



BHAGYANAGAR PROPERTIES LIMITED



12th Annual Report 2017-18



BOARD OF DIRECTORS

Narender Surana	- Director
Devendra Surana	- Whole-time Director
Shresha Surana	- Director
Sri Nagesh Boorugu	- Director
Dr.R.N.Sreenath	- Director
D. Venkatasubbiah	- Director

STATUTORY COMMITTEES

AUDIT COMMITTEE

Sri Nagesh Boorugu	Chairman
Dr.R.N.Sreenath	Member
D Venkatasubbiah	Member

NOMINATION & REMUNERATION COMMITTEE

Dr.R.N.Sreenath	Chairman
Sri Nagesh Boorugu	Member
Narender Surana	Member

STAKEHOLDERS RELATIONSHIP COMMITTEE

Dr.R.N.Sreenath	Chairman
Narender Surana	Member
Devendra Surana	Member

COMPANY SECRETARY

Rohit Jain

STATUTORY AUDITORS

Luharuka & Associates

Chartered Accountants
5-4-187/3&4, Soham Mansion,
2nd Floor, Above Bank of Baroda
M G Road, Secunderabad - 500 003

INTERNAL AUDITORS

Sekhar & Co.,

Chartered Accountants
133/4, R. P. Road,
Secunderabad – 500 003

COST AUDITORS

M/s. BVR & Associates

H.No. 6-3-628/3, Flat No. 101, R.V. Naipunya Apts
Anand Nagar Colony, Khairatabad
Hyderabad – 500 004

SECRETARIAL AUDITOR

Rakhi Agarwal, Company Secretary in Practice
6-3-660, Flat 520, Block 4,
Amrit Apartments, Kapadia Lane,
Somajiguda, Hyderabad- 500082

REGISTRAR & TRANSFER AGENT

Karvy Computershare Private Limited

Karvy Selenium Tower B,
Plot No 31 & 32
Gachibowli, Financial District,
Nanakramguda,
Serilingampally,
Hyderabad - 500 032
Tel No.040-67162222
E-mail : einward.ris@karvy.com
Web Site : www.karvy.com

REGISTERED OFFICE

Bhagyanagar Properties Limited

5th Floor, Surya Towers,
S.P. Road, Secunderabad - 500 003, India
Tel: +91 40 27845119, 44665750
Fax : +91 40 27818868
E-mail: surana@surana.com
Investors: cs@surana.com,
investorservices_bpl@surana.com
Website:www.bhagyanagarproperties.com,
www.surana.com



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NOTICE OF 12th ANNUAL GENERAL MEETING

NOTICE is hereby given that the 12th Annual General Meeting of the members of Bhagyanagar Properties Limited will be held on Monday the 24th September, 2018 at 04.30 PM at the Grand Solitaire Hotel, 1-240, 41 & 43, S.D. Road, Parklane, Secunderabad, Telangana-500 003 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company (including consolidated financial statements) for the financial year ended March 31, 2018, together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Devendra Surana who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. **Appointment of Shri D.Venkata Subbaiah as Non-Executive Independent Director of the Company:**

To consider and, if thought fit, to pass the following resolution with or without modifications, as Special Resolution:

“**RESOLVED THAT** in furtherance to earlier ordinary resolution passed by the members at the 11th Annual General Meeting held on 26th September, 2017 and pursuant to the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the appointment of Shri D.Venkata Subbaiah as Non-Executive Independent Director of the Company for a period of five years (w.e.f. 26.09.2017 upto 25.09.2022 as approved by the Members of the Company in 11th Annual General Meeting of the Company held on 26.09.2017) be and is hereby approved by way of special resolution.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to file necessary forms with the concerned authorities and to do all acts, deeds and things required to give effect to this Resolution”

4. **Appointment of Dr R.N.Sreenath, as Non-Executive Independent Director of the Company:**

To consider and, if thought fit, to pass the following resolution with or without modifications, as Special Resolution:

“**RESOLVED THAT** in furtherance to earlier ordinary resolution passed by the members at the 11th Annual General Meeting held on 26th September, 2017 and pursuant to the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the appointment of Dr.R.N.Sreenath as Non-Executive Independent Director of the Company for a period of five years (w.e.f. 26.09.2017 upto 25.09.2022 as approved by the Members of the Company in 11th Annual General Meeting of the Company held on 26.09.2017) be and is hereby approved by way of special resolution

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to file necessary forms with the concerned authorities and to do all acts, deeds and things required to give effect to this Resolution”

5. **Appointment of Ms. Shresha Surana as Non-Executive Director of the Company:**

To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 149, 161 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms. Shresha Surana who was appointed as Additional Director w.e.f 26.05.2018 and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of the Director of the Company, be and is hereby appointed as Director, subject to liable to retire by rotation”.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, proper, expedient to give effect to the foregoing resolution.”

6. **To approve the overall limits u/s 186 for Loans/ Guarantees / Securities / Investments by the company:**

To consider and, if thought fit, to pass the following resolution with or without modifications, as Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 186 of the Companies Act, 2013 and any other applicable provisions of the Companies Act, 2013 and Rules made there under (including any statutory modification thereof for the time being in force and as may be enacted from time totime), subject to such approvals, consents, sanctions and permissions, as may be necessary, and the Articles of Association of the Company and all other provisions of applicable laws, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company to (a) give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, upto an aggregate amount not exceeding Rs.300 Crores (Rupees Three Hundred Crores), notwithstanding that the aggregate of the loans or guarantees or securities so far given or to be given and/or securities so far acquired or to be acquired by the Company may collectively exceed the limits prescribed under Section 186 of the Companies Act, 2013.



RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of the Company be and is hereby authorised to take from time to time all decisions and such steps as may be necessary-for giving-loans, guarantees or providing securities or for making such investments and to execute such documents, deeds, writings, papers and/or agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion, deem fit; necessary or appropriate

7. Approval for giving of Loans, providing Guarantee or Security u/s 185 of the Companies Act, 2013:

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

“**RESOLVED THAT** pursuant to the provisions of Section 185 of the Companies Act, 2013, as amended by the Companies (Amendment) Act, 2017, approval of shareholders of the Company be and is hereby accorded for making of loans to, and/or giving of guarantee, and/or providing of security in connection with any loan taken/ to be taken by the Surana Telecom and Power Limited (STPL) and Surana Infocom Pvt Ltd (SIPL), being an entity under the category of ‘a person in whom any of the director of the company is interested’ as specified in the explanation of Section 185(2)(b), of an aggregate outstanding amount not exceeding to Rs.15 Crores per annum, respectively for each entity.”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to negotiate, finalise and agree the terms and conditions of the aforesaid loan/guarantee/security, and to take all necessary steps, to execute all such documents, instruments and writings and to do all necessary acts, deed and things in order to comply with all the legal and procedural formalities and to do all such acts, deeds or things incidental or expedient thereto and as the Board may think fit and suitable.”

8. To approve the overall Borrowing Limits u/s 180(1)(c) of the Companies Act, 2013:

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

“**RESOLVED THAT** pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force),the Articles of Association of the Company and subject to such other approvals as may be necessary, consent of the Company be and is hereby accorded to the Board of Directors of the Company (‘the Board’) to borrow any sum or sums of money, from time to time, which, together with the moneys already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company’s Bankers in the ordinary course of business) may exceed, at any time, the aggregate of

the paid-up share capital and free reserves, provided that the total amount so borrowed by the Board shall not at any time exceed Rs. 500 Crores (Rupees Five Hundred Crores only) or equivalent amount in any other foreign currency.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, director or key managerial personnel of the Company be and are hereby severally authorized to do all acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the matter aforesaid and further to do all acts, deeds, matters and things as may be necessary, proper or desirable or expedient to give effect to the above resolution.”

9. To approve the limits u/s 180 (1)(a) of the Companies Act, 2013:

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

“**RESOLVED THAT** pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act,2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such other approvals as may be necessary, consent of the Company be and is hereby accorded to the Board of Directorsof the Company (‘the Board’) to sell, lease or otherwise dispose of the whole or substantially whole of the undertaking, or to create such charges, mortgages and hypothecations in addition or supplemental to the existing charges, mortgages and hypothecations, if any, created by the Company, on its movable and immovable properties, both present and future, and in such manner as the Board may deem fit, in favour of Banks, Financial Institutions and any Lending Agencies or bodies/ Security Trustees/ Agents, for the purpose of securing any borrowing, loans and/or advances already obtained or that may be obtained, together with interest, all other costs, charges and expenses and other moneys payable by the Company, up to a sum of Rs. 500 Crores (Rupees Five Hundred Crores only).

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things, to execute all such documents, instruments, agreements and writings as may be required and to delegate all or any of its powers herein conferred to a Committee constituted/ to be constituted by the Board and/ or any Member of such Committee with power to the said Committee to sub-delegate its powers to any of its Members for the purpose of giving effect to the aforesaid Resolution.”

10. To raise funds through issue of Shares/Convertible Securities/ADR/GDR/FCCB’S/ECB’S etc.

To consider and, if thought fit, to pass, with or without modifications, the following resolution as Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 42, 62 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debenture) Rules, 2014 and all other applicable provisions of the Companies Act, 2013, as applicable, and/or Foreign Exchange Management Act, 1999 (including any statutory modification(s) or re-enactment thereof), the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India), Regulations, 2000, as amended, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Deposit Receipt Mechanism) Scheme, 1993, as amended and the applicable Rules, Regulations, Notifications and Circulars, if any, issued by Securities and Exchange Board of India (SEBI) from time to time, including the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the ICDR Regulations), Reserve Bank of India (RBI), Government of India or any other competent Authority and clarifications, if any, issued thereon from time to time by appropriate authorities, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other concerned and appropriate authorities, and other applicable laws, if any, and relevant provisions of the Memorandum and Articles of Association of the Company and subject to such approval(s), consent(s), permission(s) and/or sanction(s), if any, of the Government of India, RBI, SEBI and any other appropriate Authority(ies), Bank(s), Institution(s) or Body(ies), as may be necessary and subject to such conditions as may be prescribed by any of them in granting any such approval, consent, permission or sanction, as are accepted, the Board of Directors of the Company, (hereinafter referred to as the “Board”, which term shall be deemed to include any duly constituted Committee thereof), be and is hereby authorized to create, offer, issue and allot Equity Shares/Securities in one or more tranches, in the course of domestic or international offerings, by way of Follow-on Public Offer (FPO) and/or by way of a Qualified Institutions Placement (QIP) in terms of the Chapter VIII of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time and/or Equity Shares in the form of Global Depository Receipts (GDRs), and/or American Depository Receipts (ADRs), and/ or External Commercial Borrowings (ECBs) with rights of conversion into shares, and/ or Foreign Currency Convertible Bonds (FCCBs) and/or Optionally or Compulsorily Convertible Redeemable Preference Shares (OCPS/CCPS), convertible into Equity Shares of the Company with voting rights or with differential rights as to voting, dividend or otherwise in accordance with such rules and subject to such conditions as may be prescribed or any other instrument convertible into Equity Shares with voting rights or with differential voting rights as to voting, dividend or otherwise (hereinafter referred to as the “Securities”), to be subscribed to, by International and/or Indian Banks, Institutions, Institutional Investors, Mutual Funds, companies, other Corporate Bodies, Resident/Non-Resident Indians, Foreign Nationals and other eligible Investors, as may be decided by the

Board, (hereinafter referred to as “Investors”), whether or not such Investors are members of the Company or not (including the provisions for reservation on firm and/or competitive basis, of such part of issue and for such categories of persons including employees of the Company, group/associate company(ies) as may be permitted by the ICDR Regulations from time to time), at such time or times, at such price or prices, at discount / premium to the market or prices in such manner and on such terms and conditions including security, rate of interest etc. including the discretion to determine the categories of Investors to whom the offer, issue and allotment shall be made to the exclusion of all other categories of Investors, as may be determined by the Board at the time of such issue and allotment, considering the then prevailing market conditions and other relevant factors wherever necessary, upto an aggregate of **US\$ 30 million** in any foreign currency or in Rupees (inclusive of such premium as may be determined) and such issue and allotment be made at such time or times, in such tranche or tranches, in such currency or currencies, in such manner and on such terms and conditions (including, if necessary, in relation to security on convertible debt instruments) as may be decided and deemed appropriate by the Board in its sole discretion at the time of issue / allotment.”

“RESOLVED FURTHER THAT in case of QIP, pursuant to Chapter VIII of the ICDR Regulations, the allotment of Equity Shares/ Securities shall only be made to Qualified Institutional Buyers at a price including a discount of not more than 5% (or such discount as may be prescribed by SEBI from time to time) within the meaning of Chapter VIII of ICDR Regulations and such securities shall be fully paid-up and the allotment of such Securities shall be completed within 12 months from the date of this Resolution.”

“RESOLVED FURTHER THAT the Company and/or any agency or body authorized by the Company, may issue receipts/certificates representing the underlying securities and/ or Equity Shares issued by the Company with such features and attributes as are prevalent in International Capital Markets for instruments of this nature and provide for the tradability or free transferability thereof as per the domestic/international practices, norms and regulations, and under the norms and practices prevalent in the International Markets.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot, from time to time, such number of Equity Shares at such premium as may be decided by the Board in its absolute discretion, upon conversion of such Securities or as may be necessary in accordance with the terms of the offering, including additional Equity Shares, and all such shares shall rank pari- passu with the then existing Equity Shares of the Company in all respects including to dividend.”

“RESOLVED FURTHER THAT for the purpose of giving effect to any issue and/or allotment of Equity Shares in the Company or Securities or instruments or Securities representing or convertible into Equity Shares in the Company, the Board be and is hereby authorized on behalf of the Company to do all such acts,



deeds, matters and things as it may at its discretion, deem necessary, appropriate or desirable for such purpose, including, without limitation, determining the form and manner of the issue, the class of investors to whom the Equity Shares/ Securities are to be issued and allotted, number of Equity Shares/Securities to be allotted in each tranche, issue price, face value, premium amount on issue/conversion of Securities/ exercise of warrants/redemption of Securities, rate of interest, redemption period, to appoint Lead Managers, Merchant Bankers, Global Business Coordinators, Book Runners, Underwriters, Guarantors, Financial and/or Legal Advisors, Depositories, Custodians, Registrars, Trustees, Bankers and all other agencies, to enter into or execute all such agreements/ arrangements / MOUs/documents with any such agencies, as may be necessary; to list the Securities and the Equity Shares to be issued on conversion of the said Securities on any Indian and/or Foreign Stock Exchange(s), as it may in its absolute discretion deem fit.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorized to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of Equity Shares or Securities and utilization of the issue proceeds as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the members or otherwise, with the intent that the members shall be deemed to have given their approval thereto expressly by the authority of the aforesaid Resolution.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors or Whole-time Director(s) or any Director(s) or any other Officer(s) of the Company to implement the aforesaid Resolution.”

11. To approve and ratify the remuneration of Cost Auditors for the Financial year 2018-19:

To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications or re-enactments thereof, for the time being in force), the cost audit fees of Rs.10,000 (Rupees Ten Thousand Only) to be paid to M/s. BVR & Associates, Cost Accountants in practice, the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year 2018-19 be and is hereby ratified and approved.

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution”.

12. Approval of charges for service of documents on the shareholders:

To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 20 of the Companies Act 2013 and other applicable provisions, if any, of the said Act and relevant rules prescribed there under, whereby a document may be served on any shareholder by the Company by sending it to him by post or by registered post or by speed post or by courier or by electronic or other mode as may be prescribed, the consent of the shareholders be and is hereby accorded to charge from the member the fee in advance equivalent to the estimated actual expenses of delivery of the documents, pursuant to any request made by the shareholder for delivery of such document to him, through a particular mode of services mentioned above provided such request along with requisite fee has been duly received by the Company at least one week in advance of the dispatch of document by the Company and that no such request shall be entertained by the Company post the dispatch of such document by the Company to the shareholder.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, director or key managerial personnel of the Company be and are hereby severally authorized to do all acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the matter aforesaid and further to do all acts, deeds, matters and things as may be necessary, proper or desirable or expedient to give effect to the above resolution.”

By Order of the Board

For BHAGYANAGAR PROPERTIES LIMITED

Place: Secunderabad
Date: 06.08.2018

NARENDER SURANA
DIRECTOR
DIN-00075086

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, TO VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE VALID AND EFFECTIVE, MUST BE DELIVERED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

Pursuant to provisions of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014 a person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights.

2. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising such representative to attend and vote on their behalf at the Meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 19.09.2018 to 24.09.2018 (both days inclusive) for the purpose of annual closure.
4. The Company's Equity shares are listed at BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001 and National Stock Exchange of India Ltd., Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051 and the Company has paid the Listing Fees to the said Stock Exchanges.
5. Members / Proxies are requested to bring their copies of Annual Report with them for the Annual General Meeting and the attendance slip duly filled in for attending the Meeting. No copies of the Annual Report will be distributed at the meeting.
6. Members holding shares in dematerialized form are requested to intimate all changes pertaining to nominations, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, Karvy Computershare Private Limited to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to Karvy Computershare Private Limited
7. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or Karvy Computershare Private Limited, the details of such folios together with the share certificates for consolidating their holding in one folio. A consolidated share certificate will be returned to such Members after making requisite changes thereon.
8. In case of joint holders attending the meeting, the Member whose name appears as the first holder in

the order of names as per the Register of Members of the Company will be entitled to vote.

9. Members seeking any information with regard to the Accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the meeting.
10. Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 permits sending of soft copies of annual reports to all those members who have registered their email addresses for the purpose.

The Companies Act, 2013 has also recognized serving of documents to any member through electronic mode. In terms of the circular No. NSDL/CIR/II/10/2012 dated March 9, 2012 issued by National Securities Depository Limited, email addresses made available by the Depository for your respective DPs accounts as part of the beneficiary position downloaded from the Depositories from time to time will be deemed to be your registered email address for serving notices/ documents including those covered under Section 101 and 136 of the Companies Act, 2013 read with Section 20 of the Companies Act, 2013 and the applicable rules. In light of the requirements prescribed by the aforesaid circulars, for those members whose Depository Participant accounts do not contain the details of their email addresses, printed copies of the Annual Report would be dispatched.

11. Shareholders are requested to furnish their e-mail IDs to enable the Company to forward all the requisite information in electronic mode and support the green initiative. In case of the Shareholders holding shares in demat form the email IDs of the shareholders registered with DP and made available to the Company shall be the registered email IDs unless communication is received to the contrary.
12. The Securities Exchange Board of India has notified that the shareholder/transferee of shares (including joint holders) holding shares in physical form are required to furnish a certified copy of their PAN card to the Company's RTA while transacting in the securities market including transfer, transmission or any other Corporate Action. Accordingly, all the shareholders/transferee of shares (including joint holders) are requested to furnish a certified copy of their PAN card to the Company's RTA while transacting in the securities market including transfer, transmission or any other corporate action.
13. The Securities and Exchange Board of India (SEBI) vide its circular dated 20th April, 2018 has mandated registration of Permanent Account Number (PAN) and Bank Account Details for all securities holders. Members holding shares in physical form are therefore, requested to submit their PAN and Bank Account Details to Karvy / the Company by sending a duly signed letter along with self-attested copy of PAN Card and original cancelled cheque. The original cancelled cheque should bear the name of the Member. In the alternative Members are requested to submit a copy of bank passbook /

statement attested by the bank. Members holding shares in demat form are requested to submit the aforesaid information to their respective Depository Participant.

14. Pursuant to Section 108 of the Companies Act, 2013 read with relevant Rules under the Act, the Company is pleased to provide the facility to the Members to exercise their right to vote through electronic voting. The members who have not cast their vote by remote e-voting shall be able to vote at the Annual General Meeting.
15. The members whose names appear on the Register of Members/ list of beneficial owners as on 17th September, 2018 are eligible to participate in e-voting on the resolutions set forth in this notice.
16. The Companies (Management and Administration) Rules, 2015 provide that the electronic voting period shall close at 5:00 PM, on the date preceding the AGM. Accordingly, the e-voting will be available at the <https://evoting.karvy.com>. The remote e-voting period will commence at 9:00 A.M. (IST) on 20th September, 2018 and will end at 5:00 P.M. (IST) on 23rd September, 2018. The remote e-voting will not be allowed beyond the aforesaid period and time, and the remote e-voting module shall be disabled by M/s Karvy Computershare Private Limited, the agency engaged by the company to provide e-voting facility.
17. The member(s) who have cast their vote by remote e-voting may also attend the meeting but shall not be entitled to cast their vote again. Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently.
18. In order to enable its members, who do not have access to e-voting facility, to send their assent or dissent in writing in respect of the resolutions as set forth in their Notice; the Company is enclosing a Ballot form with the Notice. Resolution (s) passed by the members through ballot forms, remote e-voting and voting at the AGM are deemed to have passed as if they have been passed at the AGM.
19. The Company has appointed Mrs. Rakhi Agarwal, Company Secretary in Practice, Hyderabad to act as Scrutinizer to scrutinize the poll at the Annual General Meeting, remote e-voting process and through ballot form in a fair and transparent manner.
20. The login ID and password for e-voting along with process, manner and instructions for e-voting is being sent to the members who have not registered their e-mail ids with the Company/their respective Depository Participant along with physical copy of the Notice. Those members who have registered their e-mail IDs with the Company/their respective Depository Participant are being forwarded the login ID and password for e-voting along with process, manner and instruction by e-mail.
21. Members are requested to send all communication relating to shares to the Company's Share Transfer Agents (Physical and Electronic) at M/s KARVY COMPUTERSHARE PRIVATE LIMITED, Karvy Selenium Tower B, Plot No 31&32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad-500032. Further, kindly note that members holding shares in physical form and intending to transfer their shares have to furnish the PAN particulars of transferee along with the share transfer deeds for affecting the physical share transfer.
22. Any person who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice of AGM and holds shares as on the cut-off date of 17th September, 2018, may obtain User ID and Password by sending a request at evoting@karvy.com. However, if you are already registered with Karvy for e-voting, then you can use your existing User ID and Password for casting your vote.
23. Please note that, any queries pertaining to accounting related aspects may be posted /handed over to the Secretarial Department at the Registered Office of the Company at least 48 hours before the Annual General Meeting, so that the same could be clarified to the shareholders at the Annual General Meeting.
24. The relative Explanatory Statements pursuant to Section 102 of the Companies Act, 2013 in respect of Special Businesses set out above is annexed herewith.

By Order of the Board
For **BHAGYANAGAR PROPERTIES LIMITED**

NARENDER SURANA
DIRECTOR
DIN-00075086

Place: Secunderabad
Date: 06.08.2018

EXPLANATORY STATEMENT

Pursuant to Section 102(1) of The Companies Act, 2013

Item No. 3:

As per SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, no listed entity shall appoint a person or continue the directorship of any person as non-executive director who has attained the age of seventy five years unless a special resolution is passed to that effect.

Shri D.Venkata Subbaiah, 76 years, a Graduate in Electronics and Communications. He was appointed as Non-Executive Independent Director of the Company for a period of 5 years with effect from 26th September, 2017 in the 11th Annual General Meeting of the Company held on 26.09.2017. He is having rich experience in R&D work and engineering of Radio Relay systems covering VHF, UHF and Microwave Bands and worked in various positions in Government Sectors. The Board believes that his experience and vision will contribute to the growth of the Company and also in steering the Company with best Corporate Governance practices.

The Board of Directors recommends the Special Resolution for your approval.

None of the Directors except Shri D.Venkata Subbaiah himself, is concerned or interested in the resolution. None of the other Directors, Key Managerial Personnel or their relatives are concerned or interested in the resolution.

Item No. 4:

As per SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, no listed entity shall appoint a person or continue the directorship of any person as non-executive director who has attained the age of seventy five years unless a special resolution is passed to that effect.

Dr R.N.Sreenath, 77 years holding M.Sc., Ph.D (I.I.SC.) in the field of Specialization Semiconductor & Solar Photo voltaic Technology, has over 50 years of vast experience out of which 26 years of experience in Semiconductor technology and balance 17 years in Solar Photovoltaic Technology Served on BEL, Bangalore for Over 33 years from 1966 to 1999. He has served on the various organisations as Senior Vice President and head of solar factory. He was appointed as Non-Executive Independent Director of the Company for a period of 5 years with effect from 26th September, 2017 in the 11th Annual General Meeting of the Company held on 26.09.2017. The Board believes that his experience and vision will contribute to the growth of the Company and also in steering the Company with best Corporate Governance practices.

The Board of Directors recommends the Special Resolution for your approval.

None of the Directors except Dr R.N.Sreenath himself, is concerned or interested in the resolution. None of the other Directors, Key Managerial Personnel or their relatives are concerned or interested in the resolution.

Item No. 5:

The Board of Directors of the Company appointed Ms. Shresha Surana as an Additional Director of the Company

with effect from 26.05.2018. In accordance with the provisions of Section 161 of Companies Act, 2013 and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Ms. Shresha Surana shall hold office up to the date of the ensuing Annual General Meeting and is eligible to be appointed as Non-Executive Women Director, subject to liable to retire by rotation. Notice as required under Section 160 of the Companies Act, 2013 has been received from a member signifying their intention to propose her as candidate for the office of Director of the Company. A brief profile of Ms. Shresha Surana is annexed in the Annual Report.

The Board of Directors recommends the Ordinary Resolution for your approval.

Shri Narender Surana and Devendra Surana may be deemed to be concerned or interested in the said resolution. No other Director, key managerial personnel or their relatives are concerned or interested in the said resolution.

Item No. 6:

As per the provisions of Section 186 of the Companies Act, 2013, the Board of Directors of a Company can make any loan, investment or give guarantee or provide any security beyond the prescribed ceiling of i) Sixty per cent of the aggregate of the paid-up capital and free reserves and securities premium account or, ii) Hundred per cent of its free reserves and securities premium account, whichever is more, if special resolution is passed by the members of the Company. As a measure of achieving greater financial flexibility and to enable optimal financing structure, this permission is sought pursuant to the provisions of Section 186 of the Companies Act, 2013 to give powers to the Board of Directors or any duly constituted committee thereof, for making further investment, providing loans or give guarantee or provide security in connection with loans to subsidiaries/ associate/group companies for an amount not exceeding Rs. 300 crores.

The investment(s), loan(s), guarantee(s) and security (ies), as the case may be, will be made in accordance with the applicable provisions of the Companies Act, 2013 and relevant rules made there under. These investments are proposed to be made out of own/ surplus funds/internal accruals and or any other sources including borrowings, if necessary, to achieve long term strategic and business objectives.

The Board accordingly recommends the Special resolution for your approval.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in this resolution except as members.

Item No. 7:

The Company may be required to make loan(s) including loan represented by way of Book Debt to, and/or give guarantee(s) and/or provide security(ies) in connection with any loan, including loan represented by way of Book debt, if any, by Surana Telecom and Power Limited (STPL) and Surana Infocom Pvt Ltd (SIPL), which are covered under the category of 'a person in whom any of the director of the company is interested' as specified in the explanation

to Sub-section 2 of the Section 185 of Companies Act, 2013 and hence consent of the members is being sought by way of a special resolution pursuant to Section 185 of the Companies Act, 2013 (as amended by the Companies (Amendment) Act, 2017) for making of Loan(s) to, and/or giving of guarantee(s), and/or providing of security(ies) in connection with any Loan taken/ to be taken by STPL and SIPL, of an aggregate outstanding amount not exceeding Rs.15 Crores (Rupees fifteen crores only) per annum respectively for each entity. The said Loan(s)/ guarantee(s)/ security(ies) shall be utilised for their principal business activities and the matters connected and incidental thereto.

Brief particulars of Loan proposed to be given or guarantee to be given or security to be provided to STPL and SIPL are as below:

Name of the Company	Particulars of loans to be given, or guarantee to be given or security to be provided	Purpose
Surana Telecom and Power Limited	Aggregate amount of loans to be given or guarantee to be given or securities to be provided shall not exceed an amount of Rs.15 Crores per annum	Working capital requirements to support its Principal Business Activities.
Surana Infocom Private Limited	Aggregate amount of loans to be given or guarantee to be given or securities to be provided shall not exceed an amount of Rs.15 Crores per annum	Expansion of its principal business activities.

Your Directors recommend the resolution set out at Item no. 7 to be passed as a special resolution by the members.

Item No. 8 & 9:

Pursuant to the provisions of section 180(1)(c) of the Companies Act, 2013, the Board of Directors shall not except with the approval of the Company in general meeting, borrow money, where the money to be borrowed, together with the money already borrowed by the company will exceed aggregate of its paid-up share capital and free reserves, apart from temporary loans obtained from the company's bankers in the ordinary course of business. In view of the growing operations and business expansion and the need for higher credit requirement, it is now proposed to obtain the permission of the members to increase the borrowing limits Rs.500 Crores (Rupees Five Hundred Crores);

In order to sell, lease or otherwise dispose of whole or part of the undertaking of the Company, or to create charge on the assets of the Company to secure the borrowings made by the Company, Section 180(1)(a) of the Companies Act, 2013 provides for the power to sell, lease, mortgage, hypothecate or otherwise dispose of the whole or substantially the whole

of the undertaking of the Company subject to the approval of shareholders.

The Board accordingly recommends the Special resolution for your approval.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in this resolution except as members.

Item No. 10:

The resolution contained in the AGM Notice relates to a proposal by the Company to create, offer, issue and allot Securities through further public offerings, preferential allotments, qualified institutions placements, issuance of Global Depository Receipts, American Depository Receipts and such other Securities in such manner as stated in the resolution. The Company intends to issue Securities for a value of up to US\$ 30 million. Subject to applicable laws and regulations, the Company intends to use the net proceeds of the Issue primarily for making acquisition, expansion and modernization of existing facilities, working capital requirements and general corporate purpose.

The Special Resolution also seeks to empower the Board of Directors to undertake a qualified institutions placement with qualified institutional buyers as defined by SEBI (ICDR) Regulations. The Board of Directors may in their discretion adopt this mechanism as prescribed under Chapter VIII of the SEBI (ICDR) Regulations for raising the funds for the expansion plans of the company, without the need for fresh approval from the shareholders. In case of an issuance of Securities to qualified institutional buyers, whether or not such investors are existing members of the Company, through a qualified institutions placement under Chapter VIII of the SEBI (ICDR) Regulations, the final price at which the Securities will be offered will be subject to investor response and prevailing market conditions, and computed in accordance with the relevant provisions of Chapter VIII of the SEBI (ICDR) Regulations. Furthermore, a discount of 5% to the floor price of the Equity Shares, or such other discount as may be permitted under Chapter VIII of the SEBI (ICDR) Regulations may also be contemplated at the time of issuance, for which authorization is being taken from the shareholders of the Company through this Special Resolution. The detailed terms and conditions of the issue as and when made will be determined by the Board of Directors in consultation with the Merchant Bankers, Lead Managers, Advisors and other experts in accordance with the applicable provisions of law.

The Special Resolution seeks to give the Board powers to issue Securities in one or more tranche or tranches, at such time or times, at such price or prices and to such person(s) including institutions, incorporated bodies or otherwise as the Board in its absolute discretion deem fit. The consent of the Shareholders is being sought pursuant to the provisions of Section 62(1)(c) and Section 42 of the Companies Act, 2013 and other applicable provisions and rules of the Companies Act, 2013, to the extent notified and in force, and in terms of the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 executed by the Company with the Stock Exchanges where the Equity Shares of the Company are listed i.e. BSE Limited and National Stock Exchange of India Limited. Section 62(1)(c)

of the Companies Act, 2013 provides, inter-alia, that when it is proposed to increase the issued capital of the Company by allotment of further shares, such further shares shall be offered to the existing shareholders of the Company in accordance with the Act unless the shareholders in a general meeting decide otherwise. The special resolution seeks the consent and authorization of the members to the Board to make the proposed issue of Securities and in the event it is decided to issue Securities convertible into Equity Shares, to issue to the holders of such convertible Securities in such manner and such number of Equity Shares on conversion as may be required to be issued in accordance with the terms of the issue.

The Board of Directors believe that the issue of Securities to investors who are/ are not Shareholders of the Company is in the interest of the Company and therefore recommends the resolution for your approval.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution.

Item No. 11:

The Board of Directors, on recommendation of the Audit committee, at their meeting held on 26.05.2018 has approved the appointment and remuneration of the M/s. BVR & Associates, Cost Accountants in practice, as Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial year ending 31.03.2019 on a remuneration of Rs. 10,000/- (Ten Thousand).

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution

as set out at Item No. 11 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31.03.2019.

The Board of Directors recommends the Ordinary Resolution for your approval.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution.

Item No. 12:

As per the provisions of Section 20 of the Companies Act, 2013, a shareholder may request for any document through a particular mode, for which the shareholder shall pay such fees as may be determined by the Company in its annual general meeting. Since the cost of providing documents may vary according to the mode of service, weight and its destination etc., therefore it is proposed that actual expense that may be borne by the Company for such dispatch will be paid in advance by the shareholder to the company.

The Board of Directors recommends the Ordinary Resolution as set out in item no. 12 of the Notice for your approval.

No Director of the Company, Key Managerial Personnel or their relatives respectively is in any way concerned or interested in the proposed resolution.

By Order of the Board
For **BHAGYANAGAR PROPERTIES LIMITED**

NARENDER SURANA
DIRECTOR
DIN-00075086

Place: Secunderabad
Date: 06.08.2018

DIRECTORS' REPORT

To the Members of
Bhagyanagar Properties Limited

The Directors have pleasure in presenting the 12th Annual Report of your Company and the Audited financial statements for the financial year ended 31st March, 2018 together with Auditors' Report thereon.

FINANCIAL RESULTS:

The performance of the Company during the year has been as under:

(Amount in ₹)

Particulars	Standalone		Consolidated	
	2017-18	2016-17	2017-18	2016-17
Sales and other Income	14,338,816	24,898,456	14,338,816	24,898,456
EBIDTA	6,603,562	14,233,242	6,457,494	14,206,552
LESS :				
Depreciation	102,111	91,488	153,361	228,629
Interest and Finance charges	208,790	173,474	208,790	173,796
Profit before Taxation	6,292,661	13,968,280	6,095,343	13,804,127
Provision for Taxation : Current Tax	1,195,706	2,655,970	1,195,706	2,655,970
MAT Credit Entitlement	(259,226)	-	(259,226)	-
Taxes for earlier years	207,303	11,280	238,083	11,280
Profit after Tax	5,148,878	11,301,030	4,920,780	11,136,877
Add: Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	5,148,878	11,301,030	4,920,780	11,136,877
Less: Minority Interest (Current year's Profit/(loss))	-	-	(44,082)	(36,194)
Surplus brought forward from previous year	8,763,670	(2,537,360)	9,252,630	(1,624,986)
Add: MAT credit of earlier years	2,815,839	-	2,815,839	-
Add: Profit / (Loss) of earlier years on acquisition of subsidiaries	-	-	-	(295,455)
Balance available for appropriation	16,728,387	8,763,670	17,033,330	9,252,630
APPROPRIATION:				
Balance c/f to Balance Sheet	16,728,387	8,763,670	17,033,330	9,252,630

PERFORMANCE AND OPERATIONS:

The Company is into initial stage of operations. During the year 2017-18, the Company's total sales and other income stood at Rs.1,43,38,816 and Profit Before Taxation (PBT) of Rs.62,92,661 and Profit after Tax (PAT) of Rs. 51,48,878.

The Company and its subsidiaries has sizeable land bank in and around Hyderabad. In view of the rapid growth of e-commerce as well as information technology companies in Hyderabad, the Company has set up a Warehouse at Gachibowli, Hyderabad with around 61,000 Sq.ft. and will be adding further warehouse space. Currently, the following are key tenants among others viz., Amazon India, Flipkart, Blue Dart, Big Basket, Storespace, Food Junction. Your Company is also planning to set up co-working space for IT around 30,000 Sq.ft. with high standard facilities.

Further, your company has entered into Lease Agreement with various parties for lease of the Company's part open land and the revenue earning is expected to increase substantially during the current financial year 2018-19.

SUBSIDIARIES/ ASSOCIATES:

The Company has the following subsidiary companies as on 31.03.2018. Further there has been no material change in the nature of business of the subsidiaries.

Sl. No.	Name of Subsidiary	Percentage of shareholding (%)
1	Scientia Infocom India Private Limited	76.00
2	Metropolitan Ventures India Limited	100.00

Further your Company acquired Masanto Containers Pvt Ltd as 100% subsidiary which is holding land to the extent of 2.13 Acres at Nacharam, IDA, Hyderabad.

In terms of proviso to sub section (3) of Section 129 of the Act, 2013 read with Companies (Accounts) Rules, 2014, the salient features of the financial statement of the subsidiaries and Associates is set out in the prescribed Form AOC-1, which forms part of the annual report.

CONSOLIDATED FINANCIAL STATEMENTS:

The consolidated financial statements prepared and annexed in accordance with the Accounting Standards 21 and 23 as prescribed under Section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2014 and Guidelines issued by Securities and Exchange Board of India ("SEBI") also forms part of this Annual Report.

As per the provisions of Section 136 of the Companies Act, 2013, the Company has placed separate audited accounts of its subsidiaries on its website www.bhagyanagarproperties.com and copy of separate audited financial statements of its subsidiaries will be provided to the shareholders at their request.

SECRETARIAL STANDARDS:

The Directors state that applicable Secretarial Standards, i.e., SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

SHARECAPITAL:

The Company's issued, subscribed and paid up capital as on 31.03.2018 is Rs.6,39,90,000 divided into 3,19,95,000 equity shares of face value of Rs.2/- each.

DIVIDEND:

The Board considering the Company's performance and financial position for the year under review, not recommended dividend for the financial year 2017-18.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The Management Discussion and Analysis forms an integral part of this Report and gives details of the overall industry structure, developments, performance and state of affairs of the Company's business, internal controls and their adequacy, risk management systems and other material developments during the financial year.

Management Discussion and Analysis Report is presented in a separate section forms part of the Annual Report as Annexure-II.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 134 of the Companies Act, 2013, with respect to the Directors' Responsibility Statement, the Board of Directors of the Company hereby confirms:

(a) That the preparation of the annual accounts for the financial year ended 31st March, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(b) That the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year 31st March, 2018 and of the profit and loss of the company for that period;

(c) That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) That the directors have prepared the annual accounts for the financial year 31st March, 2018 on a going concern basis; and

(e) That the directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and

(f) That the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS:

The Independent Directors have submitted the declaration of independence, as required pursuant to sub-section (7) of section 149 of the Companies Act, 2013 stating that they meet the criteria of independence as provided in sub-section(6) of Section 149.

NOMINATION AND REMUNERATION POLICY:

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy which lays down a framework in relation to selection, appointment and remuneration to Directors, Key Managerial Personnel and Senior Management of the Company. The details of Nomination and Remuneration Committee and Policy are stated in the Corporate Governance Report.

PARTICULARS OF LOANS, GUARANTEES OR SECURITIES OR INVESTMENTS:

The details of Loans, Guarantees, Securities and Investments made during the financial year ended 31st March, 2018 are given in the notes to the Financial Statements in compliance with the provisions of Section 186 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014.

RELATED PARTY TRANSACTIONS:

All transactions entered with related parties for the year under review were on arm's length basis and in the ordinary course of business and that the provisions of Section 188 of the Companies Act, 2013 and the Rules made thereunder are not attracted. Thus, disclosure in form AOC-2 in terms of Section 134 of the Companies Act, 2013 is not required. Further, there are no material related party transactions during the year under review with the Promoters, Directors or Key Managerial Personnel. The policy on materiality of Related Party Transactions as approved by the Board of Directors has been uploaded on the Company's website www.bhagyanagarproperties.com.

EXTRACT OF ANNUAL RETURN:

The Extracts of Annual Return as per the provisions of Section 92 of the Companies Act, 2013 and Rule 12 of Companies (Management and Administration) Rules, 2014 in Form MGT-9 are enclosed as Annexure - III to this Report.

**PARTICULARS IN RESPECT OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The information on conservation of energy, technology absorption, foreign exchange earnings and outgo required to be disclosed under Section 134(3)(m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014 are provided in the Annexure-I forming part of this Report.

RISK MANAGEMENT POLICY:

In terms of the requirement Section 134(3)(n) and Regulation 21 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with relevant provisions of the Companies Act 2013 the Company has developed and implemented the Risk Management Policy. The Audit Committee has additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The development and implementation of risk management policy has been covered in the management discussion and analysis, which forms part of this report. At present the Company has not identified any element of risk which may threaten the existence of the company.

BOARD EVALUATION

During the year under review, pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the evaluation of performance of all Directors is undertaken annually. The company has implemented a system of evaluating performance of the Board of Directors and of its Committees and individual Directors on the basis of a structured questionnaire which comprise evaluation criteria taking into consideration various performance related aspects.

The Board of Directors have expressed their satisfaction with the valuation process.

DIRECTORS:

Shri Devendra Surana, Director of the Company will retire by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

Ms.Shresha Surana appointed as Additional Director on 26.05.2018 and holding office till the conclusion of this Annual General Meeting and also is eligible for appointment as Director. The Board recommends for appointment as Director, accordingly the resolution seeking approval of the members has been included in the Notice of this Annual General Meeting.

Further, Shri D.Venkata Subbaiah and Dr.R.N.Sreenath, Independent Directors, who attained the age above 75 years are being appointed as Non-Executive Independent Directors through Special Resolution by shareholders at this Annual General Meeting pursuant to SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018.

The brief particulars of the Directors seeking appointment /re-appointment at this Annual General Meeting are being annexed to the Corporate Governance Report.

Pursuant to the provisions of Section 203 of the Act, Shri Narender Surana, Director, Shri Devendra Surana, Whole-Time Director and Shri. Rohit Jain, Company Secretary were formalized as the Key Managerial Personnel of the Company.

BOARD COMMITTEES:

In compliance to the provisions of Companies Act, 2013 and SEBI Listing Regulations, the Company has constituted various Committees of the Board. The details on Composition of the Committee, Attendance of the Directors at the Committee Meeting and terms of reference of the Committee has been provided in the Corporate Governance Report.

MEETINGS:

During the financial year under review, 5 (Five) Board Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the meetings was within the period of 120 days as prescribed under the Companies Act, 2013 and the Listing Regulations.

DEPOSITS:

The Company has not accepted any deposits from public in terms of Section 73 of the Companies Act, 2013 and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet.

STATUTORY AUDITORS

M/s. Luharuka & Associates, Chartered Accountants were appointed as Statutory Auditors of your Company at the Annual General Meeting held on 26th September, 2017, for a term of five consecutive years. As per the provisions of Section 139 of the Companies Act, 2013, the appointment of Auditors is required to be ratified by Members at every Annual General Meeting.

In accordance with the Companies Amendment Act, 2017, enforced on 7th May, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting. M/s. Luharuka & Associates, Chartered Accountants have confirmed that they are not disqualified from continuing as Auditors of the Company.

AUDITORS' REPORT

There are no qualifications, reservations or adverse remarks made by M/s. Luharuka & Associates, Chartered Accountants, Statutory Auditors in their report for the Financial Year ended 31st March, 2018.

The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company in the year under review.

INTERNAL AUDITORS

The Board of Directors of the Company have re-appointed M/s Sekhar & Co., Chartered Accountants as Internal Auditors to conduct Internal Audit of the Company for the Financial Year ended 31st March, 2019.

COST AUDITORS

The Board of Directors, subject to the approval of the Central Government, re-appointed M/s BVR & Associates, Cost Accountants, holding certificate of practice No.16851, as a Cost Auditor for conducting the Cost Audit for the financial year 2018-19. Subject to Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 issued by the MCA, the Audit Committee recommended their re-appointment. The Company has also received a letter from the Cost Auditor, stating that the appointment, if made, will be within the limits prescribed pursuant to the Section 141 of Companies Act, 2013.

CORPORATE GOVERNANCE:

The Company has implemented the procedures and adopted practices in conformity with the Code of Corporate Governance as per the requirements of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

A separate report on corporate governance practices followed by the Company together with a Certificate from the Company's Auditors confirming compliances forms an integral part of this Report.

VIGIL MECHANISM:

The Company has adopted a Whistle Blower Policy establishing vigil mechanism, to provide a formal mechanism to the Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of Code of Conduct and Ethics. It also provides for adequate safeguards against the victimization of employees who avail of the mechanism and provides direct access to the Chairperson of the Audit Committee in exceptional cases. It is affirmed that no personnel of the Company has been denied access to the Audit Committee. The policy of vigil mechanism is available on the Company's website. The Whistle Blower Policy aims for conducting the affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior.

SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013, and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Ms. Rakhi Agarwal, Company Secretary in Practice as Secretarial Auditors to conduct Secretarial audit of the company for the financial year ended March 31, 2018.

The Secretarial Audit Report issued by Ms. Rakhi Agarwal, Company Secretary in Practice in Form MR-3 is enclosed as Annexure - IV to this Annual Report.

The Secretarial Audit Report does not contain any qualifications, reservation or adverse remarks.

PARTICULARS OF EMPLOYEES

The Company has not employed any individual whose remuneration falls within the purview of the limits prescribed under the provisions of Section 197 of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

PARTICULARS OF REMUNERATION

The remuneration and perquisites provided to the employees and Management are at par with the industry levels. The remunerations paid to the Whole-time Director and senior executives are reviewed and recommended by the Nomination and Remuneration Committee.

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

Name of the Director	Ratio to Median Remuneration
Shri Devendra Surana, WTD	0

- (ii) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;

Name of Person	% increase in remuneration
Ms. Bhavana Dagia, CFO*	20.00
Shri. Rohit Jain, CS	21.88

*Resigned w.e.f 30/06/2018

- (iii) The percentage increase in the median remuneration of employees in the financial year – 7.75%
- (iv) The number of permanent employees on the rolls of company – 8.
- (v) 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;

The average increase in salaries of employees other than managerial personnel in 2017-18 was 23.62%. Percentage increase in the managerial remuneration for the year was Nil.

- (vi) Affirmation that the remuneration is as per the remuneration policy of the company - Yes.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and its subsidiaries. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit



observations and corrective actions thereon are presented to the Audit Committee of the Board.

CHANGE IN NATURE OF BUSINESS

There is no change in nature of business of the Company.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURT:

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.

MATERIAL CHANGES AND COMMITMENTS

There are no material changes and commitments, affecting the financial position of the Company which occurred between the end of the financial year 31st March, 2018 to which the financial statements relates and the date of signing of this report.

HUMAN RESOURCES

The industrial relations of the Company continued to be harmonious during the year under review.

POLICY ON SEXUAL HARRASSEMENT

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.

The Internal Complaints Committee (ICC) has been setup to redress complaints received regarding sexual harrasement. During the period under review, no complaint was received by the ICC.

APPRECIATION

Your Directors wish to place on record their appreciation to employees at all levels for their hard work, dedication and commitment. The enthusiasm and unstinting efforts of the employees have enabled the Company to remain at the forefront of the industry, despite increased competition from several existing and new players.

CAUTIONARY STATEMENT

Statements in the Board's Report and the Management Discussion & Analysis describing the Company's objectives, expectations or forecasts may be forward-looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic demand and supply conditions affecting selling prices of finished goods, input availability and prices, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

ACKNOWLEDGEMENTS

The Directors take this opportunity to place on record their sincere thanks to the suppliers, customers, strategic partners, Banks and Financial Institutions, Insurance Companies, Central and State Government Departments and the shareholders for their support and co-operation extended to the Company from time to time. Directors are pleased to record their appreciation of the sincere and dedicated services of the employees and workmen at all levels.

For and on behalf of the Board of Directors

NARENDER SURANA
DIRECTOR
DIN-00075086

DEVENDRA SURANA
WHOLE-TIME DIRECTOR
DIN-00077296

Place: Secunderabad
Date: 06.08.2018

PARTICULARS IN RESPECT OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

*(Information Under Section 134(3)(m) of The Companies Act, 2013,
Read with Rules 8(3) of the Companies (Accounts) Rules, 2014)*

FORM A

1. CONSERVATION OF ENERGY:

- (i) Energy Conservation measures : The Company is continuing with energy saving measures initiated earlier like introduction of Variable Frequency Drive (VFD) etc. to reduce the Power Consumption.
- (ii) Total energy consumption : N.A.

2. TECHNOLOGY ABSORPTION

: NIL

FORM B

(Disclosure of particulars with respect to Technology Absorption)

A. Research and Development (R & D)

:

1. Specific areas in which R & D is carried out by the Company : NIL
2. Benefits derived as a result of the above R & D : NIL
3. Future plan of action : The Company plans to develop the company's land property.
4. Expenditure on R & D on Research & Development : No expenditure was incurred

B. Technology absorption, adaptation and innovation

: NIL

3. FOREIGN EXCHANGE EARNINGS AND OUTGO:

Activities relating to exports and initiatives taken to increase export products and services and export plans : NIL

Total Foreign Exchange used and earned :

Used : Nil

Earned : Nil

For and on behalf of the Board of Directors

Place: Secunderabad
Date: 06.08.2018

NARENDER SURANA
DIRECTOR
DIN-00075086

DEVENDRA SURANA
WHOLE-TIME DIRECTOR
DIN-00077296

MANAGEMENT DISCUSSION AND ANALYSIS

COMPANY'S OVERVIEW

Bhagyanagar Properties Limited was incorporated on 25th April, 2006. During the year 2016-17, a Scheme of arrangement was entered by the Company with M/s. Bhagyanagar India Limited which was sanctioned by the Hon'ble High Court of Andhra Pradesh & Telangana on 21.11.2016 and became effective on 23.01.2017. Pursuant to which the "Real Estate Undertaking" of Bhagyanagar India Limited merged with the Company. The shares of the Company were listed on Stock Exchanges w.e.f. 20.07.2017. The Company is at initial stage of operations and planning to develop the land situated at the prime IT Centres of the City, in view of the rapid growth of e-commerce with a focus on customer satisfaction and evolving itself into country's one of the most promising mid cap companies.

REAL ESTATE DIVISION

Industry Analysis:

Real estate and construction is a pivotal cog of economic growth for India, as it contributes the third highest share to the Indian economy and is also the third largest employer in India. The real estate sector comprises four sub sectors - housing, retail, hospitality, and commercial. The construction industry ranks third among the 14 major sectors in terms of direct, indirect and induced effects in all sectors of the economy.

Indian real estate is going through a major transformation in the recent years. Some of the big decisions and new policies of the Indian Government have affected the real estate sector in big way, albeit in positive or negative manner. Few of the policy changes introduced by the government, such as demonetization, RERA, and REITs in 2016, followed by GST and FDI in 2017, have made huge impacts on Indian real estate sector. Apart from this, there are various other reforms anticipated by the experts in Indian economy, which may come into force in the coming time. However, the new legislation and trends that have come up in the real estate market have the power to reshape the Indian real estate sector for a long term and year 2018 can be a starting point towards the Indian real estate growth story.

Regulatory reforms, steady demand generated through rapid urbanisation, rising household income and the emergence of affordable and nuclear housing are some of the key drivers of growth for the sector. India's real estate sector is projected to reach \$180 billion by 2020 from \$126 billion in 2015, according to a joint report by CREDAI and JLL. Investment inflows in the housing sector since 2014 have been Rs. 590 billion, about 47 per cent of the total invested money in real estate.

Union Budget 2018-19 continues its push for the RE sector, by creating a dedicated fund for affordable housing. The affordable housing segment is expected to be the next big growth driver of the Indian economy with property experts predicting a phenomenal growth rate of over 30% in the medium term. It is projected that the housing sector's

contribution to the Indian GDP is expected to almost double to more than 11 per cent by 2020 up from estimated 5-6 per cent. The recent relaxation in the FDI has provided a huge boost to investment in the industry. Private equity and debt investments in real estate increased by 12% year-on-year across 79 transactions in 2017," and affordable housing and warehousing segments would attract huge investment going forward.

Business outlook:

The Company is fortunate to have most of its land situated at prime IT centres of the city where e-commerce companies thrive most of its business for better support and competitive edge. Moreover, there is a constant rise in the demand of large ware houses and storage units in the areas where the company is having huge properties to give on rent. The Company has already commissioned a pilot project by constructing a warehouse. Presently the Company is having tenants like Amazon, Flipkart, Big Basket etc. Further, your company has entered into Lease Agreement with various parties for lease of the Company's part open land.

The Government of India along with the governments of the respective states has taken several initiatives to encourage the development in the sector. The Smart City Project, where there is a plan to build 100 smart cities, is a prime opportunity for the real estate companies. With more compliances and transparency by implementation of RERA and future REIT listings, real estate sector will be in good shape and the risk associated with Indian real estate is likely to reduce given that only leading. Over the coming years, Indian real estate is expected to become significantly more organised, which in turn would result in wider funding avenues.

RISKS AND CONCERNS

Inadequate risk management is a primary cause of concern indicated by most organizations in India. To be in a position to have fully identified all risks associated with a project and have a response plan for each; that is clearly a benchmark most organizations acknowledge, nevertheless, do little about it. Risk Management by its very nature is flawed because it only identifies the things project managers know; it fails to appreciate the "unknown", "unknowns", the "un-controllable". That said, the more risks identified and planned for, the better position the project team is in to deliver a successful project. Risk Management has been identified as a best practice by most respondents. Moreover, there is a growing concern among Organizations about inaccurate risk identification. The project will yield continuous flow of revenue for the Company.

INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

The Company has adequate Internal Control Systems and Procedures with regard to purchase of Stores, Raw Materials including Components, Plant and Machinery, equipment, sale of goods and other assets. The company has clearly defined roles and responsibilities for all managerial positions and all operating parameters are monitored and controlled. The Company designs and maintains accounting and

internal control systems to provide reasonable assurance at reasonable cost that assets are safeguarded against loss from unauthorized use or disposition, and that the financial records are reliable for preparing financial statements and maintaining accountability for assets. These systems are augmented by written policies, an organizational structure providing division of responsibilities, careful selection and training of qualified personnel, and a program of internal audits.

FINANCIAL PERFORMANCE & OPERATIONAL PERFORMANCE:

A. FINANCIAL PERFORMANCE:

Capital Structure:

The Equity Share Capital of the Company is Rs.63,990,000 comprising of 31,995,000 Equity Shares of Rs.2 each fully paid.

Other Equity:

The Other Equity of the Company as on 31.03.2018 stand at Rs.937,369,248 as compared to Rs.929,404,531 in the previous year.

Property, Plant and Equipment:

During the year, the Company has added Fixed Assets amounting to Rs.1,330,958 making the gross fixed assets as on 31.03.2018 to Rs. 566,202,530.

Trade Receivables:

Trade receivables increased to Rs.729,941 as on 31st March, 2018 as against Rs.283,456 in the previous year. These debtors are considered good and realizable.

Cash and Bank Balances:

Cash and Bank balances with Scheduled Banks stood to Rs.835,652 as against Rs.34,359 in the previous years.

Loans and Advances:

Long Term Loans and Advances is Rs.430,353,572 as against Rs.389,886,270 in the previous year.

Other Current Assets:

Other Current Assets is Rs.2,340,303 as against Rs.44,874,185 in the previous year.

Other Liabilities:

Other Liabilities is Rs.3,149,363 as against Rs.2,427,556 in the previous year.

Other Financial Liabilities:

Other Financial Liabilities is Rs.596,638 as against Rs.4,242,557 in the previous year.

Current Liabilities:

Current Liabilities is Rs.33,951,095 as against Rs.35,588,670 in the previous year.

B. OPERATIONAL RESULTS :

Turnover:

During the year 2017-18, the turnover of the Company was Rs.8,649,428 as compared to Rs.24,886,881 in the previous year.

The Income from other sources as on 31st March, 2018 was Rs.5,689,388 compared to Rs.11,575 in the previous year.

Depreciation:

The Company has provided a sum of Rs.102,111 towards depreciation for the year as against Rs.91,488 in the previous year.

Provision for Tax:

The Company has provided a current tax of Rs.1,195,706 as against Rs.2,655,970 in the previous year.

Net Profit:

The Net Profit of the Company after tax is Rs.5,148,878 as against Rs.11,301,030 in the previous year.

Earnings Per Share:

The Earnings Per Share of the Company as on 31st March, 2018 is Rs.0.16 per share for Face Value of Rs.2 as against Rs. 0.35 per share in the previous year.

HUMAN RESOURCE DEVELOPMENT AND INDUSTRIAL RELATIONS:

The Company believes that the Company's growth and future success depend largely on the skills of the Company's workforce, including executives and officers, as well as the designers and engineers and the attraction of critical skills. The loss of the services of one or more of these employees could impair the Company's ability to continue to implement its business strategy. The Company's success also depends, on its continued ability to attract and retain experienced and qualified employees. The Company is committed to building the competencies of its employees and improving their performance through training and development. The Company focus is on identifying gaps in its employees' competencies and preparing employees for changes in competitive environments, as well as to meet organizational challenges.

Some of the focus areas in training in the last year centered on leadership, innovation management and internationalization besides other training programmes to drive a change in the Company's employees' outlook as it continue to develop as a global competitor.

CAUTIONARY STATEMENT:

Statements in the Management Discussion and Analysis describing the Company's objective, projections, estimates, expectations may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include, among others, economic conditions affecting demand / supply and price conditions in the domestic and overseas markets in which the Company operates changes in the Government regulations, tax laws and other statutes and incidental factors.

EXTRACT OF ANNUAL RETURN

as on the financial year ended 31.03.2018
 [Pursuant to Section 92(3) of the Companies Act, 2013, and
 Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

FORM NO. MGT – 9

I. REGISTRATION AND OTHER DETAILS:

CIN	L70102TG2006PLC050010
Registration Date	25 th April, 2006
Name of the Company	BHAGYANAGAR PROPERTIES LIMITED
Category / Sub-Category of the Company	Company limited by shares/ Indian-Non Government Company
Address of the Registered Office and contact details	5 th Floor, Surya Towers, Sardar Patel Road, Secunderabad-500 003. Ph.No: 040-44665700
Whether listed company	Yes
Name, address and contact details of Registrar and Transfer Agent, if any	Karvy Computershare Pvt. Ltd Karvy Selenium Tower B, Plot No 31 & 32 Gachibowli, Financial District, Nanakramguda, Serilingampally Hyderabad – 500 008 Phone # +91-40-67162222, Fax # 91-40-23420814, Email ID: einward.ris@karvy.com Website : http://www.karvy.com

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:

Name and Description of main Products / Services	NIC Code of the Product / Service	% to total turnover of the Company
Real estate activities with own or leased property.	6810	100.00

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Name and address of the Company	CIN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
Scientia Infocom India Private Limited	U72200TG2005PTC047966	Subsidiary	76.00	2(87)
Metropolitan Ventures India Limited	U45200TG2007PLC053036	Subsidiary	100.00	2(87)

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):
i) Category-wise Shareholding:

Category code	Category of shareholder	No. of shares held at the beginning of the year 01/04/2017				No. of shares held at the end of the year 31/03/2018				% Change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
(A)	Promoter and Promoter Group									
(1)	Indian									
(a)	Individual /HUF	18422150	0	18422150	57.58	18426118	0	18426118	57.59	0.01
(b)	Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	5552091	19347	5571528	17.41	5568736	0	5568736	17.41	0.00

Category code	Category of shareholder	No. of shares held at the beginning of the year 01/04/2017				No. of shares held at the end of the year 31/03/2018				% Change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(d)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total A(1) :	23974241	19437	23993678	74.99	23994854	0	23994854	75.00	0.01
(2)	Foreign									
(a)	Individuals (NRIs/Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total A(2) :	0	0	0	0.00	0	0	0	0.00	0.00
	Total A=A(1)+A(2)	23974241	19437	23993678	74.99	23994854	0	23994854	75.00	0.01
(B)	Public Shareholding									
(1)	INSTITUTIONS									
(a)	Mutual Funds / UTI	0	5250	5250	0.02	0.00	5250	5250	0.02	0.00
(b)	Financial Institutions /Banks	748085	0	748085	2.34	0.00	0	272979	0.85	-1.48
(c)	Central Government / State Government(s)	88350	0	88350	0.28	0.00	0	0	0.00	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0.00	0	0	0.00	0.00
(e)	Insurance Companies	0	0	0	0.00	0.00	0	0	0.00	0.00
(f)	Foreign Institutional Investors	0	0	0	0.00	0.00	0	0	0.00	0.00
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0.00	0	0	0.00	0.00
(h)	Qualified Foreign Investor	0	0	0	0.00	0.00	0	0	0.00	0.00
(i)	Others	0	0	0	0.00	0.00	0	0	0.00	0.00
	Sub-Total B(1) :	836435	5250	841685	2.63	0.00	5250	278229	0.87	-1.48
(2)	Non-Institutions									
(a)	Bodies Corporate	512279	6097	518376	1.62	489280	6097	495377	1.55	-0.07
(b)	Individuals									
	(i) Individuals holding nominal share capital upto Rs.1 lakh	4332279	382367	4714646	14.74	4128175	362399	4490574	14.04	-0.70
	(ii) Individuals holding nominal share capital in excess of Rs.1 lakh	1821044	0	1821044	5.69	2660319	0	2660319	8.31	2.62
(c)	Others									
	Clearing members	1592	0	1592	0.00	1301	0	1301	0.00	0.00
	NBFC	10568	0	10568	0.03	2909	0	2909	0.01	-0.02
	Non Resident Indians	90205	0	90205	0.28	48412	0	48412	0.15	-0.13
	NRI Non-Repatriation	1960	0	1960	0.01	22775	0	22775	0.07	0.06
	Trusts	250	646	896	0.00	250	0	250	0.00	0.00



Category code	Category of shareholder	No. of shares held at the beginning of the year 01/04/2017				No. of shares held at the end of the year 31/03/2018				% Change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total B(2) :	6770527	389110	7159637	22.38	7353421	368496	7721917	24.13	-1.75
	Total B=B(1)+B(2):	7606962	394360	8001322	25.01	7626400	373746	8000146	25.00	-0.01
	Total (A+B) :	31581203	413797	31995000	100.00	31621254	373746	31995000	100.00	0.00
(C)	Shares held by custodians, against which Depository Receipts have been issued									
(1)	Promoter and Promoter Group									
(2)	Public	0	0	0	0.00	0	0	0	0.00	0.00
GRAND TOTAL (A+B+C):		31581203	413797	31995000	100.00	31621254	373746	31995000	100.00	

ii) Shareholding of Promoters:

Sl. No	Shareholders Name	Shareholding at the beginning of the year (as on 01.04.2017)			Shareholding at the end of the year (as on 31.03.2018)			% change in Share holding during the year
		No. of Shares	% of total shares of the Company	% of Shares Pledged/ Encumb-ered to total shares	No. of Shares	% of total shares of the Company	% of Shares Pledged / Encumb-ered to total shares	
1	Advait Surana	1,61,541	0.5	-	161541	0.50	-	0.00
2	Bhagyanagar Securities Pvt Ltd	81,223	0.25	-	81223	0.25	-	0.00
3	Chand Kanwar	17,04,949	5.33	-	0	0	-	-5.33
4	Devendra Surana	22,81,882	7.13	-	3137662	9.81	-	2.68
5	Devendra Surana (HUF)	67,500	0.21	-	67500	0.21	-	0.00
6	G M Surana (HUF)	1,78,775	0.56	-	166380	0.52	-	-0.04
7	G M Surana (MHUF)	1,66,380	0.52	-	178775	0.56	-	0.04
8	GM Surana	17,10,990	5.35	-	1710990	5.35	-	0.00
9	Manish Surana	24,66,704	7.71	-	2465894	7.71	-	0.00
10	Mitali Surana	3,00,000	0.94	-	300000	0.94	-	0.00
11	Namrata Surana	18,70,335	5.85	-	1870340	5.85	-	0.00
12	Narender Surana	26,86,954	8.4	-	3539289	11.06	-	2.66
13	Narender Surana (HUF)	1,06,500	0.33	-	106500	0.33	-	0.00
14	Nivruthi Surana	3,47,500	1.09	-	347500	1.09	-	0.00
15	Rahul Surana	14,04,500	4.39	-	1404500	4.39	-	0.00
16	Shresha Surana	5,80,613	1.81	-	580613	1.81	-	0.00
17	Sunita Surana	16,38,335	5.12	-	1637335	5.12	-	0.00
18	Surana Infocom Pvt Ltd	43,45,139	13.58	-	4342347	13.57	-	-0.01
19	Surana Telecom and Power Ltd	11,45,166	3.58	-	1145166	3.58	-	0.00
20	Vinita Surana	7,48,692	2.34	-	751299	2.35	-	0.01
	Total	23993678	74.99	-	23994854	75.00	-	-

iii) Change in Promoters' Shareholding (Please specify, if there is no change):

Sl. No	Name of the Share Holder	Shareholding at the beginning of the Year (as on 01.04.2017)		Increase / Decrease in shareholding during the Year			Shareholding at the end of the Year (as on 31.03.2018)	
		No of Shares	% of total shares of the company	Date	No. of shares	Reason	No of Shares	% of total shares of the company
1	Surana Infocom Private Limited	4345139	13.58	01/04/2017			4345139	13.58
				04/08/2017	6	Purchase	4345145	13.58
				11/08/2017	800	Purchase	4345945	13.58
				18/08/2017	100	Purchase	4346045	13.58
				25/08/2017	10	Purchase	4346055	13.58
				01/09/2017	300	Purchase	4346355	13.58
				06/10/2017	-3	Sale	4346352	13.58
				13/10/2017	-1	Sale	4346351	13.58
				20/10/2017	-2	Sale	4346349	13.58
				27/10/2017	-2	Sale	4346347	13.58
				30/03/2018	-4000	Sale	4342347	13.57
				31/03/2018			4342347	13.57
2	Narender Surana	2686954	8.40	01/04/2017			2686954	8.40
				28/07/2017	14	Purchase	2686968	8.40
				04/08/2017	100	Purchase	2687068	8.40
				11/08/2017	300	Purchase	2687368	8.40
				25/08/2017	1	Purchase	2687369	8.40
				01/09/2017	5	Purchase	2687374	8.40
				08/09/2017	50	Purchase	2687424	8.40
				06/10/2017	11	Purchase	2687435	8.40
				27/10/2017	150	Purchase	2687585	8.40
				08/12/2017	3	Purchase	2687588	8.40
				15/12/2017	1	Purchase	2687589	8.40
				22/12/2017	5	Purchase	2687594	8.40
				29/12/2017	9	Purchase	2687603	8.40
				05/01/2018	-1499	Sale	2686104	8.40
				12/01/2018	6	Purchase	2686110	8.40
				19/01/2018	1	Purchase	2686111	8.40
				02/02/2018	852778	Transfer	3538889	11.06
				09/02/2018	252	Purchase	3539141	11.06
				16/02/2018	4	Purchase	3539145	11.06
				23/02/2018	1	Purchase	3539146	11.06
				02/03/2018	191	Purchase	3539337	11.06
09/03/2018	451	Purchase	3539788	11.06				
16/03/2018	-624	Sale	3539164	11.06				
30/03/2018	125	Purchase	3539289	11.06				
31/03/2018			3539289	11.06				
3	Devendra Surana	2281882	7.13	01/04/2017			2281882	7.13
				12/01/2018	2	Purchase	2281884	7.13
				02/02/2018	852778	Transfer	3134662	9.80
				30/03/2018	3000	Purchase	3137662	9.81
				31/03/2018			3137662	9.81
4	Manish Surana	2466704	7.71	01/04/2017			2466704	7.71
				01/09/2017	100	Purchase	2466804	7.71
				06/10/2017	89	Purchase	2466893	7.71
				12/01/2018	1	Purchase	2466894	7.71



Sl. No	Name of the Share Holder	Shareholding at the beginning of the Year (as on 01.04.2017)		Increase / Decrease in shareholding during the Year			Shareholding at the end of the Year (as on 31.03.2018)	
		No of Shares	% of total shares of the company	Date	No. of shares	Reason	No of Shares	% of total shares of the company
				23/03/2018	-1000	Sale	2465894	7.71
				31/03/2018			2465894	7.71
5	Namrata Surana	1870335	5.85	01/04/2017			1870335	5.85
				12/01/2018	5	Purchase	1870340	5.85
				31/03/2018			1870340	5.85
6	G M Surana	1710990	5.35	01/04/2017			1710990	5.35
				05/01/2018	1704949	Transmission	3415939	10.68
				02/02/2018	-1704949	Transfer	1710990	5.35
				31/03/2018			1710990	5.35
7	Sunita Surana	1638335	5.12	01/04/2017			1638335	5.12
				29/12/2017	-1000	Sale	1637335	5.12
				31/03/2018			1637335	5.12
8	Rahul Surana	1404500	4.39	01/04/2017			1404500	4.39
				31/03/2018			1404500	4.39
9	Vinita Surana	748692	2.34	01/04/2017			748692	2.34
				04/08/2017	1	Purchase	748693	2.34
				12/01/2018	17	Purchase	748710	2.34
				02/02/2018	1524	Purchase	750234	2.34
				16/02/2018	50	Purchase	750284	2.35
				23/02/2018	1	Purchase	750285	2.35
				09/03/2018	25	Purchase	750310	2.35
				16/03/2018	184	Purchase	750494	2.35
				23/03/2018	305	Purchase	750799	2.35
				30/03/2018	500	Purchase	751299	2.35
				31/03/2018			751299	2.35
10	Sresha Surana	580613	1.81	01/04/2017			580613	1.81
				31/03/2018			580613	1.81
11	Nivruthi Surana	347500	1.09	01/04/2017			347500	1.09
				31/03/2018			347500	1.09
12	Mitali Surana	300000	0.94	01/04/2017			300000	0.94
				31/03/2018			300000	0.94
13	G M Surana	178775	0.56	01/04/2017			178775	0.56
				31/03/2018			178775	0.56
14	G M Surana	166380	0.52	01/04/2017			166380	0.52
				31/03/2018			166380	0.52
15	Advait Surana	161541	0.50	01/04/2017			161541	0.50
				31/03/2018			161541	0.50
16	Narender Surana	106500	0.33	01/04/2017			106500	0.33
				31/03/2018			106500	0.33
17	Bhagyanagar Securities Pvt Ltd	81223	0.25	01/04/2017			81223	0.25
				31/03/2018			81223	0.25
18	Devendra Surana	67500	0.21	01/04/2017			67500	0.21
				31/03/2018			67500	0.21
19	Surana Telecom And Power Ltd	1145166	3.58	01/04/2017			1145166	3.58
				31/03/2018			1145166	3.58

iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No	Name of the Share Holder	Shareholding at the beginning of the Year (as on 01.04.2017)		Increase / Decrease in shareholding during the Year			Shareholding at the end of the Year (as on 31.03.2018)	
		No of Shares	% of total shares of the company	Date	No. of shares	Reason	No of Shares	% of total shares of the company
1	Narender Munoth	368436	1.15	01/04/2017			368436	1.15
				08/12/2017	-16000	Sale	352436	1.10
				31/03/2018			352436	1.10
2	Arun Kumar Jain	279165	0.87	01/04/2017			279165	0.87
				31/03/2018			279165	0.87
3	General Insurance Corporation Of India	272709	0.85	01/04/2017			272709	0.85
				31/03/2018			272709	0.85
4	Vaibhav Mutha	257500	0.80	01/04/2017			257500	0.80
				31/03/2018			257500	0.80
5	Ankit Luharuka	14529	0.05	01/04/2017			14529	0.05
				28/07/2017	-14529	Sale	0	0.00
				29/09/2017	14529	Purchase	14529	0.05
				27/10/2017	2289	Purchase	16818	0.05
				03/11/2017	23380	Purchase	40198	0.13
				17/11/2017	124650	Purchase	164848	0.52
				24/11/2017	2238	Purchase	167086	0.52
				01/12/2017	6816	Purchase	173902	0.54
				08/12/2017	30108	Purchase	204010	0.64
				15/12/2017	302	Purchase	204312	0.64
				29/12/2017	483	Purchase	204795	0.64
				05/01/2018	4800	Purchase	209595	0.66
				02/02/2018	16554	Purchase	226149	0.71
31/03/2018			226149	0.71				
6	Vinay Kumar	80000	0.25	01/04/2017			80000	0.25
				04/08/2017	20000	Purchase	100000	0.31
				11/08/2017	20000	Purchase	120000	0.38
				18/08/2017	25000	Purchase	145000	0.45
				25/08/2017	27301	Purchase	172301	0.54
				01/09/2017	27707	Purchase	200008	0.63
				15/09/2017	5050	Purchase	205058	0.64
				22/09/2017	3750	Purchase	208808	0.65
				20/10/2017	11200	Purchase	220008	0.69
				08/12/2017	4992	Purchase	225000	0.70
				05/01/2018	-25000	Sale	200000	0.63
				12/01/2018	-7344	Sale	192656	0.60
				19/01/2018	-2756	Sale	189900	0.59
				02/02/2018	-9900	Sale	180000	0.56
09/02/2018	-5001	Sale	174999	0.55				
31/03/2018			174999	0.55				
7	Nikita Luharuka	101299	0.32	01/04/2017			101299	0.32
				28/07/2017	-101299	Sale	0	0.00
				01/09/2017	13831	Purchase	13831	0.04
				29/09/2017	101299	Purchase	115130	0.36
				20/10/2017	18952	Purchase	134082	0.42



Sl. No	Name of the Share Holder	Shareholding at the beginning of the Year (as on 01.04.2017)		Increase / Decrease in shareholding during the Year			Shareholding at the end of the Year (as on 31.03.2018)	
		No of Shares	% of total shares of the company	Date	No. of shares	Reason	No of Shares	% of total shares of the company
				27/10/2017	7507	Purchase	141589	0.44
				03/11/2017	35712	Purchase	177301	0.55
				08/12/2017	-11000	Sale	166301	0.52
				05/01/2018	-4977	Sale	161324	0.50
				31/03/2018			161324	0.50
8	PCS Securities Limited	96988	0.30	01/04/2017			96988	0.30
				15/12/2017	700	Purchase	97688	0.31
				31/03/2018			97688	0.31
9	AP Industrial Development Corporation	88350	0.28	01/04/2017			88350	0.28
				31/03/2018			88350	0.28
10	Dundoo Ajit Kumar	72485	0.23	01/04/2017			72485	0.23
				18/08/2017	630	Purchase	73115	0.23
				25/08/2017	6353	Purchase	79468	0.25
				01/09/2017	1350	Purchase	80818	0.25
				23/02/2018	5082	Purchase	85900	0.27
				16/03/2018	4753	Purchase	90653	0.28
				31/03/2018			90653	0.28

v) Shareholding of Directors and Key Managerial Personnel:

S. No.	Name of the Directors	Shareholding at the beginning of the year (as on 01.04.2017)		Change in Shareholding		Shareholding at the end of the year (as on 31.03.2018)	
		No. of Shares	% of total shares of the Company	Increase	Decrease	No. of Shares	% of total shares of the Company
1	Shri. Narender Surana	2686954	8.40	852335	-	3539289	11.06
2	Shri. Devendra Surana	2281882	7.13	855780	-	3137662	9.81
3	Shri. Manish Surana	2466704	7.71	-	810	2465894	7.71
4	Ms. Vinita Surana	748692	2.34	2607	-	751299	2.35
5	Shri. Nagesh Boorugu	3600	0.01	-	-	3600	0.01
6	Dr R. N. Sreenath	-	-	-	-	-	-
7	Shri. D Venkata Subbaiah	-	-	-	-	-	-
S. No.	Name of the Key Managerial Personnel	Shareholding at the beginning of the year (as on 01.04.2017)		Change in Shareholding		Shareholding at the end of the year (as on 31.03.2018)	
		No. of Shares	% of total shares of the Company	Increase	Decrease	No. of Shares	% of total shares of the Company
1.	Bhavana Dagia Chief Financial Officer	-	-	-	-	-	
2	Rohit Jain Company Secretary	-	-	-	-	-	

V. INDEBTEDNESS:

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

(Amount in Rs.)

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

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

Sl. No.	Particulars of Remuneration	Devendra Surana, Whole Time Director	Total Amount (Rs.)
1	Gross Salary	Nil	Nil
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	-	-
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	-	-
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-
2	Stock Options	-	-
3	Sweat Equity	-	-
4	Commission - as % of profit - others, specify....		
5	Others, please specify	-	-
	Total (A)	Nil	Nil

B. Remuneration to other Directors:**1. Independent Directors:**

Sl. No.	Particulars of remuneration	Name of Director			Total Amount (Rs.)
		Shri. Nagesh Boorugu	D.Venkata Subbiah	Dr. R.N Sreenath	
1	Sitting Fee for attending Board/ Committee Meetings	27,000	27,000	9,000	63,000
2	Commission	-	-	-	-
3	Others, pleaseSpecify	-	-	-	-
	Total (B)(1)	27,000	27,000	9,000	63,000

2. Other Non-Executive Directors:

Particulars of remuneration	Narender Surana, Director	Vinita Surana, Director	Total Amount (Rs.)
-Fee for attending Board/Committee Meetings	-	-	-
- Commission	-	-	-
- Others, please specify	-	-	-
Total	-	-	-

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

Sl. No.	Particulars of Remuneration	Bhavana Dagia* Chief Financial Officer	Rohit Jain Company Secretary	Total Amount (Rs.)
1	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	2,62,904	4,54,000	7,16,904
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-	-
2	Stock Options	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - Others, specify	-	-	-
5	Others, please specify	-	-	-
	Total (C)	2,62,904	4,54,000	7,16,904

*Resigned w.e.f. 30.06.2018

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)
A. COMPANY					
Penalty			None		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			None		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			None		
Punishment					
Compounding					

For and on behalf of the Board of Directors

Place: Secunderabad
Date: 06.08.2018

NARENDER SURANA
DIRECTOR
DIN-00075086

DEVENDRA SURANA
WHOLE-TIME DIRECTOR
DIN-00077296

FORM NO MR 3

SECRETARIAL AUDIT REPORT

Pursuant to Section 204 (1) of the Companies Act, 2013 and the Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

To
The members of
Bhayanagar Properties Limited

I have conducted Secretarial Audit pursuant to Section 204 of the Companies Act 2013, on the compliance of applicable Statutory Provisions and the adherence to good corporate practices by M/s. Bhayanagar Properties Limited (hereinafter called as "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

1. Based on our verification of the books, papers, minutes books, forms, returns filed and other records maintained by the Company and also the information and according to the examinations carried out by us and explanations furnished and representations made to us by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, I hereby report that in our opinion, the Company has during the audit period covering the Financial Year ended on 31st March, 2018 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.
2. 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 31st March, 2018 ("Audit Period") according to the provisions of:
 - i) The Companies Act, 2013 (the Act) and the rules made there-under;
 - ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there-under;
 - iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there-under;
 - iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there-under to the Extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
 - v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; Not applicable during the audit period.
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; Not applicable during the audit period.
 - (e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; Not applicable during the audit period
 - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not applicable during the audit period
 - (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not applicable during the audit period
 - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not applicable during the audit period
 - vi) I further report that, based on the industry of the company and on examination of the relevant documents and records the Company has complied with the concerned laws and statutory provisions to the extent applicable thereunder.



- vii) I have also examined compliance with the applicable clauses of the following:
- (a) The Listing Agreement entered into by the Company with the Stock Exchanges and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 - (b) Secretarial Standards issued by the Institute of Company Secretaries of India in respect of Board and General Meetings of the Company.

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

3. During the period under review, the equity shares of the company listed and admitted to dealings on Bombay Stock Exchange (BSE) and National Stock Exchange of India Limited (NSE) effective from 20th July, 2017.
4. I, further report that:
 - (a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors except in respect of number of Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.
 - (b) Adequate Notice is given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least 7 days in advance. There is adequate system for seeking and obtaining further information and clarifications on the agenda items before the meeting and meaningful participation at the meeting. Majority decision is carried through and there were no instances of dissenting members in the Board of Directors.
 - (c) It is also noted that the Company has an Internal Audit System to constantly monitor the process for efficient compliances.
5. I, further report that during the audit period, there were no specific events/actions having a major bearing on the company's affairs in pursuance of the above referred laws, regulations, guidelines, standards, etc.

Place: Hyderabad
Date: 06.08.2018

RAKHI AGARWAL
COMPANY SECRETARY IN PRACTICE
FCS No.7047
CP No.6270

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Your Company Bhagyanagar Properties Limited (BPL) is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by the Securities and Exchange Board of India (SEBI). The report on Corporate Governance as stipulated under the SEBI (LODR) Regulations, 2015 forms an integral part of Board's Report. The requisite certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance is attached to this report. Corporate Governance is a set of principles, processes and systems which govern a company. The elements of Corporate Governance are independence, transparency, accountability, responsibility, compliance, ethics, values and trust. Corporate Governance enables an organization to perform efficiently and ethically generate long term wealth and create value for all its stakeholders. The Company believes that sound Corporate Governance is critical for enhancing and retaining investor trust and your Company always seeks to ensure that its performance goals are met accordingly. The Company has established systems and procedures to ensure that its Board of Directors is well informed and well equipped to fulfill its overall responsibilities and to provide management with the strategic direction needed to create long term shareholders value. The Company has adopted many ethical and transparent governance practices even before they were mandated by law. The Company has always worked towards building trust with shareholders, employees, customers, suppliers and other stakeholders.

2. BOARD OF DIRECTORS:

a) Composition and Category of Directors:

In terms of compliance with the regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 "SEBI Listing Regulations, 2015", the Company endeavour to have an optimum combination of Executive and Non-Executive Directors to maintain the independence of the Board and separate the functions of Governance and Management through Board and Committees. As at March 31, 2018, the Board of Directors ("Board") comprises of Six Directors, of which five are Non-Executive Directors and one is Executive Director. The Company has three Independent Directors. Independent Directors comprise half of the total strength of the Board. The composition and category of the Board of Directors is as follows:

Sl. No	Name of Director	Designation	Category
1	Shri. Narender Surana	Director	Non-executive Director (Promoter)
2	Shri. Devendra Surana	Whole Time Director	Executive Director (Promoter)
3	Ms. Vinita Surana *	Director	Non-executive Director (Promoter)
4	Ms. Shresha Surana #	Director	Non-executive Woman Director (Promoter)
5	Shri. Sri Nagesh Boorugu	Director	Independent Director
6	Dr. R N Sreenath	Director	Independent Director
7	Shri. D Venkata Subbaiah	Director	Independent Director

* Resigned from the Board w.e.f 26.05.2018

Appointed as Director on Board w.e.f 26.05.2018

b) Attendance of each director at the Board meetings and at the last Annual General Meeting:

The particulars of attendance of Board Meetings and Annual General Meeting by Directors for the financial year ended 31.03.2018 has been set out here below:

Sl. No	Name of Director	No. of Board Meetings		Attendance at last AGM on 26.09.2017
		Held	Attended	
1	Shri. Narender Surana	5	5	Present
2	Shri. Devendra Surana	5	5	Present
3	Ms. Vinita Surana *	5	5	Present
4	Shri. Sri Nagesh Boorugu	5	5	Present
5	Dr. R N Sreenath	5	2	Present
6	Shri. D Venkata Subbaiah	5	5	Present
7	Ms. Shresha Surana #	-	-	-

* Resigned from the board w.e.f 26.05.2018

Appointed as Director in Board w.e.f 26.05.2018

**c) Number of Other Directorships, Committee Membership(s) & Chairmanship(s):**

Sl. No.	Name of the Director	Other Directorships	Committee Membership	Committee Chairmanship
1	Shri. Narender Surana	18	6	-
2	Shri. Devendra Surana	17	5	-
3	Ms. Vinita Surana *	16	-	-
4	Shri. Sri Nagesh Boorugu	1	2	1
5	Dr. R N Sreenath	5	4	1
6	Shri. D Venkata Subbaiah	3	4	2
7	Ms. Shresha Surana #	-	-	-

* Resigned from the board w.e.f 26.05.2018

Appointed as Director in Board w.e.f 26.05.2018

- The number of total directorships is in accordance with Section 165 of the Companies Act, 2013.
- The Number of Directorships, Committee memberships and Chairmanships of all listed and unlisted companies are within the limits as per Regulation 26 of SEBI (LODR) Regulations, 2015 and erstwhile Clause 49(II)(D)(2) of the Listing Agreement.

d) Number of Board Meetings held and the date on which held:

In terms of compliance with the requirement of Regulation 17(2) of SEBI (LODR) Regulations, 2015, five Board Meetings were held during the financial year ended 31.03.2018, as against the minimum requirement of four meetings. The maximum time gap between any of two consecutive meetings did not exceed One Hundred and Twenty days.

The dates on which the Board meetings were held are:

18.05.2017	01.08.2017	26.09.2017	01.12.2017	10.02.2018
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e) Disclosure of relationship between directors inter-se

Shri Narender Surana, Director and Shri Devendra Surana, Whole-time Director of the Company are Brothers and Ms. Vinita Surana and Ms Shresha Surana are daughters of Shri Narender Surana, Director. Except Shri Narender Surana, Shri Devendra Surana, Ms. Vinita Surana and Ms Shresha Surana, none of the Directors are related to any other Director.

f) Shares held by Non-Executive Directors

The number of equity shares of the Company held by the non-executive directors, as on 31.03.2018 are as follows:

Sl.No	Name of the Director	No of Equity Shares
1	Shri. Narender Surana	35,39,289
2	Ms. Vinita Surana	7,51,299
3	Ms. Shresha Surana	5,80,613
4	Shri. Sri Nagesh Boorugu	3,600
3	Dr. R N Sreenath	Nil
6	Shri. D Venkata Subbaiah	Nil

g) The details of familiarization programs imparted to independent directors is given below

Your Company follows a structured orientation and familiarisation programme through various reports/codes/internal policies for all the Directors with a view to update them on the Company's policies and procedures on a regular basis. Periodic presentations are made at the Board Meetings on business and performance, long term strategy, initiatives and risks involved. The framework on familiarisation programme has been posted in the website of the Company. The details of familiarization program is available on the website: <http://www.bhagyanagarproperties.com/images/pdf/policies/familiarization-programme.pdf>

3. BOARD COMMITTEES:

Details of the Board Committees and other related information are provided hereunder:

1. AUDIT COMMITTEE:

(a) Brief description of terms of reference:

The role and terms of reference of the Audit Committee are set out in Regulation 18(3) read with Part C of Schedule II of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013, besides other terms as may be referred to by the Board of Directors of the Company. The terms of reference of the Audit Committee broadly are:

1. Review of financial reporting systems;
2. Ensuring compliance with regulatory guidelines;
3. Reviewing the quarterly, half yearly and annual financial results;
4. Approval of annual internal audit plan;
5. Review and approval of related party transactions;
6. Discussing the annual financial statements and auditor's report before submission to the Board with particular reference to the (i) Director's Responsibility Statement; (ii) major accounting entries; (iii) significant adjustments in financial statements arising out of audit findings; (iv) compliance with listing requirements etc.;
7. Interaction with statutory, internal and cost auditors;
8. Recommendation for appointment and remuneration of auditors; and
9. Reviewing and monitoring the auditor's independence and performance etc.

Further the Audit Committee also mandatorily reviews the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses;
5. The appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the audit committee; and
6. Statement of deviations:
 - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI Listing Regulations;
 - (b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7) of SEBI Listing Regulations.

In addition to the above, the Audit Committee also reviews the financial statements, minutes and details of investments made by the subsidiary companies.

(b) Composition, Name of members and Chairman:

As on March 31, 2018, the Audit Committee of the Board comprises of three (3) Independent Directors. The Chairperson of the Audit Committee is Independent Director. The composition of the Committee is in compliance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations:

SI. No	Name of Director	Designation
1	Shri. Sri Nagesh Boorugu	Chairman
2	Dr. R N Sreenath	Member
3	Shri. D Venkata Subbaiah	Member

- CFO, Statutory Auditors and Internal Auditors attend the Audit Committee meetings on invitation and the Company Secretary acts as the Secretary of the Committee.
- The minutes of the meetings of the Audit Committee are placed before the Board and discussed in the meeting.

(c) Meetings and attendance during the year:

- During the financial year ended March 31, 2018, four Audit Committee Meetings were held on:

18.05.2017	01.08.2017	01.12.2017	10.02.2018
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- The Company has implemented Ind-AS from the financial year 2017-18. Pursuant to SEBI Circular No. CIR/CFD/FAC/ 62/2016, dated July 5th 2016, SEBI has extended one month time for approval of un-audited financial results for the 1st & 2nd Quarter. Accordingly, the Board, on recommendations of Audit Committee, approved the un-audited financial results for the 2nd quarter on 1st December, 2017 and hence there was time gap of 122 days between two meetings of Audit Committee.
- Attendance at the Audit Committee Meeting:**

SI No	Name of the Director	Number of Meetings	
		Held	Attended
1.	Shri. Sri Nagesh Boorugu	4	4
2.	Dr. R N Sreenath	4	1
3.	Shri. D Venkata Subbaiah	4	4

The Statutory Auditors and Internal Auditors of the Company have also attended the above meetings on invitation. The recommendations made by the Audit Committee from time to time have been followed by the Company. The Chairman of the Audit Committee has attended the Annual General Meeting to answer the queries raised by the Shareholders regarding Audit and Accounts.

2. NOMINATION & REMUNERATION COMMITTEE:
a. Brief description of terms of reference

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director;
- Recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Carry on the evaluation of every director's performance;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity; and
- Any other matter as the Board may decide from time to time.

b. Composition, Name of members and Chairman:

The Nomination and Remuneration Committee was constituted by the Board with Two Independent Directors and One Non- Executive Director. The following is the composition of the Board.

SI. No	Name of Director	Designation
1.	Dr. R N Sreenath	Chairman
2.	Shri. Sri Nagesh Boorugu	Member
3.	Shri. Narender Surana	Member

- The Company Secretary acts as the Secretary of the Committee.
- The minutes of the meetings of the Nomination and Remuneration Committee are circulated to all the members of the Board.

c. Nomination and Remuneration Committee meetings

During the period from April 1, 2017 to March 31, 2018, Nomination and Remuneration Committee Meetings were held on 18.05.2017 and 01.08.2017 and 10.02.2018:

S. No	Name of the Director	Number of Meetings	
		Held	Attended
1.	Dr. R N Sreenath	3	1
2.	Shri. Sri Nagesh Boorugu	3	3
3.	Shri. Narender Surana	3	3

d. Nomination and Remuneration policy

- In compliance with the requirements of Section 178 of the Companies Act, 2013, Rules framed thereunder and pursuant to the provisions of Regulation 19(4) of the Listing Regulations, the Board of Directors of the Company has a Nomination and Remuneration Policy for the Directors, Key Managerial Personnel, Functional Heads and other employees of the Company. The Policy provides for criteria and qualifications for appointment of Director, Key Managerial Personnel (KMPs) and remuneration to them, Board diversity etc. The said policy is available on the Company's website <http://www.bhagyanagarproperties.com/images/pdf/policies/remuneration-policy.pdf>
- The Non-executive directors are paid sitting fees for attending meetings of Board/ Committee.

e. Performance evaluation of Directors.

During the year under review, pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the evaluation of performance of all Directors is undertaken annually. The company has implemented a system of evaluating performance of the Board of Directors and of its Committees and individual Directors on the basis of a structured questionnaire which comprise evaluation criteria taking into consideration various performance related aspects.

The Board of Directors has expressed their satisfaction with the valuation process.

4. INDEPENDENT DIRECTORS' MEETING:

During the year, meeting of Independent Directors was held on 10.02.2018 to review the performance of the Board as a whole on parameters of effectiveness and to assess the quality, quantity and timeliness of flow of information between the management and the Board.

5. REMUNERATION OF DIRECTORS**(a) Details of Remuneration of Non – Executive Directors:**

- There were no pecuniary transactions with any non-executive director of the Company.
- Non-Executive Directors are paid Sitting Fee for attending the Board and Committee Meetings.

Following are the details of sitting fees and commission paid to the Directors. The Company pays Sitting fees to all the Non-executive Directors at the rate of Rs.3,000/- for each meeting. The details of Sitting Fees paid to the Non-executive Directors for attending Board Meetings and Committee Meetings during the financial year 2017-18 are as follows:

S. No.	Name of Director	Sitting Fees paid (Rs.)
1.	Shri. Sri Nagesh Boorugu	27,000
2.	Dr. R N Sreenath	9,000
3.	Shri. D Venkata Subbaiah	27,000
Total		63,000

(b) Details of Remuneration of Executive Directors:**(Amount in ₹.)**

Name of Director	Salary	HRA	Total
Shri. Devendra Surana	Nil	Nil	Nil

6. STAKEHOLDERS RELATIONSHIP COMMITTEE:**(a) Brief description of terms of reference:**

The Stakeholders Relationship Committee oversees and reviews all matters connected with the share transfers and also looks into redressing of shareholders complaints like transfer of shares, non-receipt of annual report/dividends etc. The committee oversees the performance of the Registrar of Transfer Agents and recommends measures for overall improvement in the quality of investor services. Email-id for Investor Grievances: investorservices_bpl@surana.com or cs@surana.com

(b) Composition:

Sl.No.	Name of Director	Designation
1.	Dr. R N Sreenath	Chairman
2.	Shri. Narender Surana	Member
3.	Shri. Devendra Surana	Member

**(c) Name and Designation of Compliance Officer:**

Shri Rohit Jain, Company Secretary is acting as Compliance Officer of the Company.

(d) Number of Shareholders complaints received so far.

During the financial year ended March 31, 2018, the Company has received and resolved 1 complaint.

(e) Number of complaints not resolved to the satisfaction of shareholders is Nil.**(f) There were no pending complaints as at the year end.****7. GENERAL BODY MEETINGS:****i) Location and Time, where last three Annual General Meetings held:**

Year	Locations	Date	Time
11 th AGM (2016-17)	The Grand Solitaire Hotel, 1-240, 41 & 43, SD Road, Parklane, Secunderabad - 500 003	26 th September, 2017	01.00 P.M
10 th AGM (2015-16)	Bhagyanagar Properties Limited 5 th Floor, Surya Towers, S P Road, Secunderabad - 500 003	04 th June, 2016	10.00 A.M
9 th AGM (2014-15)	Bhagyanagar Properties Limited, 5 th Floor, Surya Towers, S P Road, Secunderabad - 500 003	15 th September, 2015	10.00 A.M

ii. Whether any Special Resolutions passed in the previous 3 Annual General Meetings:

2016-17: In the AGM held on 26th September, 2017 the Company has passed Special Resolutions as follows:

- (i) Appointment of Shri Devendra Surana, Whole-Time Director of the Company.
- (ii) To authorize the Board to raise the funds through issue of convertible securities/GDRs/ADRs/FCCBs / ECBs etc.

2015-16: In the AGM held on 04th June, 2016 the Company has not passed any Special Resolution.

2014-15: In the AGM held on 15th September, 2015 the Company has passed Special Resolutions as follows:

- (i) Adoption of New set of Memorandum of Association (MoA) as per companies Act, 2013
- (ii) Adoption of New set of Articles of Association (AoA) as per companies Act, 2013.

ii) Special resolution passed last year through postal ballot:

No Special Resolution was passed through Postal Ballot during the FY 2017-18.

8. MEANS OF COMMUNICATION:**(a) Financial / Quarterly Results:**

The quarterly results of the Company are published in accordance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in widely circulated newspapers namely Business Standard/Financial Express (English daily) and Navatelangana (Telugu daily).

(b) Newspapers wherein results normally published

The results of the Company are published in widely circulated newspapers namely Business Standard/ Financial Express (English daily) and Navatelangana (Telugu daily).

(c) Any website, where displayed

The results of the Company are published on the Company's website: <http://www.bhagyanagarproperties.com>

(d) Whether it also displays official news releases

Official news releases along with quarterly results are displayed on the Company's website: <http://www.bhagyanagarproperties.com>

(e) Presentations made to institutional investors or to the analysts.

There are no presentations made to the investors/ analysts.

(f) Website:

The website <http://www.bhagyanagarproperties.com> contains a separate dedicated section for the Company's "Investor Relations" where shareholders' information is available. The full Annual Report, shareholding pattern etc. is also available in the 'Investor Relations' sections on the website of the Company.

9. GENERAL SHAREHOLDER INFORMATION:

Annual General Meeting	Date : 24 th September, 2018 Time : 04.30 PM Venue : Grand Solitaire Hotel, 1-240, 41 & 43, S.D. Road, Parklane, Secunderabad-500003
Financial Calendar	1 st April to 31 st March.
Date of Book Closure	19.09.2018 to 24.09.2018 (both days inclusive)
Dividend Payment Date	Nil
Listing on Stock Exchanges	BSE Ltd National Stock Exchange of India Limited
Scrip/Stock Code	540621 on BSE BHAGYAPROP on NSE
ISIN Number for NSDL & CDSL	INE363W01018

The listing fees for the year 2018-19 has been paid to the above stock exchanges.

(a) MARKET PRICE DATA:

Month	NSE		BSE	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
Apr' 2017*	-	-	-	-
May' 2017	-	-	-	-
Jun' 2017	-	-	-	-
Jul' 2017	29.20	21.45	29.80	21.60
Aug' 2017	22.50	17.40	22.70	17.60
Sep' 2017	20.90	18.20	20.95	17.15
Oct' 2017	21.05	17.20	21.00	17.00
Nov' 2017	22.40	18.10	22.50	18.05
Dec' 2017	27.45	20.00	26.90	19.70
Jan' 2018	27.10	21.20	27.30	21.80
Feb' 2018	22.70	19.05	23.35	19.00
Mar' 2018	22.50	16.80	22.85	16.50

*The Trading commenced w.e.f 20/07/2017

(b) Performance in comparison to BSE SENSEX:

The performance of the Company's scrip on the BSE as compared to the Sensex is as under:

	20 th July, 2017*	31 st March, 2018	% Change
Company Share Price(closing)	28.35	19.20	-(32.27)
SENSEX (closing)	29918.40	33019.07	10.36

*The Trading commenced w.e.f 20/07/2017

(c) Suspension of trading in securities:

There was no suspension of trading in Securities of the Company during the year under review.

(d) Registrar to an issue & Share Transfer Agents:

Registrar to an Issue & Share Transfer Agents (for shares held in both Physical and Demat mode) are as follows:

M/s KARVY COMPUTERSHARE PRIVATE LIMITED

Karvy Selenium Tower B, Plot No 31 & 32,
Gachibowli, Financial District, Nanakramguda,
Serilingampally, Hyderabad – 500 032
Phone # +91-40-67161526

Email ID: einward.ris@karvy.com / nageswara.raop@karvy.com

**(e) Share Transfer System**

SEBI vide its Circular No. CIR/MIRSD/8/2012, dated July 5, 2012 has reduced the time-line for registering the transfer of shares to 15 days, the Physical share transfers are processed and the share certificates are returned to the shareholders within a maximum period of 15 days from the date of receipt, subject to the documents being valid and complete in all respects. In compliance with the Listing Agreement with the Stock Exchanges, a Practicing Company Secretary carries out audit of the system of transfer and a certificate to that effect is issued.

(f) Distribution of shareholding**(i) Shareholding Pattern as on 31st March, 2018:**

Sl. No	Description	Total Shares	% Equity
1	Promoters	1,84,26,118	57.59
2	Promoters Bodies Corporate	55,68,736	17.41
3	Resident Individuals	69,37,914	21.68
4	Bodies Corporates	4,95,377	1.55
5	H U F	2,12,979	0.67
6	Indian Financial Institutions	2,72,709	0.85
7	Non Resident Indians	48,412	0.15
8	Non Resident Indian Non Repatriable	22,775	0.07
9	Mutual Funds	5,250	0.02
10	NBFC	2,909	0.01
11	Clearing Members	1,301	0.00
12	Banks	270	0.00
13	Trusts	250	0.00
	Total:	3,19,95,000	100.00

(ii) Distribution of shareholding as on 31.03.2018:

Shares holding of nominal value of	No. of Shareholders	No. of Shares	% of total shares
1-5000	9334	22,19,025	6.94
5001- 10000	167	6,05,001	1.89
10001- 20000	75	5,41,005	1.69
20001- 30000	33	4,15,333	1.30
30001- 40000	12	2,08,915	0.65
40001- 50000	12	2,79,000	0.87
50001- 100000	18	6,32,464	1.98
100001& Above	40	2,70,94,257	84.68
Total	9691	3,19,95,000	100.00

(g) Dematerialization of Shares & Liquidity

The Company's shares are available for dematerialisation with both the Depositories, National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

3,16,21,254 equity shares were dematerialized representing 98.83% of the total paid up equity share capital of the Company as on 31.03.2018.

(h) There are no outstanding Global Depository Receipts/ American Depository Receipts or Warrants or any convertible instruments as on the date of 31.03.2018.

(i) Commodity price risk or foreign exchange risk and hedging activities;

The Company is not carrying on any Commodity business and has also not undertaken any hedging activities hence same are not applicable to the Company.

(j) Site Locations:

The company's land located at Sy.No. 221(P), 222(P), 223(P), 224(P), 50, 51 & 57, Vattinagulapally, Gopanpalli Village, Gachibowli, Hyderabad.

(k) Address for correspondence

Sl. No.	Shareholders Correspondence for	Address
1.	Transfer/Dematerialization/ Consolidation /Split of shares, Issue of Duplicate Share Certificates, Non-receipt of dividend/ Bonus shares, etc., change of address of Members and Beneficial Owners and any other query relating to the shares of the Company.	M/s. Karvy Computershare Pvt. Ltd. Karvy Selenium Tower B, Plot No 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032 Phone # +91-40-67161526 Email ID: inward.ris@karvy.com / nageswara.raop@karvy.com Website : www.karvy.com
2.	Investor Correspondence / Queries on Annual Report, Revalidation of Dividend Warrants, Sub-Division, etc.	Company Secretary Bhagyanagar Properties Limited 5 th Floor, Surya Towers, S.P.Road, Secunderabad – 500 003. Ph Nos. 040 - 27845119/ 44665750 E-mail : cs@surana.com investorservices_bpl@surana.com Website: www.bhagyanagarproperties.com

10. OTHER DISCLOSURES**(a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large;**

Besides the transactions mentioned elsewhere in the Annual Report, there were no materially significant related party transactions during the year conflicting with the interest of the Company.

(b) Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years;

None.

(c) Details of establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel has been denied access to the audit committee;

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and Regulation 22 of the SEBI Listing regulations, 2015, the Company has formulated Whistle Blower Policy for vigil mechanism for Directors and employees to report to the management about the unethical behavior, fraud or violation of Company's code of conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee. The policy is available on the Company website, <http://www.bhagyanagarproperties.com>. During the financial year under review, none of the Complaint has received.

(d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements;

The Company has complied with all the mandatory requirements of Corporate Governance as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Adoption of non-mandatory requirements pursuant to SEBI (LODR), 2015 is being reviewed by the Board from time to time.

(e) Web link where policy for determining 'material' subsidiaries is disclosed;

The policy for determining 'material' subsidiaries is available on the website of the Company <http://www.bhagyanagarproperties.com/images/pdf/policies/RPT-policy.pdf>

(f) Web link where policy on dealing with related party transactions;

The policy on dealing with related party transactions is available on the website of the Company: <http://www.bhagyanagarproperties.com/images/pdf/policies/RPT-policy.pdf>

(g) Disclosure of commodity price risks and commodity hedging activities:

Not applicable

11. The Company Complied with the requirements of the Schedule V Corporate Governance report sub-paras (2) to (10) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

12. Details of compliance with mandatory requirements and adoption of Discretionary Requirements

The Company has complied with all the mandatory requirements of Corporate Governance as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Adoption of non-mandatory requirements pursuant to SEBI (LODR), 2015 is being reviewed by the Board from time to time.

13. The Disclosures of the compliance with Corporate Governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 are as follows:

Regulation	Particulars of Regulation	Compliance Status (Yes/ No)
17	Board of Directors	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stake Holders Relationship Committee	Yes
21	Risk Management Committee	Yes
22	Vigil Mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirement with respect of Subsidiary of Listed entity	Yes
25	Obligation with respect to Independent Director	Yes
26	Obligation with respect to Directors and Senior Management	Yes
27	Other Corporate Governance Requirement	Yes
46(2) (b) to (i)	Website	Yes

14. Code of Conduct

The Company has in place a comprehensive Code of Conduct applicable to all the employees and Non-executive Directors including Independent Directors. The Code is applicable to Non-executive Directors including Independent Directors to such extent as may be applicable to them depending on their roles and responsibilities. The Code gives guidance and support needed for ethical conduct of business and compliance of law. A copy of the Code has been posted on the Company's website.

15. CEO and CFO Certification

In line with the requirements of Schedule-V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Shri Narender Surana, Director, Shri Devendra Surana, Whole Time Director, Ms. Bhavana Dagia, Chief Finance Officer have submitted a certificate to the Board, certifying inter-alia, that the Financial Statements and the Cash Flow Statement for the year ended March 31, 2018 were reviewed to the best of their knowledge and belief, that they do not contain any material untrue statement, do not omit any material facts, are not misleading statements, together present a true and fair view and are in compliance with the applicable laws and regulations. The certificate further confirms that the transactions entered into by the Company for establishing internal control, financial reporting, evaluation of the internal control systems and making of necessary disclosures to the Auditors and the Audit Committee have been complied with.

16. Disclosure with respect to Demat suspense account/ unclaimed suspense account:

Pursuant to the SEBI Circular and Regulation 39 of the SEBI Listing Regulations, 2015, during the year under review, there are no outstanding shares in the demat suspense account.

17. Unclaimed Dividend:

The Company has not issued any dividend since the inception of the Company. Hence it is not applicable.

18. Proceeds from public issues, rights issues, preferential issues, etc.

During the year ended March 31, 2018, there were no proceeds from public issues, rights issues, preferential issues, etc.

19. The Company has adopted the policy on dissemination of information on the material events to stock exchanges in accordance with the Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The said policy is available on the website of the Company <http://www.bhagyanagarproperties.com/investor-relations.php>

20. The Company has adopted the policy on preservation of documents in accordance with the Regulation 9 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Documents Preservation Policy is available on the website of the Company: <http://www.bhagyanagarproperties.com/investor-relations.php>

21. Company's Policy on prevention of insider trading:

Pursuant to the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015, and in continuation with your Company's efforts to enhance the standards of corporate governance in the Company, and to strictly monitor and prevent insider trading within the company, your company has in place a Code of Conduct which is approved by the Board.

The Company Secretary is acting as Compliance Officer for the said purpose. The code is applicable to all such employees, officers, Directors and Promoters of the Company who are expected to have access to the unpublished price sensitive information relating to the Company and the same is being implemented as a self-regulatory mechanism. The code has been circulated to all the members of the Board and Senior Management and others concerned the compliance of the same has been affirmed by them

22. Particulars of Directors seeking re-appointment at the forthcoming Annual General Meeting:-				
Name of Director	Devendra Surana	DR R N Sreenath	D Ventaksubbiah	Shresha Surana
Expertise in specific functional areas	Shri Devendra Surana is a graduate in Mechanical Engineering and holds a Post Graduate Diploma in Management from IIM, Bangalore and chosen as the Brain of the Batch. Shri Devendra Surana is Managing Director of M/s. Bhagyanagar India Limited and Director of Surana Solar Limited, Surana Telecom and Power Ltd and Bhagyanagar Properties Ltd and other companies of Surana Group, has been in the field of Ferrous & Non Ferrous, Telecom Industry for more than 30 years and in the field of Renewable Energy Industry for more than 10 years. He is the Past President of Federation of Andhra Pradesh Chambers of Commerce and Industry (FAPCCI) and Founder President of Young Entrepreneur Organization for Hyderabad Chapter and Past President of Rotary Club of Hyderabad Deccan. At present he is the Member of National Executive Committee for Federation of Indian Chambers of Commerce and Industry (FICCI). He is currently the president of the Telangana state council of FICCI.	Dr R.N.Sreenath, has over 43 years of experience out of which 26 years of experience in Semiconductor technology and balance 17 years in Solar Photovoltaic Technology Served on BEL, Bangalore for Over 33 years from 1966 to 1999. He has served on the following companies as Senior Vice President and head of solar factory: 1. BEL, Bangalore : Over 33 years from 1966 to 1999. 2. Maharishi Solar Technology Pvt Ltd, New Delhi(factory in A.P) : 13 years from 1999 to till date. He has expertise in the following areas i) Capability to set up any discrete semiconductor project and successful productionisation. ii) Capability to set up Solar Photovoltaic project and successful productionisation. iii) Capability for Commercial exploitation of any of the Semiconductor and Solar Photovoltaic projects & products	Graduate in Electronics and Communications, has held the post of Deputy Director General of Telecom Engg. Center, (TEC). He has wide experience in R&D work and engineering of Radio Relay systems covering VHF, UHF and Microwave Bands. He was also awarded the North East Telecom Award (1990) and Satellite Project Circle Award (1991) for meritorious services and outstanding contribution to Telecommunications. He has provided more than a decade of untiring service to Telecom Industry and service providers for basic telephony along with value added services covering Cellular Mobile, Radio Paging and Public Mobile Radio Trunking.	Ms. Shresha Surana has graduated with merit, MSc. in International Management at King's College London, UK, Summer School at London School of Economics (LSE) - Strategic Management and she holds a Bachelor of Management Studies from St. Francis College, Hyderabad. She worked with at KPMG in the department of Governance, Risk and Compliance Services. She was Former Youth Leadership Chairperson at FAPCCI Women in Business for events and programs.
Qualification	B.E (Mechanical) PDGM (IIM, Bangalore)	M.Sc. Ph.D (I.I.S.C.) Field of Specialization Semiconductor & Solar Photo voltaic Technology	B.E	MSc. in International Management at King's College London, UK B.com (Management)
Date of Birth	08.02.1965	18.03.1941	01.07.1942	18.09.1994
List of other Companies in which Directorship is held as on 31st March, 2018.	1. Surana Solar Limited 2. Surana Telecom and Power Limited 3. Surana Infocom Private Limited 4. Everytime Foods Industries Private Limited 5. Scientia Infocom India Private Limited 6. AP Golden Apparels Private Limited 7. Globecom Infraventures India Private Limited 8. Bhagyanagar Properties Limited 9. Bhagyanagar Securities Private Limited	1. Surana Telecom And Power Limited 2. Bhagyanagar Properties Limited 3. Udhaya Semiconductors Limited 4. USL Photovoltaics Private Limited 5. Aashraya Technologies Private Limited	1. Surana Telecom and Power Ltd 2. Aishwarya Technologies and Telecom Ltd 3. Bhagyanagar Properties Limited	1. Masanto Containers Pvt Ltd



<p>Chairman/Member of the Committees of the Board of other Companies in which he is a Director as on 31st March, 2018.</p>	<p>10. Value Infrastructure and Properties Pvt.Ltd 11. Metropolitan Ventures India Limited 12. Shahsons Private Limited 13. Bhayanagar Green Energy Limited 14. Surana Solar Systems Private Limited 15. Solar Dynamics Private Limited 16. Tejas India Solar Energy Private Limited 17. Aanvik Mercantile Private Limited</p>	<p>1. Bhayanagar India Limited (Audit Committee) 2. Bhayanagar India Limited (Stakeholders Relationship Committee) 3. Surana Solar Limited (Stakeholders Relationship Committee) 4. Surana Solar Limited (CSR Committee) 5. Surana Telecom and Power Limited (Stakeholders Relationship Committee) 6. Bhayanagar Properties Limited (Stakeholders Relationship Committee)</p>	<p>1. Surana Solar Limited (Member of Audit Committee and Nomination and Remuneration Committee and CSR Committee) 2. Surana Telecom and Power Limited (Member of Audit Committee and Nomination and Remuneration Committee) 3. Bhayanagar Properties Limited (Member of Audit Committee and Chairman of Nomination and Remuneration Committee and Stakeholder Relationship Committee)</p>	<p>1. Bhayanagar India Limited (Member of Nomination and Remuneration Committee) 2. Bhayanagar Properties Limited (Member of Audit Committee and Nomination and Remuneration Committee) 3. Aishwarya Technologies And Telecom Limited (Chairman of Audit Committee and Nomination and Remuneration Committee)</p>	<p>NIL</p>
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DECLARATION OF COMPLIANCE OF CODE OF CONDUCT

As provided under Schedule-V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors and the Senior Management Personnel have confirmed compliance with the Code of Conduct and Ethics for the financial year ended March 31, 2018.

For **BHAGYANAGAR PROPERTIES LIMITED**

Place: Secunderabad
Date: 06.08.2018

DEVENDRA SURANA
WHOLE TIME DIRECTOR
DIN : 00077296

CEO AND CFO CERTIFICATION

We hereby certify that:

- a. we have reviewed financial statements and the cash flow statement for the Financial Year ended 31st March, 2018 and that to the best of our knowledge and belief:
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief no transactions entered into by the Company during the year which are fraudulent, illegal or violate of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the Auditors and the Audit Committee that there are no:
 - (i) significant changes in internal control over financial reporting during the year;
 - (ii) significant changes in accounting policies during the year requiring disclosure in the notes to the financial statements; and
 - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the company's internal control system over financial reporting.

For and on behalf of the Board of Directors

Place: Secunderabad
Date: 06.08.2018

NARENDER SURANA
DIRECTOR
DIN-00075086

DEVENDRA SURANA
WHOLE-TIME DIRECTOR
DIN-00077296

Independent Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Members of
Bhagyanagar Properties Limited
5th Floor Surya Towers, Sardar Patel Road
Secunderabad- 500003

1. The Corporate Governance Report prepared by Bhagyanagar Properties Limited (hereinafter the "Company"), contains details as required by the provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable Criteria') with respect to Corporate Governance for the year ended March 31, 2018. This report is required by the Company for annual submission to the Stock Exchange and to be sent to the Shareholders of the Company.

MANAGEMENT'S RESPONSIBILITY

2. The preparation of the Corporate Governance Report is the responsibility of the management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The management along with the Board of Directors of the company are also responsible for ensuring that the company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

AUDITOR'S RESPONSIBILITY

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion whether the company has complied with the specific requirements of the Listing Regulations referred to in paragraph 3 above.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised) and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes (Revised) requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
6. We have complied with the relevant applicable requirements of the Standard on quality Control (SQC) 1, Quality Control for firms that perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Governance Report with the applicable criteria. The procedures include, but not limited to, verification of secretarial records and financial information of the Company and obtained necessary representations and declarations from directors including independent directors of the company.
8. The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on attest basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

OPINION

9. Based on the procedures performed by us as referred in paragraph 7 and 8 above and according to the information and explanations given to us, we are of the opinion that the company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended March 31, 2018, referred to in paragraph 1 above.

OTHER MATTERS AND RESTRICTION ON USE

10. This Certificate is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

This Certificate is addressed to and provided to the members of the Company solely for the Purpose of enabling it to comply with its obligations under the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this Certificate for events and circumstances occurring after the date of this certificate.

**For M/s. Luharuka & Associates
Chartered Accountants**

**Ramesh Chand Jain
Partner
M.No 023019
Firm Reg No. 01882S**

Date: 06.08.2018
Place: Secunderabad

INDEPENDENT AUDITOR'S REPORT

To the Members of M/s. Bhagyanagar Properties Limited

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of M/s. Bhagyanagar Properties Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss including the statement of Other Comprehensive Income, the Cash Flow Statement and the statement of change in Equity for the year then ended, and a summary of the 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 standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the companies (Indian Accounting Standards) Rule, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting 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 Ind AS 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 standalone Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS 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 standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the standalone Ind AS 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, 2018, its profit including other comprehensive income, its cash flows and the changes in equity 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") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" statement on the matters Specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we further 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 appears from our examination of those books;

- c. The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 Companies (Indian Accounting Standards) Rules, 2015, as amended;
- e. on the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, 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"; and
- g. With respect to 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; as such the question of commenting on any material foreseeable losses thereon does not arise
 - (iii) There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise

Other Matter

3. the financial information of the Company for the year ended March 31, 2017 and the transition date opening balance sheet as at April 1, 2016 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2017 and March 31, 2016 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated May 26, 2017 and May 12, 2016 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.

Our opinion is not qualified in respect of these matters.

For Luharuka & Associates
Chartered Accountants
Firm Reg No:- 01882S

Place: Secunderabad
Date: 26th May 2018

Rameshchand Jain
(Partner)
Membership No.023019

Annexure A referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31st March, 2018, we report that

- (i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets ;
 - (b) As explained to us, some fixed assets have been physically verified by the management at reasonable intervals. According to the information and explanation given us, no material discrepancies were noticed on such verification;
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The company does not hold any physical inventory. Thus, paragraph 3(ii) of the Order is not applicable to the Company.
- (iii) The company had granted loans to four parties as covered in the register maintained under section 189 of the Companies Act, 2013.
 - (a) In our opinion and according to the information and explanations given to us, the terms and conditions of the grant for such Loan are not prejudicial to the Company's interest.
 - (b) In respect of the aforesaid loan, the schedule of repayment of principle and interest has been stipulated, repayment of principal and interest has been regular as per the stipulation.
 - (c) There are no overdue amounts in respect of the loan granted to a body corporate listed in the register maintained under section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) The Company has not accepted any deposits from the public.
- (vi) As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act.
- (vii) (a) According to the information and explanations given to us and based on the records of the company examined by us, the company is generally regular in depositing the undisputed statutory dues, including Provident Fund, , Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and other statutory dues, as applicable, with the appropriate authorities in India;
 - (b) According to the information and explanations given to us and based on the records of the company examined by us, there are no dues of Income Tax, Wealth Tax, Service Tax, Sales Tax, Customs Duty and Excise Duty which have not been deposited on account of any disputes;
- (viii) According to the records of the company examined by us and as per the information and explanations given to us, the company has not defaulted in repayment of loans from any financial institution or banks and has not issued debentures.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not paid/provided for managerial remuneration in accordance with the provisions of section 197 read with Schedule V to the Act. Accordingly, paragraph 3(xi) of the Order is not applicable.

- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Luharuka & Associates
Chartered Accountants
Firm Reg No:- 01882S

Place: Secunderabad
Date: 26th May 2018

Rameshchand Jain
(Partner)
Membership No.023019

Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of Bhagyanagar Properties Limited ("the Company") as of 31 March 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Luharuka & Associates
Chartered Accountants
Firm Reg No:- 01882S

Place: Secunderabad
Date: 26th May 2018

Rameshchand Jain
(Partner)
Membership No.023019

BALANCE SHEET AS AT 31ST MARCH, 2018

(Amount in ₹)

PARTICULARS		Note	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
I	ASSETS				
1	NON-CURRENT ASSETS				
	(a) Property, plant and equipment	5	565,777,748	564,548,901	592,731,901
	(b) Capital Work-in-Progress	6	-	-	5,778,188
	(c) Financial Assets				
	- Investments	7	36,049,910	36,049,910	-
	- Loans	8	430,353,572	389,886,270	-
			1,032,181,230	990,485,081	598,510,089
1	CURRENT ASSETS				
	(a) Financial assets				
	- Trade receivables	9	729,941	283,456	326,250
	- Cash and cash equivalents	10	835,652	34,359	1,873,606
	(b) Current Tax Assets (net)	11	3,075,065	-	-
	(c) Other current assets	12	2,340,303	44,874,185	-
			6,980,961	45,192,000	2,199,856
			1,039,162,191	1,035,677,081	600,709,945
	TOTAL ASSETS				
II	EQUITY AND LIABILITIES				
1	EQUITY				
	(a) Equity share capital	13	63,990,000	63,990,000	40,000,000
	(b) Other Equity	14	937,369,248	929,404,531	(2,537,360)
	TOTAL EQUITY		1,001,359,248	993,394,531	37,462,640
2	LIABILITIES				
	Non-current liabilities				
	(a) Financial Liabilities				
	- Borrowings	15	-	-	561,100,555
	- Other financial liabilities	16	3,149,363	2,427,556	2,105,000
			3,149,363	2,427,556	563,205,555
	Current liabilities				
	(a) Financial liabilities				
	- Other financial liabilities	17	596,638	4,242,557	-
	(b) Current Tax Liabilities (net)	18	105,847	23,767	-
	(c) Other current liabilities	19	33,951,095	35,588,670	41,750
			34,653,580	39,854,994	41,750
	TOTAL LIABILITIES		37,802,943	42,282,550	563,247,305
	TOTAL EQUITY AND LIABILITIES		1,039,162,191	1,035,677,081	600,709,945

Significant accounting policies and key accounting estimates and judgements 1 to 4

See accompanying notes form an integral part of standalone financial statements. 26 to 34

As per our report of even date attached

For Luharuka & Associates
Chartered Accountants,
Firm Reg No.01882S

For Bhagyanagar Properties Limited

Rameshchand Jain
Partner
M. No. 023019

Narender Surana
Director
DIN: 00075086

Devendra Surana
Whole Time Director
DIN: 00077296

Place: Secunderabad,
Date : 26th May, 2018

Bhavana Dagia
Chief Financial Officer

Rohit Jain
Company Secretary
Membership No: A42347

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

(Amount in ₹)

	Particulars	Note	Year ended March 31, 2018	Year ended March 31, 2017
	INCOME			
I	Revenue from operations	20	8,649,428	24,886,881
II	Other Income	21	5,689,388	11,575
III	TOTAL INCOME (I+II)		14,338,816	24,898,456
	IV EXPENSES			
	Employee benefits expense	22	4,387,749	2,378,366
	Finance costs	23	208,790	173,474
	Depreciation	5	102,111	91,488
	Other expenses	24	3,347,505	8,286,848
	TOTAL EXPENSES		8,046,155	10,930,176
V	PROFIT BEFORE TAX (III-IV)		6,292,661	13,968,280
	VI TAX EXPENSE			
	Current Tax		1,195,706	2,655,970
	MAT Credit Entitlement		(259,226)	-
	Taxes for earlier years		207,303	11,280
VII	PROFIT AFTER TAX (V-VI)		5,148,878	11,301,030
	VIII OTHER COMPREHENSIVE INCOME			
A	Items that will not be reclassified to profit or loss		-	-
B	Items that will be reclassified to profit or loss		-	-
	OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX		-	-
IX	Total Comprehensive Income for the year (VII+VIII)		5,148,878	11,301,030
	X Earning Per Equity Share			
	(a) Basic		0.16	0.35
	(b) Diluted		0.16	0.35

Significant accounting policies and key accounting estimates and judgements 1 to 4

See accompanying notes form an integral part of standalone financial statements. 26 to 34

As per our report of even date attached
For Luharuka & Associates
 Chartered Accountants,
 Firm Reg No.01882S

Rameshchand Jain
 Partner
 M. No. 023019

Place: Secunderabad,
 Date : 26th May, 2018

For Bhagyanagar Properties Limited

Narender Surana
 Director
 DIN: 00075086

Bhavana Dagia
 Chief Financial Officer

Devendra Surana
 Whole Time Director
 DIN: 00077296

Rohit Jain
 Company Secretary
 Membership No: A42347

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2018

A. Equity Share capital			(Amount in ₹)
Particulars	No of shares	Amount	
Balance as at 1 April 2016	4,000,000	40,000,000	
Changes in equity share capital during 2016-17			
Less: Cancellation of shares on account of merger	4,000,000	40,000,000	
Add: Additional issue of shares during the year	31,995,000	63,990,000	
Balance as at 31 March 2017	31,995,000	63,990,000	
Balance as at 1 April 2017	31,995,000	63,990,000	
Changes in equity share capital during 2017-18	-	-	
Balance as at 31 March 2018	31,995,000	63,990,000	
B. Other equity			
Particulars	Reserves and Surplus		Total
	Retained Earnings	General Reserve	
Balance at 1 April 2016	(2,537,360)	-	(2,537,360)
Additions during the year:			
Profit for the year	11,301,030	-	11,301,030
Other Comprehensive Income (net of tax)	-	-	-
Total Comprehensive Income for the year 2016-17 (B)	11,301,030	-	11,301,030
Transfer In/Out General Reserve	-	920,640,861	920,640,861
Dividends	-	-	-
Tax on dividends	-	-	-
Balance at 31 March 2017 (C=A+B)	8,763,670	920,640,861	929,404,531
Balance at 1 April 2017	8,763,670	920,640,861	929,404,531
Additions during the year:			
Profit for the year	5,148,878	-	5,148,878
Other Comprehensive Income (net of tax)	-	-	-
Total Comprehensive Income for the year 2017-18 (E)	5,148,878	-	5,148,878
MAT Credit of earlier years	2,815,839	-	2,815,839
Dividends	-	-	-
Tax on dividends	-	-	-
Balance as at 31 March 2018 (F=D+E)	16,728,387	920,640,861	937,369,248
Significant accounting policies and key accounting estimates and judgements			1 to 4
See accompanying notes form an integral part of standalone financial statements.			26 to 34

As per our report of even date attached
For Luharuka & Associates
Chartered Accountants,
Firm Reg No.01882S

Rameshchand Jain
Partner
M. No. 023019

Place: Secunderabad,
Date : 26th May, 2018

For Bhagyanagar Properties Limited

Narender Surana
Director
DIN: 00075086

Bhavana Dagia
Chief Financial Officer

Devendra Surana
Whole Time Director
DIN: 00077296

Rohit Jain
Company Secretary
Membership No: A42347

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018**

(Amount in ₹)

Particulars	2017-18		2016-17	
CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit (Loss) before Tax and Exceptional Items		6,292,661		13,968,280
Adjustments for Non-Operating Activities:				
Depreciation	102,111		91,488	
(Profit)/Loss on sale of asset	-		(17,630,300)	
Interest Received	(5,390,743)	(5,288,632)	(11,575)	(17,550,387)
Operating Profit before Working Capital Changes		1,004,029		(3,582,107)
Movement in Working Capital				
(Increase) / Decrease in trade receivables	(446,485)		42,794	
(Increase) / Decrease in other current assets	42,533,882		(44,874,185)	
Increase / (Decrease) in other current financial liabilities	(3,645,920)		4,242,557	
Increase / (Decrease) in other non current financial liabilities	721,807		322,556	
Increase / (Decrease) in other current liabilities	(1,637,575)	37,525,709	35,546,920	(4,719,356)
Cash Generation From Operations		38,529,738		(8,301,463)
Direct Taxes (Net)		1,113,625		2,632,202
Taxes of earlier years		207,303		11,280
Net Cash from Operating Activities (A)		37,208,810		(10,944,945)
CASH FLOW FROM INVESTMENT ACTIVITIES				
Purchase of fixed assets	(1,330,958)		(3,500,000)	
Sale of fixed assets	-		55,000,000	
Interest received	5,390,743		11,575	
Net Cash from / (Used in) Investing Activities (B)		4,059,785		51,511,575
CASH FLOW FROM FINANCING ACTIVITIES				
Proceed from borrowings (net of re-payments)	-		(15,000)	
Loans given to Body Corporate	(40,166,522)		(35,010,417)	
Loans given to Subsidiary Companies	(300,780)		(7,380,457)	
Net Cash (used in) /from Financing Activities (C)		(40,467,302)		(42,405,874)
Net Increase / (Decrease) in cash and Cash Equivalents (A+B+C)		801,293		(1,839,244)
Cash and Cash Equivalents at the beginning of the year		34,359		1,873,605
Cash and Cash Equivalents at the end of the year		835,652		34,359

Notes:**1. Components of cash and cash equivalents**

	2017-18	2016-17
Cash in hand	23,403	15,883
Balances with banks	812,249	18,476
	<u>835,652</u>	<u>34,359</u>

2. Accompanied notes to accounts forms an integral part of the financial statements.

As per our report of even date attached

For Luharuka & Associates

Chartered Accountants,

Firm Reg No.01882S

Rameshchand Jain

Partner

M. No. 023019

Place: Secunderabad,

Date : 26th May, 2018

For Bhagyanagar Properties Limited

Narender Surana

Director

DIN: 00075086

Bhavana Dagia

Chief Financial Officer

Devendra Surana

Whole Time Director

DIN: 00077296

Rohit Jain

Company Secretary

Membership No: A42347

SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

1. Corporate Information

Bhagyanagar Properties Limited (“the Company”) is a Company registered under the Companies Act, 1956. It is a public limited company domiciled in India and is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). It was incorporated on 25th April, 2006 having its registered office at 5th Floor, Surya Towers, Sardar Patel Road, and Secunderabad-500003. The company’s CIN No. is U70102TG2006PTC050010. The Company is into the business of buying, selling and leasing of properties.

2. Basis of preparation

The financial statements are separate financial statements prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). For all periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These standalone financial statements for the year ended March 31, 2018 are the first the Company has prepared in accordance with Ind AS. Refer to Note 33 for information on how the Company adopted Ind AS.

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

3. Significant Accounting Policies:

(a) Revenue Recognition

Revenue is recognized and measured at the fair value of the consideration received or receivable, to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The company collects service tax, GST on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue. The following specific recognition criteria must also be met before revenue is recognized:

(i) Infrastructure Leasing Income:

Rental income from operating leases (net of any incentives given to the lessees) is recognized on a straight-line basis over the lease term.

(ii) Interest income:

Interest income, including income arising from other financial instruments, is recognized using the effective interest rate method.

(b) Property, Plant and Equipment

Property, plant and equipment are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss (if any). All significant costs relating to the acquisition and installation of property, plant and equipment are capitalized. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Subsequent costs are included in the asset’s carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. The identified components are depreciated over their useful lives, the remaining asset is depreciated over the life of the principal asset.

Depreciation for identified components is computed on straight line method based on useful lives, determined based on internal technical evaluation. Freehold land is carried at cost.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(c) Depreciation and amortization

Depreciation is provided on the straight-line method over the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013. Depreciation for assets purchased/sold during a period is proportionately charged.

(d) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is: -

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- The Company classifies all other liabilities as non-current.

(e) Financial assets

Financial assets comprise of cash and cash equivalents.

Initial recognition:

All financial assets are recognized initially at fair value. Purchases or sales of financial asset that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the company commits to purchase or sell the assets.

Subsequent Measurement:

- (i) Financial assets measured at amortized cost: Financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortized cost using effective interest rate (EIR) method. The EIR amortization is recognized as finance income in the Statement of Profit and Loss.

The Company while applying above criteria has classified the following at amortized cost:

- a) Trade receivable
- b) Cash and cash equivalents
- c) Other Financial Asset

Impairment of Financial Assets:

Financial assets are tested for impairment based on the expected credit losses.

De-recognition of financial assets:

A financial asset is primarily de-recognized when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

(f) Impairment of Non-Financial Assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the company makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash generating unit to which the asset belongs.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

(g) Cash and Cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term investments with an original maturity of three months or less. Deposits with banks are subsequently measured at amortized cost and short term investments are measured at fair value through statement of profit & loss account.

(h) Financial liabilities

Initial recognition and measurement:

All financial liabilities are recognized initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. These liabilities are classified as amortized cost. A preference share that provides for mandatory redemption by the issuer for a fixed or determinable amount at a fixed or determinable future date, or gives the holder the right to require the issuer to redeem the instrument at or after a particular date for a fixed or determinable amount, is a financial liability.

Subsequent measurement:

These liabilities include are borrowings and deposits. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

De-recognition of financial liabilities:

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

(i) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest, exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other costs that an entity incurs in connection with the borrowing of funds. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

(j) Employee Benefits

Employee benefits are charged to the Statement of Profit and Loss for the year.

Provident Fund

Retirement benefits in the form of Provident Fund are defined contribution scheme and such contributions are recognized, when the contributions to the respective funds are due. There are no other obligation other than the contribution payable to the respective funds.

Gratuity

The Company has not created any gratuity fund. However adequate provisions have been made in the accounts for gratuity liability. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting.



Compensated absences

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognized on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees.

Short-term employee benefits

Expense in respect of other short term benefits is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

(k) Income Taxes

Income tax expense is comprised of current and deferred taxes. Current and deferred tax is recognized in net income Current income taxes for the current period, including any adjustments to tax payable in respect of previous years, are recognized and measured at the amount expected to be recovered from or payable to the taxation authorities based on the tax rates that are enacted or substantively enacted by the end of the reporting period.

Deferred income tax

Deferred income tax assets and liabilities are recognized for temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax base using the tax rates that are expected to apply in the period in which the deferred tax asset or liability is expected to settle, based on the laws that have been enacted or substantively enacted by the end of reporting period. Deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable income nor the accounting income.

Minimum Alternative Tax (MAT)

MAT credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT Credit Entitlement. The company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that company will pay normal Income Tax during the specified period.

(l) Leases

As a lessee

Leases of property, plant and equipment where the company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor

Lease income from operating leases where the company is a lessor is recognized in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

Lease-hold land:

Leasehold land that normally has a finite economic life and title which is not expected to pass to the lessee by the end of the lease term is treated as an operating lease. The payment made on entering into or acquiring a leasehold land is accounted for as leasehold land use rights (referred to as prepaid lease payments in Ind AS 17 "Leases") and is amortized over the lease term in accordance with the pattern of benefits provided.

(m) Provisions, contingent assets and contingent liabilities

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

(n) Fair value measurement

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date. Fair value hierarchy:

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1—Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2—Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3— Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

(o) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

4. Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions that affect the reported balances of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Judgements

In the process of applying the accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements:

- i) Classification of property The Company determines whether a property is classified as investment property or inventory property:

Investment property comprises land and buildings (principally offices, commercial warehouse and retail property) that are not occupied substantially for use by, or in the operations of, the Company, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation. These buildings are substantially rented to tenants and not intended to be sold in the ordinary course of business.

**b) Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

i) Classification of leases –

The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.

ii) Useful lives of depreciable/amortizable assets

Management reviews its estimate of the useful lives of depreciable/amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, customer relationships, IT equipment and other plant and equipment.

iii) Fair value measurements

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

c) Recent Amendments**Standards issued but not yet effective**

- i)** Ind AS 115-Revenue from Contracts with Customers-The Ministry of Corporate Affairs (MCA) on March 28, 2018 has notified new Indian Accounting Standard as mentioned above .The new standard will come to into force from accounting period commencing on or after April 01, 2018.It replaces existing recognition guidance, including Ind AS 18 Revenue and Ind AS 11 Construction contract. The standard is likely to affect the measurement, recognition and disclosure of revenue. The Company has evaluated and there is no material impact of this amendment on the Financial Statement of the Company except disclosure. The Company will adopt the Ind AS 115 on the required effective date.
- ii)** Ind AS 21, The Effect of Changes in Foreign Exchange Rates - The amendments to Ind AS 21 addresses issue to determine the date of transactions for the purpose of determining the exchange rate to be used on initial recognition of related assets, expenses or income when entity has received or paid advances in foreign currencies by incorporating the same in Appendix B to Ind AS 21. The amendment will come into force from accounting period commencing on or after April 01, 2018. The Company has evaluated this amendment and impact of this amendment will not be material.

The Company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

Notes forming part of the Standalone Financial Statements

5 Property, Plant and Equipment

(Amount in ₹)

Following are the changes in the carrying value of Property, Plant and Equipment for the Year Ended 31st March 2018

Particulars	Land	Buildings	Office Equipment	Total
Gross carrying Value as at April 01, 2017	558,850,034	6,021,538	-	564,871,572
Additions	-	1,300,958	30,000	1,330,958
Disposals	-	-	-	-
Gross carrying Value as at March 31, 2018	558,850,034	7,322,496	30,000	566,202,530
Accumulated depreciation as at April 01, 2017	-	322,671	-	322,671
Depreciation	-	96,567	5,544	102,111
Accumulated depreciation on disposals	-	-	-	-
Accumulated depreciation as at March 31, 2018	-	419,238	5,544	424,782
Net Carrying Value as of March 31, 2018	558,850,034	6,903,258	24,456	565,777,748
Particulars	Land	Buildings	Office Equipment	Total
Gross carrying Value as at April 01, 2016	592,719,734	243,350	-	592,963,084
Additions	3,500,000	5,778,188	-	9,278,188
Disposals	(37,369,700)	-	-	(37,369,700)
Gross carrying Value as at March 31, 2017	558,850,034	6,021,538	-	564,871,572
Accumulated depreciation as at April 01, 2016	-	231,183	-	231,183
Depreciation	-	91,488	-	91,488
Accumulated depreciation on disposals	-	-	-	-
Accumulated depreciation as at April 01, 2017	-	322,671	-	322,671
Net Carrying Value as at March 31, 2017	558,850,034	5,698,867	-	564,548,901
Net Carrying Value as at April 01, 2016	592,719,734	12,167	-	592,731,901

6. Capital Work in Progress

Particulars	Total
Opening as on 01-04-2016	5,778,188
Less: Capitalised during the year	(5,778,188)
Closing Balance as 31-03-2017	-

Notes forming part of the Standalone Financial Statements
7. Investments
(Amount in ₹)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Investments in Subsidiaries			
Investment measured at cost			
Equity Instruments (Unquoted)			
(i) Scientia Infocom India Private Limited (30,40,000 Equity shares of Rs 10/- each fully paid up)	30,400,000	30,400,000	-
(ii) Metropolitan Ventures India Limited (500,000 Equity shares of Rs 10/- each fully paid up)	5,649,910	5,649,910	-
Total	36,049,910	36,049,910	-

8. Loans

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
(Unsecured, considered good)			
(a) Loans and advances to body Corporates	75,176,939	35,010,417	-
(b) Loan to Subsidiary Companies	355,176,633	354,875,853	-
Total	430,353,572	389,886,270	-

Note: No loans and advances are due from directors or other officers of the company either severally or jointly with any other person.

7(a) Loans and advances to body Corporates

Name of the Company	Balance as on 31.03.2018	Balance as on 31.03.2017	Balance as on 01.04.2016
(i) Surana Solar Limited	49,086,640	13,010,417	-
(ii) Tejas Technopark Private Limited	26,090,299	22,000,000	-
	75,176,939	35,010,417	-

7(b) Loan to Subsidiary Companies

Name of the Company	Balance as on 31.03.2018	Balance as on 31.03.2017	Balance as on 01.04.2016
(i) Scientia Infocom India Private Limited	289,753,810	289,483,810	-
(ii) Metropolitan Ventures India Limited (Wholly Owned)	65,422,823	65,392,043	-
	355,176,633	354,875,853	-

9. Trade Receivables

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Considered Good			
Trade Receivables	729,941	283,456	326,250
Considered Doubtful	-	-	-
Total (A)	729,941	283,456	326,250
Less : Provision for doubtful debts & Advances (B)	-	-	-
Total	729,941	283,456	326,250

9(a) No Trade or other receivables are due from directors or other officers of the company. Further, no trade or other Receivables are due from firms or private companies in which any director is a partner or director or member.

Notes forming part of the Standalone Financial Statements

10. Cash and Cash Equivalents

(Amount in ₹)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Cash in Hand	23,403	15,883	48,787
Balances with Banks			
- In Current Accounts	812,249	18,476	1,824,818
Total	835,652	34,359	1,873,606

11. Current Tax Assets (net)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Minimum Alternate Tax Credit entitlement	3,075,065	-	-
Total	3,075,065	-	-

12. Other Current Assets

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
(Unsecured, considered good, unless otherwise stated)			
Interest receivable	2,307,803	-	-
Loans to Staff	32,500	46,000	-
Other Advances	-	44,828,185	-
Total	2,340,303	44,874,185	-



Notes forming part of the Standalone Financial Statements

13 . Equity Share Capital

Particulars	As at 31st March, 2018		As at 31st March, 2017		(Amount in ₹)	
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount
Authorized Capital						
32,500,000 Equity Shares of Rs. 2/- each	32,500,000	65,000,000	32,500,000	65,000,000	5,000,000	50,000,000
Issued, subscribed and paid-up Capital						
31,995,000 equity shares of Rs. 2/- each fully paid up (Options, Contracts and Commitments outstanding - Nil)	31,995,000	63,990,000	31,995,000	63,990,000	4,000,000	40,000,000
Total	31,995,000	63,990,000	31,995,000	63,990,000	4,000,000	40,000,000

a) Terms / rights attached to Equity Shares

The company has only one class of issued equity shares having a par value of Rs.2/- per share. Each shareholder is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

b) Reconciliation of Shares Outstanding at the beginning and at the end of the reporting year:

Particulars	As at March 31st, 2018	As at March 31st, 2018	As at March 31st, 2017	As at March 31st, 2017	As at April 1st, 2016	As at April 1st, 2016
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount
At the beginning of the year	31,995,000	63,990,000	4,000,000	40,000,000	4,000,000	40,000,000
Cancellation of shares on account of merger	-	-	4,000,000	40,000,000	-	-
Additional Issue if shares during the year	-	-	31,995,000	63,990,000	-	-
Outstanding at the end of the year	31,995,000	63,990,000	31,995,000	63,990,000	4,000,000	40,000,000

c) There were no Bonus issues, forfeited shares and buy back of shares in last five years.

d) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at March 2018		As at March 2017		As at April 2016	
	%	No. of shares	%	No of shares	%	No of shares
Surana Infocom Private Limited	13.57	4,342,347	13.58	4,345,139	-	-
Chand Kanwar	0.00	-	5.33	1,704,949	-	-
Namrata Surana	5.85	1,870,340	5.85	1,870,335	-	-
Devendra Surana	9.81	3,137,662	7.13	2,281,882	-	-
Sunita Surana	5.12	1,637,335	5.12	1,638,335	-	-
Narender Surana	11.06	3,539,289	8.40	2,686,954	-	-
G.M Surana	5.35	1,710,990	5.35	1,710,990	-	-
Manish Surana	7.71	2,465,894	7.71	2,466,704	-	-
Bhagyanagar India Limited	-	-	-	-	99.99	3,999,950

The shareholding information has been extracted from the records of the Company including register of shareholders/ members and is based on legal ownership of shares.

Notes forming part of the Standalone Financial Statements

14 . Other Equity

(Amount in ₹)

Particulars	Reserves and Surplus		Total
	Retained Earnings	General Reserve	
Balance as at 1 April, 2016 (A)	(2,537,360)	-	(2,537,360)
Additions during the year:			
Profit for the year	11,301,030	-	11,301,030
Other Comprehensive Income (net of tax)	-	-	-
Total Comprehensive Income for the year 2016-17 (B)	11,301,030	-	11,301,030
Transfer In/Out General Reserve	-	920,640,861	920,640,861
Balance at 31 March 2017 (C=A+B)	8,763,670	920,640,861	929,404,531
Balance at 1 April 2017 (D)	8,763,670	920,640,861	929,404,531
Additions during the year:			
Profit for the year	5,148,878	-	5,148,878
Other Comprehensive Income (net of tax)	-	-	-
Total Comprehensive Income for the year 2017-18 (E)	5,148,878	-	5,148,878
MAT Credit of earlier years	2,815,839	-	2,815,839
Balance as at 31 March 2018	16,728,387	920,640,861	937,369,248

The Description, Nature and Purpose of each reserve with in equity are as follows:

General Reserve: This reserve is the retained earnings of the company, which are kept aside out of the Company's profit to meet future (known or unknown) obligations.

Retained Earnings: Retained earnings comprise of net accumulated profit/(loss) of the company, after declaration of dividend.

15 . Borrowings - Non Current

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Unsecured			
Loan from Body Corporate	-	-	561,085,555
Loan from Directors	-	-	15,000
Total	-	-	561,100,555

16. Other Liabilities

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Unsecured			
Security Deposit	3,149,363	2,427,556	2,105,000
Total	3,149,363	2,427,556	2,105,000

17. Other financial liabilities

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Book Overdraft	-	3,421,480	-
Accrued Rental Income	596,638	821,077	-
Total	596,638	4,242,557	-

18. Current Tax Liabilities (Net)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Provision for Tax (Net of TDS & Advance tax)	105,847	23,767	-
Total	105,847	23,767	-

19. Other Current Liabilities

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Advance from Customers	33,500,000	33,500,000	-
Statutory dues payable	152,332	33,900	300
Outstanding Expenses	87,500	2,031,770	41,450
Other Payables	111,263	23,000	-
Provison for Bonus	100,000	-	-
Total	33,951,095	35,588,670	41,750

Notes forming part of the Standalone Financial Statements
20. Revenue from operations

(Amount in ₹)

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Lease Rent	8,649,428	7,256,581
Profit on sale of assets	-	17,630,300
Total	8,649,428	24,886,881

21. Other Income

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Interest Income	5,390,743	11,575
Dividend Income	212,823	-
Sundry Balances written back	85,822	-
Total	5,689,388	11,575

22. Employee benefit expenses

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Salaries, Wages and Other Benefits	3,323,413	2,375,236
Staff Welfare Expenses	7,992	3,130
Bonus	224,819	-
Contribution to Provident and Other Funds	831,525	-
Total	4,387,749	2,378,366

23. Finance Costs

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Financial Charges	208,790	173,474
Total	208,790	173,474

24. Other Expenses

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Payments to The Auditor for Statutory Audit	30,000	17,250
for Tax Audit	10,000	5,750
Power and Fuel	-	41,581
Filing Fees	9,040	64,395
Professional & Consultancy Fees	423,341	801,886
Travelling and Conveyance	59,945	755,160
Rates & Taxes	8,550	623,170
Repairs and development expenses	89,294	4,557,125
Watch and Ward	222,903	89,267
Printing & Stationery	136,121	20,360
Advertisements	719,100	22,673
Carriage Inwards	74,200	55,000
Director's sitting Fees	73,500	10,500
Other Miscellaneous Expenses	36,291	156,069
Board meeting Expenses	17,550	-
Insurance	10,387	89,932
Postage ,telegram & telephone	302,283	798,330
Entertainment Expenses	-	178,400
Listing fees	1,125,000	-
Total	3,347,505	8,286,848

Notes forming part of the Standalone Financial Statements

25. Financial Instruments by Category

Set out below is a comparison, by class, of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximates of fair values:

Particulars	Carrying value			Fair value		
	31-Mar-18	31-Mar-17	1-Apr-16	31-Mar-18	31-Mar-17	1-Apr-16
- Investments	36,049,910	36,049,910	-	36,049,910	36,049,910	-
- Loans	430,353,572	389,886,270	-	430,353,572	389,886,270	-
Total Financial Assets	466,403,482	425,936,180	-	466,403,482	425,936,180	-
- Borrowings	-	-	561,100,555	-	-	561,100,555
- Other financial liabilities	3,793,472	3,278,472	2,105,000	3,149,363	2,427,556	2,105,000
Total Financial Liabilities	3,793,472	3,278,472	563,205,555	3,149,363	2,427,556	563,205,555

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

Notes forming part of the Standalone Financial Statements
26. Related Party Disclosure
a. Name of the Related Parties and related party relationship
Enterprises owned or significantly influenced by key management personnel or their relatives:

(i)	Bhagyanagar India Limited	(x)	Andhra Electro Galvanising works
(ii)	Surana Telecom and Power Limited	(xi)	Shahsons Private Limited
(iii)	Surana Infocom Pvt Limited	(xii)	Surana Solar Systems Private Limited
(iv)	Surana Solar Limited	(xiii)	Innova Technologies Pvt Limited
(v)	Bhagyanagar Green Energy Limited	(xiv)	Crescentia Solar Private Limited
(vi)	Bhagyanagar Energy & Telecom Private Limited	(xv)	Aryavaan Renewable Energy Pvt Ltd
(vii)	Tejas India Solar Energy Pvt Limited	(xvi)	N.S Enterprises
(viii)	Aanvik Mercantile Private Limited	(xvii)	Surana Woodworks India Private Limited
(ix)	Bhagyanagar Ventures Private Limited	(xviii)	Bhagyanagar Securities Private Limited

b. Key management personnel

- (i) Narender Surana
- (ii) Devendra Surana
- (iii) Rohit Jain

- c. The following transactions were carried out during the year with Enterprises owned or significantly influenced by key management personnel or their relatives related parties in the ordinary course of business:

(Amount in ₹)

Sl.No.	Nature of Transaction	Name of the Related Parties	2017-18	2016-17
1	Interest Received	Surana Solar Limited	2,826,518/-	11,575/-
		Tejas Technopark Private Limited	2,564,225/-	-
		Total	5,390,743/-	11,575/-

d. Details of loans given and recovered during the year.

Sl.No.	Name of the related party	2017-18	2016-17	2015-16
2	Surana Solar Limited			
	Opening Balance	13,000,000/-	-	-
	Add: Loan given during the year	101,458,732/-	13,000,000/-	-
	Less: Loan recovered during the year	65,372,092/-	-	-
	Closing balance	49,086,640/-	13,000,000/-	-
	Tejas Technopark Private Limited			
	Opening Balance	22,000,000/-	-	-
	Add: Loan taken during the year	13,320,179/-	22,000,000/-	-
	Less: Loan repaid during the year	9,229,880/-	-	-
	Closing balance	26,090,299/-	22,000,000/-	-
	Scientia Infocom India Private Limited			
	Opening Balance	289,483,810/-	-	-
	Add: Amount transferred on account of merger	-	282,133,353/-	-
Add: Loan taken during the year	270,000/-	27,800,000/-	-	
Less: Loan repaid during the year	-	20,449,543/-	-	

Notes forming part of the Standalone Financial Statements

	Closing balance	289,753,810/-	289,483,810/-	-
	Metropolitan Ventures India Limited			
	Opening Balance	65,392,043/-	-	-
	Add: Amount transferred on account of merger	-	65,392,043/-	-
	Add: Loan taken during the year	30,780/-	-	-
	Less: Loan repaid during the year	-	-	-
	Closing balance	65,422,823/-	65,392,043/-	-

3	Other Advances			
	Bhagyanagar India Limited	-	44,828,185/-	-
	Total	-	44,828,185/-	-

e. Details of loans taken and repaid during the year.

4	Bhagyanagar India Limited	2017-18	2016-17	2015-16
	Opening Balance	-	561,085,555	563,924,048
	Add: Loan taken during the year	-	53,171,358	-
	Less: Loan closed on account of demerger/ repaid during the year	-	614,256,913	2,838,493
	Closing balance	-	-	561,085,555

27. Disclosure as per Regulation 53(F) of SEBI(LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS

(Amount in ₹)

Name of the party	Relationship	Amount outstanding as at 31.03.2018	Amount outstanding as at 31.03.2017	Maximum outstanding during the year 2017-18	Maximum outstanding during the year 2016-17
Scientia Infocom India Private Limited	Subsidiary Company	289,753,810	289,753,810	289,483,810	289,483,810
Metropolitan Ventures India Limited	Wholly owned Subsidiary Company	65,422,823	65,422,823	65,392,043	65,392,043

28. Disclosure required under Section 186(4) of the Companies Act 2013

For loans, advances and guarantees given and securities provided, please refer Note 26.

29. In the opinion of Board of Directors and to the best of their knowledge and belief, the value on realization of current assets, loans and advances in the ordinary course of business, would not be less than the amount at which the same are stated in the Balance Sheet.

30. Earnings Per Share (EPS)

Particulars		2017-18	2016-17
Net Profit after Tax	Rupees.	5,148,878	11,301,030
Net Profit after Tax available for equity share holders - For Basic and Diluted EPS	Rupees.	5,148,878	11,301,030
Weighted Average No. Of Equity Shares For Basic EPS	Nos.	31,995,000	31,995,000
Weighted Average No. Of Equity Shares For Diluted EPS	Nos.	31,995,000	31,995,000
Nominal Value of Equity Shares	Rupees.	2.00	2.00
Basic Earnings Per Equity Share	Rupees.	0.16	0.35
Diluted Earnings Per Equity Share	Rupees.	0.16	0.35

Notes forming part of the Standalone Financial Statements
31. Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support Company's operations. The Company's principal financial assets include inventory, trade and other receivables, cash and cash equivalents and land advances and refundable deposits that derive directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk.

A. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and other price risk, such as equity price risk and commodity/ real-estate risk. Financial instruments affected by market risk include loans and borrowings and refundable deposits

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Company does not enter into any interest rate swaps.

B. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including refundable joint development deposits, security deposits, loans to employees and other financial instruments.

Trade receivables

- i. Receivables resulting from sale of properties: Customer credit risk is managed by requiring customers to pay advances before transfer of ownership, therefore, substantially eliminating the Company's credit risk in this respect.
- ii. Receivables resulting from other than sale of properties: The firm has established credit limits for customers and monitors their balances on ongoing basis. Credit Appraisal is performed before leasing agreements are entered into with customers. The risk is also marginal due to customers placing significant amount of security deposits for lease and fit out rentals.

Financial Instrument and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's Finance department in accordance with the Company's policy. Investments of surplus funds are reviewed and approved by the Company's Board of Directors on an annual basis. The Company's maximum exposure to credit risk for the components of the statement of financial position at 31 March 2018 and 2017 is the carrying amounts.

C. Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank deposits and loans.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

(Amount in ₹)

Year Ended	On Demand	3 to 12 Months	1 to 5 Years	>5 Years	Total
31-Mar-18					
Borrowings	-	-	-	-	-
	-	-	-	-	-
31-Mar-17					
Borrowings	-	-	-	-	-
	-	-	-	-	-
01-Apr-16					
Borrowings	-	561,100,555	-	-	561,100,555
	-	561,100,555	-	-	561,100,555

Notes forming part of the Standalone Financial Statements

32. Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

(Amount in ₹)

Particulars	31 Mar 2018	31 Mar 2017	31 Mar 2016
Borrowings (Long term and Short term including Current maturity of Long term Borrowings) (Note : 15)	-	-	561,100,555
Other Payable (current and non-current, excluding current maturity of long term borrowings) Note : (16 to 19)	37,802,942	42,282,550	2,146,750
Less Cash and Cash Equivalents (Note : 9)	835,652	34,359	1,873,605
Net Debt (A)	36,967,290	42,248,191	561,373,699
Equity Share capital	63,990,000	63,990,000	40,000,000
Other Equity	937,369,248	929,404,531	(2,537,360)
Total Capital (B)	1,001,359,248	993,394,531	37,462,640
Capital and Net debt(C = A+B)	1,038,326,538	1,035,642,722	598,836,339
Gearing ratio (in %) (D= A/C)	3.56	4.08	93.74

33. First-time adoption of Ind AS

These financial statements, for the year ended March 31, 2018, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on March 31, 2018, together with the comparative period data as at and for the year ended March 31, 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 1, 2016, the Company's date of transition to Ind AS.

Exemptions applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

- Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for investment property covered by Ind AS 40 Investment Properties. Accordingly, the Company has elected to measure all of its property, plant and equipment and investment property at their previous GAAP carrying value.
- Ind AS 27 requires investments in subsidiaries to be recorded at cost or in accordance with Ind AS 109 in its separate financial statements. However Ind AS 101 provides an option in case the Company decides to measure such investment at cost (determined in accordance with Ind AS 27) or deemed cost (fair value or previous GAAP carrying amount) at that date. The Company can avail the above exemption and recognize the investment in firms at the previous GAAP carrying amount at the date of transition to Ind AS.

The Company has also prepared a reconciliation of equity as at March 31, 2017 and April 1, 2016 under the Previous GAAP with the equity as reported in these financial statements under Ind AS, that reflect the impact of Ind AS on the components of statement of balance sheet which is presented below:

Notes forming part of the Standalone Financial Statements
(Amount in ₹)

Particulars	31-Mar-17	01-Apr-16
Equity under previous GAAP	993,364,694	37,462,640
Adjustments (net of tax):		
Others	29,837	-
Equity under Ind AS	993,394,531	37,462,640

The Company has prepared a reconciliation of the net profit for the previous year ended March 31, 2017 under the Previous GAAP with the total comprehensive income as reported in these financial statements under Ind AS, that reflect the impact of Ind AS on the components of statement of profit and loss which is presented below:

(Amount in ₹)

Particulars	31-Mar-17
Net profit as per previous GAAP	11,271,193
Adjustments (net of tax):	
Others	29,837
Net profit as per IND AS	11,301,030
Other Comprehensive Income (net of tax)	-
Total Comprehensive Income as per IND AS	11,301,030

Notes to reconciliations between previous GAAP and Ind AS

Other_comprehensive income:

Under Indian GAAP, the Company has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP profit/loss to profit/loss as per Ind AS. Further, Indian GAAP profit/loss is reconciled to total comprehensive income as per Ind AS.

34. Previous year's figures have been regrouped and rearranged, wherever found necessary.

As per our report of even date attached
For Luharuka & Associates
Chartered Accountants,
Firm Reg No.01882S

For Bhagyanagar Properties Limited

Rameshchand Jain
Partner
M. No. 023019

Narender Surana
Director
DIN: 00075086

Devendra Surana
Whole Time Director
DIN: 00077296

Place: Secunderabad,
 Date : 26th May, 2018

Bhavana Dagia
Chief Financial Officer

Rohit Jain
Company Secretary
Membership No: A42347

INDEPENDENT AUDITORS' REPORT

To the Members of

M/s. BHAGYANAGAR PROPERTIES LIMITED

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of M/s. Bhagyanagar Properties Limited ("the Holding Company") and its subsidiaries (collectively referred to as "the Company" or "the Group"), comprising of the consolidated balance sheet as at 31 March 2018, the consolidated statement of profit and loss including other comprehensive income, the consolidated cash flow statement, the consolidated statement of change in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act, 2013 (hereinafter referred to as "the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014 the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the Companies and management of a subsidiary Partnership firm included in Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of the Ind AS consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on the consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of other financial information of the subsidiaries, the aforesaid consolidated Ind AS 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 consolidated state of affairs of the Group, as at 31 March 2018, and their consolidated profit including other comprehensive Income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by sub-section 3 of Section 143 of the Act, we report, to the extent applicable that:
 - a. We have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c. The consolidated balance sheet, the consolidated statement of profit and loss including the statement of Other Comprehensive Income, the consolidated cash flow statement and consolidated Statement of changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d. In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Indian Accounting Standards) Rules, 2015, as amended:
 - e. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2018 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies incorporated in India, none of the Directors of the Group companies incorporated in India is disqualified as on 31 March 2018 from being appointed as a Director of that company in terms of sub-section 2 of Section 164 of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
 - 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 Holding Company and subsidiary companies incorporated does not have any pending litigations which would impact its financial position
 - ii) The Holding Company and subsidiary companies did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise
 - iii) There has not been an occasion in case of the Holding Company and subsidiary companies during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.

Other Matters

The comparative financial information of the Company for the year ended 31st March 2017 and the transition date opening balance sheet as at 1st April 2016 included in these audited consolidated financial results Ind AS statements, are based on previously issued statutory financial statements prepared in accordance with the companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended 31st March 2017 dated 26th May 2017 expressed an unmodified opinion on those CFS statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion on the consolidated Ind AS financial statements is not modified in respect of other matters.

For Luharuka & Associates
Chartered Accountants
Firm Reg No:- 01882S

Place: Secunderabad
Date: 26th May 2018

Rameshchand Jain
(Partner)
Membership No.023019

Annexure - A to the Auditors' Report

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31 March 2018, we have audited the internal financial controls over financial reporting of Bhagyanagar Properties Limited ("the Holding Company") and its subsidiary (together referred to as "the Group"), which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, 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 ICAI.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to two (2) subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For Luharuka & Associates
Chartered Accountants
Firm Reg No:- 01882S

Place: Secunderabad
Date: 26th May 2018

Rameshchand Jain
(Partner)
Membership No.023019

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2018

(Amount in ₹)

Particulars		Note	Year ended March 31, 2018	Year ended March 31, 2017
I	ASSETS			
1	NON-CURRENT ASSETS			
	(a) Property, plant and equipment	6	1,009,430,027	1,005,714,081
	(b) Capital Work in progress		-	2,363,715
	(c) Financial Assets			
	- Loans	7	75,176,939	35,010,417
			1,084,606,966	1,043,088,213
2	CURRENT ASSETS			
	(a) Financial assets			
	- Trade receivables	8	729,941	283,456
	- Cash and cash equivalents	9	923,594	168,662
	(b) Current Tax Assets (net)	10	3,075,065	-
	(c) Other current assets	11	2,340,303	44,874,185
			7,068,903	45,326,303
	TOTAL ASSETS		1,091,675,869	1,088,414,516
II	EQUITY AND LIABILITIES			
1	EQUITY			
	(a) Equity share capital	12	63,990,000	63,990,000
	(b) Other Equity	13	937,674,191	929,893,491
	Equity attributable to the owners of the Company		1,001,664,191	993,883,491
	(c) Non-Controlling Interests	14	9,165,270	9,209,352
	TOTAL EQUITY		1,010,829,461	1,003,092,843
2	LIABILITIES			
	Non-current liabilities			
	(a) Financial Liabilities			
	- Borrowings	15	43,016,124	43,016,124
	- Other financial liabilities	16	3,149,363	2,427,559
			46,165,487	45,443,683
	Current liabilities			
	(a) Financial liabilities			
	- Other financial liabilities	17	596,638	4,242,553
	(b) Current Tax Liabilities (net)	18	105,847	23,767
	(c) Other current liabilities	19	33,978,436	35,611,670
			34,680,921	39,877,990
	TOTAL LIABILITIES		80,846,408	85,321,673
	TOTAL EQUITY AND LIABILITIES		1,091,675,869	1,088,414,516

Significant accounting policies and key accounting estimates and judgements 1 to 5

See accompanying notes form an integral part of consolidated financial statements. 26 to 34

As per our report of even date attached
 For Luharuka & Associates
 Chartered Accountants,
 Firm Reg No.01882S

For Bhagyanagar Properties Limited

Rameshchand Jain
 Partner
 M. No. 023019

Narender Surana
 Director
 DIN: 00075086

Devendra Surana
 Whole Time Director
 DIN: 00077296

Place: Secunderabad,
 Date : 26th May, 2018

Bhavana Dagia
 Chief Financial Officer

Rohit Jain
 Company Secretary
 Membership No: A42347

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDING 31ST MARCH, 2018 (Amount in ₹)

Particulars		Note	Period ended March 31, 2018	Period ended March 31, 2017
	INCOME			
I	Revenue from operations	20	8,649,428	24,886,881
II	Other Income	21	5,689,388	11,575
III	Total Income (I+II)		14,338,816	24,898,456
	IV EXPENSES			
	Employee benefits expense	22	4,387,749	2,378,366
	Finance costs	23	208,790	173,796
	Depreciation	5	153,361	228,629
	Other expenses	24	3,493,573	8,313,538
	Total expenses		8,243,473	11,094,329
V	Profit before tax (II-III)		6,095,343	13,804,127
VI	Tax expense:			
	Current Tax		1,195,706	2,655,970
	MAT Credit Entitlement		(259,226)	-
	Taxes for earlier years		238,083	11,280
VII	Profit for the year (IV-V)		4,920,780	11,136,877
VIII	Other Comprehensive Income			
A	Items that will not be reclassified to profit or loss		-	-
B	Items that will be reclassified to profit or loss		-	-
	OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX		-	-
IX	Total Comprehensive Income for the year (VII+VIII)		4,920,780	11,136,877
	Total Comprehensive Income for the year attributable to:			
	- Owners of the Company		4,964,861	11,173,071
	- Non-controlling interest		(44,082)	(36,194)
			4,920,780	11,136,877
X	Earning Per Equity Share			
	(a) Basic		0.15	0.35
	(b) Diluted		0.15	0.35

Significant accounting policies and key accounting estimates and judgments 1 to 4

See accompanying notes form an integral part of consolidated financial statements. 26 to 34

As per our report of even date attached
For Luharuka & Associates
Chartered Accountants,
Firm Reg No.01882S

Rameshchand Jain
Partner
M. No. 023019

Place: Secunderabad,
Date : 26th May, 2018

For Bhagyanagar Properties Limited

Narender Surana
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DIN: 00075086

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Rohit Jain
Company Secretary
Membership No: A42347

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2018

A. Equity Share capital			(Amount in ₹)
Particulars	No of shares	Amount	
Balance as at 1 April 2016	4,000,000	40,000,000	
Changes in equity share capital during 2016-17			
Less: Cancellation of shares on account of merger	4,000,000	40,000,000	
Add: Additional issue of shares during the year	31,995,000	63,990,000	
Balance as at 31 March 2017	31,995,000	63,990,000	
Balance as at 1 April 2017	31,995,000	63,990,000	
Changes in equity share capital during 2017-18	-	-	
Balance as at 31 March 2018	31,995,000	63,990,000	
B. Other equity			
Particulars	Reserves and Surplus		Total
	Retained Earnings	General Reserve	
Balance at 1 April 2016	(1,624,986)	-	(1,624,986)
Additions during the year:			
Profit for the year	11,173,071	-	11,173,071
Other Comprehensive Income (net of tax)	-	-	-
Total Comprehensive Income for the year 2016-17 (B)	11,173,071	-	11,173,071
Transfer In/Out General Reserve	-	920,640,861	920,640,861
Less: Profit / (Loss) of earlier years on acquisition of subsidiaries	(295,456)		(295,456)
Balance at 31 March 2017 (C=A+B)	9,252,630	920,640,861	929,893,491
Balance at 1 April 2017	9,252,630	920,640,861	929,893,491
Additions during the year:			
Profit for the year	4,964,861	-	4,964,861
Other Comprehensive Income (net of tax)	-	-	-
Total Comprehensive Income for the year 2017-18 (E)	4,964,861	-	4,964,861
MAT Credit of earlier years	2,815,839	-	2,815,839
Tax on dividends			-
Balance as at 31 March 2018 (F=D+E)	17,033,330	920,640,861	937,674,191

Significant accounting policies and key accounting estimates and judgements

1 to 4

See accompanying notes form an integral part of consolidated financial statements.

26 to 34

As per our report of even date attached
 For Luharuka & Associates
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 Firm Reg No.01882S

For Bhagyanagar Properties Limited

Rameshchand Jain
 Partner
 M. No. 023019

Narender Surana
 Director
 DIN: 00075086

Devendra Surana
 Whole Time Director
 DIN: 00077296

Place: Secunderabad,
 Date : 26th May, 2018

Bhavana Dagia
 Chief Financial Officer

Rohit Jain
 Company Secretary
 Membership No: A42347

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

(Amount in ₹)

Particulars	2017-18		2016-17	
CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit (Loss) before Tax and Exceptional Items		6,095,343		13,804,127
Adjustments for Non-Operating Activities:				
Depreciation	153,361		228,629	
(Profit)/Loss on sale of asset	-		(17,630,300)	
Interest Received	(5,390,743)	(5,237,382)	(11,575)	(17,413,246)
Operating Profit before Working Capital Changes		857,961		(3,609,119)
Movement in Working Capital				
(Increase) / Decrease in trade receivables	(446,485)		42,794	
(Increase) / Decrease in other current assets	42,533,882		(44,874,185)	
Increase / (Decrease) in other current financial liabilities	(3,645,919)		4,242,557	
Increase / (Decrease) in other non current financial liabilities	721,807		322,557	
Increase / (Decrease) in other current liabilities	(1,633,234)	37,530,051	34,996,563	(5,269,714)
Cash Generation From Operations		38,388,012		(8,878,833)
Direct Taxes (Net)		1,144,406		2,632,202
Taxes of earlier years		207,303		11,280
Net Cash from Operating Activities (A)		37,036,303		(11,522,315)
CASH FLOW FROM INVESTMENT ACTIVITIES				
Purchase of fixed assets	(1,505,592)		(4,521,646)	
Sale of fixed assets	-		55,000,000	
Interest received	5,390,743		11,575	
Net Cash (used in)/from Investing Activities (B)		3,885,151		50,489,929
CASH FLOW FROM FINANCING ACTIVITIES				
Proceed from borrowings (net of re-payments)	-		(5,765,000)	
Loans given to Body Corporate	(40,166,522)		(35,010,417)	
Net Cash (used in)/from Financing Activities (C)		(40,166,522)		(40,775,417)
Net Increase / (Decrease) in cash and Cash Equivalents (A+B+C)		754,932		(1,807,803)
Cash and Cash Equivalents at the beginning of the year		168,662		1,976,465
Cash and Cash Equivalents at the end of the year		923,594		168,662

Notes:

1. Components of cash and cash equivalents	2017-18	2016-17
Cash in hand	69,382	65,956
Balances with banks	854,211	102,706
Total	923,594	168,662

As per our report of even date attached
For Luharuka & Associates
Chartered Accountants,
Firm Reg No.01882S

Rameshchand Jain
Partner
M. No. 023019

Place: Secunderabad,
Date : 26th May, 2018

For Bhagyanagar Properties Limited

Narender Surana
Director
DIN: 00075086

Bhavana Dagia
Chief Financial Officer

Devendra Surana
Whole Time Director
DIN: 00077296

Rohit Jain
Company Secretary
Membership No: A42347

SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

1. Corporate Information

Bhagyanagar Properties Limited (“the Company”) is a Company registered under the Companies Act, 1956. It is a public limited company domiciled in India and is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). It was incorporated on 25th April, 2006 having its registered office at 5th Floor, Surya Towers, Sardar Patel Road, and Secunderabad-500003. The company’s CIN No. is L70102TG2006PTC050010. The Company is into the business of buying, selling and leasing of properties.

2. Basis of preparation

The financial statements are separate financial statements prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). For all periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These standalone financial statements for the year ended March 31, 2018 are the first the Company has prepared in accordance with Ind AS. Refer to Note 32 for information on how the Company adopted Ind AS.

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

3. Basis of Consolidation

The consolidated Ind AS financial statements comprise of the M/S Bhagyanagar Properties Limited and its two subsidiary companies namely, M/S Scientia Infocom India Private Limited and M/S Metropolitan Ventures India Limited (collectively referred to as “the company” or “the Group”) as at March 31, 2018. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee); Exposure, or rights, to variable returns from its involvement with the investee, and the ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including: The contractual arrangement with the other vote holders of the investee; Rights arising from other contractual arrangements; The Group’s voting rights and potential voting rights, and the size of the group’s holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member’s financial statements in preparing the consolidated financial statements to ensure conformity with the group’s accounting policies. The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March.

Consolidation procedure:

- (a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- (b) Offset (eliminate) the carrying amount of the parent’s investment in each subsidiary and the parent’s portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- (c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognized in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment

that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it: Derecognises the assets (including goodwill) and liabilities of the subsidiary; Derecognises the carrying amount of any non-controlling interests; Derecognises the cumulative translation differences recorded in equity; Recognises the fair value of the consideration received; Recognises the fair value of any investment retained; Recognises any surplus or deficit in profit or loss, and Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

4. Significant Accounting Policies:

a) Business combinations and goodwill

In accordance with Ind AS 101 provisions related to first time adoption, the Group has elected to apply Ind AS accounting for business combinations prospectively from April 1, 2016. As such, Indian GAAP balances relating to business combinations entered into before that date, including goodwill, have been carried forward with minimal adjustment. The same first time adoption exemption is also used for associates and joint ventures. Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred. At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

b) Revenue Recognition

Revenue is recognized and measured at the fair value of the consideration received or receivable, to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The company collects service tax, GST on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue. The following specific recognition criteria must also be met before revenue is recognized:

(i) Infrastructure Leasing Income:

Rental income from operating leases (net of any incentives given to the lessees) is recognized on a straight-line basis over the lease term.

(ii) Interest income:

Interest income, including income arising from other financial instruments, is recognized using the effective interest rate method.

c) Property, Plant and Equipment

Property, plant and equipment are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss (if any). All significant costs relating to the acquisition and installation of property, plant and equipment are capitalized. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. The



identified components are depreciated over their useful lives, the remaining asset is depreciated over the life of the principal asset.

Depreciation for identified components is computed on straight line method based on useful lives, determined based on internal technical evaluation. Freehold land is carried at cost.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(d) Depreciation and amortization

Depreciation is provided on the straight-line method over the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013. Depreciation for assets purchased/sold during a period is proportionately charged

(e) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is: -

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- The Company classifies all other liabilities as non-current.

(f) Financial assets

Financial assets comprise of cash and cash equivalents.

Initial recognition:

All financial assets are recognized initially at fair value. Purchases or sales of financial asset that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the company commits to purchase or sell the assets.

Subsequent Measurement:

- (i) Financial assets measured at amortized cost: Financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortized cost using effective interest rate (EIR) method. The EIR amortization is recognized as finance income in the Statement of Profit and Loss.

The Company while applying above criteria has classified the following at amortized cost:

- a) Trade receivable
- b) Cash and cash equivalents
- c) Other Financial Asset

Impairment of Financial Assets:

Financial assets are tested for impairment based on the expected credit losses.

De-recognition of financial assets:

A financial asset is primarily de-recognized when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

(g) Impairment of Non-Financial Assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the company makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash generating unit to which the asset belongs.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

(h) Cash and Cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term investments with an original maturity of three months or less. Deposits with banks are subsequently measured at amortized cost and short term investments are measured at fair value through statement of profit & loss account.

(i) Financial liabilities*Initial recognition and measurement:*

All financial liabilities are recognized initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. These liabilities are classified as amortized cost. A preference share that provides for mandatory redemption by the issuer for a fixed or determinable amount at a fixed or determinable future date, or gives the holder the right to require the issuer to redeem the instrument at or after a particular date for a fixed or determinable amount, is a financial liability.

Subsequent measurement:

These liabilities include are borrowings and deposits. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

De-recognition of financial liabilities:

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

(j) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest, exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other costs that an entity incurs in connection with the borrowing of funds. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

(k) Employee Benefits

Employee benefits are charged to the Statement of Profit and Loss for the year.

Provident Fund

Retirement benefits in the form of Provident Fund are defined contribution scheme and such contributions are recognized, when the contributions to the respective funds are due. There are no other obligation other than the contribution payable to the respective funds.



Gratuity

The Company has not created any gratuity fund. However adequate provisions have been made in the accounts for gratuity liability. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting.

Compensated absences

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognized on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees.

Short-term employee benefits

Expense in respect of other short term benefits is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

(l) Income Taxes

Income tax expense is comprised of current and deferred taxes. Current and deferred tax is recognized in net income. Current income taxes for the current period, including any adjustments to tax payable in respect of previous years, are recognized and measured at the amount expected to be recovered from or payable to the taxation authorities based on the tax rates that are enacted or substantively enacted by the end of the reporting period.

Deferred income tax

Deferred income tax assets and liabilities are recognized for temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax base using the tax rates that are expected to apply in the period in which the deferred tax asset or liability is expected to settle, based on the laws that have been enacted or substantively enacted by the end of reporting period. Deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable income nor the accounting income.

Minimum Alternative Tax (MAT)

MAT credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT Credit Entitlement. The company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that company will pay normal Income Tax during the specified period.

(m) Leases

As a lessee

Leases of property, plant and equipment where the company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor

Lease income from operating leases where the company is a lessor is recognized in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

Lease-hold land:

Leasehold land that normally has a finite economic life and title which is not expected to pass to the lessee by the end of the lease term is treated as an operating lease. The payment made on entering into or acquiring a leasehold land is accounted for as leasehold land use rights (referred to as prepaid lease payments in Ind AS 17 "Leases") and is amortized over the lease term in accordance with the pattern of benefits provided.

(n) Provisions, contingent assets and contingent liabilities

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

(o) Fair value measurement

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date. Fair value hierarchy:

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

(p) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

5. Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions that affect the reported balances of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Judgements

In the process of applying the accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements:

- i) Classification of property The Company determines whether a property is classified as investment property or inventory property:

Investment property comprises land and buildings (principally offices, commercial warehouse and retail property) that are not occupied substantially for use by, or in the operations of, the Company, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation. These buildings are substantially rented to tenants and not intended to be sold in the ordinary course of business.

b) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

i) Classification of leases –

The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.

ii) Useful lives of depreciable/amortizable assets

Management reviews its estimate of the useful lives of depreciable/amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, customer relationships, IT equipment and other plant and equipment.

iii) Fair value measurements

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

c) Recent Amendments

Standards issued but not yet effective

i) Ind AS 115-Revenue from Contracts with Customers-The Ministry of Corporate Affairs (MCA) on March 28, 2018 has notified new Indian Accounting Standard as mentioned above. The new standard will come into force from accounting period commencing on or after April 01, 2018. It replaces existing recognition guidance, including Ind AS 18 Revenue and Ind AS 11 Construction contract. The standard is likely to affect the measurement, recognition and disclosure of revenue. The Company has evaluated and there is no material impact of this amendment on the Financial Statement of the Company except disclosure. The Company will adopt the Ind AS 115 on the required effective date.

ii) Ind AS 21, The Effect of Changes in Foreign Exchange Rates - The amendments to Ind AS 21 addresses issue to determine the date of transactions for the purpose of determining the exchange rate to be used on initial recognition of related assets, expenses or income when entity has received or paid advances in foreign currencies by incorporating the same in Appendix B to Ind AS 21. The amendment will come into force from accounting period commencing on or after April 01, 2018. The Company has evaluated this amendment and impact of this amendment will not be material.

The Company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

Notes forming part of Consolidated Financial Statements

6. Property, Plant and Equipment

Following are the changes in the carrying value of Property, Plant and Equipment for the Year Ended 31st March 2018

(Amount in ₹)

Particulars	Land	Buildings	Office Equipment	Electrical Installation	Total
Gross carrying Value as at April 01, 2017	999,980,214	6,721,538	-	-	1,006,701,752
Additions	-	3,664,673	30,000	174,634	3,869,307
Disposals	-	-	-	-	-
Gross carrying Value as at March 31, 2018	999,980,214	10,386,211	30,000	174,634	1,010,571,059
Accumulated depreciation as at April 01, 2017	-	987,671	-	-	987,671
Depreciation	-	132,454	5,544	15,363	153,361
Accumulated depreciation on disposals	-	-	-	-	-
Accumulated depreciation as at March 31, 2018	-	1,120,125	5,544	15,363	1,141,032
Net Carrying Value as of March 31, 2018	999,980,214	9,266,086	24,456	159,271	1,009,430,027

Particulars	Land	Buildings	Total
Gross carrying Value as at April 01, 2016	1,033,849,914	943,350	1,034,793,264
Additions	3,500,000	5,778,188	9,278,188
Disposals	(37,369,700)	-	(37,369,700)
Gross carrying Value as at March 31, 2017	999,980,214	6,721,538	1,006,701,752
Accumulated depreciation as at April 01, 2016	-	759,042	759,042
Depreciation	-	228,629	228,629
Accumulated depreciation on disposals	-	-	-
Accumulated depreciation as at April 01, 2017	-	987,671	987,671
Net Carrying Value as at March 31, 2017	999,980,214	5,733,867	1,005,714,081

Notes forming part of Consolidated Financial Statements
7. Loans
(Amount in ₹)

Particulars	Sub Note	As at March, 2018	As at March, 2017
(Unsecured, considered good)			
(a) Loans and advances to body Corporates	7(a)	75,176,939	35,010,417
Total		75,176,939	35,010,417

Note: No loans and advances are due from directors or other officers of the company either severally or jointly with any other person.

7(a) Loans and advances to body Corporates

Name of the Company	Balance as on 31.03.2018	Balance as on 31.03.2017
(i) Surana Solar Limited	49,086,640	13,010,417
(ii) Tejas Technopark Private Limited	26,090,299	22,000,000
	75,176,939	35,010,417

8. Trade Receivables

Particulars	Sub Note	As at March, 2018	As at March, 2017
Unsecured, Considered Good			
Trade Receivables		729,941	283,456
Considered Doubtful		-	-
Total (A)		729,941	283,456
Less : Provision for doubtful debts & Advances (B)		-	-
Total (A-B)		729,941	283,456

8(a) No Trade or other receivables are due from directors or other officers of the company. Further, no trade or other Receivables are due from firms or private companies in which any director is a partner or director or member.

9. Cash and Cash equivalents

Particulars	Sub Note	As at March, 2018	As at March, 2017
Cash in Hand		69,382	65,956
Balances with Banks			
- In Current Accounts		854,211	102,706
Total		923,594	168,662

10 . Current Tax Assets (net)

Particulars	Sub Note	As at March, 2018	As at March, 2017
Minimum Alternate Tax Credit Entitlement		3,075,065	-
Total		3,075,065	-

11. Other current assets

Particulars	Sub Note	As at March, 2018	As at March, 2017
Interest receivable		2,307,803	
Loans to Staff		32,500	46,000
Other Advances		-	44,828,185
Total		2,340,303	44,874,185

Notes forming part of Consolidated Financial Statements

Particulars	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount
Authorized Capital						
32,500,000 Equity Shares of Rs. 2/- each	32,500,000	65,000,000	32,500,000	65,000,000	5,000,000	50,000,000
Issued, subscribed and paid-up Capital						
31,995,000 equity shares of Rs. 2/- each fully paid up (Options, Contracts and Commitments outstanding - Nil)	31,995,000	63,990,000	31,995,000	63,990,000	4,000,000	40,000,000
Total	31,995,000	63,990,000	31,995,000	63,990,000	4,000,000	40,000,000

(Amount in ₹)

a) Terms / rights attached to Equity Shares

The company has only one class of issued equity shares having a par value of Rs.2/- per share. Each shareholder is entitled to one vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

b) Reconciliation of Shares Outstanding at the beginning and at the end of the reporting year:

Particulars	As at March 31st, 2018		As at March 31st, 2017		As at April 1st, 2016	
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount
At the beginning of the year	31,995,000	63,990,000	4,000,000	40,000,000	4,000,000	40,000,000
Cancellation of shares on account of merger	-	-	4,000,000	40,000,000	-	-
Additional Issue of shares during the year	-	-	31,995,000	63,990,000	-	-
Outstanding at the end of the year	31,995,000	63,990,000	31,995,000	63,990,000	4,000,000	40,000,000

c) There were no Bonus issues, forfeited shares and buy back of shares in last five years.**d) Details of shareholders holding more than 5% shares in the Company**

Name of the shareholder	As at March 2018		As at March 2017		As at April 2016	
	%	No. of shares	%	No. of shares	%	No. of shares
Surana Infocom Private Limited	13.57	4,342,347	13.58	4,345,139	-	-
Chand Kanwar	0.00	-	5.33	1,704,949	-	-
Namrata Surana	5.85	1,870,340	5.85	1,870,335	-	-
Devendra Surana	9.81	3,137,662	7.13	2,281,882	-	-
Sunita Surana	5.12	1,637,335	5.12	1,638,335	-	-
Narender Surana	11.06	3,539,289	8.40	2,686,954	-	-
G.M Surana	5.35	1,710,990	5.35	1,710,990	-	-
Manish Surana	7.71	2,465,894	7.71	2,466,704	-	-
Bhayanagar India Limited	-	-	-	-	99.99	3,999,950

The shareholding information has been extracted from the records of the Company including register of shareholders/ members and is based on legal ownership of shares.

Notes forming part of Consolidated Financial Statements
13 . Other Equity

(Amount in ₹)

Particulars	Reserves and Surplus		Total
	Retained Earnings	General Reserve	
Balance at 1 April 2016	(1,624,986)	-	(1,624,986)
Additions during the year:	-	-	-
Profit for the year	11,173,071	-	11,173,071
Other Comprehensive Income (net of tax)	-	-	-
Total Comprehensive Income for the year 2016-17 (B)	11,173,071	-	11,173,071
Transfer In/Out General Reserve	-	920,640,861	920,640,861
Less: Profit / (Loss) of earlier years on acquisition of subsidiaries	(295,456)	-	(295,456)
Balance at 31 March 2017 (C=A+B)	9,252,630	920,640,861	929,893,491
Balance at 1 April 2017	9,252,630	920,640,861	929,893,491
Additions during the year:	-	-	-
Profit for the year	4,964,861	-	4,964,861
Other Comprehensive Income (net of tax)	-	-	-
Total Comprehensive Income for the year 2017-18 (E)	4,964,861	-	4,964,861
MAT Credit of earlier years	2,815,839	-	2,815,839
Balance as at 31 March 2018 (F=D+E)	17,033,330	920,640,861	937,674,191

14 . Non-Controlling Interests

Particulars	As at March, 2018	As at March, 2017
Opening Balance	9,209,352	-
Add: Increase in Minority Interest of Subsidiary (Scientia Infocom India Private Limited)	-	9,600,000
Add : Profit / (Loss) of earlier years	-	(354,454)
Add : Current year's Profit/ (Loss) Account	(44,082)	(36,194)
	9,165,270	9,209,352

15. Borrowings-Non Current

Particulars	As at March, 2018	As at March, 2017
Unsecured		
(a) Loan from Directors	43,016,124	43,016,124
Total	43,016,124	43,016,124

16. Other financial liabilities-Non Current

Particulars	As at March, 2018	As at March, 2017
Unsecured		
Security Deposit	3,149,363	2,427,559
Total	3,149,363	2,427,559

17. Other liabilities

Particulars	As at March, 2018	As at March, 2017
Book Overdraft	-	3,421,480
Accrued Rental Income	596,638	821,073
Total	596,638	4,242,553

18. Current Tax Liabilities (Net)

Particulars	As at March, 2018	As at March, 2017
Provision for Tax (Net of TDS & Advance tax)	105,847	23,767
Total	105,847	23,767

19. Other current liabilities

Particulars	As at March, 2018	As at March, 2017
Advance from Customers	33,500,000	33,500,000
Statutory dues payable	152,332	33,900
Outstanding Expenses	114,841	2,031,770
Other Payables	111,263	46,000
Provison for Bonus	100,000	-
Total	33,978,436	35,611,670

Notes forming part of Consolidated Financial Statements

20. Revenue from operations

(Amount in ₹)

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Lease Rent	8,649,428	7,256,581
Profit on sale of assets	-	17,630,300
Total	8,649,428	24,886,881

21. Other Income

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Interest Income	5,390,743	11,575
Dividend Income	212,823	-
Sundry Balances written back	85,822	-
Total	5,689,388	11,575

22. Employee benefit expenses

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Salaries, Wages and Other Benefits	3,323,413	2,375,236
Staff Welfare Expenses	7,992	3,130
Bonus	224,819	-
Contribution to Provident and Other Funds	831,525	-
Total	4,387,749	2,378,366

23. Finance Costs

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Financial Charges	208,790	173,796
Total	208,790	173,796

24. Other Expenses

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Payments to The Auditor for Statutory Audit	53,600	40,250
for Tax Audit	10,000	5,750
Power and Fuel	118,163	41,581
Filing Fees	13,345	68,085
Professional & Consultancy Fees	423,341	801,886
Travelling and Conveyance	59,945	755,160
Rates & Taxes	8,550	623,170
Repairs and development expenses	89,294	4,557,125
Watch and Ward	222,903	89,267
Printing & Stationery	136,121	20,360
Advertisements	719,100	22,673
Carriage Inwards	74,200	55,000
Director's sitting Fees	73,500	10,500
Other Miscellaneous Expenses	36,291	156,069
Board meeting Expenses	17,550	-
Insurance	10,387	89,932
Postage ,telegram & telephone	302,283	798,330
Entertainment Expenses	-	178,400
Listing fees	1,125,000	-
Total	3,493,573	8,313,538

Notes forming part of Consolidated Financial Statements
25 Financial Instruments by Category

Set out below is a comparison, by class, of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximates of fair values:

(Amount in ₹)

Particulars	Carrying value		Fair value	
	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17
- Loans	75,176,939	35,010,417	75,176,939	35,010,417
Total Financial Assets	75,176,939	35,010,417	75,176,939	35,010,417
- Borrowings	43,016,124	43,016,124	43,016,124	43,016,124
- Other financial liabilities	3,793,472	3,278,472	3,149,363	2,427,559
Total Financial Liabilities	46,809,596	46,294,596	46,165,487	45,443,683

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

26. Related Party Disclosure
a. Name of the Related Parties and related party relationship

Enterprises owned or significantly influenced by key management personnel or their relatives:

(i) Bhayanagar India Limited	(x) Andhra Electro Galvanising works
(ii) Surana Telecom and Power Limited	(xi) Shahsons Private Limited
(iii) Surana Infocom Private Limited	(xii) Surana Solar Systems Private Limited
(iv) Surana Solar Limited	(xiii) Innova Technologies Private Limited
(v) Bhayanagar Green Energy Limited	(xiv) Crescentia Solar Private Limited
(vi) Bhayanagar Energy & Telecom Private Limited	(xv) Aryavaan Renewable Energy Private Limited
(vii) Tejas India Solar Energy Private Limited	(xvi) N.S Enterprises
(viii) Aanvik Mercantile Private Limited	(xvii) Surana Woodworks India Private Limited
(ix) Bhayanagar Ventures Private Limited	(xviii) Bhayanagar Securities Private Limited

b. Key management personnel

- (i) Narender Surana
- (ii) Devendra Surana
- (iii) Rohit Jain

c. The following transactions were carried out during the year with Enterprises owned or significantly influenced by key management personnel or their relatives related parties in the ordinary course of business:

Sl.No.	Nature of Transaction	Name of the Related Parties	2017-18	2016-17
1	Interest Received	Surana Solar Limited	2,826,518/-	11,575/-
		Tejas Technopark Private Limited	2,564,225/-	-
		Total	5,390,743/-	11,575/-

Notes forming part of Consolidated Financial Statements

b. Details of loans given and recovered during the year.

(Amount in ₹)

Sl.No.	Name of the related party	2017-18	2016-17
2	Surana Solar Limited		
	Opening Balance	13,000,000/-	-
	Add: Loan given during the year	101,458,732/-	13,000,000/-
	Less: Loan recovered during the year	65,372,092/-	-
	Closing balance	49,086,640/-	13,000,000/-
	Tejas Technopark Private Limited		
	Opening Balance	22,000,000/-	-
	Add: Loan taken during the year	13,320,179/-	22,000,000/-
	Less: Loan repaid during the year	9,229,880/-	-
	Closing balance	26,090,299/-	22,000,000/-
3	Receivable from Related Parties	Other Advances	
		Bhagyanagar India Limited	-
	Total	-	44,828,185/-

a. Details of loans taken and repaid during the year.

		2017-18	2016-17
4	Bhagyanagar India Limited		
	Opening Balance	-	561,085,555
	Add: Loan taken during the year	-	53,171,358
	Less: Loan closed on account of demerger/ repaid during the year	-	614,256,913
	Closing balance	-	-
	Loan from Directors		
	Opening Balance	43,016,124	48,766,124
	Add: Loan taken during the year	-	-
	Less: Loan repaid during the year	-	5,750,000
	Closing balance	43,016,124	43,016,124

27. Disclosure required under Section 186(4) of the Companies Act 2013

For loans, advances and guarantees given and securities provided, please refer Note 25.

28. In the opinion of Board of Directors and to the best of their knowledge and belief, the value on realization of current assets, loans and advances in the ordinary course of business, would not be less than the amount at which the same are stated in the Balance Sheet.

29. Earnings Per Share (EPS)

Particulars		2017-18	2016-17
Net Profit after Tax	Rupees.	4,920,780	11,136,877
Net Profit after Tax available for equity share holders - For Basic and Diluted EPS	Rupees.	4,920,780	11,136,877
Weighted Average No. Of Equity Shares For Basic EPS	Nos.	31,995,000	31,995,000
Weighted Average No. Of Equity Shares For Diluted EPS	Nos.	31,995,000	31,995,000
Nominal Value of Equity Shares	Rupees.	2.00	2.00
Basic Earnings Per Equity Share	Rupees.	0.15	0.35
Diluted Earnings Per Equity Share	Rupees.	0.15	0.35

Notes forming part of Consolidated Financial Statements
30. Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support Company's operations. The Company's principal financial assets include inventory, trade and other receivables, cash and cash equivalents and land advances and refundable deposits that derive directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk.

A. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and other price risk, such as equity price risk and commodity/ real-estate risk. Financial instruments affected by market risk include loans and borrowings and refundable deposits

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Company does not enter into any interest rate swaps.

B. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including refundable joint development deposits, security deposits, loans to employees and other financial instruments.

Trade receivables

- i. Receivables resulting from sale of properties: Customer credit risk is managed by requiring customers to pay advances before transfer of ownership, therefore, substantially eliminating the Company's credit risk in this respect.
- ii. Receivables resulting from other than sale of properties: The firm has established credit limits for customers and monitors their balances on ongoing basis. Credit Appraisal is performed before leasing agreements are entered into with customers. The risk is also marginal due to customers placing significant amount of security deposits for lease and fit out rentals.

Financial Instrument and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's Finance department in accordance with the Company's policy. Investments of surplus funds are reviewed and approved by the Company's Board of Directors on an annual basis. The Company's maximum exposure to credit risk for the components of the statement of financial position at 31 March 2018 and 2017 is the carrying amounts.

C. Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank deposits and loans.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

(Amount in ₹)

Year Ended	On Demand	3 to 12 Months	1 to 5 Years	>5 Years	Total
31-Mar-18	Borrowings	-	-	43,016,124	43,016,124
		-	-	43,016,124	43,016,124
31-Mar-17	Borrowings	-	-	43,016,124	43,016,124
		-	-	43,016,124	43,016,124

Notes forming part of Consolidated Financial Statements

31. Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

(Amount in ₹)

Particulars	31 Mar 2018	31 Mar 2017
Borrowings (Long term and Short term including Current maturity of Long term Borrowings) (Note : 15)	43,016,124	43,016,124
Other Payable (current and non-current, excluding current maturity of long term borrowings) Note : (16 to 19)	37,830,284	42,305,550
Less Cash and Cash Equivalents (Note : 9)	923,594	168,662
Net Debt (A)	79,922,814	85,153,012
Equity Share capital	63,990,000	63,990,000
Other Equity	937,674,191	929,893,491
Total Capital (B)	1,001,664,191	993,883,491
Capital and Net debt (C=A+B)	1,081,587,005	1,079,036,503
Gearing ratio (in %) (D= A/C)	7.39	7.89

32. First-time adoption of Ind AS

These financial statements, for the year ended March 31, 2018, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on March 31, 2018, together with the comparative period data as at and for the year ended March 31, 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 1, 2016, the Company's date of transition to Ind AS.

Exemptions applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

- Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for investment property covered by Ind AS 40 Investment Properties. Accordingly, the Company has elected to measure all of its property, plant and equipment and investment property at their previous GAAP carrying value.
- Ind AS 27 requires investments in subsidiaries to be recorded at cost or in accordance with Ind AS 109 in its separate financial statements. However Ind AS 101 provides an option in case the Company decides to measure such investment at cost (determined in accordance with Ind AS 27) or deemed cost (fair value or previous GAAP carrying amount) at that date. The Company can avail the above exemption and recognize the investment in firms at the previous GAAP carrying amount at the date of transition to Ind AS.

The Company has also prepared a reconciliation of equity as at March 31, 2017 and April 1, 2016 under the Previous GAAP with the equity as reported in these financial statements under Ind AS, that reflect the impact of Ind AS on the components of statement of balance sheet which is presented below:

Notes forming part of Consolidated Financial Statements
(Amount in ₹)

Particulars	31-Mar-17
Equity under previous GAAP	993,853,654
Adjustments (net of tax):	
Others	29,837
Equity under Ind AS	993,883,491

The Company has prepared a reconciliation of the net profit for the previous year ended March 31, 2017 under the Previous GAAP with the total comprehensive income as reported in these financial statements under Ind AS, that reflect the impact of Ind AS on the components of statement of profit and loss which is presented below:

Particulars	31-Mar-17
Net profit as per previous GAAP	11,107,040
Adjustments (net of tax):	
Others	29,837
Net profit as per IND AS	11,136,877
Other Comprehensive Income (net of tax)	-
Total Comprehensive Income as per IND AS	11,136,877

Notes to reconciliations between previous GAAP and Ind AS

Other_comprehensive income:

Under Indian GAAP, the Company has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP profit/loss to profit/loss as per Ind AS. Further, Indian GAAP profit/loss is reconciled to total comprehensive income as per Ind AS.

33. Previous year was the first year of consolidation and hence the consolidated financial statements as per Ind AS are given only for two years i.e., 2017-18 and 2016-17.
34. Previous year's figures have been regrouped and rearranged, wherever found necessary.

As per our report of even date attached
For Luharuka & Associates
Chartered Accountants,
Firm Reg No.01882S

For Bhagyanagar Properties Limited

Rameshchand Jain
Partner
M. No. 023019

Narender Surana
Director
DIN: 00075086

Devendra Surana
Whole Time Director
DIN: 00077296

Place: Secunderabad,
 Date : 26th May, 2018

Bhavana Dagia
Chief Financial Officer

Rohit Jain
Company Secretary
Membership No: A42347

Form AOC - 1

(Pursuant to First proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies / joint ventures

Part "A": Subsidiaries

1	SI. No.	1	2
2	Name of the Subsidiary	Scientia Infocom India Private Limited	Metropolitan Ventures India Limited
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as holding Company	Same as holding Company
4	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries	N/A	N/A
5	Share Capital	40,000,000	5,000,000
6	Reserves & Surplus	(1,811,375)	2,331,497
7	Total Assets	370,974,100	72,766,120
8	Total Liabilities	332,785,475	65,434,623
9	Investments	-	-
10	Turnover	-	-
11	Profit before taxation	(183,673)	(13,645)
12	Provision for taxation	-	30,780
13	Profit after taxation	(183,673)	(44,425)
14	Proposed Dividend	-	-
15	% of shareholding	75.999%	99.998%
1	Names of subsidiaries which are yet to commence operations - Scientia Infocom India Private Limited and Metropolitan Ventures India Limited		
2	Names of subsidiaries which have been liquidated or sold during the year - Nil		

As per our report of even date attached
For Luharuka & Associates
Chartered Accountants,
Firm Reg No.01882S

Rameshchand Jain
Partner
M. No. 023019

Place: Secunderabad,
Date : 26th May, 2018

For Bhagyanagar Properties Limited

Narender Surana
Director
DIN: 00075086

Bhavana Dagia
Chief Financial Officer

Devendra Surana
Whole Time Director
DIN: 00077296

Rohit Jain
Company Secretary
Membership No: A42347

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BHAGYANAGAR PROPERTIES LIMITED

(CIN: L70102TG2006PLC050010)
Regd. Office: 5th Floor, Surya Towers,
Sardar Patel Road, Secunderabad - 500 003.
Ph: 040-44665700, Fax : 040-27818868,
E-mail: investorservices_bpl@surana.com;
URL: www.bhagyanagarproperties.com

12TH ANNUAL GENERAL MEETING

Attendance Slip

Folio No./DP ID and Client ID:

No. of Shares:

Name and address of
First/Sole Member :

I certify that I am a member/proxy for a member of the Company. I hereby record my presence at the 12th Annual General Meeting of the Company, at Grand Solitaire Hotel, 1-240, 41 & 43, S.D.Road, Parklane, Secunderabad, Telangana - 500003 at 04.30 P.M. on Monday, the 24th September, 2018.

Name of the Member/Proxy
(Block Letters)

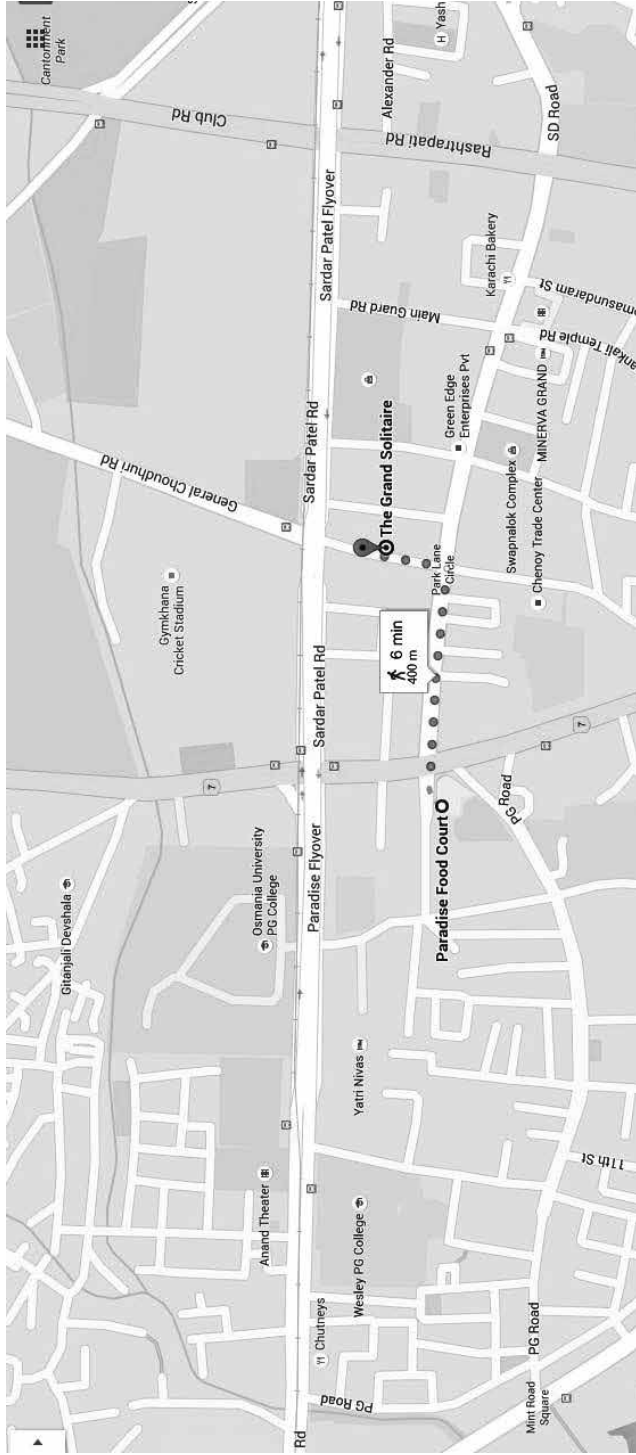
Signature of the Member/Proxy

Note:

1. Member / Proxy holder must bring the Attendance Slip to the Meeting and hand it over, duly signed at the registration counter.
2. Member / Proxy holder should bring his / her copy of Annual Report for reference at the meeting.
3. Strike out whichever is not applicable.
4. No gifts will be given.

AGM VENUE

**The Grand Solitaire Hotel,
1-240, 41 & 43, S.D. Road, Parklane, Secunderabad, Telangana - 500003**





BHAGYANAGAR PROPERTIES LIMITED

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12TH ANNUAL GENERAL MEETING

Proxy Form

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

Name of the Member(s): _____

Registered Address: _____

E-mail ID: _____ Folio No./Client Id: _____ DP ID: _____

I/We, being member(s) of Bhagyanagar Properties Limited, holding _____ shares of the Company, hereby appoint:

A Name : _____

Address : _____

E-mail Id : _____ Signature: _____

Or failing him/her

B Name : _____

Address : _____

E-mail Id : _____ Signature: _____

Or failing him/her

I/We hereby exercise my/our vote in respect of the Resolution(s) to be passed for the business stated in the notice dated 6th August, 2018, convening the 12th Annual General Meeting of the Company to be held on 24th September, 2018, by conveying my/our assent or dissent to the said Resolution(s) by placing the tick (√) mark at the appropriate box below:

Item Nos.	Resolutions		Vote (see note d.) (Please mention no. of shares)		
			For	Against	Abstain
1	Adoption of Audited Financial Statements of the Company (Including Consolidation of Accounts) for the Financial year ended 31st March, 2018 together with the reports of the directors and auditors thereon.	Ordinary Resolution			
2	Re-appointment of Shri Devendra Surana who retires by rotation.	Ordinary Resolution			
3	Appointment of Shri D.Venkata Subbaiah as Non-Executive Independent Director of the Company.	Special Resolution			
4	Appointment of Dr R.N.Sreenath, as Non-Executive Independent Director of the Company.	Special Resolution			
5	Appointment of Ms. Shresha Surana as Non-Executive Director of the Company.	Special Resolution			
6	To approve the overall limits u/s 186 to give Loans/ Guarantees or provide Securities.	Special Resolution			
7	Approval for giving of Loans, providing Guarantee or Security u/s 185 of the Companies Act, 2013.	Special Resolution			
8	To approve the overall Borrowing Limits u/s 180(1)(c) of the Companies Act, 2013.	Special Resolution			
9	To approve the limits u/s 180 (1)(a) of the Companies Act, 2013.	Special Resolution			
10	To raise funds through issue of Shares/Convertible Securities/ADR/GDR/ FCCB'S/ECB'S etc.	Special Resolution			
11	To approve and ratify the remuneration of Cost Auditors for the Financial year 2018-19.	Ordinary Resolution			
12	Approval of charges for service of documents on the shareholders.	Ordinary Resolution			

Place :

Date :

Revenue
Stamp

Signature of the Shareholder

Notes:

- a) Proxy need not be a member of the Company.
- b) The Proxy Form in order to be effective shall be duly filled in and signed by the member(s) across Revenue Stamp and should reach the Company's Registered Office: 5th Floor, Surya Towers, Sardar Patel Road, Secunderabad - 500 003 at least 48 hours before the commencement of the meeting.
- c) Corporate members intending to send their authorised representative(s) to attend the meeting are requested to send a certified copy of the Board resolution authorizing their representative(s) to attend and vote on their behalf at the meeting.
- d) It is optional to indicate your preference. If you leave the for, against or abstain column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may think appropriate.



If undelivered please return to:
Secretarial Department

BHAGYANAGAR PROPERTIES LIMITED

Registered Office :

Surya Towers, 5th Floor,

Sardar Patel Road, Secunderabad - 500 003, India

Tel. : +91-040-27845119, 44665700, 27841198

Fax : +91-040-27818868

CIN: L70102TG2006PLC050010

E-mail : surana@surana.com

Investor Complaints: cs@surana.com, investorservices_bpl@surana.com

Website : www.surana.com, www.bhagyanagarproperties.com