

BOARD OF DIRECTORS	Mr.D.V.Manohar	Chairman & Managing Director
	Mr.B.K.Sinha	Director (Independent)
	Mr.R.Prabhakar Rao	Director (Independent)
	Dr.A.Balasetti	Director (Non-Independent)
	Dr.Gorantla Govindaiah	Director (Independent)
	Mr.V.Subrahmanyam	Director (Independent)
	CA.A.P.Vitthal	Director (Independent)
	Ms.Deekshita Dontamsetti	Woman Director (Non-Independent)
COMPANY SECRETARY	CS.T.Lalitha Devi	
AUDITORS	M/s.Venugopal & Chenoy	
	Chartered Accountants	
	Hyderabad.	
BANKERS	Allahabad Bank	
REGISTRARS & SHARE TRANSFER AGENTS	M/s.XL Softech Systems Ltd	
	3, Sagar Society	
	Road No.2, Banjara Hills,	
	Hyderabad - 500034 (Telangana)	
	Tel : 91-40-23545913/14/15	
	Fax : 91-40-23553214	
REGISTERED OFFICE	Venus Plaza,	
	Adjacent to old Airport,	
	Begumpet, S.P. Road,	
	Hyderabad - 500016 (Telangana)	
	Tel : 91-40-27902929	
	Fax: 91-40-27908989	
PLANT	Nemam Village,	
	Beach Road,	
	Kakinada - 533005 (A.P)	

## NOTICE

NOTICE IS HEREBY GIVEN THAT THE TWENTY FOURTH ANNUAL GENERAL MEETING OF THE MEMBERS OF SRI HAVISHA HOSPITALITY AND INFRASTRUCTURE LIMITED (FORMERLY SHRI MATRE POWER AND INFRASTRUCTURE LIMITED AND SHRI SHAKTI LPG LIMITED) WILL BE HELD ON WEDNESDAY, THE 27<sup>TH</sup> SEPTEMBER 2017 AT 11.00 A.M. AT HARI HARA KALA BHAVAN, S.P. ROAD, SECUNDERABAD TO TRANSACT THE FOLLOWING BUSINESS:

### ORDINARY BUSINESS :

1. To receive, consider and adopt the financial statements of the Company for the year ended 31<sup>st</sup> March 2017 including Audited Balance Sheet as at 31<sup>st</sup> March 2017 and Statement of Profit and Loss Account for the year ended on that date and the reports of the Auditors' and Directors' thereon.
2. To appoint a Director in place of Dr.A.Balasetti (DIN 07361951), Director (Non-Independent), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Statutory Auditors of the Company and fix their remuneration.

To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and any other applicable provisions of the Companies Act, 2013 if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof, M/s. P.Suryanarayana & Co., Chartered Accountant, (Firm Registration No.009288S be and is hereby appointed as the Statutory Auditors of the Company, in place of the retiring Statutory Auditors M/s. Venugopal & Chenoy, Chartered Accountants, Hyderabad (Firm Regn. No. 0046715), to hold office from the conclusion of this 24<sup>th</sup> Annual General Meeting for a term of consecutive five years till conclusion of the 29<sup>th</sup> Annual General Meeting of the Company to be held in 2022, subject to ratification of their appointment by the members at every Annual General Meeting held after this Annual General Meeting, on such remuneration including applicable taxes and out of pocket expenses as may be determined by the Board of Directors of the Company.

By Order of the Board

For Sri Havisha Hospitality and Infrastructure Limited

Sd/-

T.Lalitha Devi

Company Secretary

PLACE : HYDERABAD

DATE : 02-09-2017

## NOTE :

1. A member entitled to attend and vote at the Meeting is entitled to appoint a Proxy and the Proxy so appointed need not be a Member of the Company.
2. The Proxy forms in order to be effective must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
3. The Register of Members and Share Transfer Books of the company will remain closed on 26 & 27<sup>th</sup> Septemeber 2017 for the purpose of Annual General Meeting.
4. The Securities and Exchange Board of India (SEBI) has mandated the submission of copy of PAN card to the Company/ Depository Participants as the case may be. Members holding shares in physical form should submit their PAN details to the Company/RTA.
5. Members are requested to notify any change of address:
  - a. To their depository participants (DP) in respect of shares held in dematerialized form, and
  - b. To Registrar and Share Transfer Agent of the Company - M/s. XL Softech Systems Ltd. at the address given in the annual report, in respect of shares in physical form. To notify their change of address/residential status/email-id, etc., if any, under their signatures and quoting respective folio number.
6. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible.
7. Members are requested to bring their Client ID and DP ID or Folio Numbers, as may be applicable, for easy identification of attendance at the meeting.
8. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of Board resolution authorizing their representative to attend and vote on their behalf at the Meeting.
9. Kindly bring your copies of the Annual Report to the meeting.
10. In terms of Circular No. 17/2011 dated 21.04.2011 and Circular No. 18/2011 dated 29.04.2011 issued by the Ministry of Corporate Affairs, under Green initiative in the Corporate Governance all the members are requested to intimate their e-mail address to the Company's Registrar and Transfer Agents whose e-mail id is [xlfield@gmail.com](mailto:xlfield@gmail.com) mentioning the Company's name, so as to enable the company to send the Annual Report and Accounts, Notices and other documents through Electronic Mode to their e-mail address.
11. Electronic copy of the Annual Report for the financial period ended 31.03.2017 is being sent to all the members whose email IDs are registered with the Company/RTA/Depository Participants(s) for communication purposes. For members who have not registered their email address, physical copy of the Annual Report is being sent in the permitted mode.
12. The company has appointed M/s. Krishna Kumar & Associates, represented by CS A. Krishna Kumar, Practicing Company Secretary, who in the opinion of the Board is a duly qualified person, as

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a Scrutinizer who will collate the electronic voting process in a fair and transparent manner. The Scrutinizer shall within a period of three working days from the date of conclusion of the shareholders meeting, submit his report after consolidation of e-voting and the votes in the shareholders meeting, cast in favour of or against, if any to the Chairman of the company or a person authorized by him in writing. Results will be uploaded on the Company's website as well as intimated to the Stock Exchanges where the company's shares are listed.

14. Pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a brief profile of the Director eligible for re-appointment vide item no. 2, is as follows :

Particulars	DRA.BALASETTI
DIN	07361951
Date of Birth	11-06-1948
Date of Appointment	14-11-2015
Qualifications	MD
Experience in specific functional areas	Reputed Physician and CEO of a Hospital at USA
Directorships held in other listed entities	NIL
Membership / Chairmanship of Committees of listed entities (includes only Audit Committee and Stakeholder's Relationship Committee)	NIL
Number of shares held in the company	168840 (Joint Holder)
Relationship with any Director(s) of the Company	NIL

The instructions for members for voting electronically are as under :-

#### Voting through electronic means

The instructions for Shareholders for e-voting are as under :

(a) In case of Shareholders' receiving e-mail from NSDL :

- (i) Open e-mail and open PDF file viz; "remote e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
- (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
- (iii) Click on Shareholder - Login
- (iv) Put user ID and password as initial password noted in step (i) above. Click Login.
- (v) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is

strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (vi) Home page of e-Voting opens. Click on e-Voting: Active Voting Cycles.
  - (vii) Select "EVEN" of Sri Havisha Hospitality and Infrastructure Limited
  - (viii) Now you are ready for e-Voting as Cast Vote page opens
  - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
  - (x) Upon confirmation, the message "Vote cast successfully" will be displayed
  - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote
  - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail akkfcs@yahoo.co.in with a copy marked to evoting@nsdl.co.in.
- (b) **In case of Shareholders' receiving notice of Annual General Meeting by Post :**
- (i) Initial password is provided as below/at the bottom of the address sticker.

EVEN (E Voting Event Number)	USER ID	PASSWORD/PIN
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- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
  - (a) If you are already registered with NSDL for e-voting then you can use your existing user ID and password for casting your vote.
  - (b) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

By Order of the Board  
For Sri Havisha Hospitality and Infrastructure Limited

Sd/-  
T.Lalitha Devi  
Company Secretary

PLACE : HYDERABAD  
DATE : 02-09-2017

**DIRECTORS' REPORT**

To

The Shareholders,

Sri Havisha Hospitality & Infrastructure Ltd.

**1. INTRODUCTION**

Your Directors have pleasure in presenting their report together with audited accounts for the financial year ended 31<sup>st</sup> March, 2017

**2. FINANCIAL PERFORMANCE**

The Financial performance of the Company for the Financial Year 2016-17 is indicated below :

Particulars	2016-17 (₹)	2015-16 (₹)
Gross Income	23,875	0
Less : Expenditure excluding Interest, Depreciation & prior period and Extraordinary items	9,31,74,332	77,67,075
Profit / (Loss) before Interest, Depreciation & prior period and Extraordinary items	(9,31,50,457)	(77,67,075)
Interest	-	-
Profit / (Loss) before Depreciation	(9,31,50,457)	(77,67,075)
Depreciation	2,16,03,119	2,74,55,546
Profit / (Loss) before prior period and Extraordinary items	(11,47,53,576)	(3,52,22,621)
Net Profit / (Loss) before provision for Taxation	(11,47,53,576)	(3,52,22,621)
<b>Net Profit / (Loss)</b>	<b>(11,47,53,576)</b>	<b>(3,52,22,621)</b>

During the year, the company incurred a loss of ₹ 9,31,50,457 before depreciation (previous year loss of ₹ 77,67,075). After providing for depreciation amounting to ₹ 2,16,03,119 (previous year ₹ 2,74,55,546), the total loss for the year stood at ₹ 11,47,53,576 (previous year loss of ₹ 3,52,22,621). Increase in loss this year is mainly on account of disposal of old assets and accounting for loss on sale (₹ 512.08 Lakhs) and write off of unrealisable assets (₹ 305.22 Lakhs.)

**Future Outlook :**

As you are aware, members have accorded their approval for Alteration of the Objects Clause and Adoption of New Sets of Memorandum of Association and accordingly changed the name of our Company to Sri Havisha Hospitality & Infrastructure Limited so as to be in tune with the altered objects, pursuant to Section 13 read with Sections 4 & 6 and other applicable provisions of the Companies Act, 2013 through Postal Ballot Notice dated 8-8-2016 pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management & Administration) Rules, 2014.

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Accordingly, your company is actively pursuing various options as per the new objects clause. Your company shortlisted a few options and is now working on the same. It is expected that in the next few months, this process will be completed and your company will be able to commence its operations thereafter.

The revocation of suspension by both BSE and NSE is at an advanced stage. Your company has paid a total amount of around Rs 30.00 lakhs in February, 2017 towards various fees to BSE and NSE put together as part of the revocation process. It is understood that while the competent authorities at NSE approved the revocation and waiting for the BSE's revocation to be done, BSE is expected to revoke the suspension shortly.

As you are aware, your company is already debt free and thus in a better position to achieve its objectives once the above is accomplished.

It has always been the endeavor of your Directors to turn around the company and start business operations once again. Your Directors are putting in all out efforts and are leaving no stone unturned to achieve the same.

### 3. DEPLOYMENT OF FUNDS

	(₹) 31.03.2017	(₹) 31.03.2016
<b>Sources of Funds</b>		
Share Holders Funds	19,34,75,729	30,82,29,305
Non-Current Liabilities	0	21,58,467
Current Liabilities	8,95,39,684	8,23,56,239
<b>Total</b>	<b><u>28,30,15,413</u></b>	<b><u>39,27,44,011</u></b>
<b>Application of Funds</b>		
Non-Current Assets	6,27,22,308	15,54,65,137
Long Term Loans and Advances	5,65,051	35,65,051
Other Non-Current Assets	16,23,14,395	17,34,55,089
Current Assets	5,74,13,659	6,02,58,734
<b>Total</b>	<b><u>28,30,15,413</u></b>	<b><u>39,27,44,011</u></b>

### 4. SUBSIDIARY COMPANY

No subsidiary company.

### 5. DIVIDEND

As your Company still has accumulated losses, the Directors regret to inform you that they are not in a position to recommend any Dividend for the year ended 31.03.2017.

**6. DEPOSITS**

Your Company has not accepted any Deposits during the year.

**7. DIRECTORS**

In accordance with the provisions of the Companies Act, 2013, Dr. A. Balasetti (DIN 07361951), Director (Non-Independent) retires from office by rotation, and being eligible, offers himself for reappointment at the ensuing Annual General Meeting of the Company.

**8. BOARD MEETINGS**

The Board has a formal schedule of matters reserved for its consideration and decision. These include approving business strategy, setting performance targets, reviewing performance, approving investments, ensuring adequate availability of financial resources and reporting to the Shareholders. Board Meetings were held during the year on 30<sup>th</sup> May, 2016, 8<sup>th</sup> August, 2016, 12<sup>th</sup> November, 2016 and 13<sup>th</sup> February, 2017.

**9. DECLARATION BY INDEPENDENT DIRECTORS**

The Company has received necessary declaration from each Independent Director under Section 149(7) of the Companies Act, 2013, that he meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

**10. EVALUATION OF THE BOARD'S PERFORMANCE**

In compliance with the Companies Act, 2013 and Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the performance evaluation of the Board was carried out during the year under review. More details on the same are given in the Corporate Governance Report.

**11. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION**

The policy of the Company on Directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under Section 179(3) of the Companies Act, 2013, is adopted by the Board. We affirm that the remuneration paid to the Directors is as per the terms laid out in nomination and remuneration policy of the Company.

**12. AUDITORS****a) The Statutory Auditors :**

The Statutory Auditors M/s. Venugopal & Chenoy, Chartered Accountants, Hyderabad (Firm Regn. No. 004671S) who hold office until the conclusion of the this Annual General Meeting



will be retiring w.e.f. the conclusion of this Annual General Meeting. The Members are requested to approve the appointment of M/s.P.Suryanarayana & Co., Chartered Accountants as Statutory Auditors of the Company for a term of 5 years from the conclusion of 24<sup>th</sup> Annual General Meeting upto the conclusion of the 29<sup>th</sup> Annual General Meeting subject to the ratification of appointment by members at every Annual General Meeting on such remuneration as determined by the Board of Directors.

**b) Secretarial Auditors :**

According to the provisions of Sec.204 of the Companies Act, 2013, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, M/s. Krishna Kumar & Associates, represented by CS A. Krishna Kumar, Practicing Company Secretary has been appointed as the Secretarial Auditors for the year 2016-17. The Secretarial Audit Report for the FY 2016-17 forms part of this report.

**13. PERSONNEL**

During the year none of the employees is in receipt of remuneration in excess of the limits prescribed u/s. 197(12) of the Companies Act, 2013, read with Rule 5 (1) of the Companies (Appointment and Remuneration) Rules, 2014.

**14. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The Management Discussion and Analysis Report for the year under review as stipulated under SEBI (LODR) Regulations, 2015 is presented separately and the same forms part of this report.

**15. RISK MANAGEMENT COMMITTEE**

The Risk Management Committee Comprises of the following Directors:

SRI D.V.MANO HAR, CHAIRMAN

SRI A.P.VITHAL, DIRECTOR

SRI B.K.SINHA, DIRECTOR

**The Committee helps in :**

- Assisting the Board in fulfilling its corporate governance oversight responsibilities with regard to the identification, evaluation and mitigation of strategic, operational and external environment risks.
- Monitoring and approving the risk management framework and reviewing and approving risk related disclosures.

**16. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

Though, pursuant to the provisions of Section 135 read with Schedule VII of the Companies Act, 2013, the company does not fall under the criteria of CSR Policy, the Company is actively promoting cycling which is the most eco friendly means of commuting.

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**17. CORPORATE GOVERNANCE**

A brief report on Corporate Governance in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, is annexed.

**18. DEMATERIALISATION OF SHARES**

Around 55% of the paid up Equity Share Capital of the Company was dematerialized as on 31<sup>st</sup> March 2017 and balance Paid Up Equity Share Capital is in physical form. The Company's Registrars are XL Softech Systems Ltd., 3, Sagar Society, Banjara Hills, Hyderabad.

**19. REMUNERATION RATIO OF THE DIRECTORS**

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial personnel) Rules 2014 and Companies (Particulars of employees) Rules 1975 in respect of employees of the Company and Directors is furnished below:

Rs.in Lakhs

Sl. No	Name of the Director	Designation	Remuneration 2016-17	Remuneration 2015-16	Increase in Remuneration	Ratio / times of Median of Employee Remuneration
1.	Sri.D.V.Manohar	Chairman & Managing Director	13.32	13.32	Nil	Nil (As there was No increase)

Sl. No	Name of the Key Managerial Personnel	Designation	Remuneration 2016-17	Remuneration 2015-16	Increase in Remuneration	Ratio / times of Median of Employee Remuneration
1.	Ms.T.Lalitha Devi	Company Secretary	6.00 (For 12 Months)	1.5 (For 3 Months)	Nil	Nil
2.	Sri.V.Padmanabham	Chief Financial Officer	4.60	4.60	Nil	Nil

**20. LISTING WITH STOCK EXCHANGE**

The Company's securities continue to be listed at the BSE Ltd. and National Stock Exchange of India Ltd. The new Listing Agreement as per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been entered with both the Stock Exchanges.

**21. DIRECTORS RESPONSIBILITY STATEMENT AS REQUIRED UNDER SECTION 134(3) (C) OF THE COMPANIES ACT, 2013.**

Pursuant to the requirement under Section 134(3)(c) of the Companies Act, 2013 with respect to Directors Responsibility Statement, it is hereby confirmed:

- (i) that in the preparation of the accounts for the financial year ended 31<sup>st</sup> March, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of your Company at the end of the financial year and of the profit or loss of your Company for the year under review;
- (iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the Provisions of the Companies Act, 2013 for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities.
- (iv) that the Directors have prepared the accounts for the financial year ended 31<sup>st</sup> March, 2017 on a 'going concern' basis.
- (v) The Directors have laid down internal financial controls, which are adequate and are operating effectively.
- (vi) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

**22. 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 forms part of this Annual Report.

**23. CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION AND FOREIGN EXCHANGE**

Information under sub-section (3)(m) of Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 is given below:

**A. CONSERVATION OF ENERGY****Energy Consumption measures taken:**

- a. The Company in its first year of operation itself has initiated effective measures for saving all forms of Energy. The measures taken were as under:

- Installed automatic un-loaders on Air Compressors to operate on reaching the adequate pressure required for bottling operations and to run the equipment in no load condition at Kakinada Terminal.
  - The street lights and plant lighting circuits are modified so that during non-working hours only 30% of the lights are illuminated at Kakinada Terminal.
  - The bulk and bottling operations are synchronized to optimize the running of the LPG and related equipment at Kakinada Terminal.
- b. Additional investments and proposals, if any being implemented for reduction in consumption of energy. The proposals are :
- Installed 25 KVA Generator set for exclusive lighting load in the absence of SEB supply during non-working hours at Kakinada Terminal.
- c. Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of bottling.
- d. Total Energy Consumption and Energy Consumption per unit of product.

#### Energy Conservation Measures :

The following Energy Conservation Measures were implemented during the year.

1. Auto switching off of A/c Units, Exhaust Fans, Street Lights.
2. Reduction in compressed air consumption by fixing Regulators and Auto Controllers.

#### Power & Fuel Consumption at Bottling Plants:

Particulars	Unit	
Purchased Unit	KWH	8,664
Rate	Rs./KWH	43.65
Total	Rs.	3,78,193/-

## B. TECHNOLOGY ABSORPTION

The Company has taken up several initiatives for undertaking Research and Development (R&D) on Technology, Absorption, Adaptation and Innovation during the year. The Company has indigenously developed a Conversion Kit with fixed tank for Three Wheelers to run on LPG. The company holds two patents jointly with M/s. Automotive Research Association of India (ARAI) towards the same.

**C. FOREIGN EXCHANGE EARNINGS AND OUTGOINGS:**

(Rs. in Lakhs)

**Current Year**

1) Foreign Exchange earned	NIL
2) Foreign Exchange used	NIL
a. Import of Capital Goods	NIL
b. Import of raw materials and spares	NIL
c. Travelling and other expenditure	NIL

**ACKNOWLEDGEMENT**

The Board wishes to place on record its deep sense of gratitude and appreciation to all the Promoters and Shareholders for their whole hearted support to your Company. The Board also wishes to acknowledge the help and assistance rendered by the Banks, Dealers, Customers, Suppliers, Collaborators, Consultants and Contractors. The Board wishes to further record its gratitude to various Departments of the Government of Andhra Pradesh, Government of Telangana and Government of India and other State Governments for their support and encouragement given to your Company.

The Board records its appreciation for the contribution of all the team members of your Company.

For and on behalf of the Board of Directors

Sd/-

**D. V. MANOHAR**

**Chairman & Managing Director**

Place : Hyderabad

Date : 02.09.2017

## MANAGEMENT DISCUSSION AND ANALYSIS

Shri Havisha Hospitality And Infrastructure Limited (formerly known as Shri Matre Power and Infrastructure Limited (SMPIL) and Shri Shakti LPG Ltd (SSLPG) was originally engaged in the business of LPG marketing.

### INDUSTRY STRUCTURE AND DEVELOPMENTS

LPG marketing was the monopoly of the Government Oil Companies who had piled up a huge waitlist. The Government of India in 1993 permitted the private sector participation with a commitment that the subsidy enjoyed by the Government Oil Companies would be removed in a phased manner in the next few years. It had also committed that the commercial and industrial LPG markets in India would be reserved exclusively for the private sector, till the subsidy withdrawal in the domestic sector is completed. None of the promises were implemented as a result of which the private sector companies were unable to run the LPG business on a profitable basis due to the total absence of the level playing field.

After a long suffering due to Government policies explained above and enormous amount of toil that has gone in to developing LPG business as a largest Private Sector player, Company had to abandon that activity.

The Company is now in the process of identifying suitable diversification activities including solar energy, hospitality and tourism industry.

### OPPORTUNITIES AND THREATS

Your company has succeeded in implementing the strategy for its turn around which was as follows :

- a) One time Settlement (OTS) with term loan, working capital lenders and for unsecured loans wherein the entire accumulated interest along with considerable part of the principle amount is waived.
- b) Met OTS commitments and has become DEBT FREE.
- c) Most of the fixed assets other than land was disposed off and efforts are being made for realization of amounts for sale of balance assets. The amount when realised will be the seed capital for future new business.

### OUTLOOK

An area of diversification of Shri Matre Power & Infrastructure Limited (SMPIL) is Solar Energy and accordingly participating in various tenders for Solar Power Generation including the AP Government. In the AP Tender, SMPIL' s bid was the best at the location Amangal about 75 kms from Hyderabad. However, due to the bifurcation of the State in the meantime, the tender was cancelled.

The scenario of Solar Energy has drastically changed involving large out lay projects.

The Board decided that Hospitality and Tourism industry is one area with considerable potential particularly in the States of AP and Telangana. The Board accordingly decided that Company should

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explore possibility of acquiring /merging any other Company which is in Hospitality/Tourism business so that operations can be commenced within a short time. Keeping this in view it is proposed to broad base the Objective Clause in Memorandum of Association of Company and also change the name suitably to reflect new objectives.

As you are aware, members have accorded their approval for Alteration of the Objects Clause and Adoption of New Sets of Memorandum of Association and accordingly Change the Name of our Company to Sri Havisha Hospitality and Infrastructure Limited so as to be in tune with the altered objects, pursuant to Section 13 read with Sections 4 & 6 and other applicable provisions of the Companies Act, 2013 through Postal Ballot Notice dated 8-8-2016 pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management & Administration) Rules, 2014.

Accordingly, your company is actively pursuing various options as per the new objects clause. Your company shortlisted a few options and is now working on the same. It is expected that in the next few months, this process will be completed and your company will be able to commence its operations thereafter.

Your Directors are optimistic that your Company would succeed in the above and commence operations in diversified activities during the year 2017-18.

## **RISKS & CONCERNS**

The management of the company analyses and evaluates on a continuous basis the various risks associated with the business and adopts Risk Management Practices to minimize the adverse impact of these risks. Both external as well as internal developments are assessed regularly.

The management constantly scans the environment covering areas like market scenario, Government policies, National as well as global developments, technological changes etc. Business risks and uncertainties are identified and prioritized. Appropriate strategies are planned and implemented.

## **INTERNAL CONTROL SYSTEMS**

The company has an effective Internal Control System with respect to purchase and sale of inventory, fixed assets and goods. It has an internal audit department wherein audit of the transactions of the plants and the corporate offices are done at periodical intervals in order to ensure that recording and reporting are adequate and proper. The internal audit also verifies whether internal controls and checks and balances in the system are adequate, proper and upto date. Corrective actions for any weaknesses in the system that are disclosed by the audit are taken.

The Audit Committee consists of eminent Independent Directors. It reviews the important observations of the Internal Audit and suggests corrective action for the management to implement. It also meets periodically to review and recommend quarterly, half - yearly and annual financial statements of the company. The Committee also holds discussions with the Internal Auditors, Statutory Auditors and the Management on the matters relating to internal controls, auditing and financial reporting. The Committee also reviews with the statutory auditors, the scope and results of the audits.

**FINANCIAL PERFORMANCE VS. OPERATIONS PERFORMANCE**

During the year, the company incurred a loss of ₹ 9,31,50,457 before depreciation (previous year loss of ₹ 77,67,075). After providing for depreciation amounting to ₹ 2,16,03,119 (previous year ₹ 2,74,55,546), the total loss for the year stood at ₹ 11,47,53,576 (previous year loss of ₹ 3,52,22,621). Increase in loss this year is mainly on account of disposal of old assets and accounting for loss on sale (₹ 512.08 Lakhs) and write off of unrealisable assets (₹ 305.22 Lakhs).

**HUMAN RESOURCES & INDUSTRIAL RELATIONS**

The Company continues to maintain cordial industrial relations. Retention of the workforce is a key challenge considering the exponential growth in the industrial sector. The company has been consistently working on learning development of employees to enable them to take on larger responsibilities.

The company had on its rolls 7 permanent employees at the end of financial year 2016-17.

**CAUTIONARY STATEMENT**

Statement in this Management Discussion & Analysis describing the company's objectives, projected estimates and expectations may constitute forward looking statement within the meaning of applicable laws and regulations. Actual results might differ marginally or materially from those either expressed or implied.



## FORM NO.MGT 9

## EXTRACT OF ANNUAL RETURN

as at Financial Year ended 31st March, 2017

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

**I. REGISTRATION & OTHER DETAILS**

1	CIN	L40102TG1993PLC015988
2	Registration Date	13/07/1993
3	Name of the Company	SRI HAVISHA HOSPITALITY AND INFRASTRUCTURE LIMITED
4	Category/Sub-category of the Company	Public Limited
5	Address of the Registered Office & Contact details	Venus Plaza, Adjacent to Old Airport, Begumpet, Hyderabad-500 016 (Telangana) India.
6	Whether listed Company	YES
7	Name, Address & contact details of the Registrar & Transfer Agent, if any	M/s XL Softtech Systems Ltd., 3, Sagar Society, Banzara Hills, Hyderabad-500 034, Telangana State; Tel : 91-040-23545913/14/15, Fax : 91-040-23553214; email : xlfield@gmail.com website:www.xlsofttech.org

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10% or more of the total turnover of the company shall be stated)**

S.No.	Name of and Description of main products/services	NIC Code of the Product/service	% of total turnover of the Company
	NIL		

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (All the business activities contributing 10% or more of the total turnover of the company shall be stated)**

S.No.	Name of and Description of main products/services	NIC Code of the Product/service	% of total turnover of the Company
	NIL		

(Formerly SHRI MATRE POWER &amp; INFRASTRUCTURE LIMITED &amp; SHRI SHAKTI LPG LTD.)

## IV. SHAREHOLDING PATTERN (Equity Share Capital Break up as percentage of Total Equity) Category-wise Shareholding

Category of Shareholders	No. of shares held at the beginning of the year (as on 1st April 2016)				No. of shares held at the end of the year (as on 31st March 2017)				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	6627090	4162590	110789680	7.03	6627090	5936490	12563580	8.18	16.44
b) Central Govt						0			
c) State Govt						0			
d) Bodies Corp+-	2947005	34014600	36961605	24.07	2947005	33834600	36781605	23.96	-0.49
e) Banks/Fl						0			
f) Any Other -NRI	3626550	556500	4183050	2.72	3626550	0	3626550	2.36	-13.30
Total shareholding of Promoter (A)	13200645	38733690	51934335	33.83	13200645	39771090	52971735	34.60	2.00
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	0	149100	149100	0.10	0	0	0	0	-100.0
b) Banks/Fl	600000	0	600000	0.39	600000	0	600000	0.39	NOCHANGE
c) Central Govt									
d) State Govt									
e) VCF									
f) Insurance Cos.									
g) FIs									
h) FVCF									
i) Others									
Sub Total(B) (1)	600000	149100	749100	0.49	600000	0	600000	0.39	-19.90
<b>(2) Non-Institutions</b>									
<b>a) Bodies Corpo.</b>									
i) Indian	2980304	618000	3598304	2.34	22876354	112500	22988854	14.97	538.88
ii) Overseas									
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	15190825	9847704	25038529	16.31	15221930	6805899	22027829	14.35	-12.02
ii) Individual shareholders holding nominal share capital excess Rs.1 lakh	23141295	15621936	38763231	25.25	23503983	7610556	31114539	20.27	-19.73
c) Othes (specify) NRI	9315738	24136563	33452301	21.79	9331938	14500905	23832843	15.52	-28.76
<b>Overseas Corporate Bodies</b>									
<b>Foreign Nationals</b>									
<b>Trusts</b>									
<b>Foreign Bodies - DR</b>									
Sub Total(B) (2)	50628162	50224203	100852365	65.69	70934205	29029860	99964065	65.11	-17.77
Total Public Shareholding									
(B)=(B)(1)+(B) (2)	51228162	50373303	101601465	66.17	71534205	29029860	100564065	65.50	-1.02
<b>C. Shares hold by Custodian for GDRs &amp; ADRs</b>									
Grant Total (A+B+C)	64428807	89106993	153535800	100	84734850	68800950	153535800	100	NO CHANGE

(Formerly SHRI MATRE POWER &amp; INFRASTRUCTURE LIMITED &amp; SHRI SHAKTI LPG LTD.)

**B.Shareholding of Promoter**

S. No.	Shareholder's Name	Shareholding at the beginning of the Year			Shareholding at the end of the Year			% of change during the year	
		No.of Shares	% of total shares of the company	% of shares Pledged/Encumbered of Total Shares	No.of Shares	% of total shares of the company	% of shares Pledged/Encumbered of Total Shares		
1	NRI Prosperity Limited	11121000	7.24	0	11121000	7.24	0	No Change	0
2	NRI Prosperity Limited	9604500	6.25	0	9604500	6.25	0	No Change	0
3	Shri Shakti Cylinders Pvt Ltd	9179100	5.98	0	9179100	5.98	0	No Change	0
4	Venkat Manohar Dontamsetti / D.V.Manohar	6337080	4.13	0	8868480	5.77	0	1.65	
5	Shri Shakti Resorts &Hotels Ltd.	3300000	2.15	0	3300000	2.15	0	No Change	0
6	Shri Shakti Cylinders Pvt Ltd	2947005	1.92	0	2947005	1.92	0	No Change	0
7	Bharat H Barai	1407450	0.92	0	1407450	0.92	0	No Change	0
8	D Dharmin	1391700	0.90	0	1391700	0.90	0	No Change	0
9	D T Veni	753300	0.49	0	753300	0.49	0	No Change	0
10	Vijaya Aroor Kinni	655830	0.43	0	655830	0.43	0	No Change	0
11	Shri Shakti Cylinders Pvt Ltd	630000	0.41	0	630000	0.41	0	No Change	0
12	Jayant Haridas Barai	524910	0.34	0	524910	0.34	0	No Change	0
13	Jeeves Kundapur	522360	0.34	0	522360	0.34	0	No Change	0
14	Ranjan Jayant Sanghvi	468000	0.31	0	468000	0.31	0	No Change	0
15	D V Satya Kumar	401100	0.26	0	401100	0.26	0	No Change	0
16	Sujata Dontamsetti	336900	0.22	0	336900	0.22	0	No Change	0
17	D Appa Rao	305400	0.20	0	305400	0.20	0	No Change	0
18	Deekshita Dontamsetti	157800	0.10	0	157800	0.10	0	No Change	0
19	D V Prabhu Kumar	117600	0.08	0	117600	0.08	0	No Change	0
20	D Thriveni	94200	0.06	0	94200	0.06	0	No Change	0
21	Kamala Kumar	60300	0.04	0	60300	0.04	0	No Change	0
22	Vasantha Raja Sural	46800	0.03	0	46800	0.03	0	No Change	0
23	Abhiteja Dontamsetti	39900	0.03	0	39900	0.03	0	No Change	0
24	Trinadh Dontamsetti	36900	0.02	0	36900	0.02	0	No Change	0
25	Kishorchandra Tulsidas Maniar	1200	0.001	0	1200	0.001	0	No Change	0
26	B Vikram Reddy	556500	0.36	0	0	0	0	-100	0.36
27	D V Rajasekhar	266100	0.17	0	0	0	0	-100	0.17
28	Satya Pinjala	210000	0.14	0	0	0	0	-100	0.14
29	Shakti Schools Pvt Ltd	180000	0.12	0	0	0	0	-100	0.12
30	Ratna Reddy	60300	0.04	0	0	0	0	-100	0.04
31	Neelu Sruti	46800	0.03	0	0	0	0	-100	0.03
32	Pinjala Ramakrishna	42000	0.03	0	0	0	0	-100	0.03
33	Ravi Pinjala	41700	0.03	0	0	0	0	-100	0.03
34	Rekha Rajasekhar	23400	0.02	0	0	0	0	-100	0.02
35	Nikhila Pinjala	23400	0.02	0	0	0	0	-100	0.02
36	Ranjeet	21900	0.01	0	0	0	0	-100	0.01
37	Ranjan	21900	0.01	0	0	0	0	-100	0.01
<b>Total</b>		<b>51934335</b>	<b>33.83</b>	<b>0</b>	<b>52971735</b>	<b>34.50</b>	<b>0</b>		<b>1.65</b>

(Formerly SHRI MATRE POWER &amp; INFRASTRUCTURE LIMITED &amp; SHRI SHAKTI LPG LTD.)

## C.Changes in Promoters' Shareholding (Please specify, if there is no change - NO CHANGE)

S.No.	Particulars	Shareholding at the beginning of the year		Cumulative shareholding of the year	
		No.of shares	% of Total shares of the company	No.of shares	% of Total shares of the company
1	B Vikram Reddy	556500	0.36	0	0
2	D V Rajasekhar	266100	0.17	0	0
3	Satya Pinjala	210000	0.14	0	0
4	Shakti Schools Pvt Ltd	180000	0.12	0	0
5	Ratna Dontamsetti	60300	0.04	0	0
6	Neelu Sruti	46800	0.03	0	0
7	Pinjala Ramakrishna	42000	0.03	0	0
8	Ravi Pinjala	41700	0.03	0	0
9	Rekha Rajasekhar	23400	0.02	0	0
10	Nikhila Pinjala	23400	0.02	0	0
11	Ranjeet	21900	0.01	0	0
12	Ranjan	21900	0.01	0	0
13	D V Manohar	0	0	2531400	1.65
	<b>Total</b>	<b>1494000</b>	<b>0.98</b>	<b>2531400</b>	<b>1.65</b>

## D. Shareholding Pattern of top ten shareholders : (Other than Directors, Promoters, and Holders of GDRs and ADRs)

S.No.	Particulars	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	Shri Matre Power & Infrastructure Limited	0	0	20262738	13.20
2	Pethinaidu Surulinarayanasami	3508161	2.28	3508161	2.28
3	Govindaiah Gorantla	1622367	1.06	1622367	1.06
4	Bharat H Barai	1407450	0.92	1407450	0.92
5	Reeta Setty	1338660	0.87	1338660	0.87
6	Ansuya Mahesh Sachade	990561	0.65	990561	0.65
7	Yeshwant Chilakamarri	945360	0.62	945360	0.62
8	Vijaya Aroor Kinni	655830	0.43	655830	0.43
9	United Bank of India	600000	0.39	600000	0.39
10	Jayant Haridas Barai	524910	0.34	524910	0.34
	<b>Total</b>	<b>8085138</b>	<b>7.56</b>	<b>31856037</b>	<b>20.76</b>

(Formerly SHRI MATRE POWER &amp; INFRASTRUCTURE LIMITED &amp; SHRI SHAKTI LPG LTD.)

## E) Shareholding of Directors and Key Managerial Personnel

S.No.	Particulars	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	Mr. D.V. Manohar	6337080	4.13	8868480	5.77
2	Mr. B.K. Sinha	0	0	0	0
3	Mr. R. Prabhakar Rao	0	0	0	0
4	Dr. A. Balasetti	168840	0.108	168840	0.108
5	Dr. Gorantla Govindaiah	1622367	1.06	1622367	1.06
6	Mr. V. Subrahmanyam	0	0	0	0
7	Mr. A.P. Vitthal	1500	0.0010	1500	0.0010
8	Ms. Deekshita Dontamsetti	157800	0.10	157800	0.10
9	Ms. T. Lalitha Devi	0	0	0	0
10	Mr. V. Padmanabham	0	0	0	0

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

## VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :

## A. Remuneration of Managing Director, Whole-Time Directors and/or Manager :

Rs. In lakhs

S.No.	Particulars of Remuneration	Name of the MD/WTD/Manager	Total Amount
		Sri D.V.Manohar	
1	Gross Salary (a) Salary as per provisions contained in Sec.17 (1) of the I.T.Act, 1961	11.52	11.52
	(b) Value of perquisites u/s (17(2) I.T.Act 1961	1.8	1.8
	Total	13.32	13.32

(Formerly SHRI MATRE POWER &amp; INFRASTRUCTURE LIMITED &amp; SHRI SHAKTI LPG LTD.)

**B. Remuneration to Other Directors :**

Rs. In lakhs

S.No.	Particulars of Remuneration	Name of the Directors					Total Amount
		Sri B.K.Sinha	Sri R.Prabhakar Rao	Sri V.Subrahmanyam	Sri A.P.Vithal	Dr.A.Balasetti	
1	<b>Independent Directors</b> Fee for attending board committee meeting	0.36	0.43	0.36	0.47	-	1.62
	Total	0.36	0.43	0.36	0.47		1.62
2	<b>Other Non-Executive Directors</b> Fee for attending board committee meeting					0.10	0.10
	Total	0.36	0.43	0.36	0.47	0.10	1.72

**C. Remuneration to Key Personnel**

Rs. In lakhs

S.No.	Particulars of Remuneration	Name of the Key Managerial Personnel		TOTAL
		CS	CFO	
1	Gross Salary			
	(a) Salary as per provisions contained in Sec.17 (1) of the I.T.Act, 1961	6.00	4.60	10.60
	(b) Value of perquisites u/s (17(2) I.T.Act 1961	0	0	0
	Total	6.00	4.60	10.60

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

A. COMPANY	NIL
B. DIRECTORS	NIL
C. OTHER OFFICERS IN DEFAULT	NIL

KRISHNA KUMAR A, FCS

KRISHNA KUMAR & ASSOCIATES  
COMPANY SECRETARIES

H. No 2-2-114/27, New Nallakunta

HYDERABAD-500044, TS

Ph.9849064163

E mail : akkfcs@yahoo.co.in

### Secretarial Audit Report

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

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2017

To,

SRI HAVISHA HOSPITALITY AND INFRASTRUCTURE LIMITED

(Formerly SHRI MATRE POWER &amp; INFRASTRUCTURE LIMITED &amp; SHRI SHAKTI LPG LTD.)

CIN: L40102TG1993PLC015988

Hyderabad.

Dear Sirs,

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

Based on our verification of the Company's books ,(except financial statements and books of accounts and related documents) papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2017 according to the provisions of :
  - i. The Companies Act, 2013 (the Act) and the rules made thereunder;
  - ii. The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder;

- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
  - iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there-under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
  - v. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act) viz.,
    - (a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 ;
    - (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ;
    - (c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
    - (d) The Securities and Exchange Board of India (Registrars to an Issue Companies Act and Share Transfer Agents) Regulations, 1993 regarding the companies Act, and dealing with client;
2. The 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 for the financial year under report.
- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Take overs) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - c. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - d. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
3. We have also examined the compliances with the applicable clauses of the following :
- i. Secretarial Standards issued by the Institute of company Secretaries of India
  - ii. The Listing Agreements entered into by the Company with the BSE and NSE.
4. During the financial year under review 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, etc., mentioned above subject to the following observations:

**OBSERVATIONS:**

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 provisions of the Foreign



Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of

- a) Foreign Direct Investment (FDI) were not attracted to the Company during the period under review.
  - b) Overseas Direct Investment (ODI) by Residents in joint venture/ Wholly Owned Subsidiary abroad were not attracted during the period under review.
  - c) External Commercial Borrowings were not attracted to the company during the period under review.
  - d) As per the information and explanations provided by the Company and its officers, agents, and authorised representatives during the conduct of the secretarial audit, we report that the Company has not made any GDR/ADRs or any Commercial instrument during the period under review.
4. We further report that
- i. 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.
  - ii. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
  - iii. Majority decision is carried through while the dissenting members' views if any, are captured and recorded as part of the minutes.
5. 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.
6. We have relied on the information supplied and representation made by the Company and its officers for systems and mechanism followed by the Company for compliance under the applicable Acts, Laws and Regulations to the Company.

For **KRISHNA KUMAR & ASSOCIATES,**

**Company Secretaries,**

**A. KRISHNA KUMAR**

FCS: 5356

CP : 4707

Place: Hyderabad

Date: 5<sup>th</sup> July, 2017

This report is to be read with our letter of even date which is annexed as Annexure - III and forms an

## NOTE : POINTS TO BE ATTACHED/INCLUDED IN DIRECTORS REPORT

## Form No. AOC-2

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

Form for disclosure of particulars of contracts/ arrangements entered into by the company with related parties referred to in sub- section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of material contracts or arrangements or transactions not at arm's length basis : NIL
  - (a) Name(s) of the related party and nature of relationship
  - (b) Nature of contracts / arrangements / transactions
  - (c) Duration of the contracts / arrangements / transactions
  - (d) Salient terms of the contracts or arrangements or transactions including the value, if any
  - (e) Justification for entering into such contracts or arrangements or transactions
  - (f) date(s) of approval by the Board
  - (g) Amount paid as advances, if any:
  - (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188
  
2. Details of material contracts or arrangement or transactions at arm's length basis : NIL
  - (a) Name(s) of the related party and nature of relationship
  - (b) Nature of contracts / arrangements / transactions
  - (c) Duration of the contracts / arrangements / transactions
  - (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
  - (e) Date(s) of approval by the Board, if any:
  - (f) Amount paid as advances, if any:

For and on behalf of the Board of Directors

Sd/-

**D. V. MANOHAR**

**Chairman & Managing Director**

Place : Hyderabad

Date : 02.09.2017

## A REPORT ON CORPORATE GOVERNANCE

[Pursuant to schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

In accordance with the Schedule V of the SEBI (LODR) Regulations, 2015 and some of the best practices followed internationally on corporate governance, the report containing the details of corporate governance systems and processes is as under :

### a) COMPANY'S PHILOSOPHY

Sri Havisha Hospitality and Infrastructure Ltd. is committed to the highest standards of Corporate Governance in all its activities and processes. The driving forces of Corporate Governance at Sri Havisha Hospitality and Infrastructure Ltd are its core competence and core values - Belief in Core Competence, people, leadership, consumer orientation and pursuit of excellence and strive to achieve the best in all the fields.

### b) BOARD OF DIRECTORS

#### i) Composition and Category of Directors:

The Board comprises of 8 Directors, who bring in a pool of collective knowledge from various disciplines. The Board has been constituted in a manner which will result in an appropriate mix of Independent and Non-Independent Directors. The Independent Directors bring independent judgment in the Board's deliberations and decisions. This has been done to preserve the independence of Board and effective discharge of its functions of Governance and Management. As on date the Board consists of Five (5) Independent Directors and Three (3) Executive/Promoter/Directors.

All the Independent Directors of the Company at the time of their first appointment to the Board and thereafter at the first meeting of the Board in every financial year give a declaration that they meet with the criteria of independence as provided under Companies Act, 2013 and Regulation 16 of SEBI (LODR) Regulations, 2015.

None of the Directors on the Board is a Member on more than 10 Committees and Chairman of more than 5 committees [as specified in Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015] across all the companies in which he is a Director.

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

(Formerly SHRI MATRE POWER &amp; INFRASTRUCTURE LIMITED &amp; SHRI SHAKTI LPG LTD.)

Name	Category	Designation	No. of meetings held during the last financial year	No. of meetings attended	No. of memberships in Boards of other Companies	Attendance of each Director at last AGM
Mr. D.V.Manohar	Promoter and Executive Director	Chairman and Managing Director	4	4	8	Yes
Dr. A. Balasetti	NRI Director	Director	4	1	1	No
Dr Gorantla Govindaiah	NRI Director	Director	4	1	-	No
Mr. B.K. Sinha	Independent and Non-Executive Director	Director	4	3	2	Yes
Mr. R. Prabhakara Rao	Independent and Non-Executive Director	Director	4	4	1	Yes
Mr. V. Subrahmanyam	Independent and Non-Executive Director	Director	4	3	-	Yes
Mr. A.P. Vitthal	Independent and Non-Executive Director	Director	4	4	1	Yes
Ms. Deekshitha Dontamsetti	Woman Director Non-Independent	Director	4	1	-	No

(i) **Board Meetings :**

The Board has a formal schedule of matters reserved for its consideration and decision. These include approving business strategy, setting performance targets, reviewing performance, approving investments, ensuring adequate availability of financial resources and reporting to the Shareholders. Board generally meets 4 times a year. The Directors are also given option of attending the Board Meeting through Video conferencing. During the year ended 31st March, 2017 the Board Meetings were held during the year on 30<sup>th</sup> May 2016, 8<sup>th</sup> August 2016, 12<sup>th</sup> November, 2016 and 13<sup>th</sup> February 2017. All relevant information as required under schedule II of the SEBI(LODR) Regulations, 2015 was placed before the Board from time to time.

(ii) **Shares held by Independent & Non-Executive Directors:**

None of the Independent and Non-Executive Directors held any Shares in the Company except Sri A.P. Vitthal, Independent Director, Dr. A. Balasetti and Dr. Gorantla Govindaiah, Non-Executive Directors, which is less than 2% of the total voting power of the company.

**(iii) Directors seeking appointment:**

Dr. A. Balasetti as Non-Independent Director who is liable to retire by rotation seeks re-appointment as a rotational director.

The Board of Directors at their duly held meeting on 2nd September 2017 recommended the re-appointment of Dr. A. Balasetti for his re-appointment on the rotational basis.

**SEPARATE MEETING OF INDEPENDENT DIRECTORS:**

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, a separate meeting of the Independent Directors of the Company was held on 25<sup>th</sup> March 2017 to review the performance of the Non-Independent Directors (including the Chairman) and the Board as whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties. The Independent Directors found the performance of Non-Independent Directors (including Chairman) and the Board as well as flow of information between the Management and the Board to be satisfactory.

**EVALUATION OF THE BOARD'S PERFORMANCE**

The Board has a formal mechanism for evaluating its performance and as well as that of its Committees and individual directors, including the Chairman of the Board based on the criteria laid down by Nomination and Remuneration Committee which included attendance, contribution at the meetings and otherwise, independent judgment, safeguarding of minority shareholders interest, adherence to Code of Conduct and Business ethics, monitoring of regulatory compliance, risk assessment and review of internal control systems, etc.

**i) Board Committees :**

To enable better and more focused attention on the affairs of the Company, the Board delegates certain matters to the Committees of the Board set up for the purposes.

**C AUDIT COMMITTEE****Composition and other details**

The Board has re-constituted its Audit Committee in accordance with Section 177 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The Composition of the Audit Committee is given below :

1. Mr. V. Subrahmanyam - Chairman (Independent Director)
2. Mr. A.P. Vitthal - Member (Independent Director)
3. Mr. B.K. Sinha - Member (Independent Director)
4. Mr. D.V. Manohar - Member (Chairman & Managing Director)

**Terms of Reference**

The Audit Committee reviews the audit reports submitted by the internal auditors,, statutory auditors, financial results, effectiveness of internal audit processes and the company's risk management strategy. Members possess adequate knowledge of Accounts, Audit, Finance, etc.

During the year under review, Mr. B.K. Sinha has attended 3 meetings, Mr. V. Subrahmanyam has attended 3 meetings, Mr. A.P. Vitthal has attended 4 meetings and Mr. D V Manohar has attended 4 meetings.

**d) NOMINATION AND REMUNERATION COMMITTEE****Composition and other details**

Scope of Nomination and Remuneration Committee is to review the performance of the Managing Director, after considering the company's performance, recommends to the Board remuneration including salary, perquisites to be paid to the Managing Director. The Company has only one Managerial Personnel at present i.e. Managing Director.

The remuneration committee Reconstituted and at present consists of three independent directors and one Promoter Director viz.,

1. Mr. V. Subrahmanyam - Chairman (Independent Director)
2. Mr. A.P. Vitthal - Member (Independent Director)
3. Mr. B.K. Sinha - Member (Independent Director)
4. Mr. D.V. Manohar - Member (Chairman & Managing Director)

**(iii) Remuneration Policy :**

The Remuneration Committee of the Board of the Company generally decides and makes recommendations to the Board about the remuneration to be paid to the Directors. The remuneration recommended to the Directors are, subject to the approval of the Members of the Company in the General Meeting. The Managing Director is paid a remuneration of ₹ 11,52,000/- and perquisites during the year.

The non Executive Directors are paid a sitting fee of ₹ 10,000/- each for the Board Meetings held during the year.

**e) SHAREHOLDER RELATIONSHIP COMMITTEE / INVESTORS' GRIEVANCE COMMITTEE**

The Shareholder Relationship Committee looks into Shareholders' and investors' grievances.

As a measure of good Corporate Governance and to focus on the shareholders' grievances towards strengthening investor relations, an Investors' Grievance Committee, as a sub-committee to the

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Board of Directors has been constituted. The Committee focuses on the strengthening of investor relations.

The Committee was re-constituted during the year as follows :

1. Mr. B.K. Sinha – Chairman (Independent Director)
2. Mr. A.P. Vitthal – Member (Independent Director)
3. Mr. V. Subrahmanyam – Member (Independent Director)
4. Mr. D.V. Manohar – Member (Chairman & Managing Director)

#### f) VENUE AND TIME OF THE LAST THREE ANNUAL GENERAL MEETINGS

Date	Venue	Time	No. of Special Resolutions	Members present by	
				Person	Proxy
30.09.2016	Hari Hara Kala Bhavan, Secunderabad	10.30 a.m.	3	56	3
28.09.2015	Hari Hara Kala Bhavan, Secunderabad	10.30 a.m.	1	58	6
29.09.2014	Hari Hara Kala Bhavan, Secunderabad	10.30 a.m.	1	51	0

#### g) DISCLOSURES

The Company has complied with the appropriate accounting policies and has ensured that they have been applied consistently and comply with material aspects with the accounting standards notified under section 133 of the Companies Act, 2013

There are no materially significant related party transactions i.e. transactions, material in nature, with its promoters, the Directors or the Management, their subsidiaries or relatives etc., having potential conflict with the interests of the company at large.

#### h) MEANS OF COMMUNICATION

The Company has a website viz., [www.shrishakti.com](http://www.shrishakti.com). The annual financial results are posted on the Company's website for the information of its shareholders. The audited financial results are generally published in the leading English Dailies and as well as in the vernacular (Telugu) Newspaper.

All material information about the Company is promptly sent through mail to the Indian Stock Exchanges where the Company's shares are listed and released to the Press for information of the public at large.

**i) VIGIL MECHANISM**

To strengthen its policy of corporate transparency, the company has established an innovative and empowering mechanism for employees. Employees can report to the Management their concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy.

**j) GENERAL SHAREHOLDERS INFORMATION****(a) Annual General Meeting**

The 24<sup>th</sup> Annual General Meeting of the Company will be held on 27<sup>th</sup> September, 2017 at Hari Hara Kala Bhavan, S.P. Road, Secunderabad - 500 003.

**(b) Financial results were approved as follows :**

Un-audited

- First Quarter - August, 2016
- Second Quarter - November, 2016
- Third Quarter - February, 2017

Audited

- Fourth Quarter - May, 2017

**(c) Book closure on 26<sup>th</sup> & 27<sup>th</sup> September, 2017****(d) During the year the main objects of the company have been altered so as to include the Hospitality business and also the name of the company has been changed from "Shri Matre Power and Infrastructure Limited" to "Sri Havisha Hospitality and infrastructure Limited" to be in tune with the altered objects after obtaining the members approval through postal ballot process and other statutory approvals.**

Accordingly, Certificate of Registration of the Special Resolution Confirming Alteration of Object Clause(s) and Certificate of Incorporation pursuant to Name Change have been received from Registrar of Companies, Hyderabad, Telangana State on 7th October 2016 and 4th November 2016 respectively.

**(e) The shares of the Company after capital reduction are listed on :**

- a) BSE Ltd. and National Stock Exchange of India Ltd.,
- b) The management has been vigorously following it up with both the exchanges for revocation of suspension on trading of our securities at both the Exchanges and it is expected that the suspension will be lifted shortly.
- c) Depository for Equity Shares : NSDL and CDSL.  
ISIN for the Company's Equity Shares : INE 293 B 01029  
STOCK CODE : BSE : 531322



NSE : SHAKTIGAS

**k) MARKET PRICE DATA : From 01.04.2016 to 31.03.2017**

During the period reported, the trading of company's shares is suspended.

**l) REGISTRAR AND SHARE TRANSFER AGENT :**

M/s. XL Softech Systems Ltd., whose address is given below has been appointed as Registrar & Share Transfer Agents for looking after the work related to Share registry for both physical and electronic modes.

**XL SOFTECH SYSTEMS LTD.,**

3, Sagar Society, Banjara Hills,  
Hyderabad - 500 034.

Tel : 91-040-23545913 / 14 /15

Fax : 91-040-23553214

E-mail : xlfield@gmail.com

Website : www.xlsoftech.org

**m) SHARE TRANSFER SYSTEM**

The Board has appointed the RTA XL Softech Systems Ltd, as Registrar and Share Transfer Agents for physical transfer of securities as well as dematerialization / rematerialization of securities.

**n) DISTRIBUTION OF SHAREHOLDING**

From	Range		No. of Shareholders		Share Amount	
		To	No.	%	In Rs.	%
Upto		5000	1248	10.83	573030	0.19
5001	-	10000	1237	10.74	1733604	0.56
10001	-	20000	4198	36.44	12690802	4.13
20001	-	30000	2464	21.39	13608120	4.43
30001	-	40000	253	2.20	1792970	0.58
40001	-	50000	277	2.40	2469768	0.80
50001	-	100000	902	7.83	12066636	3.93
100001 & Above			940	8.16	262136670	85.38
Total			11519	100.00	307071600	100.00

**o) OUTSTANDING GDRs/ADRs etc.**

The Company has not issued any GDRs / ADRs and there are no outstanding warrants or any convertible instruments.

**p) REGISTERED OFFICE/ADDRESS FOR CORRESPONDENCE**

SRI HAVISHA HOSPITALITY AND INFRASTRUCTURE LIMITED

Venus Plaza, Begumpet, Hyderabad-500 016

Phone : 040-27902929 ; Fax : 040-27908989

Email : info@shrishakti.com

Website: <http://www.shrishakti.com//>

**q) PLANT LOCATION**

- (a) Kakinada : SRI HAVISHA HOSPITALITY AND INFRASTRUCTURE LIMITED.  
Nemam (Village), Beach Road, Kakinada  
Phone : 0884-6563346

It is hereby confirmed that the Board and senior management personnel have affirmed compliance with the code of conduct for the financial year 2016-17.

for and on behalf of the Board of Directors

Place : Hyderabad

Date : 02.09.2017

Sd/-

**D. V. Manohar**

**Chairman & Managing Director**

## CEO & CFO CERTIFICATION

We, D.V.Manohar, Chairman & Managing Director and V. Padmanabham, Chief Financial Officer, to the best of our knowledge and belief, do hereby certify that

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

Sd/-  
D.V.Manohar  
Chairman & Managing Director

Sd/-  
V.Padmanabham  
Chief Financial Officer

Place : Hyderabad

Date : 02.09.2017

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND  
SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S  
CODE OF CONDUCT**

Pursuant to the schedule V (Part D) of SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, I hereby declare that all the Directors and designated employees in the senior management of the company have affirmed compliance with the respective codes for the Financial Year ended March 31, 2017.

Sd/-

D.V.Manohar

Chairman & Managing Director

Place : Hyderabad

Date : 02.09.2017

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

[Requirements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The Members of  
Sri Havisha Hospitality and Infrastructure Limited  
Hyderabad.

We have examined the compliance of conditions of corporate governance by Sri Havisha Hospitality and Infrastructure Limited for the year ended 31.03.2017 as per the relevant provisions of Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the period from 1st April 2016 to 31st March 2017.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for examining the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We state that generally no investor grievances 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 the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For VENUGOPAL & CHENOY  
CHARTERED ACCOUNTANTS

Sd/-  
(P.V.SRI HARI)  
Partner  
M.No.21961

Place: Hyderabad  
Date : 02.09.2017

## INDEPENDENT AUDITORS' REPORT

To

The Members,  
Sri Havisha Hospitality & Infrastructure Limited,  
Hyderabad.

### Report on the Standalone Financial Statements

We have audited the accompanying financial statements of Sri Havisha Hospitality and Infrastructure Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, and the Statement of Profit and Loss for the year then ended on that date, and a summary of the significant accounting policies and other explanatory information.

### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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 the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, 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 financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit 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 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 true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by 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 financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017;
- (b) in the case of the Statement of Profit and Loss, of the Profit of the Company for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in term of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in the paragraphs 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 appears from our examination of those books.
  - c. The Balance Sheet and 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 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 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<sup>st</sup> March, 2017, from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion, and to the best of our information and according to the explanations given to us:
  - i. There are no pending litigations for the company that will impact the financial position of the company;
  - ii. There are no foreseeable losses on long-term contracts including derivative contracts;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv. The Company has provided requisite disclosures in the standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management.

FRN : 004671S

Place: Hyderabad  
Date : 29.05.2017

For VENUGOPAL & CHENOY  
CHARTERED ACCOUNTANTS

Sd/-  
(P.V.SRI HARI)  
Partner  
M.No.021961



## ANNEXURE 'A' TO INDEPENDENT AUDITORS' REPORT

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

- (i) In respect of its fixed assets :
  - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets, on the basis of available information.
  - b. As explained to us, the fixed assets have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such physical verification.
  - c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) In respect of Inventories
  - a. The inventories have been physically verified by the management during the year.
  - b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c. According to the information and explanation given to us, the Company is maintaining proper records of inventory. There was no material discrepancies noticed on physical verification of inventory as compared to book record.
- (iii) The Company has not granted loans to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ("the Act")
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, investments, guarantees and securities.
- (v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public.
- (vi) We have been informed that, though maintenance of Cost Records has been prescribed by the Central Government for the company's product, the maintenance of such records are not applicable to the Company as the aggregate value of the turnover does not exceed the threshold limit prescribed.
- (vii) In respect of Statutory
  - 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, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Income tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax or Cess and other material statutory dues which were in arrears as at 31, March 2017 for a period of more than six months from the date they became payable.

(Formerly SHRI MATRE POWER &amp; INFRASTRUCTURE LIMITED &amp; SHRI SHAKTI LPG LTD.)

- b) According to the information given to us and records of the company examined by us, the particulars of Income tax, Sales Tax, Value Added Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty or Cess as at 31st March, 2017 which have not been deposited on account of any disputes pending are as under :

Sl. No.	Name of the Statute Nature of the Dues	Period to which the Amount relates	Forum where Dispute is pending	Amount ₹ in Lakhs
<b>EXCISE DEPARTMENT</b>				
1.	Customs Duty	2010-2011	CESTAT	352.77

- (viii) According to the information and explanation given to us and on the basis of examination of records, the Company has not defaulted in the repayment of loans along with interest to the banks during the year.
- (ix) In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of public issue. Accordingly, paragraph 3(ix) of the Order is not applicable.
- (x) In our opinion and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year, that causes the financial statements to the material misstated.
- (xi) According to the information and explanations given to us, and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of equity shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934.

For VENUGOPAL & CHENOY  
CHARTERED ACCOUNTANTS

Sd/-  
(P. V. SRI HARI)  
Partner  
M.No.021961

Place : Hyderabad  
Date : 29.05.2017

## ANNEXURE - 'B' TO THE AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of Sri Havisha Hospitality and Infrastructure Limited ("the Company") as of 31 March 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditors' Responsibility

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

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

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

### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

The company needs to document its procedures and controls vis a vis Internal controls Over Financial Reporting.

### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 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.

For VENUGOPAL & CHENOY  
CHARTERED ACCOUNTANTS

Sd/-

(P. V. SRI HARI)

Partner

M.No.021961

Place : Hyderabad  
Date : 29.05.2017

(Formerly SHRI MATRE POWER &amp; INFRASTRUCTURE LIMITED &amp; SHRI SHAKTI LPG LTD.)

## STATEMENT OF ASSETS AND LIABILITIES OF SHI HAVISHA HOSPITALITY AND INFRASTRUCTURE LIMITED

	Note No.	Figures at the end of March 31, 2017 ₹	Figures at the end of March 31, 2016 ₹
<b>I EQUITY &amp; LIABILITIES</b>			
<b>1. Share Holders Funds</b>			
a. Share Capital	2.1	307,071,600	307,071,600
b. Reserves & Surplus	2.2	-113,595,871	1,157,705
<b>2. Non-Current Liabilities</b>			
a. Long Term Borrowings	2.3	0	2,158,467
<b>3. Current Liabilities</b>			
a. Trade Payables	2.4	6,014,834	2,844,034
b. Other Current Liabilities	2.5	83,524,850	79,512,205
<b>Total</b>		<b>283,015,413</b>	<b>392,744,011</b>
<b>II ASSETS</b>			
<b>1. Non-Current Assets :</b>			
a. Fixed Assets :			
Tangible Assets	2.6	62,722,308	155,465,137
b. Long-Term Loans and Advances	2.7	565,051	3,565,051
c. Other Non-Current Assets	2.8	162,314,395	173,455,089
<b>2. Current Assets :</b>			
a. Inventories	2.9	56,454,543	56,454,543
b. Trade Receivables	2.10	0	2,745,487
c. Cash and Cash Equivalents	2.11	51,169	150,675
d. Short Term Loans and Advances	2.12	907,947	908,029
<b>Total</b>		<b>283,015,413</b>	<b>392,744,011</b>
Significant Accounting Policies and Notes to Accounts	2.17		

Our Report Attached

For VENUGOPAL & CHENOY,  
Chartered Accountants,Sd/-  
(CA P.V.SRI HARI)  
Partner  
Membership No.21961Sd/-  
(CS T.Lalitha Devi)  
Company Secretary

For and on behalf of the Board,

Sd/-  
(D.V.MANOHAR)  
Chairman & Managing DirectorSd/-  
(B.K.SINHA)  
Director

Place : Hyderabad

Date : 29.05.2017

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017**

	Note No.	Figures at the end of March 31, 2017 ₹	Figures at the end of March 31, 2016 ₹
<b>REVENUE :</b>			
Revenue from Operations	2.13	0	0
Other Income	2.14	23,875	0
Profit on sale of Asset		0	0
Amounts written back		0	0
<b>Total Revenue</b>		<b>23,875</b>	<b>0</b>
<b>EXPENSES :</b>			
Loss on Sale of Assets		51,270,811	
Employee Benefit Expenses	2.15	2,858,365	3,106,819
Administrative & Other Expenses	2.16	39,045,156	4,660,256
Depreciation	2.6	21,603,119	27,455,546
Total Expenses		114,777,451	35,222,621
Loss for the year		-114,753,576	-35,222,621
Add : Balance brought forward from previous year		-66,722,9853	-31,500,364
<b>Balance Carried to Balance Sheet</b>		<b>-181,476,561</b>	<b>-66,722,985</b>
Significant Accounting Policies and Notes to Accounts	2.17		

Our Report Attached

For VENUGOPAL & CHENOY,  
Chartered Accountants,

Sd/-

(CA P.V.SRI HARI)

Partner

Membership No.21961

Sd/-

(CS T.Lalitha Devi)

Company Secretary

For and on behalf of the Board,

Sd/-

(D.V.MANOHAR)

Chairman &amp; Managing Director

Sd/-

(B.K.SINHA)

Director

Place : Hyderabad

Date : 29.05.2017

(Formerly SHRI MATRE POWER &amp; INFRASTRUCTURE LIMITED &amp; SHRI SHAKTI LPG LTD.)

	Figures at the end of March 31, 2017 ₹	Figures at the end of March 31, 2016 ₹
<b>NOTE - 2.1 : SHARE CAPITAL</b>		
<b>Authorised Capital :</b>		
30,00,00,000 Equity Shares of ₹ 2/- each	600,000,000	600,000,000
<b>Total</b>	<u><u>600,000,000</u></u>	<u><u>600,000,000</u></u>
<b>Issued and Subscribed Capital</b>		
16,03,57,200 Equity Shares of ₹ 2/- each	320,714,400	320,714,400
<b>Total</b>	<u><u>320,714,400</u></u>	<u><u>320,714,400</u></u>
<b>Paid up Capital :</b>		
15,35,35,800 Equity Shares of ₹ 2/- each fully paid	307,071,600	307,071,600
<b>Total</b>	<u><u>307,071,600</u></u>	<u><u>307,071,600</u></u>

**Additional Notes :**

1. No New Shares were issued during the year.
2. The details of shares in the company held by each shareholder holding more than 5% of total Shares.

Name of the Shareholder	As at 31 <sup>st</sup> March 2017		As at 31 <sup>st</sup> March 2016	
	% of Shareholding	No.of Shares	% of Shareholding	No.of Shares
1. NRI Prosperity Limited	13.499	20,725,500	13.499	20,725,500
2. Shri Shakti Cylinders Pvt. Ltd.	7.897	12,126,105	7.897	12,126,105

(Formerly SHRI MATRE POWER &amp; INFRASTRUCTURE LIMITED &amp; SHRI SHAKTI LPG LTD.)

## NOTE 2.2 : RESERVES &amp; SURPLUS

	Figures at the end of March 31, 2017 ₹	Figures at the end of March 31, 2016 ₹
<b>A .Capital Reserve</b>		
As per Last Balance Sheet	2,000,000	2,000,000
Add : Profit on forfeiture of Shares	10,232,100	10,232,100
<b>B Revaluation Reserve</b>		
As per last year Balance Sheet	33,167,960	33,167,960
<b>C. General Reserve</b>		
Opening Balance	22,480,630	22,480,630
<b>D : Profit &amp; Loss Account as per annexure (B)</b>	<b>-181,476,561</b>	<b>-66,722,985</b>
Add : Depreciation pertaining to earlier years	0	0
Total	<u>-181,476,561</u>	<u>-66,722,985</u>
<b>Total</b>	<b><u>-113,595,871</u></b>	<b><u>1,157,705</u></b>

## NOTE 2.3 : LONG TERM BORROWINGS

	Figures at the end of March 31, 2017 ₹	Figures at the end of March 31, 2016 ₹
Security Deposit From Dealers	0	2,158,467
<b>Total</b>	<b><u>0</u></b>	<b><u>2,158,467</u></b>
<b>Additional Notes :</b>		
Unsecured	0	2,158,467



(Formerly SHRI MATRE POWER &amp; INFRASTRUCTURE LIMITED &amp; SHRI SHAKTI LPG LTD.)

	Figures at the end of March 31, 2017 ₹	Figures at the end of March 31, 2016 ₹
<b>NOTE - 2.4 : TRADE PAYABLES</b>		
Outstanding dues of Micro and Small Enterprises	0	0
Other than Micro and Small Enterprises	6,014,834	2,844,034
<b>Total</b>	<b>6,014,834</b>	<b>2,844,034</b>

**Disclosure relating to Micro and Small Enterprises:**

i) (a) The principal amount remaining unpaid to the supplier as at the end of the year	NIL	NIL
(b) The interest due on the above amount, remaining unpaid to the supplier as at the end of the year	NIL	NIL
ii) the amount of interest paid in terms of Section 16, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	NIL	NIL
iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the day during the year but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	NIL	NIL
(iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	NIL	NIL
(v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of Micro, Small and Medium Enterprises Development Act, 2006.	NIL	NIL

**NOTE - 2.5 : OTHER CURRENT LIABILITIES**

Other Payables	19,024,850	15,012,205
Others	64,500,000	64,500,000
<b>Total</b>	<b>83,524,850</b>	<b>79,512,205</b>

(Formerly SHRI MATRE POWER &amp; INFRASTRUCTURE LIMITED &amp; SHRI SHAKTI LPG LTD.)

( ₹ )

## NOTE 2.6 - FIXED ASSETS

DESCRIPTION OF ASSET	GROSS BLOCK		DEPRECIATION		NET BLOCK		
	AS AT 01.04.2016	ADDITIONS/DELETIONS/ ADJUSTMENTS 31.03.2017	AS AT 01.04.2016	FOR THE PERIOD ADJUSTMENTS 31.03.2017	UPTO 31.03.2017	AS AT 31.03.2017	AS AT 31.03.2016
LAND/DEVELOPMENT 47,100,780	0	0	0	0	0	0	47,100,780
BUILDINGS-FACTORY 4,876,201	17,491,230	0	17,491,230	0	438,155	13,053,184	0
BUILDINGS-OTHERS 14,790,552	22,169,968	0	22,169,968	0	271,028	7,650,444	0
PLANT & MACHINERY	558,104,596	0	418,758,526	20,857,520	366,445,285	123,819,226	88,697,605
COMPUTERS	3,770,925	131,100	3,902,025	36,416	0	3,807,341	94,684
<b>TOTAL</b>	<b>648,637,499</b>	<b>131,100</b>	<b>-458,419,724</b>	<b>21,603,119</b>	<b>387,148,913</b>	<b>127,626,567</b>	<b>155,465,137</b>
<b>PREVIOUS YEAR</b>	<b>1,100,184,663</b>	<b>0</b>	<b>1,100,184,663</b>	<b>27,455,546</b>	<b>0</b>	<b>944,719,526</b>	<b>182,920,683</b>

	Figures at the end of March 31, 2017 ₹	Figures at the end of March 31, 2016 ₹
<b>NOTE - 2.7 : LONG TERM LOANS &amp; ADVANCES</b>		
<b>Deposits</b>		
Deposits with Government Bodies	565,051	3,565,051
<b>Total</b>	<b>565,051</b>	<b>3,565,051</b>
Secured, Considered Good	0	0
Unsecured, Considered Good	565,051	3,565,051
Doubtful	0	0

**NOTE - 2.8 : OTHER NON-CURRENT ASSETS**

Other Advances and Deposits	95,712,291	106,747,568
Staff Advances & Employee Loans	2,104	107,521
Others	66,600,000	66,600,000
<b>Total</b>	<b>162,314,395</b>	<b>173,455,089</b>
Secured, Considered Good	0	0
Unsecured, Considered Good	162,314,395	173,455,089
Doubtful	0	0

**NOTE - 2.9 : INVENTORIES**

Stock of Cylinders, Regulators, Steel and ACK Spares	56,293,543	56,293,543
Finished Good	161,000	161,000
<b>Total</b>	<b>56,454,543</b>	<b>56,454,543</b>

Inventories are valued at cost or NRV whichever is lower

**NOTE - 2.10 : TRADE RECEIVABLES**

Outstanding for a period exceeding six months	0	2,745,487
Others	0	0
<b>Total</b>	<b>0</b>	<b>2,745,487</b>

Notes :

**Particulars of Trade Receivables**

Secured, Considered Good	0	0
Unsecured, Considered Good	0	2,745,487
Doubtful	0	0

	Figures at the end of March 31, 2017 ₹	Figures at the end of March 31, 2016 ₹
--	--	--

**NOTE - 2.11 : CASH & BANK BALANCES****Cash & Cash Equivalents****Balances with Banks :**

- In Current Accounts	50,437	123,900
Cash on hand	732	26,775
<b>Total</b>	<b>51,169</b>	<b>150,675</b>

**NOTE - 2.12 : SHORT TERM LOANS & ADVANCES**

Advance Income Tax & TDS (Net of Provision)	907,947	908,029
<b>Total</b>	<b>907,947</b>	<b>908,029</b>
Secured, Considered Good	0	0
Unsecured, Considered Good	907,947	908,029
Doubtful	0	0

**NOTE - 2.13 : REVENUE FROM OPERATIONS**

Sale of LPG	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

**NOTE - 2.14 : OTHER INCOME**

Bottling Charges	0	0
Sale of Cylinders	0	0
Interest received on Electricity deposit - KKD	23,875	0
<b>Total</b>	<b>23,875</b>	<b>0</b>

(Formerly SHRI MATRE POWER &amp; INFRASTRUCTURE LIMITED &amp; SHRI SHAKTI LPG LTD.)

	Figures at the end of March 31, 2017 ₹	Figures at the end of March 31, 2016 ₹
<b>NOTE - 2.15 : EMPLOYEE BENEFIT EXPENSES</b>		
Salaries & Wages	2,803,827	3,043,499
<b>Contribution to Provident Fund &amp; Other Funds</b>		
Provident Fund, EPS & EDLI	51,538	60,820
Staff Welfare Expenses	3,000	2,500
<b>Total</b>	<b>2,858,365</b>	<b>3,106,819</b>

**NOTE - 2.16 : ADMINISTRATIVE & OTHER EXPENSES**

Insurance	34,079	19,690
Rates & Taxes	1,238,792	340,661
<b>Payments to Auditors</b>		
As Auditors	60,000	60,000
For Taxation Matters	15,000	15,000
<b>Sundries</b>		
Security Charges	521,403	620,088
Travelling Expenses	732,241	125,016
Advertisement & Publicity	34,798	46,946
Postage, Telephone & Telex	34,052	45,805
Printing & Stationery	9,745	61,480
Bank Charges & Commission	5,047	4,292
Legal & Professional Fees	824,747	969,070
Transport & Conveyance	70,885	106,390
Power & Fuel	412,039	417,367
<b>Repairs</b>		
Machinery	51,860	37,531
Others	3,281	17,180
Amounts Written Off	30,525,668	0
Listing Fee	3,107,271	0
Office Maintenance	294,051	319,217
Directors Sitting Fee	172,000	187,000
RTA Charges	77,417	89,545
AGM Expenses	365,098	326,993
Miscellaneous Expenses	455,682	850,985
<b>Total</b>	<b>39,045,156</b>	<b>4,660,256</b>

## NOTES ON ACCOUNTS SCHEDULE

### 2.17 ACCOUNTING POLICIES :

#### 1. BASIS OF ACCOUNTING :

Financial Statements are prepared under historical cost convention, on accrual basis.

#### 2. FIXED ASSETS :

Fixed Assets are stated at cost less accumulated depreciation plus revaluation done on the basis of technical evaluation. Cost is inclusive of freight, duties, levies and any directly attributable cost of bringing the assets to their working condition for intended use.

#### 3. DEPRECIATION :

Depreciation on Fixed Assets provided as per the rates prescribed in Schedule - II to the Companies Act, 2013.

#### 4. INVENTORY VALUATION:

- a) Raw Materials and Stores and Spares are valued at cost.
- b) Finished goods are valued at lower of cost or net realisable value.
- c) Cylinders, Valves, Adaptors, Regulators and Steel are classified under stores and spares (Current Assets) and are valued at cost.

#### 5. INCOME RECOGNITION:

- a) Sales are inclusive of all taxes wherever applicable, and net of returns.
- b) Sales are accounted on dispatch of goods.
- c) Income on services is recognized on release of regulators.

#### 6. PRIOR PERIOD ADJUSTMENTS:

Expenditure / Income relating to prior period not exceeding ₹10,000/- in each case is debited/ credited to relevant Heads of Account.

#### 7. PREPAID EXPENSES:

Prepaid expenses not exceeding ₹10,000/- in each case are charged to revenue in the year of incurrence.

#### 8. FOREIGN CURRENCY TRANSACTIONS :

Foreign Currency transactions are accounted at equivalent rupee value.

#### 9. CLAIMS:

Claims are accounted on receipt / acceptance.

#### 10. INVESTMENT SUBSIDY:

Subsidies received from Governments, both Central and State, and from any other appropriate authorities, which are in the nature of capital receipt, are credited to Capital Reserve.

## 2.18 NOTES ON ACCOUNTS

## 1. CONTINGENT LIABILITIES

	As on 31.03.2017 ( ₹ )	As on 31.03.2016 ( ₹ )
Differential Customs Duties demanded by Customs authorities pending in Appeals	35,277,000	35,277,000

2. As the operations of the company by the way of bottling of LPG are going on and as the company has various new scheme of activities and plans for the future, the accounts of the Company for the year are drawn up 'on going concern' basis.

3. Balances standing to the debit/credit of parties are subject to reconciliation by the company confirmation by them and review by the Company.

4. "Other Non-Current Assets" represent amount encashed by The Kerala State Co-operative Consumer Federation Ltd. from State Bank of Hyderabad and Punjab National Bank by invoking guarantees given in their favour by the company and are considered good and recoverable by the Company, and the Company has filed a suit for the recovery of the amount.

5. All Current Assets as at 31.03.2017 have a value on realization in the ordinary course of business atleast value equal to amounts at which they have been stated in the Balance Sheet as on that date.

## 6. Quantitative details and value of consumption of materials, opening and closing stock.

	2016 -17			2015 -16		
	KKD	HYD	B'LORE	KKD	HYD	B'LORE
i. Annual Installed Capacity (MT)	0	0	0	0	0	0
ii. Production (MT)	-	0	0	-	0	0
iii. Capacity Utilisation Bottling of LPG (MT)%	-	0	0	-	0	0

(Formerly SHRI MATRE POWER &amp; INFRASTRUCTURE LIMITED &amp; SHRI SHAKTI LPG LTD.)

	2016 -17		2015 -16	
	Qty. MT	Value ( ₹ )	Qty. MT	Value ( ₹ )
iv. Opening Stock of LPG	0	0	0	0
v. Closing Stock	0	0	0	0
vi. Turnover : Bottled LPG	0	0	0	0

	2016-17		2015 -16	
	Qty. Nos.	Value ( ₹ )	Qty. Nos.	Value ( ₹ )
vii. Auto Conversion Kits				
- Closing Stock of Kits	23	161000	23	161000
- Kits Turnover	0	0	0	0

## 7. Managerial Remuneration ( ₹ )

	2016 -17		2015 -16	
	Salary ( ₹ )	Perks ( ₹ )	Salary ( ₹ )	Perks ( ₹ )
Managing Director	11,52,000	1,80,000	11,52,000	1,80,000



(Formerly SHRI MATRE POWER &amp; INFRASTRUCTURE LIMITED &amp; SHRI SHAKTI LPG LTD.)

9. Segment information for the year ended 31<sup>st</sup> March 2017

## (I) Information about Primary Business Segments ( ₹ )

	Liquified Petroleum Gas		Auto Conversion Kits		Total	
	2017	2016	2017	2016	2017	2016
<b>Revenue</b>						
External	0	0	0	0	0	0
Inter segment	0	0	0	0	0	0
<b>Total Revenue</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Result</b>						
Segment result	-114753576	-35222621	0	0	-114753576	-35222621
Unallocated expenditure net of unallocated income	0	0	0	0	0	0
Interest expenses	0	0	0	0	0	0
Interest income	0	0	0	0	0	0
Provision for Taxation	0	0	0	0	0	0
Profit/(loss) after taxation and before exceptional items	-114753576	-35222621	0	0	-114753576	-35222621
Exceptional items	0	0	0	0	0	0
<b>Net Profit/loss</b>	<b>-114753576</b>	<b>-35222621</b>	<b>0</b>	<b>0</b>	<b>-114753576</b>	<b>-35222621</b>
<b>Other information</b>						
Segment assets	282568413	392297011	447000	447000	283015413	392744011
Segment Liabilities	88295684	83270706	1244000	1244000	89539684	84514706
Capital Expenditure	0	0	0	0	0	0
Depreciation	21603119	27455546	0	0	27455546	27455546
Non-cash expenses other than depreciation	0	0	0	0	0	0

## (II) Notes :-

- (i) The company is organized into two main business segments namely
- Liquified Petroleum Gas - Comprising of Bulk and Packed LPG
  - Auto Conversion Kits - LPG conversion kits for three wheelers

Segments have been identified and reported taking into account the nature of products and services, the differing risks and returns, the organization structure, and the Internal financial reporting system

- (ii) Segment Revenue in each of the above domestic business segments primarily includes sales and bottling charges
- (iii) Segment revenue, results, assets and liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.

**10. Related Party Disclosures :**

Related party disclosures, as required by Accounting Standard 18, "Related Party Disclosures" issued by the institute of Chartered Accountants of India are given below :

**1) Key Management Personnel :****Directors :**

- a) Mr.D.V.Manohar
- b) Sitting fee of ₹ 1,72,000 (Previous Year - ₹ 1,87,000) was paid during the year to all the Directors (except Managing Director) for attending the Board Meetings.

**11. Related parties**

- a) M/s. Shri Shakti Resorts & Hotels Limited
- b) M/s. Shri Shakti Cylinders Private Limited

The company during the year had no transactions with the above related parties.

Previous Year's figures have been re-grouped/re-classified/re-stated as far as practicable and wherever necessary to confirm with current year presentation.

**12. Amounts have been rounded off to the nearest thousands.**

**For VENUGOPAL & CHENOY,**  
Chartered Accountants,

Sd/-

(CA P.V.SRI HARI)

Partner

Membership No.21961

**For and on behalf of the Board,**

Sd/-

(D.V.MANOHAR)

Chairman &amp; Managing Director

Sd/-

(CS T.Lalitha Devi)

Company Secretary

Sd/-

(B.K.SINHA)

Director

Place : Hyderabad

Date : 29.05.2017

**BALANCE SHEET ABSTRACT AND A COMPANY'S GENERAL BUSINESS PROFILE****I. Registration Details**State Code Registration No. Balance Sheet Date   **II. Capital Raised during the year (Amount in ₹)**

Public Issue

Rights Issue

Bonus Issue

Private Placement

**III. Position of Mobilisation and Deployment of Funds (Amount in `Thousands)**

Total Liabilities

Total Assets

Sources of Funds

Paid-up Capital

Reserves &amp; Surplus

Secured Loans

Unsecured Loans

Application of Funds

Net Fixed Assets

Investments

Net Current Assets

Misc. Expenditure

Accumulated Losses

**IV. Performance of Company (Amount in ` Thousands)**

Turnover

Total Expenditure

+ -

Profit / Loss Before Tax + - Profit / Loss After Tax

(Please tick appropriate box + for Profit - for Loss)

Earning per Share in Rs.

Dividend

(Formerly SHRI MATRE POWER & INFRASTRUCTURE LIMITED & SHRI SHAKTI LPG LTD.)

V. Generic Names of Three Principal Products/Services of Company (as per monetary terms)

Item Code No. 0 0 0 0 0 0 2 9 0 1

(ITC Code)

Product Description LIQUIFIED PETROLEUM GAS

Item Code No. 0 0 0 0 0 0 8 4 1 0

(ITC Code)

Product Description LPG CYLINDERS

Item Code No. 0 0 0 0 0 0 8 4 1 0

(ITC Code)

Product Description LPG REGULATORS

For and on behalf of the Board

Sd/-

D. V. MANOHAR  
Chairman & Managing Director

Sd/-

B.K.SINHA  
Director

Place : Hyderabad  
Date : 29.05.2017

(Formerly SHRI MATRE POWER &amp; INFRASTRUCTURE LIMITED &amp; SHRI SHAKTI LPG LTD.)

## CASH FLOW STATEMENT OF SRI HAVISHA HOSPITALITY &amp; INFRASTRUCTURE LIMITED AS AT 31ST MARCH, 2017

	YEAR ENDED 31.03.17	YEAR ENDED 31.03.16
	₹	₹
<b>A. Cash Flow From Operating Activities</b>		
Profit/Loss Before Tax And Extraordinary Items	-114,753,576	-35,222,621
Adjustments For:		
Depreciation	21,603,119	27,455,546
Foregin Exchange	0	0
Investments	0	0
Interest / Dividend	0	0
	<u>21,603,119</u>	<u>27,455,546</u>
<b>Operating Profit/Loss Before Working Capital Changes</b>	<b>-93,150,457</b>	<b>-7,767,075</b>
<b>Adjustments For :</b>		
Trade And Other Receivables	2,745,487	0
Inventories	0	0
Trade Payables	5,024,978	26,412,831
	<u>7,770,465</u>	<u>26,412,831</u>
<b>Cash Generated From Operations</b>	<b>-85,379,992</b>	<b>18,645,756</b>
<b>B. Cash Flow From Investing Activities</b>		
Addition of Assets	-131,100	0
Reduction of Assets	-71,270,810	71,139,710
<b>Net Cash Used In Investing Activities</b>	<b>0</b>	<b>-14,240,282</b>
<b>C. Cash Flow From Financing</b>		
Payment of Long Term Borrowings	0	0
Increase in Non-Current Assets	14,140,776	-18,944,289
<b>Net Cash Used In Financing Activities</b>	<b>14,140,776</b>	<b>-18,944,289</b>
<b>Net Increase In Cash And Cash Equivalentents</b>	<b>-99,506</b>	<b>-298,533</b>
Cash And Cash Equivalent As At 1.4.16	150,675	0
Cash And Cash Equivalent As At 31.3.17	51,169	150,675

For and on behalf of the Board of Directors

Place : Hyderabad  
Date : 29.05.2017Sd/-  
D.V.Manohar  
Chairman & Managing DirectorSd/-  
B.K.Sinha  
Director**Auditor's Certificate**

We have verified the above Cash Flow Statement compiled from the audited financial statements of M/s Sri Havisha Hospitality and Infrastructure Ltd. for the years ended 31.03.2017 and 31.03.2016. According to the information and explanations given to us, the above cash flow statement has been prepared in consonance with the applicable accounting standards on cash flow statements issued by the Institute of Chartered Accountants of India and found the same to be in accordance with the requirements of the amended clause 32 of the Listing Agreement with the Stock Exchanges.

For Venugopal & Chenoy  
Chartered AccountantsSd/-  
(CA P.V.Sri Hari)  
Partner  
M.No. 21961Place : Hyderabad  
Date : 29.05.2017

## ATTENDANCE SLIP

24<sup>th</sup> Annual General Meeting

## SRI HAVISHA HOSPITALITY AND INFRASTRUCTURE LTD

(Formerly SHRI MATRE POWER AND INFRASTRUCTURE LIMITED &amp; SHRI SHAKTI LPG LTD.)

CIN L40102TG1993PLC015988

Registered Office : Venus Plaza, Adjacent to Airport,

Begumpet, S.P. Road, Hyderabad - 500 016

Ph : 040-27902929/Fax : 040-27908989 ;

Email : info@shrishakti.com Website: <http://www.shrishakti.com//>

Date	Venue	Time
27 <sup>th</sup> September, 2017	Hari Hara Kala Bhavan, S.P. Road, Secunderabad	11.00 A.M

Name of the Shareholder	Folio/DP & Client ID No.	No.of shares

I Certify that I am a registered shareholder of the Company, holding above mentioned shares in the Company, and hereby record my presence at the 24<sup>th</sup> Annual General Meeting of the Company.

**Member's/Proxy Signature**

Note : Shareholder/Proxy holder wishing to attend the meeting must bring Admission Slip and handover the at the entrance duly signed.

24<sup>th</sup> Annual General Meeting**SRI HAVISHA HOSPITALITY AND INFRASTRUCTURE LTD**

(Formerly SHRI MATRE POWER AND INFRASTRUCTURE LIMITED &amp; SHRI SHAKTI LPG LTD.)

CIN L40102TG1993PLC015988

**PROXY FORM**

Registered Office : Venus Plaza, Adjacent to Airport, Begumpet, Hyderabad - 500 016

Phone : 040-27902929 / Fax : 040-27908989 ; Email : info@shrishakti.com ;

Website: <http://www.shrishakti.com//>**FORM NO. MGT - 11**

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

Name of the Member (s)

Email id :

Registered Address

Folio No/Client id

DP ID\*

I/We being the Member (s) of \_\_\_\_\_ shares of M/s Sri Havisha Hospitality and Infrastructure Ltd, hereby appoint :

1).....of.....having e-mail id.....or failing him/her

2).....of.....having e-mail id.....or failing him/her

3).....of.....having e-mail id.....or failing him/her

and whose signatures are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 24<sup>th</sup> Annual General Meeting of the Company, to be held on Wednesday, 27<sup>th</sup> September 2017 at 11.00 A.M. at Hari Hara Kala Bhavan, S.P. Road, Secunderabad and at any adjournment thereof in respect of such resolutions as are indicated below :

S.No	Resolutions	For	Against
	<b>ORDINARY BUSINESS</b>		
1.	To receive, consider and adopt the Audited Financial Statements for the financial year ended 31st March, 2017 - Ordinary Resolution		
2.	To appoint Dr.A.Balasetti who retires by rotation - Ordinary Resolution		
3.	To appoint Statutory Auditors in place of the retiring Statutory Auditors - Ordinary Resolution.		

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

Signature of Shareholder

Signature of Proxy holder(s)

Note :

The Proxy need not be a member of the Company.

The proxy form duly signed across Revenue Stamp should reach the Company's Registered Office atleast 48 hours before the time of the meeting.