

## 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.