (i) For CDSL: 16 digits beneficiary ID,
  - (ii) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - (iii) Members holding shares in Physical Form should enter Folio Number registered with the Company
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details  <b>OR</b> Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN **"Swagruha Infrastructure Limited."**
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.



(xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.

**(xix) Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

17. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the directors are interested under Section 189 of the Companies Act, 2013, will be available for inspection at the AGM.

18. Relevant documents referred to in the accompanying Notice, as well as Annual Reports and Annual Accounts of the Company are open for inspection at the Registered Office of the Company, during the office hours, on all working days between 10.00 A.M. to 5.00 P.M. up to the date of Annual General Meeting.

19. The Ministry of Corporate Affairs (vide circular nos. 17/2011 18/2011 dated April 21 and April 29, 2011 respectively), has undertaken a 'Green Initiative in Corporate Governance' and allowed companies to share documents with its shareholders through an electronic mode. Members are requested to support this green initiative by registering/uploading their email addresses, in respect of shares held in dematerialized form with their respective Depository Participant and in respect of shares held in physical form with the Company's Registrar and Share Transfer Agents.

For and on behalf of the Board  
Swagruha Infrastructure Limited

Place: Bengaluru  
Date: 29.08.2017

Sd/-  
N.L. Kalyani  
Chairperson & Managing Director  
(DIN: 01669808)

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

**Item No 4:**

Mr. M. Sridhar (holding DIN 07911295) was appointed as Additional Director on 29.08.2017 in terms of Section 161 (1) of the Companies Act, 2013 in the category of 'Non-Executive Independent'. In terms of the Companies Act, 2013, an Additional Director shall hold office up to the date of the next Annual General Meeting and be eligible for appointment to the office of a Director at any General Meeting in terms of Section 160 of the Companies Act, 2013. The Company has received a notice from a member under section 160 of the Companies Act 2013, along with requisite deposit proposing the candidature of Mr. M. Sridhar (holding DIN 07911295) for the office of Director under the category of Independent Director.

In order to ensure compliance with the provisions of Sections 149 and 152 of the Companies Act, 2013 read with Rules made there under and Schedule IV of the Act, it is proposed that approval of the shareholders be accorded for the appointment of Mr. M. Sridhar (holding DIN 07911295) as 'Independent Director' for a term up to 3 consecutive years commencing from the date of his appointment as Additional Director i.e. 29.08.2017 up to the conclusion of the Annual General Meeting (AGM) to be held in the respective year.

Mr. M. Sridhar (holding DIN 07911295) has confirmed compliance with the criteria of Independence as provided under Section 149 (6) of the Act. Further, in the opinion of the Board Mr. M. Sridhar (holding DIN 07911295) fulfil the conditions specified in the Companies Act, 2013 and the Rules made there under, and he is independent of the Management, his continued association with the Company would be of benefit to the Company.

The Board of Directors recommends the Ordinary Resolution as set out at item no. 4 for approval of the Members.

None of the other Directors or Key Managerial Personnel of the Company and their relatives other than Independent Director, Mr. M. Sridhar (holding DIN 07911295) is in way concerned or interested, financially or otherwise, in this Resolution.

For and on behalf of the Board  
Swagruha Infrastructure Limited

Place: Bengaluru  
Date: 29.08.2017

Sd/-  
N.L. Kalyani  
Chairperson & Managing Director  
(DIN: 01669808)

## BOARD'S REPORT

Dear Members,

The Directors have pleasure in presenting before you the Directors' Report of the Company together with the Audited Statements of Accounts for the year ended 31<sup>st</sup> March, 2017.

### FINANCIAL SUMMARY/HIGHLIGHTS, OPERATIONS, STATE OF AFFAIRS:

The financial results of the company during the period ended 31st March, 2017 has been as under:

(Rs. In Lakhs)		
Particulars	2016-2017	2015-2016
Total Income	20.43	24.25
Total Expenditure	15.49	18.19
Profit Before Tax	4.95	6.06
Provision for Tax	1.50	2.50
Profit after Tax	3.45	3.56
Earnings per share	0.01	0.01

### REVIEW OF OPERATIONS:

The Directors wish to report that your company has achieved the turnover of Rs. 20.43 lakhs for the financial year ended 31.03.2017 as against Rs. 24.25 lakhs for the financial year ended 31.03.2016. The Profit after tax stood at Rs. 3.45 lakhs for the financial year ended 31.03.2017 as against Rs. 3.56 lakhs for the financial year ended 31.03.2016.

### EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS:

There was material change and commitment affecting financial position of the company between 31st March, 2017 and the date of Board's Report. (i.e. 29.08.2017) i.e. a sum of Rs. 6.25 crs standing in the books under the head 'Share Warrants' has been written off in the BM held on 29.07.2017.

### CHANGE IN THE NATURE OF BUSINESS, IF ANY:

During the period under review and the date of Board's Report there was no change in the nature of business.

### PUBLIC DEPOSITS:

The Company has not accepted any deposits falling within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules 2014, during the financial year under review.

### TRANSFER TO RESERVES:

During the year, no amount has been transferred to reserves.

### DIVIDEND:

Keeping the Company's expansion and growth plans in mind, the Directors have decided not to recommend dividend for the year.

**CAPITAL OF THE COMPANY:**

The Authorized Share Capital of the Company is Rs. 7,50,00,000 (Rupees Seven Crore Fifty Lakhs only) divided into 7,50,00,000 equity shares (Seven Crore Fifty Lakhs only) of Rs. 1/- each only. The Paid –up capital of the company is Rs. 6,85,48,000 (Rupees Six Crore Eighty Five Lakhs Forty Eight Thousand only) divided into 6,85,48,000 equity shares (Six Crore Eighty Five Lakhs Forty Eight Thousand only) of Rs.1/- each.

**REVISION OF FINANCIAL STATEMENTS:**

There was no revision of the financial statements for the year under review as per section 131 of the Companies Act, 2013.

**DISCLOSURE OF INTERNAL FINANCIAL CONTROLS:**

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. The Company maintains appropriate system of internal control, including monitoring procedures, to ensure that all assets are safeguarded against loss from unauthorized use or disposition. Company policies, guidelines and procedures provide for adequate checks and balances, and are meant to ensure that all transactions are authorized, recorded and reported correctly.

**DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL:**

No orders have been passed by any Regulator or Court or Tribunal which can have impact on the going concern status and the Company's operations in future.

**PARTICULARS OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES:**

During the year, the Company has not entered into any contract/arrangement/transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

None of the transactions with related parties falls under the scope of Section 188(1) of the Act. The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at [www.swagruhainfra.com](http://www.swagruhainfra.com).

**BOARD MEETINGS DURING THE YEAR:**

The Board of Directors duly met 7 (Seven) times on 30.05.2016, 13.08.2016, 30.08.2016, 04.10.2016, 14.11.2016, 06.01.2017 and 14.02.2017 in respect of which meetings, proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.

**CORPORATE GOVERNANCE:**

Corporate Governance is not applicable to the company since the paid up equity share capital and net worth of the company does not exceed Rs. 10 crores and Rs. 25 crores respectively. However, the company voluntarily provides a separate section in the annual report titled "Report on Corporate Governance" along with the Auditors' Certificate on Corporate Governance as stipulated under Regulation 34 read with Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## **MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT:**

Management Discussion and Analysis Report for the year under review which forms part of Annual Report pursuant to the SEBI (LODR) Regulations, 2015.

## **EXTRACT OF ANNUAL RETURN:**

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT 9 as a part of this Annual Report – Annexure I

## **RISK MANAGEMENT:**

The Company has put in place a mechanism to identify, assess, monitor and mitigate various risk associated with the business. Major risk identified are systematically discussed at the meeting of the Audit committee and Board of Directors of the company, In line with the new regulatory requirement, the company has framed the Risk Management policy to identify and assess the key risk areas, monitor and report compliance and effectiveness of the policies and procedures.

## **COMMITTEES OF THE BOARD:**

The Board of Directors of the Company had already constituted various Committees in compliance with the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 viz. Audit committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee.

During the year under review, in compliance with the provisions of the SEBI (LODR) Regulations, 2015 the Board had also constituted the Risk Management Committee.

All decisions pertaining to the constitution of Committees, appointment of members and fixing of term of reference/role of the committee are taken on record by the Board of Directors.

Details of the role and constitution of committees, including the number of meetings held during the financial year and attendance at meetings, are provided in the corporate governance section of the Annual Report.

## **BOARD EVALUATION:**

The Board of Directors has carried out an annual evaluation of its own performance, Board, Committees and individual Directors pursuant to the provisions of the Act and the Corporate Governance requirements as prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 (“SEBI Listing Regulations”).

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of the criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning, etc.

The performance of the Committees was evaluated by the Board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the Nomination and Remuneration Committee reviewed the performance of the individual Directors on the basis of the criteria such as the contribution of the individual Director to the Board and committee meetings like



preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the chairman was also evaluated on the key aspects of his role.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, performance of the Board as a whole and performance of the chairman was evaluated, taking into account the views of Executive Directors and Non-Executive Directors. The same was discussed in the Board meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its Committees and individual Directors was also discussed.

Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated. The manner in which the evaluation was carried out and the process adopted has been mentioned out in the Report on Corporate Governance.

#### **DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

Mr. Srinivasulu Konduru resigned from the Board on 04.10.2016. The Board has placed on records its sincere appreciation for the valuable contribution made by him.

Mr. M. Sridhar was appointed as additional director on 29.08.2017. Now, it's proposed to regularize him as director of the company. The Board welcomed and congratulated the New Director appointed on the Board of Swagruha Infrastructure Limited.

In accordance with Section 152 of the Act, Mr. Babu Sahebe Shaik, Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

As required under regulation 36 (3) of the SEBI (LODR), Regulations, 2015, brief particulars of the Directors seeking appointment/re-appointment are given as under:-

<b>Name of the Director</b>	<b>Babu Sahebe Shaik</b>	<b>M. Sridhar</b>
Date of Birth	15.08.1968	06.07.1972
Date of Appointment	05.02.2014	29.08.2017
Qualification	Post Graduate	Graduate
Expertise in specific functional areas	Business Strategy and Planning, Leadership Development and General Management	Finance
Directorships held in other companies (excluding private limited and foreign companies)	None	None
Membership/Chairmanship of committee of other companies (includes only Audit Committee and Stakeholders Relationship Committee)	None	None
No. of Shares held in the Company	Nil	Nil
Inter se relationship with any Director	N.A.	N.A.

#### **DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS:**

The Company has received declarations from Mr. Gopal Gillela, Mr. M. Sridhar and Mr. Mathew Oommen, Independent directors of the company to the effect that they are meeting the criteria of independence as provided in Sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.-Annexure-II

**DIRECTOR'S RESPONSIBILITY STATEMENT:**

In pursuance of section 134 (5) of the Companies Act, 2013, the Directors hereby confirm that:

- a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) The Directors had prepared the annual accounts on a going concern basis; and
- e) The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**INFORMATION ABOUT THE FINANCIAL PERFORMANCE / FINANCIAL POSITION OF THE SUBSIDIARIES / ASSOCIATES:**

The company does not have any subsidiary, Joint venture or associate company which have become or ceased to be its subsidiaries, joint venture or associate company during the year.

**DETAILS IN REPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO CENTRAL GOVERNMENT.**

There were no frauds reported by the auditors as per section 143 (12).

**STATUTORY AUDITORS:**

M/s. M. M. Reddy & Co., Chartered Accountants, retire at the ensuing Annual general meeting and are eligible for re-appointment. As required under the provisions of Section 139 of the Companies Act, 2013, the Company has received a written consent from the auditors to their re-appointment and a certificate to the effect that their re-appointment, if made, would be in accordance with the Companies Act, 2013 and the rules framed there under and that they have satisfied the criteria provided in Section 141 of the Companies Act, 2013.

The Board recommends the re-appointment of M/s M.M. Reddy & Co, Chartered Accountants as the statutory auditors of the Company from the conclusion of this Annual General meeting till the conclusion of the next Annual General Meeting.

**INTERNAL AUDITORS:**

Pursuant to the provisions of Section 138 of the Companies read with rules made there under, the Board has appointed M/s. Channamolu & Co., Chartered Accountants as the internal Auditors of the Company.

**SECRETARIAL AUDITOR:**

The Board had appointed M/s. S. S. Reddy & Associates, Practicing Company Secretaries, Hyderabad, having CP No.7478 to conduct Secretarial Audit for the financial year 2016-17, pursuant to the provisions of Section 204 of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Secretarial Audit Report in Form MR – 3 for the financial year 2016- 17 is enclosed herewith as Annexure A to this Report.

Pursuant to the provisions of Section 134(3) (f) & Section 204 of the Companies Act, 2013, Secretarial audit report as provided by M/s. S. S. Reddy & Associates, Practicing Company Secretaries is annexed to this Report as annexure.

**INDIAN ACCOUNTING STANDARDS:**

The Ministry of Corporate Affairs vide its notification dated 16th February, 2015 has notified the Companies (Indian Accounting Standards) Rules, 2015. In pursuance of the said notification, the Company will adopt Indian Accounting Standards with effect from 01st April, 2017. The implementation of Indian Accounting Standards (IAS) is a major change process for which the Company has set up a dedicated team and is providing desired resources for its completion within the time frame. The impact of the change on adoption of said IAS is being assessed.

**AUDIT REPORTS:****(a) Statutory Auditors Report:**

The Board has duly reviewed the Statutory Auditor's Report on the Accounts for the year ended March 31, 2017 and has noted that the same does not have any reservation, qualification or adverse remarks. However, the Board decided to further strengthen the existing system and procedures to meet all kinds of challenges that may occur in the industry.

**(b) Secretarial Audit Report:**

The Board has duly reviewed the Secretarial Audit Report on the Compliance according to the provisions of section 204 of the Companies Act 2013 and noted the observation that the Company has not appointed Company Secretary as required under section 203 of the Companies Act, 2013 and not constituted the Nomination & Remuneration Committee as per the provisions of the Companies Act, 2013.

The Board decided to appoint the company secretary at the earliest. As regards the constitution of Nomination & Remuneration Committee, it was informed that the requirement has already been met by appointing Mr. Sridhar as Independent Director on the Board w.e.f. 29.08.2017.

**CORPORATE SOCIAL RESPONSIBILITY (CSR):**

Since the Company does not has the net worth of Rs. 500 Crores or more, or turnover of Rs. 1000 Crore or more, a net profit of Rs. 5 Crore or more during the financial year or, Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility is not applicable and hence the Company need not adopt any Corporate Social Responsibility Policy and also not required the composition of Corporate Social Responsibility Committee.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:**

The required information as per Sec.134 of the Companies Act 2013 is provided hereunder:

### **A. Conservation of Energy:**

Your Company's operations are not energy intensive. Adequate measures have been taken to conserve energy wherever possible by using energy efficient computers and purchase of energy efficient equipment.

### **B. Technology Absorption:**

1. Research and Development (R&D): NIL
2. Technology absorption, adoption and innovation: NIL

### **C. Foreign Exchange Earnings and Out Go:**

Foreign Exchange Earnings: NIL  
Foreign Exchange Outgo: NIL

## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

The company has not given loans, guarantees or investments during the year under review.

## **CREDIT & GUARANTEE FACILITIES:**

The Company has not availed facilities of Credit and Guarantee during the year.

## **DISCLOSURE ABOUT COST AUDIT:**

Cost Audit is not applicable to your Company.

## **RATIO OF REMUNERATION TO EACH DIRECTOR:**

No Remuneration is paid to the directors.

## **NON-EXECUTIVE DIRECTORS' COMPENSATION AND DISCLOSURES:**

None of the Independent / Non-Executive Directors has any pecuniary relationship or transactions with the Company which in the Judgment of the Board may affect the independence of the Directors.

## **CEO/ CFO CERTIFICATION:**

The Managing Director and CEO/ CFO certification of the financial statements for the year 2016-17 is provided elsewhere in this Annual Report.

## **INDUSTRY BASED DISCLOSURES AS MANDATED BY THE RESPECTIVE LAWS GOVERNING THE COMPANY:**

The Company is not a NBFC, Housing Companies etc., and hence Industry based disclosures is not required.

## **SECRETARIAL STANDARDS:**

The company is in compliance with SS 1 & SS 2.

## **EVENT BASED DISCLOSURES:**

During the year under review, the Company has not taken up any of the following activities:

1. **Issue of sweat equity share:** The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014.
2. **Issue of shares with differential rights:** The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014.
3. **Issue of shares under employee's stock option scheme:** The Company has not issued any equity shares under Employees Stock Option Scheme during the year under review and hence no information as per provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014
4. **Non- Exercising of voting rights:** During the year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014.
5. **Disclosure on purchase by company or giving of loans by it for purchase of its shares:** The Company did not purchase or give any loans for purchase of its shares.
6. **Buy back shares:** The Company did not buy-back any shares during the period under review.
7. **Preferential Allotment of Shares:** The Company did not allot any shares on preferential basis during the period under review.

## **EMPLOYEE RELATIONS AND REMUNERATION:**

Your Directors are pleased to record their sincere appreciation of the contribution by the staff at all levels in the improved performance of the Company.

None of the employees is drawing Rs. 8,50,000/- and above per month or Rs.1,02,00,000/- and above in aggregate per annum, the limits prescribed under Section 197(12) of Companies Act 2013 read with Rule 5 of Companies (Appointment & Remuneration Of Managerial Personnel) Rules, 2014.

## **DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaint Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees are covered under this policy. The following is the summary of sexual harassment complaints received and disposed during the calendar year.

- No. of complaints received : Nil
- No. of complaints disposed off : Nil



**ACKNOWLEDGEMENTS:**

Your Directors wish to place on record their appreciation of the contribution made by the employees at all levels, for the continued growth and prosperity of your Company.

Your Directors also wish to place on record their appreciation of business constituents, banks and other financial institutions, other statutory authorities like SEBI, ROC, Stock Exchanges, NSDL, CDSL etc and shareholders of the Company for their continued support for the growth of the Company.

For and on behalf of the Board  
Swagruha Infrastructure Limited

Place: Bengaluru  
Date: 29.08.2017

Sd/-  
N.L. Kalyani  
Chairperson & Managing Director  
(DIN: 01669808)

Sd/-  
Jayasimha Reddy  
Director  
(DIN: 06490738)

**Code of Conduct:**

The Company has formulated and implemented a Code of Conduct for Board Members and Senior Management of the Company. Requisite annual affirmations of compliance with the respective Codes have been made by the Directors and Senior Management of the Company.

**Certificate of Code of Conduct for the year 2016-17 as per Regulation 17(5) read with Regulation 34(3) Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

Swagruha Infrastructure Limited is committed for conducting its business in accordance with the applicable laws, rules and regulations and with highest standards of business ethics. The Company has adopted a “Code of Ethics and Business Conduct” which is applicable to all director, officers and employees.

I hereby certify that all the Board Members and Senior Management have affirmed the compliance with the Code of Ethics and Business Conduct, under a certificate of Code of Conduct for the year 2016-17.

For and on behalf of the Board  
Swagruha Infrastructure Limited

Place: Bengaluru  
Date: 29.08.2017

Sd/-  
N.L. Kalyani  
Chairperson & Managing Director  
(DIN: 01669808)

**MGT 9**  
**Extract of Annual Return**  
**As on the Financial Year 31.03.2017**  
**[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies**  
**(Management and Administration) Rules, 2014**

<b>I. REGISTRATION AND OTHER DETAILS:</b>			
i.		CIN	L24134TG1994PLC017327
ii.		Registration Date	07.04.1994
iii.		Name of the Company	Swagruha Infrastructure Limited
iv.		Category / Sub-Category of the Company	Company limited by shares / Non-Government Company
v.		Address of the Registered office and contact details	H.No. 362, 2nd Floor, 11th cross, 4th Main, 2nd Block (near BDA Shopping Complex), RT Nagar, Bengaluru- 560032.
vi.		Whether listed company Yes / No	Yes
vii.		Name, Address and Contact details of Registrar and Transfer Agent, if any	Venture Capital & Corporate Investments Pvt. Ltd. 12-10-167, Bharat Nagar, Hyderabad, Telangana – 500018. Phone: 040-23818475, 23818476 Email: <a href="mailto:info@vccipl.com">info@vccipl.com</a> , <a href="mailto:info@vccilindia.com">info@vccilindia.com</a>

<b>II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:</b>				
All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-				
Sl. No.		Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1		Construction Services	41001	100%

<b>III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:-</b>						
Sl. No.	Name and Address of the Company		CIN/GLN	Holding/Subsidiary /Associate	% of shares Held	Applicable Section
		The Company does not have any subsidiaries.				

	IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)								
	i) Category-wise Share Holding:-								
Category of Share holderers	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				%Change During the Year
	Demat	Physical	Total	%of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
Individual / HUF	31264000	--	31264000	45.61	31264000	--	31264000	45.61	--
Central Govt.	--	--	--	--	--	--	--	--	--
State Govt .(s)	--	--	--	--	--	--	--	--	--
Bodies Corp.	--	--	--	--	--	--	--	--	--
Banks / FI	--	--	--	--	--	--	--	--	--
Any other....	--	--	--	--	--	--	--	--	--
<b>Sub-total (A) (1) :-</b>	<b>31264000</b>	<b>--</b>	<b>31264000</b>	<b>45.61</b>	<b>31264000</b>	<b>--</b>	<b>31264000</b>	<b>45.61</b>	<b>--</b>
<b>(2) Foreign</b>									
a) NRIs - Individuals	--	--	--	--	--	--	--	--	--
b) Other – Individuals	--	--	--	--	--	--	--	--	--
c) Bodies Corp.	--	--	--	--	--	--	--	--	--
d) Banks / FI	--	--	--	--	--	--	--	--	--
e) Any Other	--	--	--	--	--	--	--	--	--
<b>Sub-total (A) (2):-</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>31264000</b>	<b>--</b>	<b>31264000</b>	<b>45.61</b>	<b>31264000</b>	<b>--</b>	<b>31264000</b>	<b>45.61</b>	<b>--</b>
<b>B. Public Shareholding</b>									
<b>1.Institutions</b>									
a) Mutual Funds	--	--	--	--	--	--	--	--	--
b) Banks / FI	--	--	--	--	--	--	--	--	--
c) Central Govt	--	--	--	--	--	--	--	--	--
d) State Govt(s)	--	--	--	--	--	--	--	--	--
e) Venture Capital Funds	--	--	--	--	--	--	--	--	--
f) Insurance Companies	--	--	--	--	--	--	--	--	--
g) FIIs	14800	--	14800	0.02	--	--	--	--	(0.02)

h) Foreign Venture Capital Fund	--	--	--	--	--	--	--	--	--
i) Others	--	--	--	--	--	--	--	--	--
<b>Sub-total</b>	<b>14800</b>	--	<b>14800</b>	<b>0.02</b>	--	--	--	--	<b>(0.02)</b>
<b>2. Non Institutions</b>									
a) Bodies Corp.	--	--	--	--	--	--	--	--	--
i) Indian	8997064	--	8997064	13.13	15942003	--	15942003	23.26	(10.13)
ii) Overseas	--	--	--	--	--	--	--	--	--
b) Individuals	--	--	--	--	--	--	--	--	--
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	559558	18000	577558	0.84	729891	61000	790891	1.15	(0.31)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	22552955	3652000	2620495	38.23	15782753	3599000	19381753	28.27	9.96
c) Others (specify)									
1. Employee									
2.NRI's	1163715	--	1163715	1.70	1163516	--	1163516	1.70	-- 0.47
3. Clearing Members	325908	--	325908	0.47	5837	--	5837	0.01	
<b>Sub-total (B)(2)</b>	<b>33599200</b>	<b>3670000</b>	<b>3579437</b>	<b>52.22</b>	<b>33624000</b>	<b>3660000</b>	<b>37284000</b>	<b>54.39</b>	<b>2.17</b>
<b>Total Public Shareholding (B) = (B)(1)+(B)(2)</b>	<b>33614000</b>	<b>3670000</b>	<b>3728400</b>	<b>54.40</b>	<b>33624000</b>	<b>3660000</b>	<b>37284000</b>	<b>54.39</b>	<b>(0.01)</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	--	--	--	--	--	--	--	--	--
<b>Grand Total</b>	<b>64878000</b>	<b>3670000</b>	<b>68548000</b>	<b>100</b>	<b>64888000</b>	<b>3660000</b>	<b>68548000</b>	<b>100</b>	--



(ii) Shareholding of Promoters;-								
Sl. No.	Shareholder 's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			
		No. of Shares	% of Total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of Total Shares of the Company	Total % of Shares Pledged/ encumbered to total shares	% change in share holding during the year
1.	N.L.Kalyani	31264000	45.61	--	31264000	45.61	--	--

(iii) Change in Promoters' Shareholding (please specify, if there is no change)						
Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year		
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
1	Nil	Nil	Nil	Nil	Nil	

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):						
Sl. No.	Shareholder Name	Shareholding at the beginning of the year		Date wise Increase / Decrease in Promoters Share Holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	Shareholding at the end of the year	
		No. of Shares	% of total shares of The company		No. of shares	% of total shares of the company
1.	TIDEL SILK TECHNOLOGIES LIMITED	2770380	4.27	There is purchase of shares	7770380	11.98
2.	VENU KONDI	2452882	3.78	There is purchase of shares	3048226	4.7
3.	PRASTUTI MULTI MEDIA AND TECHNOLOGIES	2755000	4.25	--	2755000	4.25
4.	MUKKERA SAI KUMAR	1313000	2.02	--	1313000	2.02
5.	GILLELA TARUN SANTOSH	9000000	1.31	--	900000	1.31
6.	BAHRI ESTATES PVT LTD	--	--	There is purchase of shares	895040	1.38
7.	RAJESH HANDA	--	--	There is purchase of shares	871860	1.34
8.	NATARAJAN KARTHIKA PRIYADHARSINI	--	--	There is purchase of shares	850000	1.24
9.	LOHITH H A	693000	1.07	--	693000	1.07
10.	OBALESH VENKATESH	1953500	3.01	There is purchase of shares	687500	1.06

<b>(v) Shareholding of Directors and Key Managerial Personnel:</b>					
<b>Sl. No.</b>	<b>For Each of the Directors and KMP</b>	<b>Shareholding at the beginning of the year</b>		<b>Cumulative Shareholding during the year</b>	
		<b>No. of Shares</b>	<b>% of total shares of the company</b>	<b>No. of shares</b>	<b>% of total shares of the company</b>
<b>1.</b>	<b>Mrs. Neroji Lakshmi Kalyani</b>				
	At the beginning of the year	31264000	45.61	31264000	45.61
	Date wise Increase /Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc): NIL				
	At the End of the year	31264000	45.61	31264000	45.61
<b>2.</b>	<b>Mr. Jayasimha Reddy</b>				
	At the beginning of the year	--	--	--	--
	Date wise Increase /Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc): NIL				
	At the End of the year				
<b>3.</b>	<b>Mr. Babu Sahebe Shaik</b>				
	At the beginning of the year	--	--	--	--
	<b>Date wise Increase /Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc): NIL</b>				
	At the End of the year				
<b>4.</b>	<b>Mr. Srinivasulu Konduru (resigned w.e.f 04.10.2016)</b>				
	At the beginning of the year	--	--	--	--
	Date wise Increase /Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc): NIL				
	At the End of the year	--	--	--	--
<b>5.</b>	<b>Mr. Gopal Gillela</b>				
	At the beginning of the year	--	--	--	--
	Date wise Increase /Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc): NIL				
	At the End of the year	--	--	--	--
<b>6.</b>	<b>Mr. Mathew Oommen</b>				
	At the beginning of the year	--	--	--	--
	Date wise Increase /Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc): NIL				
	At the End of the year	--	--	--	--

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

<b>Indebtedness at the beginning of the financial year</b>	<b>Secured Loans excluding deposits</b>	<b>Unsecured Loans</b>	<b>Deposits</b>	<b>Total Indebtedness</b>
i) Principal Amount	--	--	--	--
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	--	--	--	--
Change in Indebtedness during the financial year Addition	--	--	--	--
Reduction				
Net Change	--	--	--	--
<b>Indebtedness at the end of the financial year</b>	--	--	--	--
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	--	--	--	--

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

<b>Sl. No.</b>	<b>Particulars of Remuneration</b>	<b>Name of MD/WTD/ Manager</b>	<b>Total Amount</b>
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	--	--
2	Stock Option	--	--
3	Sweat Equity	--	--
4	Commission - as % of profit - Others specify...	--	--
5	Others, please specify	--	--
6	Total (A)	--	--
	Ceiling as per the Act	--	--

**B. Remuneration to other directors:**

Sl. No.	Particulars of Remuneration	Name of Director				Total Amount
1	Independent Directors • Fee for attending board / committee meetings • Commission Others, please specify	--	--	--	--	--
	Total (1)	--	--	--	--	--
2	Other Non-Executive Directors • Fee for attending board / committee meetings • Commission Others, please specify	--	--	--	--	--
	Total (2)	--	--	--	--	--
	Total (B)=(1+2)	--	--	--	--	--
	Total Managerial Remuneration	--	--	--	--	--
	Overall Ceiling as per the Act	--	--	--	--	--

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTd**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	--	--	--	--
2	Stock Option	--	--	--	--
3	Sweat Equity	--	--	--	--
4	Commission - as % of profit - Others specify...	--	--	--	--
5	Others, please Specify	--	--	--	--
6	Total	--	--	--	--

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--
<b>B. DIRECTORS</b>					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--

For and on behalf of the Board  
Swagruha Infrastructure Limited

Place: Bengaluru  
Date: 29.08.2017

Sd/-  
N.L. Kalyani  
Chairperson & Managing Director  
(DIN: 01669808)

Sd/-  
Jayasimha Reddy  
Director  
(DIN: 06490738)

## ANNEXURE II

### DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

The Board of Directors  
M/s Swagruha Infrastructure Limited

Dear Sir,

I undertake to comply with the conditions laid down in Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with section 149 and Schedule IV of the Companies Act, 2013 in relation to conditions of independence and in particular:

- (a) I declare that upto the date of this certificate, apart from receiving director's remuneration, I did not have any material pecuniary relationship or transactions with the Company, its promoter, its directors, senior management or its holding Company, its subsidiary and associates as named in the Annexure thereto which may affect my independence as director on the Board of the Company. I further declare that I will not enter into any such relationship/transactions. However, if and when I intend to enter into such relationships/transactions, whether material or non-material I shall keep prior approval of the Board. I agree that I shall cease to be an independent director from the date of entering into such relationship/transaction.
- (b) I declare that I am not related to promoters or persons occupying management positions at the Board level or at one level below the board and also have not been executive of the Company in the immediately preceding three financial years.
- (c) I was not a partner or an executive or was also not partner or executive during the preceding three years, of any of the following:
  - (i) The statutory audit firm or the internal audit firm that is associated with the Company and
  - (ii) The legal firm(s) and consulting firm(s) that have a material association with the company
- (d) I have not been a material suppliers, service provider or customer or lessor or lessee of the company, which may affect independence of the director, and was not a substantial shareholder of the Company i.e., owning two percent or more of the block of voting shares.

Thanking you.  
Yours Faithfully,

Date: 29.05.2017  
Place: Bengaluru

Sd/-  
Mathew Oommen  
(Independent director)

## ANNEXURE II

### DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

The Board of Directors  
M/s Swagruha Infrastructure Limited

Dear Sir,

I undertake to comply with the conditions laid down in Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with section 149 and Schedule IV of the Companies Act, 2013 in relation to conditions of independence and in particular:

- (a) I declare that up to the date of this certificate, apart from receiving director's remuneration, I did not have any material pecuniary relationship or transactions with the Company, its promoter, its directors, senior management or its holding Company, its subsidiary and associates as named in the Annexure thereto which may affect my independence as director on the Board of the Company. I further declare that I will not enter into any such relationship/transactions. However, if and when I intend to enter into such relationships/transactions, whether material or non-material I shall keep prior approval of the Board. I agree that I shall cease to be an independent director from the date of entering into such relationship/transaction.
- (b) I declare that I am not related to promoters or persons occupying management positions at the Board level or at one level below the board and also have not been executive of the Company in the immediately preceding three financial years.
- (c) I was not a partner or an executive or was also not partner or executive during the preceding three years, of any of the following:
  - (i) The statutory audit firm or the internal audit firm that is associated with the Company and
  - (ii) The legal firm(s) and consulting firm(s) that have a material association with the company
- (d) I have not been a material suppliers, service provider or customer or lessor or lessee of the company, which may affect independence of the director, and was not a substantial shareholder of the Company i.e., owning two percent or more of the block of voting shares.

Thanking you.  
Yours Faithfully,

Date: 29.08.2017  
Place: Bengaluru

Sd/-  
M. Sridhar  
(Independent director)



## ANNEXURE II

### DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

The Board of Directors  
M/s Swagruha Infrastructure Limited

Dear Sir,

I undertake to comply with the conditions laid down in Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with section 149 and Schedule IV of the Companies Act, 2013 in relation to conditions of independence and in particular:

- (a) I declare that upto the date of this certificate, apart from receiving director's remuneration, I did not have any material pecuniary relationship or transactions with the Company, its promoter, its directors, senior management or its holding Company, its subsidiary and associates as named in the Annexure thereto which may affect my independence as director on the Board of the Company. I further declare that I will not enter into any such relationship/transactions. However, if and when I intend to enter into such relationships/transactions, whether material or non-material I shall keep prior approval of the Board. I agree that I shall cease to be an independent director from the date of entering into such relationship/transaction.
- (b) I declare that I am not related to promoters or persons occupying management positions at the Board level or at one level below the board and also have not been executive of the Company in the immediately preceding three financial years.
- (c) I was not a partner or an executive or was also not partner or executive during the preceding three years, of any of the following:
  - (i) The statutory audit firm or the internal audit firm that is associated with the Company and
  - (ii) The legal firm(s) and consulting firm(s) that have a material association with the company
- (d) I have not been a material suppliers, service provider or customer or lessor or lessee of the company, which may affect independence of the director, and was not a substantial shareholder of the Company i.e., owning two percent or more of the block of voting shares.

Thanking you.  
Yours Faithfully,

Date: 29.05.2017  
Place: Bengaluru

Sd/-  
Gopal Gillela  
(Independent director)

**Annexure III**  
**FORM MR-3**  
**SECRETARIAL AUDIT REPORT**  
(Pursuant to section 204(1) of the Companies Act, 2013 and  
Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014  
**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017**

To  
The Members of  
M/s. Swagruha Infrastructure Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Swagruha Infrastructure Limited (hereinafter called "the Company"). Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other Records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the financial year commencing from 1st April, 2016 and ended 31st March, 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. Swagruha Infrastructure Limited ("The Company") for the financial year ended on 31st March, 2017, according to the provisions of:
  - (i) The Companies Act, 2013 (the Act) and the rules made there under for specified sections notified and came in to effect from 12th September, 2013 and sections and Rules notified and came in to effect from 1st April, 2014;
  - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
  - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
  - (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment (FDI) and Overseas Direct Investment and External Commercial Borrowings;
  - (v) The Securities and Exchange Board of India Act, 1992 ('SEBI Act');
2. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act) were not applicable to the Company under the financial year 2016-17.
  - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; Complied with yearly and event based disclosures.
  - ii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **Not Applicable as the company has not issued any shares during the year under review.**
  - iii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable as the company has not delisted/ proposed to delist its equity shares during the year under review.**
  - iv. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **Not Applicable as the Company has not bought back/ proposed to buy-back any of its securities during the year under review.**
  - v. The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client; **Not Applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the year under review.**

- vi. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008. **Not Applicable as the Company has not issued any debt securities during the year under review.**
- vii. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **Not Applicable as the Company has not issued any Employee Stock Options during the year under review.**
- viii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 Insider Trading Regulations; **The Company has framed code of conduct for regulating & reporting trading by insiders and for fair disclosure and displayed the same on the Company's website i.e. [www.swagruhainfra.com](http://www.swagruhainfra.com)**

3. During the year the Company has conducted 7 Board meetings, 4 Audit committee meetings, 1 meeting of Nomination & Remuneration Committee, 4 Stakeholder Relationship Committee Meeting and 1 Independent Directors meeting. We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company secretaries of India.
4. During the financial year under report, the Company has complied with the provisions of the New Companies Act, 2013, Old Companies Act, 1956 to the extent applicable and the Rules, Regulations, Guidelines, Standards, etc.,

We further report that the compliance by the Company of applicable financial laws like Direct and Indirect tax laws has not been reviewed thoroughly in this audit since the same have been subject to review by statutory financial audit and other designated professionals.

5. (a) As per the information and explanations provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we report that
  - (i) The provisions of the Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of: Not applicable.
  - (ii) External Commercial Borrowings were not attracted to the Company under the financial year under report;
  - (iii) Foreign Direct Investment (FDI) was not attracted to the company under the financial year under report;
  - (iv) Overseas Direct Investment by Residents in Joint Venture/Wholly Owned Subsidiary abroad was not attracted to the company under the financial year under report.
  - (v) As per the information and explanations provided by the company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we report that the Company has not made any GDRs/ADRs or any Commercial Instrument under the financial year under report.
- (b) We further report that:
  - (i) The Company has not appointed Company Secretary as required under section 203 of the Companies Act, 2013.
  - (ii) The Company has Managing Director and CFO namely Mrs. N L Kalyani and Mr. Babu Shaik respectively. But, the e-form filing as required under the Companies Act, 2013 for appointment of CFO is not done.
  - (iii) The Company has internal auditor namely as M/s. Channamolu & Co.
  - (iv) As per sec. 178 of the Companies Act, 2013, the company is required to have three or more non-executive directors as members in the Nomination and Remuneration Committee. The company has only two non-executive directors as members of the Nomination and Remuneration Committee.

**We further report that:-**

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice of board meeting is given to all the directors along with agenda and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and meaningful participation at the meeting.
- As per the minutes of the meeting duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.
- We, further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- We further report that during the year under report, the Company has not undertaken event/action having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

For S.S. Reddy & Associates

Place: Hyderabad  
Date: 29.08.2017

Sd/-  
S. Sarveswar Reddy  
Proprietor  
C. P. No: 7478

## Annexure A

To  
The Members of  
M/s. Swagruha Infrastructure Limited

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have relied on the reports given by the concerned professionals in verifying the correctness and appropriateness of financial records and books of accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The secretarial Audit report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For S.S. Reddy & Associates

Place: Hyderabad  
Date: 29.08.2017

Sd/-  
S. Sarveswar Reddy  
Proprietor  
C.P.No: 7478

## **CORPORATE GOVERNANCE:**

*\*\* Corporate Governance is not applicable to the company as its paid up-equity capital and net worth does not exceed Rs. 10 crores and Rs. 25 crores respectively. However, the company voluntarily complies with Corporate Governance as a good governance measure to keep the stakeholders informed about the company.*

In accordance with Regulation 34 (3) (C) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the report containing the details of Corporate Governance systems and processes at Swagruha Infrastructure Limited as follows:

The information provided in the Report on Corporate Governance for the purpose of unanimity is as on 31st March, 2017. The Report is updated as on the date of the report wherever applicable.

## **COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:**

The Company's philosophy on Corporate Governance is backed by Principles of Concern, Commitment, Ethics, Excellence and Learning in all its acts and relationships with Stakeholders, Clients, Associates and Community at large. This philosophy revolves around fair and transparent governance and disclosure practices in line with the principles of Good Corporate Governance. The Corporate Governance Structure in the Company assigns responsibilities and entrusts authority among different participants in the organization viz. the Board of Directors, the Senior Management, Employees, etc. The Company believes that good Corporate Governance is a continuous process and strives to improve the Corporate Governance practices to meet shareholder's expectations.

## **BOARD DIVERSITY:**

The Company recognizes and embraces the importance of a diverse board in its success. We believe that a truly diverse board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will help us, retain our competitive advantage. The Board has adopted the Board Diversity Policy which sets out the approach to diversity of the Board of Directors. The Board Diversity Policy is available on our website, [www.swagruhainfra.com](http://www.swagruhainfra.com).

## **BOARD EVALUATION:**

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, mandates that the Board shall monitor and review the Board evaluation framework. The framework includes the evaluation of directors on various parameters such as:

- Board dynamics and relationships
- Information flows
- Decision-making
- Relationship with stakeholders
- Company performance and strategy
- Tracking Board and committees' effectiveness
- Peer evaluation

The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. Schedule IV of the Companies Act, 2013 states that the performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the director being evaluated.

The evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board. The Board approved the evaluation results as collated by the nomination and remuneration committee.

#### **FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS:**

All new independent directors inducted into the Board attend an orientation program. Further, at the time of the appointment of an independent director, the Company issues a formal letter of appointment outlining his / her role, function, duties and responsibilities.

#### **CODE OF CONDUCT FOR THE PREVENTION OF INSIDER TRADING:**

The Board of Directors has adopted the Insider Trading Policy in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulation, 2015. The Insider Trading Policy of the Company lays down guidelines and procedures to be followed, and disclosures to be made while dealing with shares of the Company. The policy has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain the highest ethical standards of dealing in Company securities.

The Insider Trading Policy of the Company covering code of practices and procedures for fair disclosure of unpublished price sensitive information and code of conduct for the prevention of insider trading is available on website [www.swagruhainfra.com](http://www.swagruhainfra.com).

#### **BOARD OF DIRECTORS:**

##### **COMPOSITION OF THE BOARD:**

The Company is managed and controlled through a professional body of Board of Directors which is headed by Mrs. N.L. Kalyani, Managing Director. The Board of the Company has 6 Directors (including 3 Executive Directors and 3 Independent Non-Executive Directors). None of the Directors on the Board is a Member of more than 10 committees or Chairman of more than 5 companies across all the Companies in which he is a Director.

The Board has been enriched with the advices and knowledge of the Independent Directors. None of the Independent Directors has any pecuniary or business relationship except receiving sitting fees. The composition of the Board of Directors and details of number of Directorships/committee chairmanships/memberships attendance particulars is as under:

**B. ATTENDANCE OF EACH DIRECTOR AT BOARD MEETING HELD DURING THE YEAR AND LAST ANNUAL GENERAL MEETING AND NUMBER OF OTHER BOARD OF DIRECTORS IN WHICH A DIRECTOR IS A MEMBER OR CHAIRPERSON.**

Name of Director	Category of Directorship	Number of Directorships in other Companies	Number of Board Committee memberships held in other Companies		Attendance Particulars		
			Member	Chairman	Last AGM 30.09.2016	Board meetings'16-17'	
						Held	Attended
Mrs. Nerogi Lakshmi Kalyani	Managing Director	1	--	--	Yes	7	7
Mr. Jayasimha Reddy	Executive Director	-	--	--	Yes	7	7
Mr. Babu Sahebe Shaik	Executive Director	-	-	-	Yes	7	7
*Mr. Srinivasulu Konduru	Non-Executive & independent Director	-	-	--	Yes	7	3
Mr. Gopal Gillela	Non-Executive & independent Director	-	-	--	Yes	7	7
Mr.Mathew Oommen	Non-Executive & independent Director	1	-	-	No	7	7
** Mr. M. Sridhar	Non-Executive & independent Director	-	-	-	No	7	0

\* Resigned from 04.10.2016

\*\* Appointed from 29.08.2017



**C. MEETINGS DURING THE YEAR:**

The Board of Directors duly met 7 (Seven) times on 30.05.2016, 13.08.2016, 30.08.2016, 04.10.2016, 14.11.2016, 06.01.2017 and 14.02.2017 in respect of which meetings, proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.

**D. DISCLOSURE OF RELATIONSHIPS BETWEEN DIRECTORS INTER-SE**

None of the Directors are inter-see related to each other.

**E. NUMBER OF SHARES AND CONVERTIBLE INSTRUMENTS HELD BY NON-EXECUTIVE DIRECTORS:**

None of the Non-Executive Directors of the company holds any shares and Convertible Instruments in their name.

**AUDIT COMMITTEE:****A. BRIEF DESCRIPTION OF TERMS OF REFERENCE:**

- Overview of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements reflect a true and fair position and that sufficient and credible information is disclosed.
- Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- Discussion with external auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- Reviewing the financial statements and draft audit report including quarterly/ half yearly financial information.
- Reviewing with management the annual financial statements before submission to the Board, focusing on:
  - a. Any changes in accounting policies and practices;
  - b. Qualification in draft audit report;
  - c. Significant adjustments arising out of audit;
  - d. The going concern concept;
  - e. Compliance with accounting standards;
  - f. Compliance with stock exchange and legal requirements concerning financial statements and
  - g. Any related party transactions
- Reviewing the company's financial and risk management's policies.
- Disclosure of contingent liabilities.
- Reviewing with management, external and internal auditors, the adequacy of internal control systems.
- Reviewing the adequacy of internal audit function, including the audit character, the structure of the internal audit department, approval of the audit plan and its execution, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
- Discussion with internal auditors of any significant findings and follow-up thereon.

- Reviewing the findings of any internal investigations by the internal auditors into the matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- Reviewing compliances as regards the Company's Whistle Blower Policy.

## **B. COMPOSITION, MEETINGS & ATTENDANCE:**

There were four (4) Audit Committee Meetings held during the year on 30.05.2016, 13.08.2016, 14.11.2016 and 14.02.2017.

Name	Designation	Category	No of Meetings held	No of Meetings attended
Mr. Gopal Gillela	Chairman	NED(I)	4	4
Mr. Mathew Oommen	Member	NED(I)	2	2
Mrs. Nerogi Lakshmi Kalyani	Member	ED	4	4

NED (I) : Non Executive Independent Director

ED : Executive Director

## **NOMINATION AND REMUNERATION COMMITTEE:**

The Committee comprises of three non-executive independent Directors

### **A. BRIEF DESCRIPTION OF TERMS OF REFERENCE:**

- To approve the fixation/revision of remuneration of Executive Directors of the Company and while approving:
  - a. to take into account the financial position of the Company, trend in the industry, appointee's qualification, experience, past performance, past remuneration etc.
  - b. to bring out objectivity in determining the remuneration package while striking a balance between the interest of the Company and the Shareholders.
- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and /or removal.
- To carry out evaluation of every Director's performance.
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees.
- To formulate the criteria for evaluation of Independent Directors and the Board.
- To recommend/review remuneration of the Managing Director and Whole-time Director(s) based on their performance and defined assessment criteria.

**B. COMPOSITION OF THE COMMITTEE, MEETINGS AND ATTENDANCE DURING THE YEAR:**

Name	Designation	Category	No of Meetings held	No of Meetings attended
Mr. Gopal Gillela	Chairman	NED(I)	1	1
Mr. M. Sridhar *	Member	NED(I)	1	0
Mr. Mathew Oommen	Member	NED(I)	1	1

\* Appointed from 29.08.2016

**NED (I)** : Non Executive Independent Director

**C. PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS:**

The Nomination & Remuneration Committee shall evaluate each individual with the objective of having a group that best enables the success of the company's business.

**POLICY FOR SELECTION OF DIRECTORS AND DETERMINING DIRECTORS' INDEPENDENCE:****1. Scope:**

This policy sets out the guiding principles for the Nomination & Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent Directors of the Company.

**2. Terms and References:**

- 2.1. "Director" means a director appointed to the Board of a Company.
- 2.2. "Nomination and Remuneration Committee means the committee constituted in accordance with the provisions of Section 178 of the Companies Act, 2013, Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 2.3. "Independent Director" means a director referred to in sub-section (6) of Section 149 of the Companies Act, 2013, Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**3. Policy: Qualifications and criteria**

- 3.1.1 The Nomination and Remuneration Committee, and the Board, shall review on annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a board with diverse background and experience that are relevant for the Company's operations.
- 3.1.2 In evaluating the suitability of individual Board member the NR Committee may take into account factors, such as:

- General understanding of the company's business dynamics, global business and social perspective;
- Educational and professional background
- Standing in the profession;
- Personal and professional ethics, integrity and values;
- Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

### 3.1.3 The proposed appointee shall also fulfill the following requirements:

- shall possess a Director Identification Number;
- shall not be disqualified under the companies Act, 2013;
- shall Endeavour to attend all Board Meeting and Wherever he is appointed as a Committee Member, the Committee Meeting;
- shall abide by the code of Conduct established by the company for Directors and senior Management personnel;
- shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;

Such other requirements as any be prescribed, from time to time, under the companies Act, 2013, Equity listing Agreements, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other relevant laws.

3.1.4 The Nomination & Remuneration Committee shall evaluate each individual with the objective of having a group that best enables the success of the company's business.

### 3.2 Criteria of independence

3.2.1 The Nomination & Remuneration Committee shall assess the independence of Directors at time of appointment/ re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interest or relationships are disclosed by a Director.

3.2.2 The criteria of independence shall be in accordance with the guidelines as laid down in Companies Act, 2013, Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

An independent director in relation to a company, means a director other than a managing director or a whole-time director or a nominee director-

- a. who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
- b. (i) who is or was not a promoters of the company or its holding, subsidiary or associate company;  
(ii) who is not related to promoters or directors of the company its holding, subsidiary or associate company
- c. who has or had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or director, during the two immediately preceding financial year or during the current financial year;
- d. none of whose relative has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial year or during the current finance year;
- e. who, neither himself nor any of his relative-
  - (i) Holds or has held the position of a key managerial personnel or is or has been employee of the or associate company in any of the three finance years immediately preceding the finance year in which he is proposed to be appointed;

- (ii) Is or has been an employee or proprietor or a partner, in any of the three finance year immediately preceding the financial year in which he is proposed to be appointed of-
- (A) A firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
- (B) any legal or a consulting firm that has or had any transaction with the company, its holding subsidiary or associate company amounting to ten per cent or more of the gross turnover of more of the gross turnover of such firm;
  - (i) Holds together with his relatives two per cent or more of the total voting power of the company; or
  - (ii) Is a chief Executive or director, by whatever name called, of any non-profit organization that receives twenty-five per cent or more of its receipt from the company any of its promoters , directors or its holding subsidiary or associate company or that holds two per cent or more of the total voting power of the company; or
  - (iii) Is a material supplier, service provider or customer or a lesser or lessee of the company.
- f. Shall possess appropriate skills experience and knowledge in one or more field of finance, law management, sales, marketing administration, research, corporate governance, technical operations, corporate social responsibility or this disciplines related to the company's business.
- g. Shall possess such other qualifications as may be prescribed from time to time, under the Companies Act, 2013.
- h. who is not less than 21 years of age

3.2.3 The independent Director shall abide by the "code for independent Directors "as specified in Schedule IV to the companies Act, 2013.

### 3.3 Other Directorships / Committee Memberships

- 3.3.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere with their role as director of the company. The NR Committee shall take into account the nature of, and the time involved in a director service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.
- 3.3.2 A Director shall not serve as director in more than 20 companies of which not more than 10 shall be public limited companies.
- 3.3.3 A Director shall not serve an independent Director in more than 7 listed companies and not more than 3 listed companies in case he is serving as a whole-time Director in any listed company.
- 3.3.4 A Director shall not be a member in more than 10 committee or act as chairman of more than 5 committee across all companies in which he holds directorships.

For the purpose of considering the limit of the committee, Audit committee and stakeholder's relationship committee of all public limited companies, whether listed or not, shall be included and all other companies including private limited companies, foreign companies and companies under section 8 of the companies Act, 2013 shall be excluded.

**REMUNERATION OF DIRECTORS:****A. PECUNIARY RELATIONSHIP OR TRANSACTIONS OF THE NON-EXECUTIVE DIRECTORS VIS-À-VIS THE LISTED COMPANY:**

The Non- Executive Directors have no pecuniary relationship or transactions.

**B. CRITERIA FOR MAKING PAYMENTS TO NON-EXECUTIVE DIRECTORS:**

As per the remuneration policy of the company.

**C. REMUNERATION TO DIRECTORS PAID DURING THE FINANCIAL YEAR 2016-17 AND OTHER DISCLOSURES:**

Name of the Director	Salary(Rs)	Sitting fees(Rs)	Number of shares held	Service Contracts	Stock Option Details	Fixed Component	Performance Based Incentive
Mrs. Nerogi Lakshmi Kalyani	-	-	3,12,64,000	-	-	-	-
Mr. Jayasimha Reddy	-	-	-	-	-	-	-
Mr. Babu Sahebe Shaik	-	-	-	-	-	-	-
Mr. Srinivasulu Konduru*	-	-	-	-	-	-	-
Mr. Gopal Gillela	-	-	-	-	-	-	-
Mr. Mathew Oommen	-	-	-	-	-	-	-
** Mr. M. Sridhar	-	-	-	-	-	-	-

\* Resigned from 04.10.2016

\*\* Appointed from 29.08.2017

**STAKEHOLDER'S RELATIONSHIP COMMITTEE:****A) COMPOSITION:**

The Details of composition of the Committee are given below:

Name	Designation	Category
Mr. Gopal Gillela	Chairman	NED(I)
Mr. Mathew Oommen	Member	NED(I)
Mrs. Nerogi Lakshmi Kalyani	Member	ED

NED (I) : Non Executive Independent Director

ED : Executive Director

**B. NAME AND DESIGNATION OF COMPLIANCE OFFICER**

Mrs. Nerogi Lakshmi Kalyani, Managing Director of the company is the compliance officer of the Company.

DETAILS OF COMPLAINTS/REQUESTS RECEIVED, RESOLVED AND PENDING DURING THE YEAR 2016-17

INVESTOR COMPLAINTS	
Particulars	Year ended 31.03.2017
Pending at the beginning of the year	NIL
Received during the year	1
Disposed of during the year	NIL
Remaining unresolved at the end of the year	1

**C: INDEPENDENT DIRECTORS' MEETING:**

As per clause 7 of the schedule IV of the Companies Act (Code for Independent Directors), a separate meeting of the Independent Directors of the Company (without the attendance of Non-Independent directors) was held on 14.02.2017, and discussed the following:

- Evaluation of the performance of Non Independent Directors and the Board of Directors as whole;
- Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors of the Company were present at the meeting.

As required under Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the company regularly familiarizes Independent Directors with the Company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company etc.

**FORMAL ANNUAL EVALUATION:**

As per section 149 of the Companies Act, 2013 read with clause VII (1) of the schedule IV and rules made thereunder, the independent directors of the company had a meeting on 14.02.2017 without attendance of non-independent directors and members of management. In the meeting the following issues were taken up:

- (a) Review of the performance of non-independent directors and the Board as a whole;
- (b) Review of the performance of the Chairperson of the company.
- (c) Assessing the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The meeting also reviewed and evaluated the performance of non-Independent directors. The company has 3 Non-Independent Directors namely:

1. Mrs. Nerogi Lakshmi Kalyani
2. Mr. Jayasimha Reddy
3. Mr. Babu Sahebe Shaik

The meeting recognized the significant contribution made by all the above said directors, in directing the Company towards the success path and placing the Company.

The meeting also reviewed and evaluated the performance of the Board as whole in terms of the following aspects:

- Preparedness for Board/Committee meetings
- Attendance at the Board/Committee meetings
- Guidance on corporate strategy, risk policy, corporate performance and overseeing acquisitions and disinvestments.
- Monitoring the effectiveness of the company's governance practices
- Ensuring a transparent board nomination process with the diversity of experience, knowledge, perspective in the Board.
- Ensuring the integrity of the company's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for financial and operational control and compliance with the law and relevant standards.

It was noted that the Board Meetings have been conducted with the issuance of proper notice and circulation of the agenda of the meeting with the relevant notes thereon.

#### **REMUNERATION POLICY:**

The objectives of the remuneration policy are to motivate Directors to excel in their performance, recognize their contribution and retain talent in the organization and reward merit.

The remuneration levels are governed by industry pattern, qualifications and experience of the Directors, responsibilities should and individual performance.

#### **Remuneration policy for Directors, key managerial personnel and other employees**

1. Scope:
  - 1.1 This policy sets out the guiding principles for the Nomination and Remuneration committee for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the company.
2. Terms and Reference:

In this policy the following terms shall have the following meanings:

  - 2.1 "Director" means a director appointed to the Board of the company.
  - 2.2 "key managerial personnel" means
    - (i) The Chief Executive Officer or the managing director or the manager;
    - (ii) The Company Secretary;
    - (iii) The Whole-time Director;
    - (iv) The Chief Finance Officer; and
    - (v) Such other office as may be prescribed under the companies Act, 2013



- 2.3 “Nomination and Remuneration committee” means the committee constituted by Board in accordance with the provisions of section 178 of the companies Act, 2013, and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
3. Policy:
- 3.1 Remuneration to Executive Director and key managerial personnel
- 3.1.1 The Board on the recommendation of the Nomination and Remuneration (NR) committee shall review and approve the remuneration payable to the Executive Director of the company within the overall approved by the shareholders.
- 3.1.2 The Board on the recommendation of the NR committee shall also review and approve the remuneration payable to the key managerial personnel of the company.
- 3.1.3 The remuneration structure to the Executive Director and key managerial personnel shall include the following components:
- (i) Basic pay
  - (ii) Perquisites and Allowances
  - (iii) Stock Options
  - (iv) Commission (Applicable in case of Executive Directors)
  - (v) Retirement benefits
  - (vi) Annual performance Bonus
- 3.1.4 The Annual plan and Objectives for Executive committee shall be reviewed by the NR committee and Annual performance bonus will be approved by the committee based on the achievement against the Annual plan and Objectives.
- 3.2 Remuneration to Non – Executive Directors
- 3.2.1 The Board, on the recommendation of the NR Committee, shall review and approve the remuneration payable to the Non – Executive Directors of the Company within the overall limits approved by the shareholders as per the provisions of the Companies Act.
- 3.2.2 Non – Executive Directors shall be entitled to sitting fees attending the meetings of the Board and the Committees thereof. The Non- Executive Directors shall also be entitled to profit related commission in addition to the sitting fees.
- 3.3. Remuneration to other employees
- 3.3.1. Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

#### **RISK MANAGEMENT COMMITTEE:**

##### **A.) COMPOSITION:**

The Details of composition of the Committee are given below:

<b>Name</b>	<b>Designation</b>	<b>Category</b>
Mr. Gopal Gillela	Chairman	NED(I)
Mr. Mathew Oommen	Member	NED(I)
Mrs. Nerogi Lakshmi Kalyani	Member	ED

NED (I) : Non Executive Independent Director

ED : Executive Director

**B) ROLE AND RESPONSIBILITIES OF THE COMMITTEE INCLUDES THE FOLLOWING:**

- Framing of Risk Management Plan and Policy
- Overseeing implementation of Risk Management Plan and Policy
- Monitoring of Risk Management Plan and Policy
- Validating the process of risk management
- Validating the procedure for Risk minimization.
- Periodically reviewing and evaluating the Risk Management Policy and practices with respect to risk assessment and risk management processes.
- Continually obtaining reasonable assurance from management that all known and emerging risks have been identified and mitigated or managed.

**DETAILS ON GENERAL BODY MEETINGS:****A. LOCATION, DATE AND TIME OF LAST THREE AGMS AND SPECIAL RESOLUTIONS THERE AT AS UNDER:**

Financial Year	Date	Time	Location	Special / Ordinary Resolution
2015-16	30.09.2016	9.00 am	H.No. 6-3-1216/47-B-Road No. 3, Methodist Colony, Begumpet, Hyderabad - 500016	1. Appointment of Mr. Mathew Oommen as Director of the company. 2. Adoption of new set of Articles of Association as per Companies Act, 2013.
2014-15	30.09.2015	9.00 am	H.No. 6-3-1216/47-B-Road No. 3, Methodist Colony, Begumpet, Hyderabad - 500016	1. Amendment of Articles of Association
2013-14	29.09.2014	9.30 am	H.No. 6-3-1216/47-B-Road No. 3, Methodist Colony, Begumpet, Hyderabad - 500016	1. Appointment of Mr. Babu Shaik as an Executive Director. 2. Appointment of Mr. Srinivasulu Konduru as an Independent Director. 3. Appointment of Mr. Gopal Gillela as an Independent Director. 4. Appointment of Ms. Radhika R as an Independent Director.

**B. PASSING OF RESOLUTIONS BY POSTAL BALLOT:**

The company passed the resolution for shifting of registered office from state of Telangana to State of Karnataka on 20.02.2017 through postal ballot.

**MEANS OF COMMUNICATION:**

The quarterly, half-yearly and yearly financial results will be sent to the Stock Exchanges immediately after the Board approves the same and these results will also be published in prominent daily newspapers. These financial statements, press releases are also posted on the Company's website, at [www.swagruha.com](http://www.swagruha.com). As the financial performance of the Company is well published, individual communication of half yearly results are not sent to the shareholders.

**GENERAL SHAREHOLDER INFORMATION:****A. ANNUAL GENERAL MEETING:**

Day, Date and Time : Thursday, 28th September, 2017 at 9.30 a.m  
Venue : 362, 2nd Floor, 11th cross, 4th Main, 2nd Block (near BDA Shopping Complex),  
RT Nagar Bengaluru, Karnataka – 560032

**B. FINANCIAL YEAR AND FINANCIAL YEAR CALENDAR 2016-17 (TENTATIVE SCHEDULE)**

Financial year to which the Annual General Meeting relates: 2016-17

Financial calendar: 2017-18 (tentative)

Adoption of Quarterly results for the Quarter ending

- 30th June, 2017 : on or before 14.09.2017
- 30th September, 2017 : on or before 14.12.2017
- 31st December, 2017 : on or before 14.02.2018
- 31st March, 2018 : on or before 30.05.2018

Annual General Meeting (Next year) : August / September, 2018

**C. DIVIDEND PAYMENT DATE:** No Dividend was declared during the Financial Year 2016-17.

**D. NAME AND ADDRESS OF EACH STOCK EXCHANGE WHERE THE COMPANIES SECURITIES ARE LISTED:** BSE LIMITED, P.J. Towers, Dalal Street, Mumbai-400001

**E. STOCK CODE:** 531909

**F. STOCK MARKET PRICE DATA:**

Month	High	Low
April'16	4.90	4.56
May'16	4.37	3.22
June'16	3.06	2.33
July'16	3.46	2.39
Aug'16	4.61	3.63
Sept'16	4.61	4.50
Oct'16	4.60	3.80
Nov'16	4.94	3.87
Dec'16	5.11	5.00
Jan'17	5.24	4.97
Feb'17	5.23	4.97
Mar'17	5.00	4.74

**G. IN CASE SECURITIES ARE SUSPENDED FROM TRADING:**

The securities are not suspended from trading on BSE Limited.

**H. REGISTRAR AND SHARE TRANSFER AGENTS:**

Venture Capital and Corporate Investments Pvt. Limited  
(Category-I Registrar & Share Transfer Agent)  
12-10-167  
Bharatnagar  
Hyderabad-500018  
Ph: 040-23818475/476  
Fax: 040-23868024  
E-mail: [info@vccilindia.com](mailto:info@vccilindia.com)

**I. SHARE TRANSFER SYSTEM:**

The Transfer of Shares is affected by the Registrars after necessary approval of the Board/Share Transfer Committee. Transfer generally takes 1-2 weeks.

**J. DEMATERIALISATION OF SHARES & LIQUIDITY:**

Trading in Company's shares is permitted only in dematerialized form for all investors. The ISIN allotted to the Company's scrip is INE587J01027 in BSE. Investors are therefore advised to open a demat account with a Depository participant of their choice to trade in dematerialized form.

Particulars	No. of Shares	% Share Capital
NSDL	42422684	61.89
CDSL	22465316	32.77
PHYSICAL	3660000	5.34
<b>Total</b>	<b>68548000</b>	<b>100.00</b>

K) **ADDRESS FOR CORRESPONDENCE:** 362, 2nd Floor, 11th cross, 4th Main, 2nd Block (near BDA Shopping Complex), RT Nagar Bengaluru, Karnataka - 560032

L) **BOOK CLOSURE DATE:** 22nd September, 2017 to 28th September, 2017 (both days inclusive)

M) **LISTING FEES:**

The equity shares of the Company are listed on BSE Ltd. The Company has paid the listing fees to BSE Limited.

N) **ELECTRONIC CONNECTIVITY:** The Company has demat connectivity with both NSDL and CDSL. The ISIN is INE587J01027.

O) **SHAREHOLDING PATTERN AS ON 31ST MARCH, 2017:**

S. No	Category	Nos. of Shareholders	No. of shares held	Percentage of shareholding
<b>A</b>	<b>Shareholding of Promoter and Promoter group</b>			
I.	Individual			
	a) Indian	1	3,12,64,000	45.61
	b) Foreign		-	-
	<b>Sub-Total A</b>		<b>3,12,64,000</b>	<b>45.61</b>
<b>B</b>	<b>Public Shareholding</b>			
I.	Institutions		-	-
II.	Non Institutions	424	3,72,84,000	54.39
	<b>Sub Total B</b>	<b>424</b>	<b>3,72,84,000</b>	<b>54.39</b>
	<b>Grand Total (A+B)</b>	<b>425</b>	<b>6,85,48,000</b>	<b>100.00</b>

P) **DISTRIBUTION SCHEDULE AS ON 31.03.2017:**

Shares	Holders		Shares	
	Number	% To Total	No Of Shares	% To Total
<b>Upto - 5000</b>	<b>327</b>	<b>76.94</b>	<b>117395</b>	<b>0.17</b>
<b>5001 - 10000</b>	<b>17</b>	<b>4</b>	<b>155264</b>	<b>0.23</b>
<b>10001 - 20000</b>	<b>9</b>	<b>2.12</b>	<b>139850</b>	<b>0.20</b>
<b>20001 - 30000</b>	<b>8</b>	<b>1.88</b>	<b>185817</b>	<b>0.27</b>
<b>30001 - 40000</b>	<b>3</b>	<b>0.70</b>	<b>108593</b>	<b>0.16</b>
<b>40001 - 50000</b>	<b>1</b>	<b>0.24</b>	<b>46000</b>	<b>0.07</b>
<b>50001 - 100000</b>	<b>8</b>	<b>1.88</b>	<b>578179</b>	<b>0.84</b>
<b>100001 and above</b>	<b>52</b>	<b>12.24</b>	<b>67216902</b>	<b>98.06</b>
<b>Total</b>	<b>425</b>	<b>100</b>	<b>68548000</b>	<b>100</b>

**R. COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES:** Not

applicable.

**S. PLANT LOCATIONS:**

Not applicable.

**T. OTHER DISCLOSURES**

**a. MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS:**

During the year under review, the Company had not entered in to any materially significant transaction with any related party. During the year, the Company had not entered into any other contract/arrangement/transaction with related parties which could be considered material in accordance with the policy of the company on materiality of related party transactions that may have potential conflict with the interests of the Company at large. All the related party transactions during the year are in the ordinary course of business and on arm's length basis.

**b. COMPLIANCES:**

There are no penalties imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on any matter related to capital markets, during the last three years.

**c. WHISTLE BLOWER POLICY:**

The Company has a whistle blower policy in place for reporting the instances of conduct which are not in conformity with the policy. Directors, employees, vendors or any person having dealings with the Company may report non-compliance to the Chairman of the Audit Committee, who reviews the report. Confidentiality is maintained of such reporting and it is ensured that the whistle blowers are not subjected to any discrimination. No person was denied access to the Audit Committee.

**d. COMPLIANCE WITH THE MANDATORY REQUIREMENTS AND ADOPTION OF THE NON-MANDATORY REQUIREMENTS OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.**

All mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been appropriately complied with and the status of non-mandatory requirements is given below:

- i. Mrs. N L Kalyani is the Chairperson of the company. All other requirements of the Board during the year have been complied with.
- ii. The financial Statements are free from any Audit Qualifications.

**e. WEB-LINK WHERE POLICY FOR DETERMINING 'MATERIAL' SUBSIDIARIES IS DISCLOSED.**

Your Company has no subsidiary Company.

**f. WEB LINK WHERE POLICY ON DEALING WITH RELATED PARTY TRANSACTION:**

The policy is updated on the website of the company i.e [www.swagruha.com](http://www.swagruha.com)

**g. DISCLOSURE OF COMMODITY PRICE RISKS AND COMMODITY HEDGING ACTIVITIES:**

Your Company has no Commodity Hedging Activities.

**h. DISCLOSURE OF ACCOUNTING TREATMENT:**

The Company has complied with the appropriate accounting policies and has ensured that they have been applied consistently. There have been no deviations from the treatment prescribed in the Accounting Standards notified under Section 129 of the Companies Act, 2013.

For and on behalf of the Board  
Swagruha Infrastructure Limited

Place: Bengaluru  
Date: 29.08.2017

Sd/-  
N.L. Kalyani  
Chairperson & Managing Director  
(DIN: 01669808)

**CERTIFICATE BY THE MANAGING DIRECTOR & CFO OF THE COMPANY**

To  
The Board of Directors  
Swagruha Infrastructure Limited

Dear Sirs,

As required under Regulation 17(8) read with Part B, Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we state that:

1. We have reviewed the financial statements and the cash flow statement for the year ended 31st March 2017 and to the best of our knowledge and belief;
  - a. These statements do not contain any materially untrue statement nor omit any material fact nor contain statements that might be misleading, and
  - b. These statements present a true and fair view of the company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
2. There are, to the best of my 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 responsibility for establishing and maintaining internal controls, I have evaluated the effectiveness of the internal control systems of the company and I have disclosed to the auditors and the audit committee, deficiencies in the design or the operation of internal controls, if any, of which we was aware and the steps that we have taken or propose to take and rectify the identified deficiencies and,
4. That we have informed the auditors and the audit committee of:
  - a) Significant changes in the internal control during the year;
  - b) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - c) Instances of significant fraud of which we have become aware and the involvement of any employee having a significant role in the company's internal control system.

For and on behalf of the Board  
Swagruha Infrastructure Limited

Place: Bengaluru  
Date: 29.08.2017

Sd/-  
N.L. Kalyani  
Chairperson & Managing Director  
(DIN: 01669808)

Sd/-  
Babu Saheb shaik  
Director cum Chief Financial Officer  
(DIN: 06716186)



## **AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members of  
Swagruha Infrastructure Limited

We have examined the Compliance with conditions of Corporate Governance of M/s. Swagruha Infrastructure Limited for the year ended 31st March, 2017 as stipulated in Regulation 34(3) read with Para E Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Compliance with the conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to review the procedures and implementations thereof adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us and representations made by the Directors and the Management's, we certify that the company has complied with conditions of the Corporate Governance as stipulated in Regulation 34 (3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the above mentioned Listing agreement.

As required by the guidance note issued by the institute of Chartered Accountants of India, we have to state that no grievances of investors are pending for a period exceeding one month against the Company as per the records maintained by the Company.

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

Sd/-  
For M M REDDY & CO.,  
Firm Registration Number: 010371S  
Chartered Accountants

Sd/-  
M Madhusudhana Reddy  
Partner  
Membership No.213077

Place: Hyderabad  
Date:29.08.2017

**DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT**

As per Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company hereby discloses the details of unpaid /unclaimed dividend and the respective share thereof as follows:

**\*\***

<b>Aggregate No. of Shareholders and the outstanding shares in the suspense account at the beginning of the year.</b>	<b>No. of shareholders who approached the company for transfer of shares from suspense account during the year.</b>	<b>No. of shareholders to whom shares were transferred from suspense account during the year.</b>	<b>Aggregate No. of Shareholders and the outstanding shares in the suspense account at the end of the year.</b>
<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>

**\*\* *Voting Right on these shares shall remain frozen till the rightful owner of such shares claims the shares.***

## **MANAGEMENT'S DISCUSSION & ANALYSIS REPORT**

### **a) Industry Structure and Developments:**

The world economy is gradually recovering from economic slowdown. The economic performance by the Asian economies has improved. Even though the global economy is expanding and conditions have improved considerably, the economic activities remain far below the pre – crisis level and the pace and shape of recovery remains uncertain. With the government's economic stimulus package, the industry and service sector have recovered. With the Reserve Bank of India maintaining a prudent watch on the key policy issues, the liquidity situation in the country has become comfortable. However, high inflation rate seems to be a major dampener.

### **b) Opportunities, Outlook and Threats:**

The Company is trading in infrastructure materials and foresees increase in the turnover. The Board is of the view that infrastructure sector in Telangana and Andhra Pradesh has tremendous scope and the future outlook seems bright. High inflation and changing government policies are threat to the Company, but the Company is confident that it can absorb such threats.

### **c) Business performance**

During the year under review, the Company has achieved the turnover of Rs. 20.43 lakhs for the financial year ended 31.03.2017 as against Rs. 24.25 lakhs for the financial year ended 31.03.2016. The Profit after tax stood at Rs. 3.45 lakhs for the financial year ended 31.03.2017 as against Rs. 3.56 lakhs for the financial year ended 31.03.2016.

### **d) Risks and Concerns:**

- i) The product is at once subjected to local, national and international competition.
- ii) Any adverse change in the policies of the Government, Recession etc. may further adversely affect the profitability.

### **e) Internal Control System and its adequacy**

The system of internal control has been established to provide reasonable assurance of safeguarding assets and maintenance of proper Accounting Records and its accuracy. The business risks and its control procedures are reviewed frequently. Systems audit is also conducted regularly to review the systems with respect to Security and its Adequacy. Reports are prepared and circulated to Senior Management and action taken to strengthen controls where necessary.

### **f) Human resources and Industrial relations**

Your company continues to have cordial relations with its employees and other stakeholders.

## **Independent Auditors' Report on Financial Statements**

To the Members of **SWAGRUHA INFRASTRUCTURE LIMITED**.

### **Report on the financial Statements**

We have audited the accompanying standalone financial statements of SWAGRUHA INFRASTRUCTURE LIMITED ('the Company'), which comprise the balance sheet as at 31st March 2017, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Managements Responsibility for the Financial Statements**

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

### **Auditors Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are Free from material misstatement.

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

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

## Opinion

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

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2017 ('the Order') issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
  - d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e) on the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act; and
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the company and operating effectiveness of such controls, refer to our separate report in Annexure B.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - The Company does not have any pending litigations.
    - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
    - The Company has provided requisite disclosures in the standalone financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated November 8, 2016 of the Ministry of Finance, during the period from November 8, 2016 to December 30, 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management.

Sd/-

**For M M REDDY & CO.,**  
Firm Registration No.010371S  
Chartered Accountants

Place: Hyderabad  
Date: May 29th, 2017

Sd/-

M Madhusudhana Reddy  
Partner  
Membership No.213077

## **Annexure to the Auditors' Report**

The Annexure-A referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the Year ended 31 March 2017, we report that:

1.
  - The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
  - The title deeds of the immovable property are held in the name of the company.
2. The physical verification of the inventory excluding stocks with third parties has been conducted at reasonable intervals by the management during the year. In our opinion the frequency of the verification is reasonable.
3. The Company has not granted any loans to bodies corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
4. The company has not given loans, made investments, guarantees and security under the provisions of Section 185 and 186 of the Companies Act, 2013.
5. The Company has not accepted any deposits from the public.
6. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
7.
  - a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, duty of excise income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.
  - b. According to the information and explanations given to us, there are no material dues of wealth tax, duty of customs and cess which have not been deposited with the appropriate authorities on account of any dispute.
8. The Company did not have any outstanding dues to financial institutions, banks or debenture holders during the year.
9. The company did not raise any money by way of initial public offer or further public offer (including debt instruments) and terms loans during the year.
10. According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.
11. The company has not paid/ provided managerial remuneration in accordance with requisite approvals mandated by the provisions of section 197 read with schedule V to the act.

12. The company is not Nidhi Company and the Nidhi Rules, 2014 not applicable to it. Accordingly the provisions of Clause 3(Xii) of order not applicable to the company.
13. The company has entered transactions with the related parties and complied with Section 188 and 177 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc as required by the accounting standards.
14. According to information and explanations given to us and based on our examinations of the records of the company, the company has not preferential allotment / private placement of shares or fully or partly convertible debenture's during the year.
15. The company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly the provisions of Clause 3(xv) of order not applicable to the company.
16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**Sd/-**

**For M M REDDY & CO.,**  
**Chartered Accountants**  
Firm Registration No.010371S

Place: Hyderabad  
Date : May 29th, 2017

**Sd/-**

M Madhusudhana Reddy  
Partner  
Membership No.213077

## **ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF SWAGRUHA INFRASTRUCTURE LIMITED**

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

We have audited the internal financial controls over financial reporting of SWAGRUHA INFRASTRUCTURE LIMITED ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditors' Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable



detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

#### **Opinion**

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

Place: Hyderabad  
Date : May 29th, 2017

Sd/-  
**For M M REDDY & CO.,**  
**Chartered Accountants**  
Firm Registration No.010371S

Sd/-  
M Madhusudhana Reddy  
Partner  
Membership No.213077

# FINANCIALS

## SWAGRUHA INFRASTRUCTURE LIMITED

### Balance Sheet

(All amounts in Indian Rupees excepts for share data or otherwise stated)

		2016 – 17	2015 – 16
	Note No's	As at Mar' 31, 2017	As at Mar' 31, 2016
<b>EQUITY AND LIABILITIES</b>			
Shareholders' Funds			
Share Capital	1	68,548,000	68,548,000
Reserves and Surplus	2	(60,863,782)	(61,208,369)
Preference Share Warrant		62,500,000	62,500,000
	A	70,184,218	69,839,631
Non - current liabilities			
Long - term borrowings	3	-	-
Deferred tax liabilities (Net)	4	-	-
Long term provisions		-	-
	B	-	-
Current liabilities			
Short - term borrowings			-
Trade Payables	5	314,725	314,725
Other Current Liabilities	6	-	-
Short - term provisions	7	1,300,000	1,150,000
Total	(A+B+C)	71,798,943	71,304,356
<b>ASSETS</b>			
Non-current assets			
Fixed assets			
Tangible Assets	8	25,570	25,570
Intangible Assets		-	-
Deferred tax assets (Net)		-	-
Long - term loans and advances		62,500,000	62,500,000
Non-current investments		-	-
Other Non- Current Assets		-	-
	B	62,525,570	62,525,570
Current assets			
Inventories			
Trade receivables	9	8,668,050	8,271,641
Cash and cash equivalents	10	24,273	16,425
Short - term loans and advances	11	-	-
Other current assets	12	581,050	490,720
	C	9,273,373	8,778,786
Total	(A+B+C)	71,798,943	71,304,356

The Notes referred to above and the notes to accounts form an integral part of the Balance Sheet  
This is the Balance Sheet referred to in our report of even date.

Sd/-

**For M M REDDY & CO.,**  
Firm Registration No.010371S  
Chartered Accountants

For and on behalf of the Board of Directors of  
**SWAGRUHA INFRASTRUCTURE LIMITED**

Sd/-

M Madhusudhana Reddy  
Partner  
Membership No. 213077

Sd/-

N L Kalyani  
Managing Director  
DIN: 01669808

Place: Hyderabad  
Date: 29/05/2017

Sd/-

M Jayasimha Reddy  
Director  
DIN: 06490738

**SWAGRUHA INFRASTRUCTURE LIMITED**  
**Profit and Loss Account for the year ended**

(All amounts in Indian Rupees except for share data or otherwise stated)

		2016 – 17	2015 – 2016
	<b>Note No's</b>	<b>Year Ended Mar'31, 2017</b>	<b>Year Ended Mar'31, 2016</b>
<b>INCOME</b>			
Turnover (Gross)			
Income from operations		2,043,250	2,425,140
Other Income		-	-
<b>Total Revenue</b>		<b>2,043,250</b>	<b>2,425,140</b>
<b>EXPENDITURE</b>			
Personal Cost	13	889,250	890,410
Administration expenses	14	659,413	928,570
Depreciation/amortization	8	-	-
<b>Total</b>		<b>1,548,663</b>	<b>1,818,980</b>
Exceptional items (Refer note no.18 of Schedule 20)		-	-
Profit before tax		<b>494,587</b>	<b>606,160</b>
Provision for taxation			
'- Current Year Tax		150,000	250,000
'- Deferred tax		-	-
<b>Total tax expense</b>		<b>150,000</b>	<b>250,000</b>
Profit/(Loss) from continuing operations		<b>344,587</b>	<b>356,160</b>
Balance brought forward from previous year		<b>(61,208,369)</b>	<b>(61,564,529)</b>
<b>Balance carried to Balance Sheet</b>		<b>(60,863,782)</b>	<b>(61,208,369)</b>
<b>Earnings per share</b>			
Basic		<b>0.01</b>	<b>0.01</b>
Weighted Number of Shares		<b>68,548,000</b>	<b>68,548,000</b>
Nominal value		<b>1</b>	<b>1</b>
<b>Notes to accounts</b>	<b>15</b>		

The Notes referred to above and the notes to accounts form an integral part of the Profit and Loss Account  
This is the Profit and Loss Account referred to in our report of even date.

Sd/-

**For M M REDDY & CO.,**  
Firm Registration No.010371S  
Chartered Accountants

For and on behalf of the Board of Directors of  
**SWAGRUHA INFRASTRUCTURE LIMITED**

Sd/-

M Madhusudhana Reddy  
Partner  
Membership No. 213077

Sd/-

N L Kalyani  
Managing Director  
DIN: 01669808

Place: Hyderabad  
Date: 29/05/2017

Sd/-

M Jayasimha Reddy  
Director  
DIN: 06490738

**SWAGRUHA INFRASTRUCTURE LIMITED**  
**Cash Flow Statement for the year ended March 31, 2017**

	2016 – 17	2015 – 16
	As at Mar'31, 2017	As at Mar'31, 2016
<b>A. Cash flow from operating activities</b>		
Net profit / (Loss) before tax	494,587	606,160
Adjustments for:		
Preliminary Expenses Written Off	-	-
Depreciation	-	-
Interest and other income received	-	-
Investment written off	-	-
Operating profit before working capital changes	494,587	606,160
Movements in working capital :		
Increase in Trade Receivables	(396,409)	(627,944)
Work in Progress (Product Development)	-	-
(Increase) /Decrease in Short term loans and advances	(90,330)	-
Increase in other current assets	-	-
increase in Trade Payables	-	29,431
<b>Cash generated from /(used in) operations</b>	<b>7,848</b>	<b>7,647</b>
Taxes paid	-	-
<b>Net cash used in /(generated from ) operating activities</b>	<b>7,848</b>	<b>7,647</b>
<b>B. Cash flows from investing activities</b>		
Purchase of fixed assets	-	-
Sale of fixed assets	-	-
Fixed deposits	-	-
Interest and other income received	-	-
<b>Net cash used in investing activities</b>	<b>-</b>	<b>-</b>
<b>C. Cash flows from financing activities</b>		
Proceeds Share capital	-	-
Other Short term Borrowings (Net)	-	-
Other Long term Secured & Unsecured Loans (Net)	-	-
Interest received	-	-
Interest paid	-	-
<b>Net cash generated from /(used in) financing activities</b>	<b>-</b>	<b>-</b>
<b>Net increase/(decrease) in cash and cash equivalents (A + B + C)</b>	<b>7,848</b>	<b>7,647</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>16,425</b>	<b>8,778</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>24,273</b>	<b>16,425</b>

This is the Cash Flow Statement referred to in our report of even date.

Sd/-

**For M M REDDY & CO.,**  
Firm Registration No.010371S  
Chartered Accountants

For and on behalf of the Board of Directors of  
**SWAGRUHA INFRASTRUCTURE LIMITED**

Sd/-

M Madhusudhana Reddy  
Partner  
Membership No. 213077

Sd/-

N L Kalyani  
Managing Director  
DIN: 01669808

Place: Hyderabad  
Date: 29/05/2017

Sd/-

M Jayasimha Reddy  
Director  
DIN: 06490738

**SWAGRUHA INFRASTRUCTURE LIMITED**

**Notes to Accounts**

(All amounts in Indian Rupees except for share data or otherwise stated)

	<b>2016 – 17</b>	<b>2015 – 16</b>
	<b>Year Ended Mar'31, 2017</b>	<b>Year Ended Mar'31, 2016</b>
<b>Note 1: Share Capital</b>		
<b>Authorised:</b> 7,50,00,000 Equity shares of Rs.1/- each	<b>75,000,000</b>	<b>75,000,000</b>
<b>Issues, Subscribed and Paid up</b> 6,85,48,000 Equity shares of Rs.1/- each Less: Calls-in-arrears	<b>68,548,000</b>	<b>68,548,000</b>
	<b>68,548,000</b>	<b>68,548,000</b>
<b>Reconciliation of shares outstanding at the beginning and at the end of the reporting period</b>		
Equity Shares outstanding at the beginning of the year	<b>68,548,000</b>	<b>68,548,000</b>
Add: Additional shares issued during the year		
Equity Shares outstanding at the closing of the year	<b>68,548,000</b>	<b>68,548,000</b>
<b>Terms/rights attached to equity shares</b> The company has only one class of equity shares having a par value of ` 10/- per share. Each holder of equity shares is entitled to one vote per share.  In the event of liquidation of the company, the holders of equity shares will be entitled to receive  remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held		
<b>Names of shareholders holding more than 5 % shares Equity Shares</b>	<b>No of Shares</b>	<b>No of Shares</b>
No Shareholder holds more than 5% Shares of the company		
N L Kalyani	31,264,000	31,264,000
	45.61%	45.61%
TIDEL SILK TECHNOLOGIES LIMITED	7,770,380	950,380
	11.34%	1.46%
BANSI PRASHAD KAYAST	7,957	6,827,957
	0.00%	10.52%
<b>Note 2: Reserves and Surplus</b>		
General Reserve		
Balance as per last account		-
<b>Capital Reserve</b>		
Forfeiture of shares on Capital Reduction		-
<b>Profit &amp; Loss A/c Surplus</b>		
Balance in the statement of profit & loss	(61,208,369)	(61,564,529)
Additions during the year	344,587	356,160
	<b>(60,863,782)</b>	<b>(61,208,369)</b>

<b>Note 3: Long – term borrowings</b>		
<b>Loans and advances from banks</b>		
<b>Term loans</b>		
From banks		-
From others – Directors (Unsecured)	-	-
	-	-
<b>Note 4: Deferred tax liabilities (Net)</b>		
Opening Balance	-	
Add / Less: Current year Provision	-	-
	-	-
<b>Note 5: Trade Payables</b>		
Creditors for suppliers		
Creditors for Expenses	314,725	314,725
	<b>314,725</b>	<b>314,725</b>
<b>Note 6: Other Current Liabilities</b>		
Other Liabilities (mobilization advance)	-	-
	-	-
<b>Note 7: Short – term provisions</b>		
Provision for Income tax	1,300,000	1,150,000
Others Provisions	-	-
	<b>1,300,000</b>	<b>1,150,000</b>
<b>Note 9: Trade receivables</b> <b>(Unsecured, considered good, unless otherwise stated)</b>		
Debts outstanding for a period exceeding six months		
Considered good		
Considered doubtful	6,624,800	-
Other debts	-	-
Receivables Less than Six months		
	2,043,250	8,271,641
Less: Bad Debts writeoff	8,668,050	8,271,641
	<b>24,273</b>	<b>16,425</b>
<b>Note 11: Short – term loans and advances</b>		
<b>Advances recoverable in cash or in kind or</b>		
<b>for value to be received</b>	-	-
<b>Less: Advances Written Off</b>	-	-
<b>Capital advances</b>	-	-
<b>Less: Capital Advances Written off</b>	-	-
Amount receivable on joint Venture	-	-
Amount receivable from Associate Concern	-	-
Other advances and deposits	-	-
Less: Other Advances and Deposits Written Off	-	-
<b>Note 12: Other current assets</b>		
TDS	490,720	<b>490,720</b>
Other	90,330	
	<b>581,050</b>	<b>928,570</b>

**SWAGRUHA INFRASTRUCTURE LIMITED**

**Notes to Accounts**

(All amounts in Indian Rupees except for share data or otherwise stated)

	<b>2016 – 17</b>	<b>2015 – 16</b>
	<b>Year Ended Mar'31, 2017</b>	<b>Year Ended Mar'31, 2017</b>
<b>Note 13: Personal Cost</b>		
Salaries and incentives	889,250	890,410
Staff welfare expenses	-	-
	<b>889,250</b>	<b>890,410</b>
<b>Note 14 : Administration expenses</b>		
Rates & Taxes	18,540	28,850
Office Maintenance	13,658	25,480
Traveling & Conveyance	22,540	50,487
Office Rent	84,000	218,810
Printing & Stationery	10,320	10,225
Site visit expenses	63,260	10,890
Brouchers and posters	10,240	20,367
Computer Maintenance	13,250	10,455
BSE & Other Fees	287,500	299,672
Communication expenses	25,410	5,780
Postage and couriers	2,540	7,482
Auditors remuneration	50,000	30,000
Electricity Charges	13,350	25,471
Professional Fee	25,000	25,000
Vehicle Maintenance	9,265	12,478
Other Expenses	10,540	159,601
	<b>659,413</b>	<b>928,570</b>

**SWAGRUHA INFRASTRUCTURE LIMITED**

**Notes to Accounts**

(All amounts in Indian Rupees except for share data or otherwise stated)

Particulars	Gross Block			Depreciation / amortization			Net Block	
	As at April 1, 2016	Additions	As at March 31 2017	As at April 1, 2016	For the year	As at March 31, 2017	As at March 31, 2017	As at March 31, 2016
Furniture and Fixtures	105,294	-	105,294	102,120	-	102,120	3,174	3,174
Office equipment	288,399	-	288,399	266,003	-	266,003	22,396	22,396
<b>Total</b>	393,693	-	393,693	368,123	-	368,123	25,570	25,570
<b>Previous year</b>	393,693	-	393,693	368,123	-	368,123	25,570	25,570



## Notes to Financial Statements

### Corporate Information

The company Swagruha Infrastructure Limited incorporated on 7th April 1994 and is in the business of Infrastructure Development.

#### 1. Significant Accounting Policies

##### a. Basis of preparation of Financial Statements

The accompanying financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention, on the basis of a going concern basis, while revenue, expenses, assets and Liabilities accounted/recognized on accrual basis. GAAP comprises mandatory accounting as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI) Accounting policies are consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. Management evaluates all recently issued or revised accounting standards on an ongoing basis.

##### b. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the required amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

##### c. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and revenue can be reliably measured.

##### d. Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation. Cost comprises the purchase price, freight, duties, taxes and any attributable cost of bringing the asset to its working condition for its intended use.

##### e. Depreciation

Depreciation on fixed assets has been provided on straight-line method based on useful life of asset specified in Schedule II of the Companies Act, 2013 on pro-rata basis.

##### f. Investments

Long term Investments are stated at cost. The short term investments of the parent company are valued and carried at cost or fair value whichever is lower. In case of sale of investments, the gain / loss brought into the books of account.

**g. Borrowing costs:**

Borrowing costs that are directly attributable to the acquisition or the construction of a qualifying asset is capitalized for the period until the asset is ready for its intended use. A qualifying asset is one that necessarily takes substantial period of time i.e more than 12 months to get ready for intended use. All other borrowing costs are charged to revenues

**h. Inventories**

Materials are valued at the lower of cost and estimated net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, reduced by the estimated costs of completion and costs to effect the sale.

**i. Income Tax**

- **Current tax:**

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961.

- **Deferred tax:**

Deferred income taxes is recognized, subject to the consideration of prudence on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date.

Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Where the Company has carry forward of unabsorbed depreciation or tax losses deferred tax assets are recognized only if it is virtually certain backed by convincing evidence that such deferred tax assets can be realized against future taxable profits.

**j. Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

**k. Provisions**

A Provision is recognized when the Company has a present obligation as a result of past event i.e it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

**l. Cash Flow Statement**

Cash Flow Statement has been prepared under indirect method as per the Accounting Standard-3 "Cash Flow Statement" .

**m. Cash and cash equivalents**

Cash and cash equivalents comprise cash and cash on deposit with banks and corporations. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

14. Contingent Liabilities and Commitments – NIL

15. Value of Imports and Exports - NIL

16. Auditors' Remuneration

Particulars	Amount in Rs.	
	Year ended 31 <sup>st</sup> March 2017	Year ended 31 <sup>st</sup> March 2016
Statutory Auditors	50,000	30,000

**17. Earnings Per Share**

S.No	Particulars	Amount in Rs.	
		Year ended 31 <sup>st</sup> March 2017	Year ended 31 <sup>st</sup> March 2016
1	Net Profit available for Equity Shareholders	3,44,587	3,56,160
2	Weighted Average Number Of Equity Shares (Nos)	685,48,000	685,48,000
3	Earnings Per Share – Basic and Diluted	0.01	0.01

18. Balances under Trade Receivable, Trade Payables, are subjected to confirmation and reconciliation from respective parties.

**19. Specified Bank Notes Disclosure (SBNs)**

In Accordance with the MCA Notification G.S.R. 308(E) dated March 30, 2017 details of Specified bank Notes (SBN) and other denomination notes (ODN) held and transacted during the period from November 8, 2016 to December 30, 2016 is given below;

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	3,69,000	27,740	3,96,740
(+) Permitted receipts	-	-	-
(-) Permitted payments	-	4,402	4,402
(-) Amount deposited in Banks	3,69,000	-	3,69,000
<b>Closing cash in hand as on 30.12.2016</b>	<b>-</b>	<b>23,338</b>	<b>23,338</b>

## 20. Segment Reporting

There are no separate reportable segments (business and/or geographical) in accordance with the requirements of Accounting Standard 17 – 'Segment Reporting' issued by the Institute of Chartered Accountants of India.

21. Previous year figures have been regrouped wherever if thought necessary in conformity with the current year groupings. Paise have been rounded off to the nearest rupee. Notes on financial statements, Cash Flow Statement and statement on accounting policies form an integral part of the balance sheet and profit and loss statement.

Sd/-

For M M REDDY & CO.,  
Firm Registration Number: 010371S  
Chartered Accountants

For and on behalf of the Board of Directors of  
**SWAGRUHA INFRASTRUCTURE  
LIMITED**

Sd/-

M Madhusudhana Reddy  
Partner  
Membership No. 213077

Sd/-

N L Kalyani  
Managing Director  
Din: 01669808

Place: Hyderabad  
Date: 29-05-2017

Sd/-

M Jayasimha Reddy  
Director  
Din: 06490738

## ROUTE MAP FOR AGM VENUE



**Form No. MGT-11**

**Proxy form**

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

CIN : L24134TG1994PLC017327  
Name of the company : Swagruha Infrastructure Limited  
Registered office : 362, 2nd Floor, 11th cross, 4th Main, 2nd Block (near BDA Shopping Complex),  
RT Nagar Bengaluru, Karnataka- 560032

Name of the member(s):

Registered Address:

E-mail Id:

Folio No. / Client

Id: DP ID:

I/We, being the member (s) of ..... shares of the above named company, hereby appoint

1. Name : .....

Address:

E-mail Id:

Signature: ..... or failing him

2. Name: .....

Address:

E-mail Id:

Signature: ..... or failing him

3. Name: .....

Address:

E-mail Id:

Signature: .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 23rd Annual General Meeting of the Company, to be held on Thursday, 28th September, 2017 at 9.30 A.M at 362, 2nd Floor, 11th cross, 4th Main, 2nd Block (near BDA Shopping Complex), RT Nagar Bengaluru, Karnataka- 560032 and at any adjourned meeting thereof in respect of such resolutions as are indicated below:

**Resolutions:**

1. Approval of financial statements for the year ended 31.03.2017
2. Appointment of Mr. Babu Sahebe Shaik as a director of the company who retires by rotation.
3. Appointment of statutory auditors and fixation of their remuneration in place of retiring auditor.
4. Appointment of Mr. M. Sridhar as Independent Director of the Company

Signed this ..... day of..... 2017

Signature of shareholder

Signature of Proxy holder(s)

Affix Rs. 1/-  
Revenue  
Stamp

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

**SWAGRUHA INFRASTRUCTURE LIMITED**

**362, 2nd Floor, 11th cross, 4th Main, 2nd Block (near BDA Shopping Complex), RT Nagar Bengaluru, Karnataka- 560032**

**ATTENDANCE SLIP**

(Please present this slip at the Meeting venue)

I hereby record my presence for the 23rd Annual General Meeting of the Company, to be held on Thursday, 28<sup>th</sup> September, 2017 at 9.30 A.M at 362, 2nd Floor, 11th cross, 4th Main, 2nd Block (near BDA Shopping Complex), RT Nagar Bengaluru, Karnataka- 560032 and at any adjourned meeting thereof.

Shareholders/Proxy's Signature \_\_\_\_\_

Shareholders/Proxy's full name \_\_\_\_\_

(In block letters)

Folio No./ Client ID \_\_\_\_\_

No. of shares held \_\_\_\_\_

**Note:**

Shareholders attending the meeting in person or by proxy are required to complete the attendance slip and hand it over at the entrance of the meeting hall.

## **SWAGRUHA INFRASTRUCTURE LIMITED**

H. No. 362, 2nd Floor, 11th Cross,  
4th Main, 2nd Block, R. T. Nagar,  
Bengaluru - 560032, Karnataka.  
Phone: 080 - 69000599 / 699

E: [info@swagruhainfra.com](mailto:info@swagruhainfra.com)  
W: [www.swagruhainfrastructure.com](http://www.swagruhainfrastructure.com)