

# **SEA GOLD INFRASTRUCTURE LIMITED**

**(formerly known as Sea Gold Aqua Farms Limited)**

**Twenty Second Annual Report  
2015-2016**

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## **CORPORATE INFORMATION**

### **BOARD OF DIRECTORS**

Sri. Venkata Krishna Reddy Panati	Managing Director
Sri. Syed Khaleel Ahmed	Independent and Non-Executive Director
Sri. Venkata Satish Veerapaneni	Independent and Non-Executive Director
Sri. Rajasekhar Reddy Mathuru	Promoter and Non-Executive Director
Sri. Sathaiah Bathula	Independent and Non-Executive Director
Smt. Vijayalakshmi Panati	Promoter and Non-Executive Director

**CORPORATE IDENTIFICATION NUMBER: L70200TG1993PLC016389**

### **KEY MANAGERIAL PERSONNEL**

Sri. Venkata Krishna Reddy Panati	Managing Director
Sri. Venkata Satish Veerapaneni	Compliance Officer

### **STATUTORY AUDITORS**

M/s. G C Reddy & Associates  
Chartered Accountants  
Door No.8-3-678/70, 1st Floor  
Pragathi Nagar, Srinagar Colony  
Hyderabad - 500018, Telangana

### **REGISTERED OFFICE**

Plot No.23, Phase IV, IDA Jeedimetla,  
Hyderabad – 500055

### **REGISTRAR AND SHARE TRANSFER AGENT**

M/s. Venture Capital and Corporate  
Investments Private Limited  
#12-10-167, Bharat Nagar, Hyderabad-18,  
Telangana, Email: info@vccilindia.com

### **BANKERS**

- |   |  |
|---|--|
| 1) HDFC Bank Limited<br>H.No. 8-3-168/E2/152, Krishna Kunj,<br>Motinagar, Hyderabad – 500 018 | 2) Andhra Bank, Ramanthapur Branch<br>Hyderabad Public School Campus,<br>Hyderabad – 500 013 |
| 3) Andhra Bank, Hospet Branch,<br>College Road, Hospet – 583 201                              | 4) Andhra Bank, #5/1, Arundelpet,<br>Guntur - 522002   |

## **STATUTORY COMMITTEES**

### **AUDIT COMMITTEE**

Mr. Veerapaneni Venkata Satish	Chairman
Mr. Syed Khaleel Ahmed	Member
Mr. Sathaiah Bathula	Member

### **NOMINATION AND REMUNERATION COMMITTEE**

Mr. Veerapaneni Venkata Satish	Chairman
Mr. Syed Khaleel Ahmed	Member
Mr. Sathaiah Bathula	Member

### **STAKEHOLDERS RELATIONSHIP COMMITTEE**

Mr. Veerapaneni Venkata Satish	Chairman
Mr. Syed Khaleel Ahmed	Member
Mr. Sathaiah Bathula	Member

### **RISK MANAGEMENT COMMITTEE**

Mr. Veerapaneni Venkata Satish	Chairman
Mr. Syed Khaleel Ahmed	Member
Mr. Sathaiah Bathula	Member

### **IMPORTANT COMMUNICATION TO MEMBERS**

1. The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the Companies and has issued circulars stating that service of the notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holding with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register the same with the following addresses.

SEBI has made it mandatory for every participant in the Securities/Capital Market to furnish the details of Income Tax Permanent Account Number (PAN). Accordingly, all the shareholders holding shares in physical form are requested to submit their details of PAN along with photocopy of both sides of PAN card, duly attested to the Demat Registrar and Share Transfer Agent of the Company, M/s Sea Gold Infrastructure Limited as above.

## NOTICE TO THE ANNUAL GENERAL MEETING

Notice is hereby given that the **22nd Annual General Meeting** of the Members of **M/s. SEA GOLD INFRASTRUCTURE LIMITED** will be held on Friday, the 30th day of September, 2016 at 03.00 P.M at the Registered office of the company situated at Plot No.23, Phase IV, IDA Jeedimetla, Hyderabad – 500 055 to transact the following business:

### **ORDINARY BUSINESS:**

#### **Item No. 1 – Adoption of financial statements**

To receive, consider and adopt the audited financial statements of the Company for the financial year ended 31st March 2016 along with Notes, the Reports of the Board of Directors and the Auditors thereon.

#### **Item No. 2 – Appointment of Director**

To appoint a Director in place of Mrs. Vijayalakshmi Panati, Director (holding DIN 06635011), who retires by rotation and being eligible offers herself for re-appointment.

#### **Item No. 3 – Ratifying the appointment of Statutory Auditors of the Company**

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

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and all other applicable provisions of the Companies Act, 2013. (the “Act”), if any, (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the recommendations of the Audit Committee and as approved by the Board of Directors, the Company hereby ratifies the appointment M/s G.C. Reddy & Associates, Chartered Accountants (Firm Registration No. 010074S) as the Statutory Auditors of the Company, to hold office from conclusion of this meeting until the conclusion of the Annual General Meeting to be held for the financial year 2016-17 on such remuneration as may be determined by the Board of Directors of the Company.”

By Order of the Board  
For **Sea Gold Infrastructure Limited**

Sd/-  
**Venkata Krishna Reddy Panati**  
Managing Director  
(DIN: 00308975)

Date: 02.09.2016

Place: Hyderabad

### **REGISTERED OFFICE**

CIN: L70200TG1993PLC016389  
Plot No. 23, Phase IV, IDA Jeedimetla  
Hyderabad-500 055, Telangana, India

## NOTES:

1. The statement of the particulars of Directors seeking Appointment / Re-appointment is enclosed as Annexure A.
2. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company. Proxies in order to be effective must be received by the Company at its registered office not later than 48 (forty-eight) hours before the commencement of the meeting. Proxies submitted on behalf of companies, societies, etc. must be supported by an appropriate resolution/authority, as applicable.
3. A person shall not act as a Proxy for more than 50 members and holding in the aggregate not more than ten percent of the total voting share capital of the Company. However, a single person may act as a proxy for a member holding more than ten percent of the total voting share capital of the Company provided that such person shall not act as a proxy for any other person.
4. Every member entitled to vote at the Annual General Meeting of the Company can inspect the proxies lodged at the Company at any time during the business hours of the Company during the period beginning 24 (twenty four) hours before the time fixed for the commencement of the Annual General Meeting and ending on the conclusion of the meeting. However, a prior notice of not less than 3 (three) days in writing of the intentions to inspect the proxies lodged shall be required to be provided to the Company.
5. The Register of Members and the Share Transfer Books of the Company will remain closed from 26th September 2016 to 30th September, 2016 (both days inclusive).
6. Members are requested to bring the Attendance Slip duly filled in and signed attendance slip mentioning therein details of their DP ID and Client ID/ Folio No. which is enclosed herewith and hand over the same at the entrance of AGM venue.
7. Members who hold shares in dematerialised form are requested to bring their depository account Number (Client Id and DP Id No) for easier identification and recording of the attendance at the meeting.
8. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
9. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
10. Members/Proxies are requested to bring their copies of Annual Report to the meeting. As an austerity measure, copies of Annual Report will not be distributed at the meeting. Members may also note that the Notice of the 22nd AGM and the Annual Report for 2016 will also be available on the Company's website [www.seagoldaqua.com](http://www.seagoldaqua.com) for download.
11. Members desirous of seeking any information on the accounts or operations of the company are requested to write to the Company at least 10 days prior to the Meeting so that the required information can be made available at the Meeting.
12. In terms of Section 72 of the Companies Act, 2013, a member of the company may nominate a person on whom the shares held by him/her shall vest in the event of his/her death. Members desirous of availing this facility may submit nomination in prescribed Form-SH-13 to the company/RTA in case shares are held in physical form, and to their respective depository participant, if held in electronic form.

13. Members holding shares in physical form are requested to advise any change of address immediately to the Company's Registrar & Share Transfer Agent, M/s Venture Capital and Corporate Investments Private Limited. Members holding shares in electronic form must send the advice about the change of address to their respective Depository Participants (DPs) and not to the Company. Non-resident Indian shareholders are requested to inform us immediately the change in the residential status on return to India for permanent settlement.
14. Members holding shares under multiple folios are requested to consolidate their holdings, if the shares are held in the same name or in the same order of names.
15. The equity shares of the Company have been notified for compulsory trading in demat form. The Company has signed a tripartite agreement with National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL) and M/s. Venture Capital and Corporate Investments Private Limited to facilitate dematerialisation of shares. Members are requested to avail of this facility and have their shareholding converted into dematerialised form.
16. All Documents referred to in the accompanying notice and the Explanatory Statement is open for inspection at the registered office of the company on all working days between 11.00 a.m. and 1.00 p.m. up to the date of the Annual General Meeting.
17. Any director himself or any member intending to propose any person as a director other than a retiring director, has to give a notice as to his intention to propose him/her as a candidate for that office not less 14 (fourteen) days before the meeting along with deposit of Rs.1,00,000 (Rupees One Lakh).
18. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of dematerialised holdings with their respective Depository Participants. Members who hold shares in physical form are requested to fill and send the required details to the Registrar and Share Transfer Agent, M/s. Venture Capital and Corporate Investments Private Limited at # 12-10-167, Bharat Nagar, Hyderabad – 500018.
19. In terms of Sections 124 of the Companies Act, 2013 the amount of dividend remaining unclaimed or unpaid for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF). Share holders are requested to ensure that they claim the dividend(s) from the Company before transfer of the said amounts to the IEPF (Corresponding to Section 205A of the erstwhile Companies Act, 1956)
20. The Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's Registrar and Transfer Agent.
21. Members holding shares in the company and who have not registered their mail id with the company or the depository and wish to avail e voting may write to the registrar or the company quoting their client id/folio no and DP id so as to send the password for e voting and hard copy of the ballot paper will be provided at the venue of the AGM for those members who have not exercised their e-voting.

22. Voting through electronic means:

In compliance with the provisions of section 108 of the Companies Act, 2013, the Companies (Management and Administration) Rules, 2014, amended by the Companies (Management and Administration) Amendment Rules, 2016 and Regulation 44 of the listing agreement, shareholders are provided with the facility to cast their vote electronically, through the Remote e-voting services provided by Sea Gold Infrastructure Limited, in respect of all resolutions set forth in this Notice.

The Company is also providing the facility for voting by way of physical ballot at the Annual General Meeting. Mr. Manoj Kumar Koyalkar, Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the Remote e-voting process as well as the Ballot process at the Annual General Meeting in a fair and transparent manner.

The procedure and instructions for Remote e-voting are as follows:

- i) Open your web browser during the voting period and navigate to 'www.evotingindia.com'
- ii) Enter the login credentials (i.e., user-id & password) mentioned in the e-mail / covering letter. Your folio/DP Client ID will be your User-ID.

User – ID For shareholders holding shares in Demat Form:-

- a) For NSDL: - 8 Character DP ID followed by 8 Digits Client ID
- b) For CDSL: - 16 digits beneficiary ID.
- c) ID for shareholders holding shares in Physical Form:-

The share holders whose email id is not registered with the company and who intend to exercise their vote, may write to the company at seagoldacqa@gmail.com or to the registrar and transfer agent M/s Venture Capital and Corporate Investments Private Limited so as to send the user id and password for e voting.

- iii) Please contact M/s Venture Capital and Corporate Investments Private Limited, Telephone No. 040 – 23818475 for any support or clarifications in relation to E-Voting.
- iv) Shareholders can cast their vote online from 27th September, 2016 (9.00 AM) to 29th September, 2016 (5.00 PM). During this period, shareholders of the company holding shares either in dematerialized or physical form as on the cut-off date viz., 23rd September, 2016, may cast their vote electronically.
- v) After entering these details appropriately, click on "LOGIN".
- vi) In case of first login, shareholders holding shares in Demat/Physical form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this password can be used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that Company opts for e-voting through Sea Gold Infrastructure Limited e-Voting platform. System will prompt you to change your password and update any contact details like mobile number, email ID etc on first login. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- vii) You need to login again with the new credentials



- viii) On successful login, system will prompt to select the 'Event' i.e., 'Company Name' viz Sea Gold Infrastructure Limited.
- ix) If you are holding shares in Demat form and had logged on to "www.evotingindia.com" and cast your vote earlier for any company, then your existing login id and password are to be used.
- x) On the voting page, you will see Resolution Description and against the same the option 'FOR/ AGAINST/ABSTAIN' for voting .Enter the number of shares (which represents number of votes) under 'FOR/AGAINST/ABSTAIN' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR/AGAINST' taken together should not exceed your total shareholding. If the shareholder does not want to cast, select 'ABSTAIN'.
- xi) After selecting the resolution you have decided to vote on, click on "SUBMIT".A confirmation box will be displayed .If you wish to confirm your vote, click on "OK", else to change your vote, click on " CANCEL "and accordingly modify your vote.
- xii) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
- xiii) Corporate/Institutional Members (corporate/ Fls/ Flls/ Trust/ Mutual Funds/ Banks etc..) are required to send scan (PDF format) of the relevant Board resolution to the Scrutinizer through e-mail to mkoyalkar@gmail.com with copy to helpdesk.evoting@cDSLindia.com. The file/ scanned image of the Board Resolution should be in the naming format "Corporate Name\_ Event no."
- xiv) The Members attending the meeting should note that those who are entitled to vote but have not exercised their right to vote through e-voting, may vote at the AGM through physical ballot for all the business specified in the accompanying Notice. The Members who have exercised their right to vote by e-voting may attend the AGM but shall not vote at the AGM. If a member casts vote by both modes, then voting done through e-voting shall prevail and the Ballot form shall be treated as invalid.
- xv) The Scrutinizer shall within a period not exceeding three working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- xvi) The results shall be declared on or after the AGM of the Company. The results along with the Scrutinizer's Report shall be placed on the Company's website www.seagoldaqua.com.

By Order of the Board  
For **Sea Gold Infrastructure Limited**

Sd/-

**Venkata Krishna Reddy Panati**

Managing Director

(DIN: 00308975)

Date: 02.09.2016

Place: Hyderabad

**REGISTERED OFFICE**

CIN: L70200TG1993PLC016389

Plot No. 23, Phase IV, IDA Jeedimetla

Hyderabad-500 055

Telangana, India.

**Details of Directors seeking appointment / re-appointment in the 22nd Annual General Meeting (Pursuant of Clause 49 of the Listing Agreement)**

Name of the Director	<b>Mr. Vijayalakshmi Panati</b>
Director Identification Number (DIN)	06635011
Date of Birth	04.05.1966
Nationality	Indian
Date of Appointment on Board	30th March, 2015
Relationship with other Directors	Wife of Mr. Venkata Krishna Reddy Panati, Managing Director of the Company
Qualification	B.Com
Shareholding in Sea Gold Infrastructure Limited (as on 31st March, 2015)	Nil
Expertise in specific functional areas	Nil
List of Directorships held in other Companies (as on 31st March, 2016)	1) P.V.K And P.R.K Engineers Private Limited
Memberships / Chairmanship of the Committees of Directors of other Companies (as on 31st March, 2016)	Nil

**FORM FOR REGISTRATION OF EMAIL ADDRESS FOR RECEIVING DOCUMENTS /  
NOTICES BY ELECTRONIC MODE**

To  
M/s Venture Capital and Corporate Investments Private Limited,  
#12-10-167, Bharat Nagar,  
Hyderabad-18,  
Telangana, India.

ADDRESS

**Company: SEA GOLD INFRASTRUCTURE LIMITED**

I agree to receive all documents / notices including the Annual Report from the Company in electronic mode. Please register my email address given below in your records for sending communication through email.

Name of Sole / First Holder : \_\_\_\_\_

DP ID / Client ID / Regd. Folio No. : \_\_\_\_\_

PAN No. : \_\_\_\_\_

E-mail Address : \_\_\_\_\_

Date:

Place:

(Signature of Member)

## **BOARD'S REPORT**

To  
The Members  
Sea Gold Infrastructure Limited

Your Directors have pleasure in presenting their 22nd Annual Report on the business and operations of your company with the Audited Statement of Accounts for the Financial Year ended March 31, 2016.

### **FINANCIAL RESULTS**

The standalone financial performance of the Company for the financial year ended March 31, 2016 is summarized below:

#### **STANDALONE**

(Rs in Crores)

<b>Particulars</b>	<b>2015-16</b>	<b>2014-15</b>
Revenue from operations	2,75,29,336	4,19,34,302
Other Income	12,229	1,05,944
Total Income	2,75,41,565	4,20,40,246
Total Expenditure	2,85,86,915	3,97,01,400
Depreciation	32,633	15,031
Profit / (Loss) before exceptional and extraordinary items and tax	(10,77,983)	23,23,815
Less: exceptional and extraordinary items	Nil	Nil
Profit / (Loss) before taxation	(10,77,983)	23,23,815
Less: - Current Tax	Nil	4,71,132
- Income Tax (Earlier years)	Nil	Nil
- Deferred Tax	6671	10,966
Profit/(Loss) after Tax	(10,84,654)	18,41,717
Earnings per equity shares in Rs.	(0.20)	0.34

#### **OPERATIONS:**

During the year under review, the gross revenue of the Company decreased to Rs. 2,75,29,336 compared to Rs. 4,19,34,302 in the previous year. The Profit after tax for the year decreased to Rs. (10,84,654) compared to 18,41,717 in the previous year.

#### **REVIEW OF PERFORMANCE AND STATE OF THE COMPANY'S AFFAIRS**

During the year under review, operations were well carried out by the Company with increased capacity utilization, turnover should improve further. There is strong belief that this business improvement will sustain in the future too. Scenario for future opportunities is bright.

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

There is no change in the nature of business during the year.

**MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

There are no other Material Changes and Commitments affecting the financial position of the Company which occurred between the end of the financial year to which the financial statements relate and the date of this Report.

#### **DIVIDEND AND TRANSFER TO RESERVES**

The Board of Directors of your Company has decided to retain and plough back the profits into the business of the Company, thus no dividend is being recommended for this year.

There were no transfers to Reserves during the financial year 2015-16.

#### **SHARE CAPITAL**

During the period under review, there has no change in the Share Capital of the Company. The Authorized Share Capital of the Company is Rs.5,50,00,000 divided into 55,00,000 equity shares of Rs.10/- (Rupees Ten) each.

The Issued, Subscribed and Paid up Capital of the Company as on March 31, 2016 is Rs.5,44,824,00 divided into 54,48,240 equity shares of Rs. 10 (Rupees Ten) each.

The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

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

The Board of directors of your company is duly constituted.

#### **Proposed Appointments:**

The following appointments to the Board are proposed:

Approval of the shareholders is being sought for the appointment of Mrs. Vijayalakshmi Panati (DIN 06635011) as a Director of the Company, who retire by rotation at the ensuing Annual General Meeting of the Company and being eligible offer himself for re-appointment in accordance with the provisions of the Companies Act and pursuant to Articles of Association of the Company. Your Board recommends his re- appointment.

Appropriate resolutions for the appointment/ re-appointment of Directors are being placed before you for your approval at the ensuing Annual General Meeting. The brief resume of the aforesaid Directors and other information have been detailed in the Notice. Your Directors recommend their appointment/reappointment as Directors of your Company.

#### **NUMBER OF MEETINGS OF THE BOARD:**

A calendar of Meetings is prepared and circulated in advance to the Directors. During the year Four (4) Board Meetings were convened and held. The gap between any two Board Meetings is within the period as prescribed under the Companies Act, 2013 and Listing Agreement.

<b>Dates on which the Board Meeting were held</b>	
<b>S.No.</b>	<b>Date of Board Meeting</b>
1	29.05.2015
2	14.08.2015
3	14.11.2015
4	14.02.2016

The Attendance of Directors at these Board Meetings is as under:

Name of Directors	No. of meetings held during the tenure of the Director	No. of meetings attended by the Director	Whether present at the previous AGM
Mr. Venkata Krishna Reddy Panati	4	4	Yes
Mr. Venkata Satish Veerapaneni	4	4	Yes
Mr. Rajasekhar Mathuru Reddy	4	4	Yes
Mr. Syed Khaleel Ahmed	4	4	Yes
Mrs. Vijayalakshmi Panati	4	4	Yes
Mr. Sathaiah Bathula	4	2	No

#### **DECLARATIONS BY INDEPENDENT DIRECTORS:**

The Company has received declarations from the Independent Directors under Section 149(6) of the Companies Act, 2013 confirming their independence vis-à-vis the Company.

#### **BOARD EVALUATION AND ASSESSMENT:**

The company believes formal evaluation of the board and of the individual directors, on an annual basis, is a potentially effective way to respond to the demand for greater board accountability and effectiveness. For the company, evaluation provides an ongoing means for directors to assess their individual and collective performance and effectiveness. In addition to greater board accountability, evaluation of board members helps in;

- a. More effective board process
  - b. Better collaboration and communication
  - c. Greater clarity with regard to members roles and responsibilities
  - d. Improved chairman – managing directors and board relations
- The evaluation process covers the following aspects
- Self evaluation of directors
  - Evaluation of the performance and effectiveness of the board
  - Evaluation of the performance and effectiveness of the committees
  - Feedback from the non executive directors to the chairman
  - Feedback on management support to the board.

#### **FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS**

The Company shall through its Senior Managerial personnel familiarise the Independent Directors with the strategy, operations and functions of the Company. The Independent Directors will also be familiarised with their roles, rights and responsibilities and orientation on Statutory Compliances as a Board Member.

On appointment of the Independent Directors, they will be asked to get familiarised about the Company's operations and businesses. An Interaction with the key executives of the Company is also facilitated to make them more familiar with the operations carried by the company. Detailed presentations on the business of the company are also made to the Directors. Direct meetings with the Chairman and the Managing Director are further facilitated for the new appointee to familiarize him/her about the Company/its businesses and the group practices as the case may be and link is available at the website [www.seagoldaqua.com](http://www.seagoldaqua.com).

## REMUNERATION POLICY

The Company's remuneration policy is driven by the success and performance of the individual employee and the Company. Through its compensation programme, the Company endeavours to attract, retain, develop and motivate a high performance workforce. The Company follows a compensation mix of fixed pay, benefits and performance based variable pay. Individual performance pay is determined by business performance and the performance of the individuals measured through the annual appraisal process.

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration including criteria for determining qualifications, positive attributes and independence of a director. The Remuneration Policy is available on the website of the Company viz. [www.seagoldaqua.com](http://www.seagoldaqua.com)

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 134 (3) and (5) of the Companies Act 2013, with respect to Directors' Responsibility Statement, your board of directors to the best of their knowledge and ability confirm that:

- a. in the preparation of the annual accounts for the financial year ended March 31, 2016, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b. the accounting policies mentioned in notes to Financial Statements have been selected and applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2016 and of the profit/loss of the Company for that year;
- c. proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the annual financial statements of the Company have been prepared on a 'going concern' basis;
- e. proper internal financial controls have been laid down to be followed by the Company and such internal financial controls are adequate and were operating effectively; and
- f. proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## CONSTITUTION OF AUDIT COMMITTEE

The Audit Committee of the Company is duly constituted as per Section 177 of the Companies Act, 2013. During the year four (4) Audit Committee Meetings were convened and held as follows:

Dates on which the Audit Committee Meetings were held	
Sl. No.	Date of Board Meeting
1	29.05.2015
2	14.08.2015
3	14.11.2015
4	14.02.2016

### The members of Audit Committee are:

Mr. Veerapaneni Venkata Satish	Chairman
Mr. Syed Khaleel Ahmed	Member
Mr. Sathaiah Bathula	Member

## **CORPORATE GOVERNANCE**

As per Regulation 15 of SEBI (Listing Obligations and Disclosure Requirements), 2015, provisions relating to corporate governance are not applicable to your company and therefore, no separate report on corporate governance is required

## **MANAGEMENT DISCUSSION & ANALYSIS**

The Management Discussion and Analysis Report highlighting the industry structure and developments, opportunities and threats, future outlook, risks and concerns etc. is forms part of this report and the same is annexed herewith.

## **STATUTORY AUDITORS**

M/s. G.C. Reddy & Associates, Chartered Accountants, Hyderabad, were appointed as Statutory Auditors of the Company for a period of three (3) years from the conclusion of the 22nd AGM to the conclusion of 25th AGM, subject to ratification by the members at every AGM. The statutory auditors have also confirmed their eligibility under section 139(1) of the Companies Act, 2013. Members are requested to ratify their appointment as Statutory Auditors and to authorize the Board to fix their remuneration

## **REPLIES TO AUDITORS' REPORT**

The Auditors' Report does not contain any qualification. Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments.

## **BUSINESS RESPONSIBILITY REPORT (BRR)**

Securities Exchange Board of India (SEBI) vide circular CIR/CFD/DIL/8/2012 dated August 13, 2012 has mandated the inclusion of BRR as part of the Annual Report for the top 100 listed entities based on their market capitalization on Bombay Stock Exchange Ltd and National Stock Exchange of India Ltd as at 31 March 2012. In view of the requirements specified, the company is not mandated for the providing the BRR and hence do not form part of this Report.

## **SECRETARIAL AUDIT REPORT**

In terms of Section 204 of the Act and Rules made there under, Mr. Manoj Kumar Koyalkar, M/s. AGR Reddy & Co, Practicing Company Secretary has been appointed as Secretarial Auditor of the Company. The report of the Secretarial Auditors is enclosed as Annexure - III to this report. The report is self-explanatory and do not call for any further comments

## **QUALIFICATION**

As per the Secretarial Audit Report, during the year the Company has not appointed Company Secretary and Chief Financial Officer.

## **MANAGEMENT'S REPLY**

The Company at present is not carrying out any operations and thus was unable to appoint Chief Financial Officer and Company Secretary.

## **COST AUDITORS**

The provisions of Section 148 of the Companies Act, 2013 relating to mandatory Cost Audit does not apply to the Company and hence, no Cost Audit is conducted. However, the Company is required to maintain Cost records which the Company is maintaining.

## **CORPORATE SOCIAL RESPONSIBILITY**

The provisions w.r.t. CSR is not applicable to the Company. Therefore, the Company had not constituted CSR committee during the year 2015-16.



## **PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

Details of loans and guarantees given and investments made under Section 186 of the Act are provided in the Notes to the Financial Statements.

## **WHISTLE BLOWER POLICY/VIGIL MECHANISM**

Pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013 and the rules framed there under and pursuant to the applicable provision of Clause 49 of the listing agreement entered with stock exchanges, the company has established a mechanism through which all stake holders can report the suspected frauds and genuine grievances to the appropriate authority. The Whistle blower policy which has been approved by the board of directors of the company has been hosted on the website of the company viz., [www.seagoldaqua.com](http://www.seagoldaqua.com)

## **PREVENTION OF INSIDER TRADING**

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The 'Manager' is responsible for implementation of the Code along with the management of the Company.

Members of the Board have confirmed compliance with the Code.

## **RISK MANAGEMENT POLICY**

The Board of Directors has formed a risk management committee to identify, evaluate, mitigate and monitor the risks associated with the business carried by the company. The committee reviews the risk management plan and ensures its effectiveness. A mechanism has been put in place which will be reviewed on regular intervals.

## **POLICY ON SEXUAL HARASSMENT**

The Company has adopted policy on Prevention of Sexual Harassment of Women at Workplace in accordance with The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the financial year ended 31st March, 2016, the Company has not received any complaints pertaining to Sexual Harassment.

## **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

All the related party transactions that were entered during the financial years were in the ordinary course of business of the company and were on arm length basis. There were no materially significant related party transactions entered by the company during the year with the promoters, directors, key managerial personnel or other persons which may have a potential conflict with the interest of the company.

The policy on related party transactions as approved by the board of directors is hosted on the website of the company viz., [www.seagoldaqua.com](http://www.seagoldaqua.com)

Particulars of every contract or 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 shall be disclosed in Form No. AOC-2 as 'Annexure I' to this report

## **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

## **PUBLIC DEPOSITS**

Your Company has not accepted any deposits from the public under Chapter V of the Act or under the corresponding provisions of Section 73 and 74 of the Companies Act, 2013. As such, there was no principal or interest outstanding on the date of the Balance Sheet.

## **PARTICULARS OF EMPLOYEES**

A table containing the particulars in accordance with the provisions of Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is appended as 'Annexure II' to this Report.

In terms of Section 136 of the Companies Act, 2013 the same is open for inspection at the Registered Office of the Company.

Copies of this statement may be obtained by the members by writing to the Company Secretary at the Registered Office of the Company.

The ratio of the remuneration of each Director to the median employee's remuneration and other details in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are enclosed in Annexure – and forms part of this Report.

## **EXTRACT OF THE ANNUAL RETURN**

In accordance with Section 134 (3) (a) of the Act, an extract of the Annual Return in the prescribed format is appended as 'Annexure IV' to this Report.

## **DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES**

The Company does not have any Subsidiary, Joint Venture or an Associate Company.

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

### **(A) CONSERVATION OF ENERGY**

(i)	the steps taken or impact on conservation of energy	Nil
(ii)	the steps taken by the company for utilizing alternate sources of energy	Nil
(iii)	the capital investment on energy conservation equipments	Nil

### **(B) TECHNOLOGY ABSORPTION**

(i)	the efforts made towards technology absorption	The Company has neither absorbed nor adopted any new technology. The company has also not made any innovation in technology other than the R&D
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	No benefits derived in the year under review
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	No new technology is imported during the last three years
	(a) the details of technology imported	--
	(b) the year of import;	--
	(c) whether the technology been fully absorbed	--
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	--
(iv)	the expenditure incurred on Research and Development	No expenditure incurred on Research and Development

Conservation of Energy which is an ongoing process in the Company's construction activities and the same is not furnished as the relative rule is not applicable to your company.

There is no information to be furnished regarding Technology Absorption as your company has not undertaken any research and development activity in any manufacturing activity nor any specific technology is obtained from any external sources which needs to be absorbed or adapted.

Innovation is a culture in the Company to achieve cost efficiency in the construction activity so as to be more competitive in the prevailing environment.

#### **FOREIGN EXCHANGE EARNINGS AND OUTGO**

In accordance with the provisions of Section 134 of the Companies Act, 2013, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, the information relating to foreign exchange earnings and outgo during the year in terms of actual outflows is as follows:

Foreign Exchange Inflows: NIL

Foreign Exchange Outflows: NIL

#### **INTERNAL AUDIT & CONTROLS**

The Company to engage Mr. Praveen Kumar Mynampati, Chartered Accountant, as its Internal Auditor of the Company for the financial year 2016-17 and their report is reviewed by the Audit Committee from time to time. During the year, the Company continued to implement their suggestions and recommendations to improve the control environment. Their scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Internal Auditors findings are discussed with the process owners and suitable corrective actions taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations.

#### **INTERNAL FINANCIAL CONTROL SYSTEMS**

The Company has adequate Internal Financial Controls consistent with the nature of business and size of the operations, to effectively provide for safety of its assets, reliability of financial transactions with adequate checks and balances, adherence to applicable statutes, accounting policies, approval procedures and to ensure optimum use of available resources. These systems are reviewed and improved on a regular basis. It has a comprehensive budgetary control system to monitor revenue and expenditure against approved budget on an ongoing basis.

#### **MANAGEMENT REPLIES TO AUDITORS REPORT – STANDALONE AND CONSOLIDATED FINANCIAL REPORTS:**

With reference to observations made in Auditor's Report, the notes of account is self-explanatory and therefore do not call for any further comments. The Auditors' Report does not contain any qualification. The results for the year ended March 31, 2016 have been subjected to an audit by the Statutory Auditors of the Company and a qualified report has been issued by them thereon.

#### **INDUSTRIAL RELATIONS**

The company enjoyed cordial relations with its employees during the year under review and the Board appreciates the employees across the cadres for their dedicated service to the Company, and looks forward to their continued support and higher level of productivity for achieving the targets set for the future.

#### **LISTING WITH STOCK EXCHANGES:**

The Securities Exchange Board of India (SEBI), on 02nd September 2015, has issued SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with an aim to consolidate

and streamline the provisions of Listing Agreement for different segments of capital market to ensure better enforceability. The said regulations were effective from 1st December, 2015. Accordingly, all listed entities were required to enter into the Listing Agreement within 6 months from the effective date. The Company entered into Listing Agreement with the BSE Limited.

The Company confirms that it has paid the Annual Listing Fees for the year 2016-2017 to BSE where the Company's Shares are listed.

### **HUMAN RESOURCES**

Your Company treats its "human resources" as one of its most important assets.

Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement

### **ACKNOWLEDGEMENTS**

Your Directors wish to express their appreciation of the support and co-operation of the Central and the State Government, bankers, financial institutions, suppliers, associates and subcontractors and seeks their continued patronage in future as well.

**For and on behalf of the Board of Directors of  
Sea Gold Infrastructure Limited**

Sd/-

**Mr. P.V. Krishna Reddy**  
Managing Director  
DIN: 00308975

Sd/-

**Mr. Syed Khaleel Ahmed**  
Director  
DIN: 05347153

Date: 02.09.2016

Place: Hyderabad

### **REGISTERED OFFICE**

CIN: L70200TG1993PLC016389

Plot No. 23, Phase IV, IDA Jeedimetla

Hyderabad-500 055

Telangana, India.

**Annexure - I****FORM NO. AOC – 2**

**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 arms length transactions under third proviso thereto (Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.**

1. Details of contracts or arrangements or transactions not at Arm's length basis.

<b>SL. No.</b>	<b>Particulars</b>	<b>Details</b>
a)	Name (s) of the related party & nature of relationship	<b>NIL</b>
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions'	
f)	Date 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 contracts or arrangements or transactions at Arm's length basis.

<b>SL.No.</b>	<b>Particulars</b>	<b>Details</b>
a)	Name (s) of the related party & nature of relationship	<b>NIL</b>
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Date of approval by the Board	
f)	Amount paid as advances, if any	

By order of the Board  
for **Sea Gold Infrastructure Limited**

Sd/-

Sd/-

**Venkata Krishna Reddy Panati**

**Mr. Syed Khaleel Ahmed**

Managing Director

Director

DIN: 00308975.

DIN: 05347153

Date: 02.09.2016

Place: Hyderabad

**Annexure - II****STATEMENT OF PARTICULARS AS PER RULE 5 OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

- (i) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year

S. No.	Name of the Director	Ratio of the remuneration to the median remuneration of the employees
1.	Mr. Venkata Krishna Reddy Panati	Nil
2.	Mr. Venkata Satish Veerapaneni	Nil
3.	Mr. Rajasekhar Mathuru Reddy	Nil
4.	Mr. Syed Khaleel Ahmed	Nil
5.	Mrs. Vijayalakshmi Panati	Nil
6.	Mr. Sathaiah Bathula	Nil

- (ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager in the financial year:

S. No.	Name of the Director	Ratio of the remuneration to the median remuneration of the employees
1.	Mr. Venkata Krishna Reddy Panati	Nil
2.	Mr. Venkata Satish Veerapaneni	Nil
3.	Mr. Rajasekhar Mathuru Reddy	Nil
4.	Mr. Syed Khaleel Ahmed	Nil
5.	Ms. Vijayalakshmi Panati	Nil
6.	Mr. Sathaiah Bathula	Nil

- (iii) The percentage increase in the median remuneration of employees in the financial year 2015-16 is: Nil
- (iv) The number of permanent employees on the rolls of Company: 10 employees
- (v) No Remuneration is being paid to the directors.
- (vi) Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer :

S.No	Particular	As at March 31, 2016	As at March 31, 2015
1.	Market Capitalisation	5,44,82,400	5,44,82,400
2.	Price Earnings Ratio	(62.5)	29.41

Market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:

The Company made an Initial Public Offer in the year 1995 at a price of 10/- per equity share (at par). As on 31st March, 2016 the Market Quotation for the Company's Equity Shares of Rs.12.50/- each (Closing Price) is Rs.12.50/-.

(vii) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.

Average percentile increase in the salaries of the employees other than the managerial personnel in the last financial year is 10% and there has been no increase in the managerial remuneration during the last financial year.

(viii) Comparison of the remuneration of each of the Key Managerial Personnel against the performance of the Company.

S.No.	Name	Remuneration of Key Managerial Personnel (Incl. Commission)	Profit after Tax for the year ended 31st March, 2016	Remuneration of KMP (as % of PAT)
1.	Mr. P.V. Krishna Reddy, Managing Director	Nil	(10,84,654)	Nil

(ix) The key parameters for any variable component of remuneration availed by the directors: NA

(x) The ratio of the remuneration of the highest paid director to that of the employees who are not Directors but receive remuneration in excess of the highest paid director during the year. -N.A.-

(xi) The Remuneration paid to Key Managerial Personnel is as per the Remuneration Policy of the Company

(xii) The particulars of the employees who are covered by the provisions contained in Rule 5(2) and rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014: NIL

By order of the Board  
for **Sea Gold Infrastructure Limited**

Sd/-

Sd/-

**Venkata Krishna Reddy Panati**

**Mr. Syed Khaleel Ahmed**

Managing Director

Director

DIN: 00308975.

DIN: 05347153

Date: 02.09.2016

Place: Hyderabad

**Information under Section 197 (12) of the Companies Act, 2013 read with the rule 5(2) Companies ( Appointment and remuneration of managerial personnel ) Rules, 2014 and forming part of Directors Report for the year ended March 31, 2016**

<b>Employed throughout the Financial Year and in receipt of remuneration aggregating Rs 60,00,000 or more</b>								
Name of the Employee	Designation	Remuneration (in Rs.)	Qualification	Experience (years)	Date of Commencement of Employment	Age	Last employment held before joining the company	% of equity shares held in the Company
---	---	---	---	---	---	---	---	---

<b>Employees for part of the Financial Year who were in receipt of remuneration aggregating Rs 60,00,000 or more</b>								
Name of the Employee	Designation	Remuneration (in Rs.)	Qualification	Experience (years)	Date of Commencement of Employment	Age	Last employment held before joining the company	% of equity shares held in the Company
---	---	---	---	---	---	---	---	---

- None of the employees is a relative of any Director of the company.



**Annexure III**  
**FORM NO. MR-3**

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED March 31, 2016

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

To,  
The Members  
Sea Gold Infrastructure Limited  
Plot No. 23, Phase IV,  
IDA Jeedimetla  
Hyderabad-500055, Telangana

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has during the audit period covering the financial year ended on March 31, 2016, 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2016 according to the provisions of:

- (1) The Companies Act, 2013 (the "Act") and the rules made there under and other applicable provisions of the Companies Act, 1956 which are still in force;
- (2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (3) The Depositories Act, 1996 and the Regulations and Bye-laws framed under that Act;
- (4) 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; (Not Applicable to the Company during the Audit Report).
- (5) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

I have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standard-1 and Secretarial Standard-2, with respect to Board and General Meetings respectively, issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreement entered into by the Company with BSE Limited;
- iii. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 w.e.f. 1st December, 2015

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above.

For the compliances of Labour Laws & other General Laws, my examination and reporting is based on the documents, records and files as produced and shown to us and the information and explanations as provided to us, by the officers and management of the company and to the best of our judgment and understanding of the applicability of the different enactments upon the Company, in our opinion there are adequate systems and processes exist in the Company to monitor and ensure compliance with applicable General laws and Labour Laws.

**I further report that:**

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice 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.
- All the resolutions of Board were passed unanimously.
- The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;

I 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.

I further report that the Company has not appointed Company Secretary and CFO, as per Section 203 of the Act, during the Financial Year.

I report further that, during the audit period, there were no specific events/actions in pursuance of the above referred laws, rules, regulations, guidelines etc., having a major bearing on the Company's affairs.

**For AGR Reddy & Co**  
Company Secretaries

Sd/-

**Manoj Kumar Koyalkar**

M. No.: 19445

C.P. No.: 10004

Hyderabad, September 02, 2016

\*This report is to be read with our letter of even date which is annexed as 'Annexure A' and forms an integral part of this report.

**'ANNEXURE A'**

To,  
The Members  
Sea Gold Infrastructure Limited  
Plot No. 23, Phase IV,  
IDA Jeedimetla  
Hyderabad-500055, Telangana

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

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

for **AGR Reddy & Co.**

Company Secretaries

Sd/-

**Manoj Kumar Koyalkar**

M. No.: 19445

C.P. No.: 10004

Hyderabad, September 02, 2016

## MANAGEMENT DISCUSSION & ANALYSIS REPORT

### 1. FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements based on certain assumptions and expectations of future events. The Company, therefore, cannot guarantee that these assumptions and expectations are accurate or will be realised. The Company's actual results, performance or achievements can thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

### 2. INDUSTRY STRUCTURES & DEVELOPMENTS

The National Infrastructure Industry is expected to kick start and accelerate, leading to more transportation of materials. This in turn should help in the demand for cost effective retreading products. We are confident that we would be able to increase our market share in the retread industry.

### 3. OPPORTUNITIES & THREATS

The Company has taken up its new business activities and is committed for strong and consistent growth in the year to come. Owing to the nature of the industry the Company operates in, it is exposed to variety of risk factors which are broadly categorized into financial, technical, construction, policy and political, market and legal.

### 4. OUTLOOK:

In order to meet the changing market realities, your Company has been following the philosophy of providing the highest quality products and services at the lowest possible prices. All endeavours are made to achieve possible cost reduction in every area of operations. Your Company's philosophy to provide high class quality products i.e. full value for money, to consumers would greatly benefit in the long run. In the otherwise increasing cost arena, every expense, whether capital or revenue is minutely reviewed to achieve all possible savings.

### 5. RISKS AND CONCERNS:

The Company has a robust Risk Management process in place, which is a holistic, integrated and structured approach to manage risks with the objective of maximizing shareholders' value.

The risk management process at our Company broadly consists of identification, assessment, mitigation, prioritization and monitoring of risks with the following objectives:

- Enhance confidence in achieving its desired goals and objectives;
- Effectively restrain threats to acceptable levels;
- Take informed decisions about exploiting opportunities;

### 6. INTERNAL CONTROL SYSTEMS

The Company has proper and adequate systems of internal controls in order to ensure that all assets are safeguarded against loss from unauthorized use of disposition and that all transactions are authorized recorded and reported correctly. An Audit Committee headed by a non-executive independent Director is in place to review various areas of the control systems.

### 7. DISCUSSION OF FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

The details of the financial performance of the Company are appearing in the Balance Sheet, Profit & Loss Account and other financial statements etc. appearing separately. Highlights for the year 2015-16 are as under:

Sales for the year 2015-2016	2,75,29,336
Provision for taxation	6,671
Profit / Loss after tax	(10,84,654)
Paid up equity share capital as on 31st March, 2016	5,44,82,400

The financial performance of the Company has been explained in the Directors' Report of the Company for the year 2015-16 appearing separately.

**8. HUMAN RESOURCES:**

During the year under review, the Company has undertaken extensive steps in optimizing the man power at the Plant, corporate office and Field locations. Employee/employer relations were cordial throughout the year. Measures for safety of the employees, training and development continued to receive top priorities.

**9. CAUTIONARY STATEMENT:**

Certain statements in the Management Discussion and Analysis describing the Company's views about the industry, expectations/predictions, objectives etc, may be forward looking within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed in the statement. Company's operations may inter-alia affect with the supply and demand situations, input prices and their availability, changes in Government regulations, tax laws and other factors such as Industrial relations and economic developments etc. Investors should bear the above in mind.

**ANNEXURE IV**  
**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**

**AS ON FINANCIAL YEAR ENDED ON MARCH 31ST, 2016**

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

**I. REGISTRATION & OTHER DETAILS:**

1.	CIN	L70200TG1993PLC016389
2.	Registration Date	05.10.1993
3.	Name of the Company	SEA GOLD INFRASTRUCTURE LIMITED
4.	Category/Sub-category of the Company	Company Limited by shares / Indian Non-Government Company
5.	Address of the Registered office & contact details	Plot No.23, Phase IV, IDA Jeedimetla, Hyderabad – 500 055, Telangana, India. Phone No. 040-23544558, Fax No. 040-23544558
6.		Whether listed company      Yes
7.	& Transfer Agent, if any.	Name, Address & contact details of the Registrar M/s Venture Capital and Corporate Investments Private Limited, H.No.12-10-167, Bharat Nagar, Hyderabad – 500 018 Tel No. : 040 – 23818475, Fax No.: 040 - 23868024

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

SL No	Name & Description of main products/services	NIC code of the product/service	% to total turnover of the Company
1	Infrastructure Activities	45201 & 45202	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

SI No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
	NIL	NIL	NIL	NIL	

#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### i. Category-wise Shareholding

Category of shareholders	No. of Shares held at the beginning of the year [As on 31-March-2015]			No. of Shares held at the end of the year [As on 31-March-2016]			% Change during the year
	Demat	Physical	Total	Demat	Physical	Total	
A. Promoters							
<b>(1) Indian</b>							
a) Individual/ HUF	1272410	20000	1292410	1271910	20000	1291910	23.71
b) Central Govt	---	---	---	---	---	---	---
c) State Govt(s)	---	---	---	---	---	---	---
d) Bodies Corp.	2605000	---	2605000	2605000	---	2605000	47.81
e) Banks / FI	---	---	---	---	---	---	---
f) Any other	---	---	---	---	---	---	---
<b>Sub-total (A) (1)</b>	<b>3877410</b>	<b>20000</b>	<b>3897410</b>	<b>3876910</b>	<b>20000</b>	<b>3896910</b>	<b>71.52</b>
<b>(2) Foreign</b>							
a) NRIs – Individual	---	---	---	---	---	---	---
b) Other Individual	---	---	---	---	---	---	---
c) Bodies Corp	---	---	---	---	---	---	---
d) Banks / FI	---	---	---	---	---	---	---
e) Any Other	---	---	---	---	---	---	---
<b>Sub-total (A) (2)</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>
Total shareholding of 3877410 Promoter (A)= (A) (1) + (A) (2)	20000	3897410	71.53	20000	3896910	71.52	---
<b>B. Public Shareholding</b>							
1. Institutions							
a) Mutual Funds	---	7410	7410	---	7410	7410	0.14
b) Banks / FI	---	50000	50000	---	50000	50000	0.92
c) Central Govt	---	---	---	---	---	---	---
d) State Govt(s)	---	---	---	---	---	---	---





**ii) Shareholding of promoters**

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of shares	% of the total shares of the company	% of shares pledged/ encumbered to total shares	No. of shares	% of the total shares of the company	% of shares pledged/ encumbered to total shares	
1	P. Sanath Kumar	20000	0.37	0.00	20000	0.37	0.00	---
2	P V K Engineers Private Limited	2600000	47.72	0.00	2600000	47.72	0.00	---
3	P V K and P R K Technologies Private Limited	2500	0.05	0.00	2500	0.05	0.00	---
4	Anantha Power Projects Private Limited	2500	0.05	0.00	2500	0.05	0.00	---
5	J T V Satyanarayana Rao	37400	0.69	0.00	37400	0.69	0.00	---
6	Harshavardhan Pedakala	40010	0.73	0.00	40010	0.73	0.00	---
7	Radha Krishna Reddy Panati	573000	10.52	0.00	573000	10.52	0.00	---
8	Venkata Krishna Reddy Panati	517000	9.49	0.00	516500	9.48	0.00	---
9	Mathuru Rajasekhar Reddy	105000	1.93	0.00	105000	1.93	0.00	---
	<b>Total</b>	<b>3897410</b>	<b>71.54</b>	<b>0.00</b>	<b>3896910</b>	<b>71.53</b>	<b>0.00</b>	<b>---</b>

**iii) Change in Promoters' Shareholding (please specify, if there is no change)**

S. No.	Particulars	Shareholding in the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	<b>3897410</b>	<b>71.54</b>	<b>3897410</b>	<b>71.54</b>
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment /transfer / bonus/ sweat equity etc.): Date of Sale: 15.12. 2015	500 (Sale of Shares)	0.01	500 (Sale of Shares)	0.01
	At the end of the year	3896910	71.53	3896910	71.53

**iv) Shareholding Pattern of top ten Shareholders:  
(Other than Directors, Promoters and Holders of GDRs and ADRs):**

S. No.	For each of the Top 10 shareholders	Shareholding in the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	PVK ENGINEERS PRIVATE LIMITED				
	At the beginning of the year	2600000	47.72	2600000	47.72
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	NIL	NIL	NIL	NIL
	At the end of the year (or on the date of separation, if separated during the year)	2600000	47.72	2600000	47.72
2.	RADHAKRISHNA REDDY PANATI	573000	10.52	573000	10.52
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	At the end of the year (or on the date of separation, if separated during the year)	573000	10.52	573000	10.52
3.	VENKATAKRISHNA REDDY PANATI	517000	9.49	517000	9.49
	At the beginning of the year				
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): <b>Date of Sale: 16.12.2016</b>	<b>Decreased</b> 500	0.01	<b>Decreased</b> 500	0.01
	At the end of the year (or on the date of separation, if separated during the year)	516500	9.48	516500	9.48

4.	GS ENERGIES PRIVATE LIMITED				
	At the beginning of the year	305000	5.60	305000	5.60
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	NIL	NIL	NIL	NIL
	At the end of the year (or on the date of separation, if separated during the year)	305000	5.60	305000	5.60
5.	BHAGIRATH POWER PROJECTS PRIVATE LIMITED				
	At the beginning of the year	175000	3.21	175000	3.21
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	NIL	NIL	NIL	NIL
	At the end of the year (or on the date of separation, if separated during the year)	175000	3.21	175000	3.21
6.	GUNDLAPALLY PRASAD				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	NIL	NIL	NIL	NIL
	At the end of the year (or on the date of separation, if separated during the year)	142000	2.61	142000	2.61
7.	SUDARSHAN REDDY VELAGALA				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	NIL	NIL	NIL	NIL
	At the end of the year (or on the date of separation, if separated during the year)	120000	2.20	120000	2.20
8.	MATHURU RAJASEKHAR REDDY				
	At the beginning of the year	105000	1.93	105000	1.93
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	NIL	NIL	NIL	NIL
	At the end of the year (or on the date of separation, if separated during the year)	105000	1.93	105000	1.93
9.	RAJENDRA VARMA CHEKURI				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	NIL	NIL	NIL	NIL

	At the end of the year (or on the date of separation, if separated during the year)	100000	1.84	100000	1.84
10	MUSUNURI AYYAPPA				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	NIL	NIL	NIL	NIL
	At the end of the year (or on the date of separation, if separated during the year)	97000	1.78	97000	1.78

**v) Shareholding of Directors and Key Managerial Personnel:**

S. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding in the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Venkata Krishna Reddy Panati				
	At the beginning of the year	517000	9.49	517000	9.49
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): Date of Sale: 16.12.2016	Decreased 500	0.01	Decreased 500	0.01
	At the end of the year	5165009.48	516500	9.48	
2.	Mathuru Rajasekhar Reddy				
	At the beginning of the year	105000	1.93	105000	1.93
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	NIL	NIL	NIL	NIL
	At the end of the year	105000	1.93	105000	1.93
3.	Venkata Satish Veerapaneni				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	NIL	NIL	NIL	NIL
	At the end of the year	NIL	NIL	NIL	NIL
4.	Syed Khaleel Ahmed				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	NIL	NIL	NIL	NIL
	At the end of the year	NIL	NIL	NIL	NIL

5.	Vijayalakshmi Panati				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	NIL	NIL	NIL	NIL
	At the end of the year	NIL	NIL	NIL	NIL
6.	Sathaiah Bathula				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	NIL	NIL	NIL	NIL
	At the end of the year				

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

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

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

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

### B. Remuneration to other Directors

S.No.	Particulars of Remuneration	Name of the Directors			Total Amount
1	Independent Directors	Venkata Satish Veerapaneni	Syed Khaleel Ahmed	Vijayalakshmi Panati	
	Fee for attending board committee meetings	NIL	NIL	NIL	NIL
	Commission	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL
	Total (1)	NIL	NIL	NIL	NIL
2	Other Non-Executive Directors	Mathuru Rajasekhar Reddy	Sathaiah Bathula		
	Fee for attending board committee meetings	NIL	NIL		
	Commission	NIL	NIL		
	Others, please specify	NIL	NIL		
	Total (2)	NIL	NIL		
	Total (B)=(1+2)	NIL	NIL		
	<b>Total Managerial Remuneration</b>	NIL	NIL		
	<b>Overall Ceiling as per the Act</b>	The act provides for paying sitting fees upto Rs 1,00,000 per meeting			

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

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

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

Type	Section of the Companies Act	Brief Description	Details of penalty/ punishment/compounding fees imposed	Authority[RD/ NCLT/Court]	Appeal made, if any (give details)
<b>A. Company</b>					
Penalty Punishment Compounding			NOT APPLICABLE		
<b>B. Directors</b>					
Penalty Punishment Compounding			NOT APPLICABLE		
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty Punishment Compounding			NOT APPLICABLE		

By the order of the Board of Directors  
For **Sea Gold Infrastructure Limited**

Sd/-  
**Venkata Krishna Reddy Panati**  
Managing Director  
DIN: 00308975

Sd/-  
**Syed Khaleel Ahmed**  
Director  
DIN: 05347153

Date : 02.09.2016  
Place : Hyderabad

## INDEPENDENT AUDITOR'S REPORT

To the Members of  
**SEA GOLD INFRASTRUCTURE LIMITED**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of SEA GOLD INFRASTRUCTURE LIMITED ("the Company") which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation 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 maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made 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 the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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, of the state of affairs of the Company as at March 31, 2016, and its Profit and its Cash Flow 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 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
  - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. the Balance Sheet, the 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 March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 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) The Company does not have any pending litigations which would impact its financial position.
    - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For M/s **G C Reddy & Associates**

Chartered Accountants

FRNo: 010074S

Sd/-

**Vijendra G**

Partner

Membership No.220735

Place: Hyderabad

Date: May 28, 2016

## **“ANNEXURE A” TO THE INDEPENDENT AUDITORS’ REPORT**

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended March 31, 2016:

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
- (c) According to the information and explanation received by us, as the company owns no immovable properties, the requirement on reporting whether title deeds of immovable properties held in the name of the company is not applicable.
- 2) (a) The management has conducted the physical verification of inventory at reasonable intervals.
- b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- 4) 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 Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public as per information & explanations given to us and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2016 for a period of more than six months from the date on when they become payable.

- b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

**For M/s G C Reddy & Associates**

Chartered Accountants

FRNo: 010074S

Sd/-

**Vijendra G**

Partner

Membership No.220735

Place: Hyderabad

Date: May 28, 2016

**“Annexure B” to the Independent Auditor’s Report of even date on the Financial Statements of SEA GOLD INFRASTRUCTURE LIMITED**

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

We have audited the internal financial controls over financial reporting of SEA GOLD INFRASTRUCTURE LIMITED (“the Company”) as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

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

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on 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 judgement, 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 unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

## **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, 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.

**For M/s G C Reddy & Associates**

Chartered Accountants

FRNo: 010074S

Sd/-

**Vijendra G**

Partner

Membership No.220735

Place: Hyderabad

Date: May 28, 2016

## **SIGNIFICANT ACCOUNTING POLICIES:**

### **1. Background**

The Sea Gold Infrastructure Limited (hereafter referred as "Company") was incorporated on 05-10-1993 at the Registrar of Companies, Andhra Pradesh with the objects to promote, establish, improve, develop, administer, own and run aqua cultural ponds for culturing all types of shell fish, fin fish, sea water foods and other crustacean. The Company has changed its Main Objects to Infrastructure Activities. The Company went for Capital Reduction Scheme which was approved by Honorable Andhra Pradesh High Court as on 27th August 2011.

### **2. Basis of Preparation of Financial Statements:**

The Company follows the Mercantile System of accounting and recognizes income and expenditure on accrual basis. The Accounts are prepared on historical cost basis and as a going concern. Accounting policies not referred to otherwise are consistent with Generally Accepted Accounting Principles.

### **3. Use of Estimates:**

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

### **4. Revenue Recognition:**

Revenue is recognized only when risks and rewards incidental to ownership are transferred to the customer, it can be reliably measured and it is reasonable to expect ultimate collection. Interest on Advances is recognized on the basis of time proportion basis taking into account the amount outstanding and the interest rate applicable. During the year the interest receivable is Rs 12,229/- (Twelve Thousand Two Hundred Twenty Nine only).

### **5. Managerial remuneration (included under salaries costs)**

Particulars	(Amount in Rs.) 2015-16	(Amount in Rs.) 2014-15
Salary, perquisites and other payments	Nil	Nil

### **6. Income Taxes:**

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. Deferred income tax reflect the current period timing difference between taxable income and accounting income for the period and reversal of timing difference of earlier years/period. Deferred tax assets are recognized only to the extent that there is a reasonable certainty that sufficient future income will be available except that deferred tax assets, in case there are unabsorbed depreciation or losses, are recognized if there is virtual certainty that sufficient future taxable income will be available to realize the same.

Deferred tax assets and liabilities are measured using the tax rates and law that have been enacted or substantively enacted by the Balance Sheet date.

### **7. Earnings per Share**

Basic Earnings per Share is calculated by dividing the Net Profit for the period attributable to equity shareholders divided by weighted average number of equity shares outstanding during the period.

The Total Earning available to Equity Share holders are considered after deducting all expenses including Prior period expenditure as per AS 5 and also tax expense ( Current Tax + Deferred Tax)

Sl. No.	Particulars	2015-16	2014-15
01	Earnings After Tax	(10,84,654)	18,41,717
02	Number of Shares Outstanding	54,48,240	54,48,240
03	Nominal Value Per Share	10	10
04	Earnings Per Share (EPS)	(0.20)	0.34

**8. Auditor's remuneration:**

Particulars	FY 2015-16	FY 2014-15
Statutory Audit Fees	60,000	40,000
<b>Total</b>	<b>60,000</b>	<b>40,000</b>

**9. Related Party Disclosure:**

Name and relationship of related parties where control exists irrespective of whether transactions have occurred or not:

Name of Related party	Relationship with the Company
P Venkata Krishna Reddy	Managing Director
PVK Engineers Private Limited	Associate Company
Venkat Satish Verapaneni	Director
Rajasekhar Reddy Mathuru	Director
Syed Kaleel Ahmed	Director
P Vijayalakshmi	Director
Sathaiah Bathula	Director

**Transactions with related parties during the year**

Particulars	Current Year	Previous Year
Loans & Advances		
PVK Engineers Pvt Ltd	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>

**Year End Balances – Related Parties**

Particulars	Current Year	Previous Year
Loans & Advances		
PVK Engineers Pvt Ltd	1,40,00,000	1,40,00,000
<b>Total</b>	<b>1,40,00,000</b>	<b>1,40,00,000</b>

**9. Provisions, Contingent Liabilities and Contingent Assets:**

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

10. Sundry creditors include Rs. Nil due to suppliers covered under the "Small, Micro and Medium Enterprises Development Act, 2006". The Company has not received any claim for interest from any supplier under the said Act. This is based on the information available with the Company.
11. All the figures have been rounded off to nearest rupee.
12. All the previous year figures are regrouped or reclassified where ever necessary to confirm to current year presentation.
13. Balance Sheet abstract and Company's general business profile are attached separately.

As per our report of even date

For **M/s G C Reddy and Associates**  
Chartered Accountants  
Firm Regn No. 010074S

For and on behalf of Board of Directors of  
**Sea Gold Infrastructure Limited**

Sd/-  
**Vijendra G**  
Partner  
Mem No. 220735

Sd/-  
**P.V.Krishna Reddy**  
Managing Director  
DIN No. 00308975

Sd/-  
**Syed Khaleel Ahmed**  
Director  
DIN No. 05347153

Place: Hyderabad

Date : 28.05.2016



**Sea Gold Infrastructure Limited**  
**BALANCE SHEET AS AT 31ST MARCH, 2016**

Particulars	Note No.	As at 31st March, 2016	As at 31st March, 2015
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	1.1	54,482,400.00	54,482,400.00
(b) Reserves and Surplus	1.2	(4,628,486.00)	(3,543,832.00)
(c) Money received against share warrants		-	-
<b>(2) Share Application Money pending allotment</b>			
<b>(3) Non-Current Liabilities</b>			
(a) Long-term borrowings	1.3	-	-
(b) Long Term Provisions		-	-
(C) Deferred Tax Liability (Net)	1.4	17,637.00	10,966.00
<b>(4) Current Liabilities</b>			
(a) Short-term Borrowings	1.5	-	-
(b) Trade Payables	1.6	10,329,901.00	1,793,275.00
(c) Other current liabilities	1.7	-	10,386,618.00
(c) Short Term Provisions	1.8	264,459.00	778,480.00
<b>TOTAL</b>		<b>60,465,911.00</b>	<b>63,907,907.00</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets			
(i) Tangible Assets	1.9	236,542.00	237,775.00
(ii) Intangible Assets		-	-
(iii) Capital Work-in-progress		25,000,000.00	25,000,000.00
(iv) Intangible Assets under development		-	-
(b) Non-current Investments	1.10	-	-
(c) Deferred Tax Assets (net)		-	-
(d) Long Term Loans and Advances		-	-
(e) Other Non-current Assets		-	-
<b>(2) Current assets</b>			
(a) Current Investments		-	-
(b) Inventories		3,213,000.00	3,667,150.00
(c) Trade Receivables	1.11	3,712,091.00	4,382,979.00
(d) Cash and Cash Equivalents	1.12	1,999,183.00	1,620,471.00
(e) Short Term Loans and Advances	1.13	14,063,000.00	14,072,000.00
(f) Other Current Assets	1.14	12,242,095.00	14,927,532.00
<b>TOTAL</b>		<b>60,465,911.00</b>	<b>63,907,907.00</b>

Significant Accounting Policies and Notes to Accounts

2

for **M/s. G C Reddy and Associates**

for and on behalf of the Board of Directors of

Chartered Accountants

**Sea Gold Infrastructure Limited**

Firm Regn. No.010074S

**Sd/-**

**Sd/-**

**Sd/-**

**Vijendra G**

**P.V.Krishna Reddy**

**Syed Khaleel Ahmed**

Partner

Managing Director

Director

Mem No. 220735

DIN No. 00308975

DIN No. 05347153

Place : Hyderabad

Date : 28.05.2016

**Sea Gold Infrastructure Limited**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016**

Particulars	Note No.	Figures as at 31.03.16	Figures as at 31.03.15
I. Revenue from operations	1.15	27,529,336.00	41,934,302.00
II. Other Income - Income		12,229.00	105,944.00
<b>III. Total Revenue (I +II)</b>		<b>27,541,565.00</b>	<b>42,040,246.00</b>
<b>IV. Expenses:</b>			
Changes In Inventory/WIP	1.16	454,150.00	(3,667,150.00)
Operational Costs	1.17	25,887,744.00	38,166,465.00
Administrative Expenses	1.18	1,243,413.00	2,406,243.00
Employee Benefit Expenses	1.19	991,156.00	1,966,385.00
Financial Charges	1.20	10,452.00	829,457.00
Depreciation and Amortization Expenses	1.21	32,633.00	15,031.00
<b>Total Expenses</b>		<b>28,619,548.00</b>	<b>39,716,431.00</b>
<b>V. Profit before exceptional and extraordinary items and tax (III-IV)</b>		<b>(1,077,983.00)</b>	<b>2,323,815.00</b>
VI. Prior Period Expenses		-	-
VII. Profit before extraordinary items and tax	(V - VI)	(1,077,983.00)	2,323,815.00
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII - VIII)		(1,077,983.00)	2,323,815.00
X. Tax expense:			
(1) Current tax		-	471,132.00
(2) Deferred tax		6,671.00	10,966.00
XI. Profit(Loss) from the period from continuing operations	(VII-VIII)	(1,084,654.00)	1,841,717.00
XII. Profit/(Loss) from discontinuing operations		-	-
XIII. Tax expense of discontinuing operations		-	-
XIV. Profit/(Loss) from Discontinuing operations	(XII-XIII)	-	-
<b>XV. Profit/(Loss) for the period</b>	<b>(XI + XIV)</b>	<b>(1,084,654.00)</b>	<b>1,841,717.00</b>
<b>XVI. Earning per equity share:</b>			
(1) Basic		(0.20)	0.34
(2) Diluted		(0.20)	0.34

for **M/s. G C Reddy and Associates**  
Chartered Accountants  
Firm Regn. No.010074S

for and on behalf of the Board of Directors of  
**Sea Gold Infrastructure Limited**

**Sd/-**  
**Vijendra G**  
Partner  
Mem No. 220735

**Sd/-**  
**P.V.Krishna Reddy**  
Managing Director  
DIN No. 00308975

**Sd/-**  
**Syed Khaleel Ahmed**  
Director  
DIN No. 05347153

Place : Hyderabad  
Date : 28.05.2016

**Sea Gold Infrastructure Limited**  
**CASH FLOW STATEMENT FOR THE PERIOD ENDED 31st MARCH, 2016**

Particulars	Year Ending 31st March, 2016 INR	Year Ending 31st March, 2015 INR
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/Loss After taxation and extraordinary items	(1,084,654)	1,841,717
Non-cash adjustment to reconcile profit before tax to net cash flows		
Adjustment for:		
Depreciation/Amortisation	32,633	15,031
Provision for doubtful debts and advances	-	-
Unrealised Foreign Exchange (gain)/ loss	-	-
Net (gain)/ loss on sale of current investments	-	-
Interest expense	-	-
Dividend (income)	-	-
Interest Income	-	-
<b>Operating (Loss)/ profit before working capital changes</b>	<b>(1,052,021)</b>	<b>1,856,748</b>
Adjustment for Working Capital:		
Increase/ (Decrease) in trade payables	8,536,626	1,793,275
Increase/ (decrease) in other current liabilities	(10,379,947)	10,397,584
(Increase) in long-term / short-term provisions	(514,021)	664,541
Decrease / (increase) in inventories	454,150	(3,667,150)
Decrease / (increase) in trade receivables	670,888	(4,382,979)
Decrease / (increase) in long-term / short-term loans and advances	9,000	2,928,000
Decrease / (increase) in other current / non-current assets	2,685,437	(13,887,311)
Cash generated from/(used) in Operating activity	410,112	(4,297,292)
Direct Taxes Paid (net of refunds if any)		-
<b>Net Cash Flow from Operating activity (A)</b>	<b>410,112</b>	<b>(4,297,292)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITY</b>		
Purchase of fixed assets, including CWIP and capital advances	(31,400)	(252,806)
Purchase of current investments		
Proceeds from sale/maturity of current investments	-	-
Purchase of investment in subsidiary (Refer note 25)	-	-
Interest received	-	-
Dividends received	-	-
<b>Net Cash generated from/(used) in investing activity (B)</b>	<b>(31,400)</b>	<b>(252,806)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITY</b>		
Proceeds from Issue of Shares	-	-
Proceeds from long-term borrowings	-	-
issues of short-term advances		
Interest paid	-	-
Dividend paid on equity shares	-	-
Tax on equity dividend paid	-	-
<b>Net Cash From Financing activity (C)</b>	<b>-</b>	<b>-</b>
<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents (A)+(B)+(C)</b>	<b>378,712</b>	<b>(4,550,098)</b>
Reconciliation		
Cash and Cash Equivalents as at the beginning of the period	1,620,471	6,170,569
Cash and Cash Equivalents as at the Close of the period	1,999,183	1,620,471
<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents</b>	<b>378,712</b>	<b>(4,550,098)</b>

**Notes :** 1. Cash Flow Statement has been prepared under "Indirect Method" as set out in the Accounting "Standard - 3 on "Cash Flow Statements" issued by the Institute of Chartered Accountants of India."

2. Cash & Cash Equivalents comprise Cash at Bank

In terms of our report of even date.

For **M/s G C Reddy & Associates**

Chartered Accountants

Firm Regn. No.010074S

Sd/-

**Vijendra G**

Partner

Mem No. 220735

Place: Hyderabad

Date : 28.05.2016

For and on behalf of the Board of Directors of  
**Sea Gold Infrastructure Limited**

Sd/-

**P.V.Krishna Reddy**  
Managing Director

Sd/-

**Syed Khaleel Ahmed**  
Director

## Sea Gold Infrastructure Limited

### 1. NOTES TO ACCOUNTS

Particulars	Figures as at 31.03.16	Figures as at 31.03.15
<b>NOTE 1.1 : SHARE CAPITAL</b>		
<b>Authorised Capital</b>		
5500000 (PY5500000) Equity shares of Rs.10 each	55,000,000.00	55,000,000.00
<b>Issued, Subscribed and Fully Paid up Capital</b>		
5448240 (PY5448240) Equity shares of Rs.10 each	54,482,400.00	54,482,400.00
<b>List of Share Holders holding more than 5% of equity shares</b>		
<b>As at 31st March, 2016</b>		
<b>As at 31st March, 2015</b>		
<b>Name of the Shareholder</b>	<b>No of Shares</b>	<b>% of Holding</b>
PVK Engineers Private Limited	2,600,000	47.72
P.V.Krishna Reddy	516,500	9.48
P.Radha Krishna Reddy	573,000	10.52
GS Energies Private Limited	305,000	5.59
Sailaja Bhimavarapu	442,000	8.11
<b>TOTAL</b>	<b>54,482,400.00</b>	<b>54,482,400.00</b>
<b>NOTE 1.2 : RESERVES &amp; SURPLUS</b>		
A). Profit and Loss Account		
- Opening Balance	(3543832.00)	(5,385,549.00)
- Transferred from P&L Account	(1,084,654.00)	1,841,717.00
- Closing Balance	(4,628,486.00)	(3,543,832.00)
<b>TOTAL</b>	<b>(4,628,486.00)</b>	<b>(3,543,832.00)</b>
<b>NOTE 1.3 : LONG TERM BORROWINGS</b>		
Secured Term Loans from Banks:		
<b>No of Loan No Loan Term Nature of Security</b>		
<b>Interest rate Inst Due</b>	-	-
Un Secured Loans From Promoters		
<b>TOTAL</b>		
<b>NOTE 1.5 : SHORT TERM BORROWINGS</b>		
<b>TOTAL</b>	-	-
<b>NOTE 1.6 : TRADE PAYABLES</b>		
Trade Payables	8,781,096.00	1,793,275.00
Outstanding Expences	1,548,805.00	-
<b>TOTAL</b>	<b>10,329,901.00</b>	<b>1,793,275.00</b>
<b>NOTE 1.7 : OTHER CURRENT LIABILITIES</b>		
Secured Term Loans from Banks:		
Loan No Loan Term Nature of Security Interest rate		
No of Inst Due Un secured loans	-	499,000.00
Advances from contractors	-	9,887,618.00
<b>TOTAL</b>	<b>-</b>	<b>10,386,618.00</b>

<b>NOTE 1.8 : SHORT TERM PROVISIONS</b>		
Provision for Income Tax	-	471,132.00
TDS Payable	70,271.00	23,408.00
Salaries Payable	-	150,000.00
Audit Fees Payable	140,588.00	77,888.00
Rent Payble	53,600.00	53,600.00
Telephone charges Payble	-	2,452.00
<b>TOTAL</b>	<b>264,459.00</b>	<b>778,480.00</b>
<b>NOTE 1.10 : Non-Current Investments</b>		
	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>
<b>NOTE 1.11 : TRADE RECEIVABLES</b>		
Debts Outstanding For a Period Exceeding 6 Months		-
Other Debts	3,712,091.00	4,382,979.00
<b>TOTAL</b>	<b>3,712,091.00</b>	<b>4,382,979.00</b>
<b>NOTE 1.12 : CASH AND CASH EQUIVALENTS</b>		
Cash in Hand	1,964,037.00	1,151,671.00
Cash at Bank	35,146.00	468,800.00
<b>TOTAL</b>	<b>1,999,183.00</b>	<b>1,620,471.00</b>
<b>NOTE 1.13 : SHORT TERM - LOANS AND ADVANCES</b>		
Rent Advance	63,000.00	72,000.00
Other Advances (Unsecured Considered goods)	14,000,000.00	14,000,000.00
<b>TOTAL</b>	<b>14,063,000.00</b>	<b>14,072,000.00</b>
<b>NOTE 1.14 : OTHER CURRENT ASSETS</b>		
Accrued Interest on Advances	1,031,548.00	1,031,548.00
IT Refund	210,426.00	104,023.00
TDS Receivables	550,587.00	849,280.00
Deposits	173,384.00	21,000.00
ESD, FSD, Retention Money etc.,	10,276,150.00	12,869,475.00
Vat Input	-	52,206.00
<b>TOTAL</b>	<b>12,242,095.00</b>	<b>14,927,532.00</b>
<b>NOTE 1.15 : REVENUE FROM OPERATIONS</b>		
Gross Receipts	27,529,336.00	41,934,302.00
Other income	-	105,944.00
<b>TOTAL</b>	<b>27,529,336.00</b>	<b>42,040,246.00</b>
<b>NOTE 1.16 : Changes In Inventory/WIP</b>		
I . Opening Stock/WIP	3,667,150.00	-
III. Less: Closing Stock/WIP	3,213,000.00	3,667,150.00
<b>TOTAL</b>	<b>454,150.00</b>	<b>(3,667,150.00)</b>

<b>NOTE 1.17 : OPERATIONAL COSTS</b>		
Contract Expenses	25,347,148.00	33,618,941.00
Deptmental Recoveries	540,596.00	4,547,524.00
<b>TOTAL</b>	<b>25,887,744.00</b>	<b>38,166,465.00</b>
<b>NOTE 1.18 : ADMINISTRATIVE EXPENSES</b>		
Office Rent	159,780.00	165,460.00
Advertisement Expenses	-	119,500.00
Electricity Charges	107,165.00	153,448.00
Rates & Taxes	-	13,623.00
Audit Fees	68,700.00	44,944.00
Consultancy Charges	420,071.00	351,790.00
Printing And Stationery	33,668.00	58,807.00
ROC Charges	9,790.00	25,200.00
Paper Publication Expenses	74,200.00	119,500.00
Telephone and Other Communication expenses	45,553.00	41,841.00
Interest on Tds late payment	715.00	905.00
Mess Expenses	-	728,942.00
Petrol & Diesel	34,909.00	179,945.00
Traveling Expenses	70,362.00	139,638.00
Office Maintenance	41,429.00	51,437.00
Other Expenses	177,071.00	211,263.00
<b>TOTAL</b>	<b>1,243,413.00</b>	<b>2,406,243.00</b>
<b>NOTE 1.19 : EMPLOYEE EXPENSES</b>		
Salary 926,881.00	1,776,882	
Staff Welfare	23,856.00	146,990.00
Local Conveyance	40,419.00	42,513.00
Director's Remuneration	-	-
<b>TOTAL</b>	<b>991,156.00</b>	<b>1,966,385.00</b>
<b>NOTE 1.20 : FINANCE CHARGES</b>		
Interest Expenses	-	92,121.00
Bank Charges	10,452.00	12,260.00
Other Finance Charges	-	725,076.00
<b>TOTAL</b>	<b>10,452.00</b>	<b>829,457.00</b>

**STATEMENT OF DEPRECIATION AS PER COMPANIES ACT 2013 FOR THE FINANCIAL YEAR : 2015-16**

**Sea Gold Infrastructure Limited**

**Note 1.9  
Fixed Assets**

Particulars	Gross Block				DEPRECIATION/ AMORTISATION				Net Block		
	As at 1/4/ 2015	Additions	Deletions / Adjustments	As at 3/31/2016	Dep Rate	Up to 3/31/2015	For the year	"On Deletions"	Up to 3/31/2016	As at 3/31/2016	As at 3/31/2015
Hydraulic Hopper Mixer	224,806	-	-	224,806	6.33%	9,273	14,230	-	23,503	201,303	215,533
Computer	28,000	31,400	-	59,400	31.67%	5,758	18,403	-	24,161	35,239	22,242
<b>TOTAL</b>	<b>252,806</b>	<b>31,400</b>	<b>-</b>	<b>284,206</b>		<b>15,031</b>	<b>32,633</b>	<b>-</b>	<b>47,664</b>	<b>236,542</b>	<b>237,775</b>

Sd/-

**P.V.Krishna Reddy**  
Managing Director

Sd/-

**Syed Khaleel Ahmed**  
Director

## SEA GOLD INFRASTRUCTURE LIMITED

**Registered Office:** Plot No.23, Phase IV, IDA Jeedimetla, Hyderabad – 500 055, Telangana  
Email: seagoldacqa@gmail.com, Website: www.seagoldaqua.com  
CIN: L70200TG1993PLC016389

### Form No. MGT-11

#### Proxy form

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

CIN No. : L70200TG1993PLC016389  
Registered Folio No./Client ID :  
Name of the company: **SEA GOLD INFRASTRUCTURE LIMITED**  
Registered Office: Plot No. 23, Phase IV, IDA Jeedimetla,  
Hyderabad-500 055, Telangana, India

Name of the Member(s)		
Registered Address		
E-mail Id	Folio No /Client ID	DP ID

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

Name :	E-mail Id:
Address:	
Signature , or failing him	

Name :	E-mail Id:
Address:	
Signature , or failing him	

Name :	E-mail Id:
Address:	
Signature , or failing him	



DP ID:

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

1. Name : \_\_\_\_\_

Address : \_\_\_\_\_

E-mail Id : \_\_\_\_\_

Signature : \_\_\_\_\_ or failing him

\_\_\_\_\_

\_\_\_\_\_

2. Name : \_\_\_\_\_

Address : \_\_\_\_\_

E-mail Id : \_\_\_\_\_

Signature : \_\_\_\_\_ or failing him

\_\_\_\_\_

\_\_\_\_\_

3. Name : \_\_\_\_\_

Address : \_\_\_\_\_

E-mail Id : \_\_\_\_\_

Signature : \_\_\_\_\_ or failing him

\_\_\_\_\_

\_\_\_\_\_

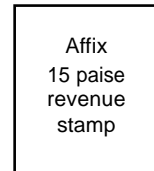
as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 22nd Annual General Meeting of the company, to be held on the Friday, 30th Sept'16 at 3.00 P.M. at the Registered office of the company situated at Plot No. 23, Phase IV, IDA Jeedimetla, Hyderabad-500055 and at any adjournment thereof in respect of such resolutions as are indicated below:

**RESOLUTION NO.:**

SL. NO.	RESOLUTION(S)	VOTE	
		FOR	AGAINST
1.	To receive, consider and adopt: the Audited Financial Statements of the Company for the financial year ended March 31, 2016, the Report of the Board of Directors and the Report of the Auditors thereon; and the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2016 and the Report of the Auditors thereon.		
2.	To appoint a Director in place of Mrs. Vijayalakshmi Panati (holding DIN 06635011), who retires by rotation and, being eligible, offers herself for re-appointment.		
3.	Ratifying the appointment of Statutory Auditors of the Company		

\* Applicable for investors holding shares in Electronic form.

Signed this                      day of                      2016



Signature of the shareholder across Revenue Stamp

Signature of Shareholder \_\_\_\_\_

Signature of Proxy holder \_\_\_\_\_

Note:

- 1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
- 2) The proxy need not be a member of the company.s

## SEA GOLD INFRASTRUCTURE LIMITED

**Registered Office:** Plot No.23, Phase IV, IDA Jeedimetla, Hyderabad – 500 055, Telangana  
Email: seagoldacqa@gmail.com, Website: www.seagoldaqua.com  
CIN: L70200TG1993PLC016389

### ATTENDANCE SLIP

(Please fill this attendance slip and hand it over at the entrance of the meeting hall)

#### 22nd Annual General Meeting on 30th September, 2016

DP ID*			Folio No
Client ID*			No.of Shares held

Full Name of the Members  
attending (In block capitals)

Name of Proxy (To be filled in, if the  
proxy attends instead of the member)

I, Certify that I am member /Proxy for the member of the company, I hereby record my presence at the 22nd Annual General Meeting of Sea Gold Infrastructure Limited held at the Registered office of the Company situated at Plot No. 23, Phase IV, IDA Jeedimetla, Hyderabad – 500 055 on Friday, the 30th September, 2016 at 3.00 P.M.

(Signature of Member's / Proxy attending the Meeting)

#### NOTE:

1. Members are requested to bring their copies of the Annual Report to the meeting, since further copies will not be available.
2. The Proxy, to be effective should be deposited at the Registered Office of the Company not less than FORTY EIGHT HOURS before the commencement of the meeting.
3. A Proxy need not be a member of the Company.
4. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
5. The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.
6. **No Gifts, Gift Coupons, Cash in lieu of Gifts will be given at the AGM.**

\* Applicable for Investors holding shares in electronic form.

## BOOK POST

*If undelivered, Please return to :*

**SEA GOLD INFRASTRUCTURE LIMITED**

**Regd. Office:** Plot No.23, Phase IV,  
IDA Jeedimetla, Hyderabad – 500 055

e-mail: [seagoldacqa@gmail.com](mailto:seagoldacqa@gmail.com), Website: [www.seagoldaqua.com](http://www.seagoldaqua.com)