

Steadfast

Corporation Limited

**TWENTY SECOND ANNUAL REPORT
2016 - 2017**

BOARD OF DIRECTORS

Mr. P. Satyanarayana : Chairman & Managing Director
Mr. Jayasurya Kotla : Director
Mr. N Ravi Babu : Director
Mrs. V. Anjana Devi : Director

AUDITORS

Ramasamy Koteswara Rao & Co.,
Chartered Accountants
Plot No. 238/A, 1st Floor, MLA Colony,
Road No. 12, Banjara Hills,
Hyderabad - 500034

BANKERS

UCO Bank, Abids Branch, Hyderabad
HDFC Bank Limited, Jubilee Hills Branch, Hyderabad
Allahabad Bank, Jubilee Hills Branch, Hyderabad.
Corporation Bank, Jubilee Hills Branch, Hyderabad

REGISTERED OFFICE

H. No. 8-2-120/77/4, Road No. 2,
Banjara Hills, Hyderabad, Telangana- 500034.
Tele Phone No.040 - 64444175,
Email: steadfastcorp@gmail.com

*Members are requested to bring their Annual Report
No gifts will be distributed*

NOTICE

Notice is hereby given that the Twenty Second Annual General Meeting of members of M/s. Steadfast Corporation Limited will be held on Friday the 29th day of September, 2017 at 11.00 A.M. at H. No. 8-2-120/77/4, Road No. 2, Banjara Hills, Hyderabad, Telangana-500034 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Financial Statements of the Company for the year ended 31st March, 2017 including Balance Sheet as on 31st March, 2017 and the Statement of Profit and Loss for the year ended 31st March, 2017 along with the Report of Board of Directors and Auditors thereon.
2. To consider and if deemed fit, to pass, with or without modification(s) the following resolution as an ORDINARY RESOLUTION:
"RESOLVED THAT an interim dividend of `0.10 paise per share declared by the Board of Directors of the Company on 26th December, 2016, be and is hereby approved as final dividend for the year ended 31 March, 2017".
3. To appoint a Director in place of Sri P. Satyanarayana (DIN: 02183914), who retires by rotation and being eligible, offers himself for re-appointment.
4. To ratify the appointment of Statutory Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary resolution:
"RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made there-under, and pursuant to the recommendation of the Audit Committee, the consent of the members of the Company be and is hereby accorded to ratify the appointment of M/s. Ramasamy Koteswara Rao & Co., Chartered Accountants, (ICAI Firm Registration No. 010396S), who have been appointed as a statutory auditors of the Company at the 21st Annual General Meeting for a period of 5 years subject to the ratification of members in every Annual General Meeting, on such terms as may be agreed upon by the Board of Directors and the Auditors, in addition to reimbursement of all out of pocket expenses in connection with the audit of the accounts of the Company for the financial year ending March 31,2018."

SPECIAL BUSINESS:

5. **Adoption of new Articles of Association of the Company containing regulations in conformity with 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 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company”

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

6. Appointment of Dr. Keesara Vivek Reddy (DIN: 07907507), Additional Director as Director of the Company

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

“**RESOLVED THAT** pursuant to Section 149, 152, 160 & 161 of the Companies Act, 2013 and any other applicable provision (including any modification or reenactment thereof), if any, of the Companies Act, 2013 Dr. Keesara Vivek Reddy (DIN: 07907507) who was appointed as an Additional Director in the meeting of the Board of Directors held on 14th August, 2017 and in terms of Section 196 of the Companies Act, 2013 and Articles of Association of the Company further has been appointed as Managing Director and for the appointment of whom the Company has received a notice in writing from a member proposing his candidature for the office of the director be and is hereby appointed as director of the Company and liable to retire by rotation.”

7. Appointment of Dr. Keesara Vivek Reddy (DIN: 07907507) as Managing Director of the Company

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

“**RESOLVED THAT** Pursuant to the recommendation of Nomination and Remuneration Committee and pursuant to Sec.196,197 and 198 read with Schedule V of the Companies Act, 2013 and all other applicable provisions and relevant Rules applicable, if any, of the said Act including any statutory modification(s) or re-enactment(s) thereof for the time being in force and subject to obtaining necessary approvals of financial institutions, the consent of the members be and is hereby accorded for the appointment of Dr. Keesara Vivek Reddy (DIN: 07907507), Additional Director as Managing Director of the

Company for a period of 3 (Three) years with effect from 14.08.2017 on a remuneration of Rs.1,00,000/- per month, liable to retire by rotation and on such other terms and conditions as may be agreed and decided by the board from time to time.”

“RESOLVED FURTHER THAT in pursuance of the provisions of section 197(11) read with Schedule V of the Companies Act, 2013 where in any financial year the Company incurs Loss or its profits are inadequate, the salary, perquisites and allowances per month as specified above be paid as minimum remuneration subject to the limits specified under Section II of Part II of Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) or such other limits as may be prescribed by the Government from time to time as minimum remuneration”.

“RESOLVED FURTHER THAT the duties of the Managing director shall be the overall supervision of the functioning of the company, handling day to day affairs of the Company, appointment and termination of services of employees, regularly reporting to the Board on the activities of the Company and to perform all other duties that the board may delegate to the Managing director from time to time.”

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution”

**By Order of the Board
For Steadfast Corporation Limited**

Sd/-

**(M.V.S.A. Murali Krishna)
Company Secretary**

Place: Hyderabad
Date: 14.08.2017

NOTES:

- 1) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER.
- 2) Proxy forms in order to be effective must be deposited at the registered office of the Company not less than 48 hours before the meeting. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution / authority, as applicable.
- 3) The Share Transfer Register and the Register of Members of the Company will remain closed from 23-09-2017 to 29-09-2017 (both days inclusive).
- 4) M/s. XL Softech Systems Limited, 3, Sagar Society, Road No.2, Banjara Hills, Hyderabad - 500034 is the Share Transfer Agent (STA) of the Company. All communications in respect of share transfers and change in the address of the members may be communicated to them.
- 5) The Company's ISIN for its equity shares is INE089B01013.
- 6) Members seeking any information or clarification on the accounts are requested to send queries in writing to the Registered Office of the Company, at least one week before the date of the meeting. Replies will be provided in respect of such written queries at the meeting.
- 7) The Register of Directors and Key Managerial Personnel and their shareholding, maintained under section 170 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting of the Company.
- 8) The Register of Contracts and Arrangements in which the Directors are interested, maintained under section 189 of the Companies Act, 2013 will be available for inspection by the Members at the Annual General Meeting of the Company.
- 9) Members/Proxies are requested to bring their copies of the Annual Report to the AGM and the Attendance slip duly filled in for attending AGM. Copies of Annual Report will not be provided at the AGM.
- 10) Members holding shares in identical order of names in more than one folio are requested to write to the Company's Registrar and Transfer Agent enclosing their share certificates to enable consolidation of their shareholdings in one folio.
- 11) Members holding Shares in physical form may write to the Company/Registrar & Share Transfer Agents (RTA) for any change in their address and bank mandates; members having shares in electronic form may inform the same to their depository participants immediately.
- 12) As part of the "Green Initiative", the Notice of AGM, Annual Report and Attendance Slip and proxy form are being sent in electronic mode to Members whose e-mail IDs are registered with the Company or the Depository Participants unless the Members

have registered their request for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report and Notice of the Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

- 13) Details under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Directors seeking appointment / re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment or re-appointment.
- 14) The notice of Annual General Meeting will be sent to the members, whose names appears in the Register of members / depositories as at closing hours of business on Friday the 1st September, 2017.
- 15) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in Electronic Form are therefore requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Registrars and Transfer Agents of the Company.
- 16) Process and manner for members opting for e-voting are as under: The Company is offering e-voting facility to its members enabling them to cast their votes electronically. The Company has signed an agreement with M/s Central Depository Services (India) Limited (CDSL) for facilitating e-voting to enable the shareholders to cast their votes electronically pursuant to Rule 20 of Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (LODR) Regulations 2015.

The instructions for e-voting are as under:

- i) The e-voting period begins on 26th September, 2017 at 9.00 AM and ends on 28th September, 2017 at 5.00 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22nd September, 2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period.
- (iii) Click on "Shareholders" tab.
- (iv) Now, select the "Steadfast Corporation Limited" from the drop down menu and click on "SUBMIT"
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

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

- xi) After entering these details appropriately, click on "SUBMIT" tab.
- x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xii) Click on the EVSN for the **STEADFAST CORPORATION LIMITED** on which you choose to vote.
- xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xvii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- xviii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xix) Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

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

- 17) Resolution (s) passed by the members through remote e-voting and voting at the AGM are deemed to have passed as if they have been passed at the AGM.
- 18) Sri V. Bhaskara Rao, Practicing Company Secretary, Address: V. Bhaskara Rao & Co, Company Secretaries , 6-2-1085/B, Flat No.103, Badam Sohana Apartments, Raj Bhavan Road, Somajiguda, Hyderabad - 500 082, Mail Id:bhaskararaoandco@gmail.com, has been appointed as a Scrutinizer to scrutinize the poll at the Annual General Meeting, remote e-voting process in a fair and transparent manner.
- 19) The Scrutinizer after scrutinizing the votes cast at the meeting and through remote e-voting, will not later than three days of conclusion of the meeting, make a consolidated Scrutinizer's Report and submit the same to Chairman.
- 20) In the event of a poll, please note that the members who have exercised their right to vote by electronic means as above shall not be eligible to vote by way of poll at the meeting. The poll process shall be conducted and report thereon will be prepared in accordance with Section 109 of the Companies Act 2013 read with the relevant Rules. In such an event, votes cast under poll taken together with the votes cast through e-voting shall be counted for the purpose of passing resolution(s).
- 21) The results declared along with Scrutinizer's Report(s) will be available on the website of the Company, i.e., www.steadfastcorp.in and CDSL website: www.evotingindia.com within two (2) days of passing of the Resolutions. and communications of the same to BSE Limited. (At present the Company is in Dissemination Board of BSE Limited).

EXPLANATORY STATEMENT
(PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013)

Item No. 5

The Articles of Association (“AOA”) of the Company as presently in force are based on the Companies Act, 1956 and several regulations in the existing AOA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AOA are no longer in conformity with the present Companies Act, 2013. With the coming into force of the Companies Act, 2013, several regulations of the existing AOA of the Company require alteration or deletions in several articles. Given this position, it is considered expedient to wholly replace the existing AOA by a new set of Articles.

The new AOA to be substituted in place of the existing AOA are based on Table 'F' of the Companies Act, 2013 which sets out the model articles of Association for a company limited by shares.

The proposed new draft AoA is being uploaded on the Company's website for perusal by the shareholders and also available for inspection at registered office on all working days .

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in this resolution. Your Directors recommend the Resolution for your approval as a Special Resolution.

Item No. 6

Notice under Section 160 of the Act has been received along with a deposit of 1,00,000/- from member of the Company for Dr. Keesara Vivek Reddy (DIN: 07907507) proposing his appointment as Director of the Company.

Dr. Keesara Vivek Reddy (DIN: 07907507) was appointed as an additional director by your board in its meeting held on 14th August, 2017 to act as Director of the Company.

In accordance with the provisions of Section 160 to the Act, appointment of an Director requires approval of members. The Board of Directors has proposed that Dr. Keesara Vivek Reddy (DIN: 07907507) be appointed as a Director of the Company. And his appointment shall be effective upon approval by the members in the Meeting, further he has been appointed as a Managing Director on 14.08.2017 subject to approval of the shareholders at ensuing Annual General Meeting, but required to be regularized as a Director for the Compliance of the provisions of the Act.

Dr. Keesara Vivek Reddy (DIN: 07907507) is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Dr. Keesara Vivek Reddy (DIN: 07907507) is interested in the resolution with regard to his appointment, No director, key managerial personnel or their relatives, to whom the resolution relates, is interested or concerned in the resolution.

Item No.7

Dr. Keesara Vivek Reddy, who was co-opted as an Additional Director and subsequently has been appointed as Managing Director of the Company with effect from 14th August, 2017 for a period of three years. Considering his knowledge, business skills, managerial experience and expertise and for smooth and efficient running of the administrative affairs of the Company, the Nomination and Remuneration Committee and the Board of Directors are of the opinion that it is apt to appoint him as a Managing director of the company for a period of 3 years. The Board of Directors have at their meeting held on 14th August, 2017, recommended appointment on the following terms and conditions as mentioned below:

I. Remuneration:

- 1) Basic Salary: Rs. 1,00,000/- (Rupees One Lac) per month. In addition to the basic salary, he shall be entitled to the following perquisites and facilities:
 - i. The company's contributions to provident fund, superannuation fund or annuity fund shall be payable in accordance with the rules and regulations of the company. ii. Gratuity shall be payable in accordance with the rules and regulations of the company.
 - iii. He is eligible for Leave Encashment. Such Contributions / Gratuity/ Encashment shall not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are exempt under the Income Tax act, 1961
 - iv. Reimbursement of expenses: Reimbursement of reasonable entertainment and other expenses actually and properly incurred in connection with the business of the company.

II. Other Conditions:

- a) As long as Dr. Keesara Vivek Reddy functions as the Managing Director of the Company, no sitting fees will be paid to him for attending the meetings of the Board of Directors or Committees thereof.
- b) Dr. Keesara Vivek Reddy is not related to any other Director of the Company. He is concerned or interested in the resolution proposed as Item No.7 of the accompanying Notice.
- c) The Board considers it desirable that the Company should avail his services as Managing Director, in terms of Item No.7 of the accompanying Notice, and recommends the same for acceptance by the Members of the Company.

The appointment requires the approval of the members of the Company by way of a Special Resolution in terms of the applicable provisions of section 196, 197 read with Section II of Part II of Schedule V of the Companies Act, 2013.

A brief profile of Dr. Keesara Vivek Reddy is provided at Annexure-A of this notice:

The statement containing information as required under Section II of Part II of Schedule V of the Companies Act, 2013, to the extent applicable, is given here under:

A. General Information:

- 1) Nature of Industry - The Company is engaged in the business of Construction & Infrastructure and other Diversified related activities.
- 2) In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus – N.A
- 3) Financial Performance based on given indicators –

Amount In Rs

| Financial Parameters | 2014-2015 | 2015-2016 | 2016-2017 |
|--|------------------|------------------|------------------|
| Turnover | 98,31,363 | 78,21,695 | 1,65,64,099 |
| Net Profit as computed as per the provisions of Companies Act. | 67,61,591 | 32,74,893 | 20,43,262 |
| Net profit as per Statement of Profit and Loss. | 54,76,563 | 21,87,485 | 15,16,721 |
| Amount of dividend paid | Nil | Nil | 7,13,100 |
| Rate of dividend declared | NA | NA | 10% |

4) Foreign Investments or Collaborators, if any- NIL.

B. Information about the Appointee:

(1) Background details : Dr. Keesara Vivek Reddy holds a degree in MBBS and also Doctor of medicine in Radiodiagnosis, He was expert in Hospital management and Health care Management services more than 5 years.

(2) Past remuneration- N.A

(3) Recognition or Awards:- NIL

(4) Job profile and his suitability

Dr. Keesara Vivek Reddy is entrusted with substantial powers of the management of the Company subject to the superintendence, control and direction of the Board of Directors, the provisions of Memorandum and Articles of Association, regulations made by the Company in General Meetings and the restrictions imposed by the Companies Act, 2013, and shall do all in his power to promote, develop and extend the business of the Company. His experience of the past 5 years will help the company to grow and prosper. He is well educated and young enterprenuer as he is not only experienced in Hospital management and Health care services but also well versed of entire operations of the Company. The challenging business environment requires review of operations, monitoring and decision making on day-to-day basis besides strategic guidance and advice on ongoing basis for modernization, and expansion/diversification activities in which the Company would be immensely benefited by his matured and timely advice.

(5) Remuneration Proposed: Please refer to details given herein above and forming a part of explanatory statement to the proposed resolution.

(6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person: The executive remuneration in the industry is on the rise. The Remuneration Committee constituted by the Board perused remuneration of managerial personnel in the Health Care Services and other companies comparable with the size of the Company, industry benchmark in general, and accorded due cognizance to all these factors before approving the remuneration as proposed hereinabove. Considering professional qualifications, background, experience and competence of Dr. Keesara

Vivek Reddy and the responsibility shouldered by him, the terms of remuneration are considered to be fair, just and reasonable.

- (7) Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any :– Nil

III. OTHER INFORMATION:

- (1) Reasons of loss or inadequate profits :

Since financial year 2012-13 only the company has resumed its operations in providing construction and infrastructure facilities and due to down trend in the industry as a whole, the company has inadequate profits.

- (2) Steps taken or proposed to be taken for improvement:

In order to mitigate the hardships caused by the reasons mentioned above, the Company initiates the steps for improvement of its business in construction and infrastructure and also by entering new business activity of Health care management services.

- (3) Expected increase in productivity and profits in measurable terms:

In addition to steps proposed to be taken for improvement, key focus areas would be profit maximization, conservation of cash, operational efficiencies, cost and working capital containment. Barring unforeseen circumstances, the overall outlook for the current financial year 2017-18 seems to be positive and the management is optimistic of achieving improvements in the Company's performance. However, it is extremely difficult in present scenario to predict profits in measurable terms but the above initiatives are expected to improve productivity and profitability.

Keeping in view the professional qualifications, rich & varied experience and managerial skills of Dr. Keesara Vivek Reddy, the Board of Directors recommends the passing of the proposed resolution as a Special Resolution in compliance with the applicable provisions of the Companies Act, 2013.

As per the provisions of the Companies Act, 2013 it requires the consent of the members by way of Special Resolution for appointing Dr. Keesara Vivek Reddy as a managing director of the company, Therefore the Board commends your approval for the said resolution.

None of the Director(s) and Key Managerial Persons of the Company or their relatives is/are, in any way concerned or interested in the said resolution.

By Order of the Board
For Steadfast Corporation Limited

Sd/-

(M.V.S.A. Murali Krishna)
Company Secretary

Place: Hyderabad
Date: 14.08.2017

ANNEXURE - A

Details of Directors seeking appointment/ re-appointment at the Annual General Meeting scheduled to be held on 29th September, 2017. (Pursuant to Regulation 36 of SEBI (Listing obligations and disclosure Requirements) Regulations, 2015)

| Name of the Director | Mr. P.Satyanarayana | Dr. Keesara Vivek Reddy |
|--|---|--|
| Date of Birth | 30.04.1952 | 13/09/1985 |
| Date of Appointment | 02.07.2013 | 14/08/2017 |
| Relationship with Directors | None | None |
| Expertise in specific functional area | Mr. Satyanaryana has completed his graduation in Commerce and subsequently completed Masters in Commerce. He has around 35 years of experience in Civil Constructions Industry. | Has 5 years' experience in the field of management and administration of Health care services. |
| Qualification | M.Com | M.B.B.S & M.D (Radio diagnosis) |
| Board Membership of other companies as on August 14, 2017 | 1 | NIL |
| Chairman/Member of the Committee of the Board of Directors as on August 14, 2017* | 1 | NIL |
| Chairman/Member of the Committee of Directors of other companies in which he is a director as on August 14, 2017 | Nil | NIL |
| a) Audit Committee | Nil | NIL |
| b) Stakeholders' Relationship Committee | Nil | NIL |
| c) Nomination and Remuneration Committee | Nil | NIL |
| Number of shares held in the Company as on August 14, 2017 | Nil | Nil |

Note:

* This does not include position in foreign companies, and position in companies under Section 8 of the Companies Act, 2013.

BOARD'S REPORT

To,
The Members
M/s. STEADFAST CORPORATION LIMITED
Hyderabad

Dear Members,

Your Directors have pleasure in presenting the Company's 22nd Annual Report with the Audited financial statements of the Company for the Year ended 31st March, 2017.

1. FINANCIAL RESULTS

(Amount in Rs.)

| SI. No | Particulars | 31.03.2017 | 31.03.2016 |
|--------|---|------------|------------|
| 1 | Income from Operations | 97,35,176 | 3,64,026 |
| 2 | Other Income | 68,28,923 | 74,57,664 |
| 3 | Administration and other Expenses | 42,00,933 | 39,28,273 |
| 4 | Financial Charges | 1,101 | 4,156 |
| 5 | Deprecation | 13,90,219 | 6,14,373 |
| 6 | Profit Before Tax and Exceptional items | 20,43,262 | 32,74,893 |
| 7 | Tax Including deferred tax | 5,26,541 | 10,87,408 |
| 8 | Profit After Tax | 15,16,721 | 21,87,485 |

2. BUSINESS OPERATIONS

During the year the company has earned Gross profit to a tune of Rs.20.43 Lakhs. Your directors feel that your company will achieve better results in the coming years.

No material changes and commitments have occurred after the close of the financial year till the date of this report which effects the financial position of the Company.

During the year under review, there is no change in nature of the business of the Company. The affairs of the Company are conducted in accordance with the accepted business practices and within the purview of the applicable legislations.

3. OUT LOOK FOR THE CURRENT YEAR:

The Company had already diversified it activates by investing in Infrastructure Projects. Your Directors are hopeful of better performance by your Company in the coming years due to the initiatives offered by the Central or State Governments and improving conditions in the field of infrastructure. And now the company proposes to enter in to the business of Health Care Services.

4. SHARE CAPITAL:

As on 31st March, 2017, the issued, subscribed and paid up share capital of your Company stood at Rs.7,13,10,000./-, comprising 71,31,000 equity shares of Rs.10/- each.

5. DIVIDEND:

During the year the Company has been declared an interim dividend of Rs. 0.10 paise per equity share face value of Rs.10/- total an amount of Rs. 7,13,100/- for the financial year ended 31st March 2017.

6. RESERVES:

The Company proposes to transfer an amount of Rs.6,80,226/- to Reserves & Surplus under "Surplus in Statement of Profit and Loss" during the year.

7. COMPOSITION OF THE BOARD AND DETAILS OF BOARD MEETINGS

| Sl. No | Name of Directors as on 31.03.2017 | Designation |
|--------|------------------------------------|--------------------------------|
| 1 | Mr. Potluri Satyanarayana | Chairman and Managing Director |
| 2 | Mr. Jayasurya Kotla | Non-Executive Director |
| 3 | Mr. Nallamotu Ravi Babu | Independent Director |
| 4 | Mrs. Velagala Anjana Devi | Independent Director |

The board of directors met 7 (Seven) times during the year 2016-17 on 30.05.2016, 16.08.2016, 31.08.2016, 14.11.2016, 01.12.2016, 26.12.2016 and 14.02.2017.

Familiarization Programme for Independent Directors:

The details of the familiarization programme for the Independent Directors is reported in the Report on Corporate Governance which is attached to the Board's Report

8. CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The following are the Key Managerial Personnel of the Company pursuant to section 203 of the Companies Act, 2013 as on 31.03.2017

- | | | | |
|----|----------------------------|---|-------------------------|
| 1. | Mr. Potluri Satyanarayana | - | Managing Director |
| 2. | Mr. M.V.S.A Murali Krishna | - | Company Secretary |
| 3. | Mr. S. Yedukondalu | - | Chief Financial Officer |

During the financial year Mr. Medi Raghava was resigned as Chief Financial Officer w.e.f 13.05.2016. And Mr. S. Yedukondalu, appointed as Chief Financial Officer of the company w.e.f 30.05.2016.

During the year Mrs. S. Kavitha has been resigned as company secretary of the Company w.e.f.01.12.2016 and Mr. M.V.S.A. Murali Krishna, appointed as Company secretary of the Company w.e.f.01.12.2016.

further Mr. A. Satish, Independent director of the company is resigned from the board w.e.f 31.08.2016.

Apart from above there were no changes in the composition of Board of Directors and Key Managerial Personnel.

However after the closure of financial year and as on reporting date, Mr. Kotla Jayasurya, Director of the company has resigned from the board w.e.f. 14.08.2017.

And further Mr. Potluri Satyanaraya, Managing Director of the Company has tendered his resignation for the post of Managing Director due to his preoccupations and to be continued as non executive Director of the Company w.e.f. 14.08.2017.

And further Dr. Keesara Vivek Reddy is appointed as additional Director as well as Managing Director of the Company w.e.f. 14.08.2017, the same is put forth before the shareholders for approval at the Annual General Meeting.

9. COMMITTEES OF THE BOARD:

The details of the Committees of the Board viz., Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee are reported in the Report on Corporate Governance which forms part of the Board's Report.

10. LISTING:

The Equity shares of your Company were listed on Delhi and Bangalore stock exchanges, but the aforesaid stock exchanges were de-activated and thereby as per SEBI regulations the company has moved to Dissemination board of BSE Limited. During the year the Company has submitted Listing Application at NSE but due to some regulatory requirements the application was rejected. now the Company proposed and submitted requisition to list the shares at Metropolitan Stock Exchange of India Limited (MSEI).

11. AUDITORS:

Pursuant to the provisions of Section 139 of the Act and the rules framed thereunder, M/s. Ramasamy Koteswararao & Co, Chartered Accountants, were appointed as statutory auditors of the Company from the conclusion of the Twenty first (21st) annual general meeting (AGM) held on 30.09.2016 till the conclusion of the Twenty Six (26th) AGM to be held in the year 2021, subject to ratification of their appointment at every AGM, accordingly put forth for shareholders ratification at the Annual General Meeting.

The Company has received letter from them to the effect that their ratification of appointment if made would be within the prescribed limits under Section 141 of the Companies Act, 2013.

12. EXTRACT OF ANNUAL RETURN:

Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of annual return enclosed as **Annexure-1**.

13. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your Directors confirm that:

- a) in the preparation of annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the Directors had selected such accounting policies and applied them consistently and

made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of financial year and of the profit of the Company for that period;

- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of this Act for safeguarding the Assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) the directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

14. INTERNAL FINANCIAL CONTROLS:

The internal financial controls with reference to the Financial Statements for the year ended 31st March, 2017 commensurate with the size and nature of business of the Company.

15. DECLARATION BY INDEPENDENT DIRECTORS:

Sri N Ravi Babu and Smt. Velagala Anjana Devi are Independent Directors on the Board of your Company. In the opinion of the Board and as confirmed by these Directors, they fulfill the conditions specified in section 149(6) of the Act and the Rules made thereunder about their status as Independent Directors of the Company.

16. MEETING OF INDEPENDENT DIRECTORS:

The details of the separate meeting of the Independent Directors is reported in the Report on Corporate Governance which forms part of the Board's Report.

17. POLICY ON DIRECTOR'S APPOINTMENTS AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES ETC.,:

The details of Policy on directors appointment and Remuneration (i.e. Nomination and Remuneration Policy), criteria for determining qualifications, positive attributes, independence of directors are disseminated on the website of the company i.e www.steadfastcorp.in. Further, the information about the elements of remuneration package to Managing Director is provided in the extract of the Annual Return in **Form MGT-9** enclosed at **Annexed-1** of Board's Report.

18. SECRETARIAL AUDIT

In terms of Section 204 of the Companies Act 2013 and the Rules made thereunder, M/s. V. Bhaskara Rao & Co., Hyderabad Practicing Company Secretary has been appointed as Secretarial Auditor of the Company for the year 2016-17. The report of the Secretarial Auditors is annexed to this Report.

19. INTERNAL AUDIT

In terms of Sec. 138 of the Companies Act, 2013 and the relevant Rules, Mr. Dilip Padhi is Internal Auditor of the company. The Internal Auditor directly reports to the Audit Committee.

20. EXPLANATIONS ON QUALIFICATIONS MADE BY THE AUDITORS:

There were no qualifications, reservations or adverse remarks or disclaimers made by (i) Statutory Auditors i.e. M/s. Ramasamy Koteswara Rao & Co., Chartered Accountants, Hyderabad, in their report and (ii) V Bhaskara Rao & Co., Practicing Company Secretaries, Hyderabad in their Secretarial Audit Report.

21. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

22. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

The Company formulated the Policy on dealing with Related Party Transactions. However the Company has not made any contracts of arrangements as mentioned in section 188(1) of the Companies Act, 2013 with the related parties.

23. DETAILS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

As the Company is not carrying out any manufacturing activity the particulars disclosures prescribed under the provisions of the Companies Act, 2013 are not applicable. However the Company has making continuous efforts to keep the employees informed of all emerging technologies and developments which are relevant to Business of the Company.

| | | |
|---------------------------|---|-----|
| Foreign Exchange earnings | : | Nil |
| Out go | : | Nil |

24. RISK MANAGEMENT POLICY

The Company does not have any Risk Management Policy as the elements of risk threatening the Company's existence are very minimal.

25. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Company does not fall under the criteria specified in Section 135 of the Act and hence no policy was developed by the company on Corporate Social Responsibility.

26. MANNER IN WHICH FORMAL ANNUAL EVALUATION HAS BEEN MADE BY THE BOARD OF ITS OWN PERFORMANCE AND THAT OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS:

Pursuant to the provisions of the Companies Act 2013 the Board has carried out evaluation of (i) its own performance, (ii) the directors individually and (iii) working of its Committees. The manner in which the evaluation was carried out is reported in the Report on Corporate Governance forming part of this Report.

27. SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES AND REPORT ON THE PERFORMANCE OF JOINT VENTURE

The company has no Subsidiaries or Associate Companies. The company has a Joint Venture with M/s. R.A.U.S Constructions Private Limited on the name and style as M/s. RAUS-SCL (JV), further the work order in earth work has got in the JVs name, the same was outsourced as a subcontract to third party. In this regard the company received its share of margin in the JV during the year is Rs,2,80,612/-.

28. DEPOSITS:

Your Directors report that the company has neither accepted nor renewed any deposits covered under Chapter V of the Act during the year under review.

29. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS:

None of the orders passed by Court or Tribunal has impact on the going concern status of the Company or significant impact on Company's operations.

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

No cases were filed pursuant to the Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013 during the year under review.

31. CORPORATE GOVERNANCE

As a listed Company, necessary measures are taken to comply the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Report on the Corporate Governance together with a certificate on compliance of Corporate Governance by Independent Auditors forms part of this Report.

32. MANAGEMENT DISCUSSION & ANALYSIS

Management Discussion and Analysis Report is annexed which forms part of this Report.

33. WHISTLER BLOWER POLICY

The Company established Whistle Blower Policy for directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The details are disseminated on the website of the company i.e www.steadfastcorp.in.

34. REMUNERATION OF DIRECTORS

The details of the remuneration paid to Sri P. Satyanarayana, Managing Director is as under:

(In lakhs)

| PARTICULARS | AMOUNT |
|-----------------------|--------|
| Basic | 3 |
| HRA | 1.05 |
| Conveyance | 0.096 |
| Medical Reimbursement | 0.15 |
| Other Allowances | 1.704 |
| Total | 6 |

35. HUMAN RESOURCES

Your Company treats its human resources as one of its most important assets. Your Company continuously invests in attracting, retaining and development of talent on an ongoing basis. Your Company's thrust is on the promotion of talent internally through job rotation and job enlargement.

36. PARTICULARS OF EMPLOYEES

The statement containing particulars of employees as required under section 197(12) of Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 indicating (i) the ratio of remuneration of each director to the median employees remuneration and other details and (ii) statement showing the details of employees who are in receipt of remuneration of Rs.5,00,000 or more are given in the Annexure-2 forming part of this report.

37. ACKNOWLEDGMENTS:

Your Directors take this opportunity to express their deep and sincere gratitude and appreciation for cooperation extended by the Governmental Agencies, Shareholders and Banks from time to time. Your Directors also place on record their appreciation for the contributions made by the employees through their dedication, hard work and commitment. Your Directors also convey thanks and appreciation to the valued customers and dealers for their continued patronage.

For and on behalf of the Board
Steadfast Corporation Limited

Sd/-
Keesara Vivek Reddy
Managing Director
DIN: 07907507

Sd/-
P. Satyanarayana
Director
DIN: 02183914

Place: Hyderabad
Date: 14.08.2017

ANNEXURE -1

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
As on the financial year ended on 31st March, 2017
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the
Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

| | | |
|------|--|--|
| i) | CIN | L74999TG1995PLC037139 |
| ii) | Registration Date | 02 nd June 1995 |
| iii) | Name of the Company | Steadfast Corporation Limited |
| iv) | Category / Sub-Category of the Company | Public Limited Company |
| v) | Address of the Registered office and contact details Phone No. Email id Website | H. No. 8-2-120/77/4, Road No. 2, Banjara Hills, Hyderabad, Telangana-500034. 040-6666175 steadfastcorp@gmail.com www.steadfastcorp.in |
| vi) | Whether listed company (Yes / No) | Yes |
| vii) | Name, Address and Contact details of Registrar and Transfer Agent, if any Phone No. Email id | XL Softech Systems Ltd., 3, Sagar Society, Road No.2, Banjara Hills, Hyderabad - 500 034 040-23545912 xlfield@gmail.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:

| SN | Name and Description of main products / services | NIC Code of the Product/service | % to total turnover of the company |
|----|--|---------------------------------|------------------------------------|
| 1 | Construction and infrastructure services | 43900 | 100% |

* As per National Industrial Classification – Ministry of Statistics and Programme Implementation.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| SI. No. | Name And Address Of The Company | CIN/GLN | Holding/ subsidiary/ Associate | % of shares held | Applicable Section |
|---------|---------------------------------|---------|--------------------------------|------------------|--------------------|
| | Nil | Nil | Nil | Nil | Nil |

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

i. Category-wise Share Holding

| Category of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | % Change during the Year |
|------------------------------|---|---------------|---------------|-------------------|---|---------------|---------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/ HUF | 0 | 50000 | 50000 | 0.70 | 0 | 50000 | 50000 | 0.70 | Nil |
| b) Central Govt | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| c) State Govt(s) | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| d) Bodies Corp. | 150000 | 300000 | 450000 | 6.31 | 150000 | 300000 | 450000 | 6.31 | Nil |
| e) Banks / FI | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| f) Any other: Trusts | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Sub – total (A) (1):- | 150000 | 350000 | 500000 | 7.01 | 150000 | 350000 | 500000 | 7.01 | Nil |
| (2) Foreign | | | | | | | | | |
| a) NRIs - Individuals | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| b) Other – Individuals | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| c) Bodies Corp. | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| d) Banks / FI | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| e) Any Other.... | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Sub-total (A) (2):- | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |

| Total shareholding of Promoter (A)=A1 + A2 | 150000 | 350000 | 500000 | 7.01 | 150000 | 350000 | 500000 | 7.01 | Nil |
|--|---------------|---------------|---------------|-------------|---------------|---------------|---------------|-------------|------------|
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| a) Mutual Funds | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| b) Banks / FI | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| c) Central Govt | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| d) State Govt(s) | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| e) Venture Capital Funds | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| f) Insurance Companies | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| g) FIs | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| h) Foreign Venture Capital Funds | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| i) Others (specify) | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Sub-total (B)(1):- | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| 2. Non-Institutions | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| a) Bodies Corp. | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| i) Indian | 714927 | 3100 | 718027 | 10.07 | 560781 | 3100 | 563881 | 7.91 | -2.16 |
| ii) Overseas | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| b) Individuals | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakh | 1316192 | 232623 | 1548815 | 21.72 | 1320138 | 232623 | 1552761 | 21.77 | +0.05 |

| | | | | | | | | | |
|--|---------|---------|---------|-------|---------|---------|---------|-------|-------|
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | 3847758 | 516000 | 4363758 | 61.19 | 3997758 | 516000 | 4513758 | 63.30 | +2.11 |
| c) Others (NRI's) | 400 | 0 | 400 | 0.01 | 600 | 0 | 600 | 0.01 | 0.00 |
| Sub-total (B)(2):- | 5879277 | 751723 | 6631000 | 92.99 | 5879277 | 751723 | 6631000 | 92.99 | 0.00 |
| Total Public shareholding (B)=B1 +B2 | 5879277 | 751723 | 6631000 | 92.99 | 5879277 | 751723 | 6631000 | 92.99 | 0.00 |
| C. Shares held by Custodian for GDRs & ADRs | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Grand Total (A+B+C) | 6029277 | 1101723 | 7131000 | 100 | 6029277 | 1101723 | 7131000 | 100 | 0 |

ii. Shareholding of Promoters

| S N | Shareholder's Name | Shareholding at the beginning of the year | | | Share holding at the end of the year | | | % Change in share holding during the year |
|-----|----------------------------|---|----------------------------------|--|--------------------------------------|----------------------------------|--|---|
| | | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | |
| 1 | INFOBAHN FOUNDATION | 300000 | 4.21 | Nil | 300000 | 4.21 | Nil | 0.00 |
| 2 | PIVOTAL SECURITIES PVT LTD | 150000 | 2.10 | Nil | 150000 | 2.10 | Nil | 0.00 |
| 3 | SRINIVASARAO CHITTEE | 10000 | 0.14 | Nil | 10000 | 0.14 | Nil | 0.00 |
| 4 | SIRISH MANIAR | 10000 | 0.14 | Nil | 10000 | 0.14 | Nil | 0.00 |
| 5 | DHARMESH DOSHI | 10000 | 0.14 | Nil | 10000 | 0.14 | Nil | 0.00 |
| 6 | B RAJI REDDY | 10000 | 0.14 | Nil | 10000 | 0.14 | Nil | 0.00 |
| 7 | Y SAILAJA | 2500 | 0.04 | Nil | 2500 | 0.04 | Nil | 0.00 |

| | | | | | | | | |
|----|-----------------------|---------------|-------------|------------|---------------|-------------|------------|------------|
| 8 | ANIL NAIR & LEENAANIL | 2500 | 0.04 | Nil | 2500 | 0.04 | Nil | 0.00 |
| 9 | ANIL NAIR | 2500 | 0.04 | Nil | 2500 | 0.04 | Nil | 0.00 |
| 10 | NANIL REDDY | 1500 | 0.02 | Nil | 1500 | 0.02 | Nil | 0.00 |
| 11 | G LAVANYA | 1000 | 0.01 | Nil | 1000 | 0.01 | Nil | 0.00 |
| | Total | 500000 | 7.01 | Nil | 500000 | 7.01 | Nil | Nil |

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

| S N | | Shareholding at the beginning of the year | | Cumulative Shareholding during the Year | |
|--------|---|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 2 | At the beginning of the year | 500000 | 7.01 | 500000 | 7.01 |
| 3 | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer / bonus/ sweat equity etc): | Nil | Nil | Nil | Nil |
| 4 | At the end of the year | 500000 | 7.01 | 500000 | 7.01 |

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

| S N | Name | Shareholding at the beginning of the year | | Cumulative Shareholding during the Year | |
|--------|---|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| i) | Prasanti Velagala | | | | |
| | At the beginning of the year | 350000 | 4.91 | 350000 | Nil |
| | Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc): | Nil | Nil | Nil | Nil |
| | At the end of the year | 350000 | 4.91 | 350000 | 4.91 |
| ii) | Chandrasekhar Velagala | | | | |
| | At the beginning of the year | 350000 | 4.91 | 350000 | 4.91 |
| | Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc): | Nil | Nil | Nil | Nil |
| | At the end of the year | 350000 | 4.91 | 350000 | 4.91 |
| iii) | Anumolu Gouri Prabhakar | | | | |
| | At the beginning of the year | 350000 | 4.91 | 350000 | 4.91 |
| | Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc): | Nil | Nil | Nil | Nil |
| | At the end of the year | 350000 | 4.91 | 350000 | 4.91 |
| iv) | Narasimha Prasad Rao Ammineni | | | | |
| | At the beginning of the year | 350000 | 4.91 | 350000 | 4.91 |
| | Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for | Nil | Nil | Nil | Nil |

| | | | | | |
|-------|--|--------|------|--------|------|
| | increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc): | | | | |
| | At the end of the year | 350000 | 4.91 | 350000 | 4.91 |
| v) | Garapati Srihari | | | | |
| | At the beginning of the year | 314295 | 4.41 | 314295 | 4.41 |
| | Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc): | Nil | Nil | Nil | Nil |
| | At the end of the year | 314295 | 4.41 | 314295 | 4.41 |
| vi) | Maalavika Appasani | | | | |
| | At the beginning of the year | 255134 | 3.58 | 255134 | 3.58 |
| | Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc): a). 20.06.2014/Increase/Purchase (Transfer)* | Nil | Nil | Nil | Nil |
| | At the end of the year | 255134 | 3.58 | 255134 | 3.58 |
| vii) | Sulochana Atluri | | | | |
| | At the beginning of the year | 250000 | 3.51 | 250000 | 3.51 |
| | Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc): a) 06.02.2017/increase/purchase* | 100000 | 1.40 | 350000 | 4.91 |
| | At the end of the year | 350000 | 4.91 | 350000 | 4.91 |
| viii) | Jhansi Rani Vankineni | | | | |
| | At the beginning of the year | 250000 | 3.51 | 250000 | 3.51 |
| | Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc): | Nil | Nil | Nil | Nil |
| | At the end of the year | 250000 | 3.51 | 250000 | 3.51 |

| | | | | | |
|-----|--|--------|------|--------|------|
| ix) | Ravali Atluri | | | | |
| | At the beginning of the year | 250000 | 3.51 | 250000 | 3.51 |
| | Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc): a). 06.02.2017/Increase/ Purchase* | 50000 | 0.70 | 300000 | 4.21 |
| | At the end of the year | 300000 | 4.21 | 300000 | 4.21 |
| x) | NAGOTU PRATAP | | | | |
| | At the beginning of the year | 200000 | 2.80 | 200000 | 2.80 |
| | Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc): | Nil | Nil | Nil | Nil |
| | At the end of the year | 200000 | 2.80 | 200000 | 2.80 |

* on the basis of benpos received from share transfer agents.

v. Shareholding of Directors and Key Managerial Personnel:

| S N | Name of the year | Shareholding at the beginning the Year | | Cumulative Shareholding during | |
|--------|---|--|--|-----------------------------------|--|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | For Each of the Directors and KMP | | | | |
| 1 | Kotla Jayasurya | | | | |
| | At the beginning of the year | 3700 | 0.05 | 3700 | 0.05 |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | Nil | Nil | Nil | Nil |
| | At the end of the year | 3700 | 0.05 | 3700 | 0.05 |

V. INDEBTEDNESS

(In Lakhs)

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

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

(Amount in Rupees)

| S N | Particulars of Remuneration | Name of MD/WTD/ Manager Potluri Satyanarayana, MD | Total |
|------------|---|--|--------------|
| 1 | Gross salary | 6,00,000 | 6,00,000 |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | Nil | Nil |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | Nil | Nil |
| | (c) Profits in lieu of salary under section 17(3) Income- taxAct, 1961 | Nil | Nil |
| 2 | Stock Option | Nil | Nil |
| 3 | Sweat Equity | Nil | Nil |
| 4 | Commission - as % of profit - others, specify... | Nil | Nil |
| 5 | Others, please specify | Nil | Nil |
| | Total (A) | 6,00,000 | 6,00,000 |
| | Ceiling as per the Act | NA | NA |

B. Remuneration to other directors:

| SN | Particulars of Remuneration | Name of Directors | | | | Total Amount |
|-----------|---|--------------------------|-----|-----|-----|---------------------|
| 1 | 1. Independent Directors | Nil | Nil | Nil | Nil | Nil |
| | Fee for attending board /committee meetings | Nil | Nil | Nil | Nil | Nil |
| | Commission | Nil | Nil | Nil | Nil | Nil |
| | Others, please specify | Nil | Nil | Nil | Nil | Nil |
| | Total (1) | Nil | Nil | Nil | Nil | Nil |
| 2 | 2. Other Non-Executive Directors | Nil | Nil | Nil | Nil | Nil |
| | Fee for attending board committee meetings | Nil | Nil | Nil | Nil | Nil |
| | Commission | Nil | Nil | Nil | Nil | Nil |
| | Others, please specify | Nil | Nil | Nil | Nil | Nil |
| 3 | Total (2) | Nil | Nil | Nil | Nil | Nil |
| 4 | Total (B)=(1+2) | Nil | Nil | Nil | Nil | Nil |
| 5 | Total Managerial Remuneration | Nil | Nil | Nil | Nil | Nil |
| 6 | Overall Ceiling as per the Act | Nil | Nil | Nil | Nil | Nil |

C. Remuneration to key managerial personnel other than MD/Manager/WTD

| SN | Particulars of Remuneration | Key Managerial Personnel | | | |
|----|---|---|----|-----|-------|
| | | CEO | CS | CFO | Total |
| 1 | Gross salary | Company Secretary-Rs. 2,70,000- Chief Financial Officer-Rs. 3,11,000/- | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | | | | |
| | (b) Value of perquisites u/s 17(2) Incometax Act, 1961 | | | | |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | | | | |
| 2 | Stock Option | | | | |
| 3 | Sweat Equity | | | | |
| 4 | Commission | | | | |
| | - as % of profit | | | | |
| | others, specify... | | | | |
| 5 | Others, please specify | | | | |
| | Total | | | | |

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

| Type | Section of the Companies Act | Brief Description | Details of Penalty / Punishment/ Compounding fees imposed | Authority [RD/ NCLT/ COURT] | Appeal made, if any (give Details) |
|---------------------|------------------------------|-------------------|---|-----------------------------|------------------------------------|
| A. COMPANY | | | | | |
| Penalty | Nil | Nil | Nil | Nil | Nil |
| Punishment | Nil | Nil | Nil | Nil | Nil |
| Compounding | Nil | Nil | Nil | Nil | Nil |
| B. DIRECTORS | | | | | |
| Penalty | Nil | Nil | Nil | Nil | Nil |
| Punishment | Nil | Nil | Nil | Nil | Nil |
| Compounding | Nil | Nil | Nil | Nil | Nil |

C. OTHER OFFICERS IN DEFAULT

| | | | | | |
|-------------|-----|-----|-----|-----|-----|
| Penalty | Nil | Nil | Nil | Nil | Nil |
| Punishment | Nil | Nil | Nil | Nil | Nil |
| Compounding | Nil | Nil | Nil | Nil | Nil |

**For and on behalf of the Board
Steadfast Corporation Limited**

Place: Hyderabad
Date: 14.08.2017

**Sd/-
Keesara Vivek Reddy
Managing Director
DIN: 07907507**

**Sd/-
P. Satyanarayana
Director
DIN: 02183914**

Annexure - 2

RATIO OF REMUNERATION TO EACH DIRECTOR:
(Rule 5(1) of companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

Details / Disclosures of Ratio of Remuneration to each Director to the median employee's remuneration:

| | |
|--|--|
| (i). the ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year; | P. Satyanarayana :- 3.33 : 1 |
| (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; | Nil |
| (iii). the percentage increase in the median remuneration of employees in the financial year; | Nil |
| (iv). the number of permanent employees on the rolls of Company; | 6 |
| (v). (a) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year. (b) its comparison with the percentile increase in the managerial remuneration. (c) justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration; | Not Applicable – Since no increase in the salaries |
| (vi). affirmation that the remuneration is as per the remuneration policy of the Company. | Yes |

STATEMENT SHOWING DETAILS OF EMPLOYEES OF THE COMPANY:

(Rule 5(2) of companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

| | |
|---|---------------------------------|
| Name of the Employee : | Potluri Satyanarayana |
| (i) designation of the employee; | Managing Director |
| (ii) remuneration received; | Rs. 6.00 Lakhs per annum |
| (iii) nature of employment, whether contractual or otherwise; | Regular |
| (iv) qualifications and experience of the employee; | M. Com (22 Years of Experience) |
| (v) date of commencement of employment | 02/07/2013 |
| (vi) the age of such employee; | 65 Years |
| (vii) the last employment held by such employee before joining the company. | NA |

| | |
|---|-----------------------------------|
| <p>(viii) the percentage of equity shares held by the employee in the Company within the meaning of clause (iii) of sub-rule (2) above; and</p> | <p>Nil</p> |
| <p>(ix) whether any such employee is a Relative of the Company and if so, name of Director. such director or manager: The employee, if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than sixty lakh rupees; The employee, if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than five lakh rupees per month; The employee, if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or wholetime director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company.</p> | <p>NA NA NA</p> |

CORPORATE GOVERNANCE

Company's Philosophy:

Corporate Governance is about commitment to values and about ethical business conduct. It is about how an Organization is managed. This includes its corporate and other structures its culture, its policies and the manner in which it deals with various stakeholders. Accordingly, timely and accurate disclosure of information regarding the financial situation performance, ownership and governance of the Company is an important part of corporate governance. This improves public understanding of the structure activities and policies of the Organization. Consequently the Organization is able to attract investors and enhance the trust and confidence of the stakeholders.

Your Company firmly believes in and has consistently practiced good corporate governance. The Company's essential character is shaped by the very values of transparency, accuracy, professionalism and accountability. The company will endeavor to improve on these aspects on ongoing basis.

Board of Directors of your Company has adopted the compliance of good corporate governance and to keep the shareholder informed about the happenings in the Company. The Company has complied with corporate governance code as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The information required to be attached to the Directors' Report is as under:

Board of Directors:

Your Board comprises optimal complement of Independent as well as Non-executive Directors having in-depth knowledge of the business of the industry. The size and composition of the Board conforms to the requirements of the Corporate Governance code under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board of Directors comprises a Managing Director, 1 Non-Executive Director and 2 Independent Directors as on 31.03.2017. Various committees support the board in its functions. The board of directors and its committees meet at regular intervals. The board of directors met 7 (Seven) times during the year 2016-17 on 30.05.2016, 16.08.2016, 31.08.2016, 14.11.2016, 01.12.2016, 26.12.2016 and 14.02.2017. The time gap between any two Board Meetings did not exceed by more than four months. The details of the attendance of each director at the meetings held and their other directorships and committee positions are as follows.

Attendance of Directors in the Board and Annual General Meeting:

| Sl. No | Name of Director/ Director Identification Number (DIN) | Designation | Board Meetings attended During the year | Attendance of each director in the last AGM | Number of the other Director-ship | Number of board Committees of which Member/ chairman Excluding this company | |
|--------|---|--|---|---|-----------------------------------|---|--------|
| | | | | | | Chairman | Member |
| 1 | Mr. Potluri Satyanarayana DIN: 02183914 | Managing Director | 7 | Yes | 1 | - | - |
| 2 | Mr. Nallamotu Ravi Babu DIN: 02273736 | Non-Executive Director | 7 | Yes | 2 | - | - |
| 3 | Mr. Satish Appasani DIN: 06635315 | Non-Executive Independent Director | 2 | No | Nil | - | - |
| 4 | Mr. Jayasurya Kotla DIN: 03600167 | Non-Executive Director | 7 | Yes | 2 | - | - |
| 5 | Mrs. Velagala Anjana Devi DIN: 03552826 | Non-Executive Independent & Women Director | 7 | Yes | 1 | - | - |

§ Ceased to be as Independent Director of the Company w.e.f. 31.08.2016

Criteria for determining qualifications, positive attributes of directors:

a) Qualifications of Non-Independent Director:

A Non-Independent Director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, operations or other disciplines related to the Company's business.

b) Positive attributes of Non-Independent Directors:

A Non-Independent director shall be a person of integrity, who possesses relevant expertise and experience and who shall uphold ethical standards of integrity and probity; act objectively and constructively, exercise his responsibilities in a bonafide manner in the interest of the company, devote sufficient time and attention to his obligations as Director, for informed and balanced decision making and assist the company in implementing the best Corporate governance practices

Independence of Independent Directors:

In addition to (a) and (b) above, an Independent Director should meet the requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 concerning the independence of directors.

Evaluation:

(a) Nomination & Remuneration Committee:

Pursuant to the provisions of the Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Nomination and Remuneration Committee at its meeting held on 14.02.2017 evaluated every director on the basis of criteria for evaluation of directors formulated by it. A structured questionnaire was prepared after taking into consideration various parameters such as attendance and participation in meetings, monitoring corporate governance practices, independence of judgment, safeguarding the interests of the company etc., and accordingly the evaluation was made. The Members of the Committee evaluated the individual directors.

The Nomination and Remuneration Committee decided that since the performance of the directors has been good, it is decided to continue with the term of the directors and the Managing Director.

(b) Separate Meeting of Independent Directors:

The Independent directors of the Company at its meeting held on 14.02.2017:

- (a) reviewed the performance of the non-independent directors and Board,
- (b) reviewed the performance of the Chairperson of the Company and
- (c) assessed the quality, quantity and timeliness of flow of information between the company management and the Board. All the Independent Directors as on 14.2.2017 attended the meeting.

A structured questionnaire was prepared after taking into consideration various parameters such as attendance and participation in meetings, monitoring corporate governance practices, independence of judgment, safeguarding the interests of the company etc., and accordingly, the evaluation was made. The Members of the Committee evaluated the non-Independent directors.

The Independent Directors decided that since the performance of the Non-Independent Directors (including Managing Director) is Good, the term of their appointment be continued.

The Independent Directors after review of the performance of the Chairman decided that the Chairman has good experience, knowledge and understanding of the Board's functioning and his performance is good. The Independent Directors decided that the information flow between the Company's Management and the Board is satisfactory.

(c). Evaluation by Board:

The Board has carried out the annual performance evaluation of its own performance, the Directors individually (excluding the director being evaluated) as well as the evaluation of the working of its Committees. A structured questionnaire was prepared after taking into consideration various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, effectiveness in developing Corporate governance structure to fulfill its responsibilities, execution and performance of specific duties etc. The Board decided that the performance of individual directors, its own performance and working of the committees is good.

Independent Directors:

Sri N. Ravi Babu and Smt. V. Anjana Devi, Independent Directors have furnished a declaration that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Familiarization Programme for Independent Directors:

The company familiarizes the independent directors of the company on their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company etc.

Payments to Non-Executive Directors: Not paying any amounts to Non-Executive Directors

Scheduling and Selection of Agenda items for Board Meetings:

- a. Minimum four Board Meetings are held in each year by giving appropriate notice to address specific needs of the Company.
- b. The information placed before the Board inter alia include:
 - Quarterly results of the Company.
 - Minutes of the meetings of Audit Committee and other Committees of the Board.
 - The information on recruitment and remuneration of senior personnel just below the Board Level, including appointment of Chief Financial Officer and the Company Secretary.
 - Non compliance of any regulatory, statutory nature or listing requirements and shareholders services such as delay in share transfer etc.
 - General notice of interest of Directors.
 - Terms of reference of Board Committees.
 - Any material default in financial obligations to and by the Company etc.

WHISTLE BLOWER POLICY:

The Company established a mechanism for employees to report concerns about unethical behavior, actual or suspected fraud or violation of code of conduct policy. The mechanism also provides for adequate safeguards against victimization of employees who avail the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. The company affirms that no personnel has been denied access to the Audit Committee. The details of the whistle blower policy are placed at the website of the company i.e www.steadfastcorp.in.

COMMITTEES OF THE BOARD

The Committees of the Board are constituted as per the Code of Corporate Governance.

(i) AUDIT COMMITTEE:

COMPOSITION

The Audit committee of the Board is headed under the stewardship of Mr. N. Ravi Babu. The other members of the Committee are Mr. Kotla Jayasurya and Mrs. V. Anjana Devi. The Composition of the Audit Committee meets the requirement of Section 177 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Audit Committee reviews reports of the Internal Auditor, meets Statutory Auditors as and when required and discusses their findings, suggestions, observations and other related matters. It also reviews major accounting policies followed by the Company.

During the year, the Audit Committee duly met 4 (Four) times on 30.05.2016, 16.08.2016, 14.11.2016 and 14.02.2017 and the attendance of members is as follows:

Composition & Attendance of Audit Committee Members at their Meetings:

| S.No | Name of Director | No of Meetings attended |
|------|---------------------|-------------------------|
| 1 | Mr. N. Ravi Babu | 4 |
| 2* | Mr.A.Satish | 2 |
| 3 | Mr. Kotla Jayasurya | 2 |
| 4 | Mrs. V. Anjana Devi | 4 |

*.Ceased as Director w.e.f 31.08.2016

The Minutes of the Audit Committee meetings were circulated to the Board, where it was discussed and taken note. The Audit Committee considered and reviewed the accounts for the year 2016-17, before it was placed in the Board. The Committee periodically interacts with the independent auditors, reviews the Company's financial and Risk Management Policies and adequacy of internal controls with the management and is responsible for effective supervision of the financial reporting process and compliance with financial policies. The Internal Auditor reports directly to the Audit Committee.

(ii) NOMINATION & REMUNERATION COMMITTEE:

As required under the provisions of Section 178 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Terms of Reference

Brief terms of reference of Nomination and Remuneration Committee are as under:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- 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.

Composition & Attendance of Nomination & Remuneration Committee as on 31.03.2017:

During the year, the Nomination & Remuneration Committee duly met on 30.05.2016, 01.12.2016 and 14.02.2017 and the attendance of members is as follows:

| S.No | Name of Director | No of Meetings attended |
|------|---------------------|-------------------------|
| 1 | Mrs. V. Anjana Devi | 3 |
| 2 | Mr. N. Ravi Babu | 3 |
| 3 | Mr. Kotla Jayasurya | 2 |
| 4* | Mr.A.Satish | 1 |

*.Ceased as Director w.e.f 31.08.2016

Nomination & Remuneration Policy & Policy on Board Diversity:

The Remuneration policy of the Company is performance driven and is structured to motivate employees, recognize their merits and achievements and promote excellence in their performance. The Nomination and Remuneration Policy is available on the Company's website at <http://www.steadfastcorp.in>

The details of the remuneration paid to Sri. P. Satyanarayana, Managing Director are as under:

(In lakhs)

| PARTICULARS | AMOUNT |
|-----------------------|---------------|
| Basic | 3 |
| HRA | 1.05 |
| Conveyance | 0.096 |
| Medical Reimbursement | 0.15 |
| Other Allowances | 1.704 |
| Total | 6 |

Statement showing number of Equity Shares held by the Non-Executive Directors as on March 31, 2017

| Name of the Director | Number of equity shares of Rs.10/- each held (as on 31.03.2017) |
|-----------------------------|--|
| Mr. K. Jayasurya | 3700 |
| Mrs. V. Anjana Devi | Nil |
| Mr. N. Ravi Babu | Nil |

(iii) STAKEHOLDERS RELATIONSHIP COMMITTEE:

As per the provisions of Section 178 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Committee considers and resolves the grievances of shareholders, including the complaints related to transfer/transmission of shares, non-receipt of balance sheet and non-receipt of declared dividends.

Composition & Attendance of Stakeholders Relationship Committee as on 31.03.2017:

During the year, the Committee duly met 4 (Four) times on 30.05.2016, 16.08.2016, 14.11.2016 and 14.02.2017 and the attendance of members is as follows:

| S.No | Name of Director | No of Meetings attended |
|------|---------------------|-------------------------|
| 1 | Mr. Kotla Jayasurya | 3 |
| 2 | Mr. N. Ravi Babu | 4 |
| 3 | Mrs. V. Anjana devi | 4 |
| 4* | Mr.A.Satish | 1 |

*.Ceased as Director w.e.f 31.08.2016

During the year the company has received Nil letters/ complaints from the investors. There were no pending letters/ complaints as on the date of the Directors' Report.

During the year the company has received Nil letters/ complaints from the investors. There were no pending letters/ complaints as on the date of the Directors' Report.

Status of Complaints in the F.Y 2016-17

| S. No. | Nature of Compliant Complaints | Total No. of Resolved | Resolved Pending | Not | Reasons for |
|--------|--------------------------------|-----------------------|------------------|-----|-------------|
| 1. | Transfer of Shares | - | - | - | - |
| 2. | Demat of Shares | - | - | - | - |
| 3. | Refund orders | - | - | - | - |

(iv) SHARE TRANSFER COMMITTEE:

The Board delegated the authority for approval of share transfers/transmission and issue of duplicate share certificates to the Share Transfer Committee:

The composition of the Share Transfer Committee is as under. During the year 2016-17, meeting of the Share Transfer Committee was held on 13.02.2017 .

The details are as under:

| S.No | Name of Director | Designation | No of Meetings attended |
|------|--------------------------|-------------|-------------------------|
| 1 | Mr. P. Satyanarayana, MD | Chairman | 1 |
| 2 | Mr. N. Ravi Babu | Member | 1 |
| 3 | Mr. Jayasurya Kotla | Member | 1 |
| 4* | Mr.A.Satish | Member | 0 |

*.Ceased as Director w.e.f 31.08.2016

COMPLIANCE OFFICER:

Mr. P. Satyanarayana is the Compliance officer complying the requirements of SEBI regulations and Listing Agreement

SCORES:

SEBI vide Circular dt.03.06.2011 informed the company they had commenced processing of investor complaints in a web based complaints, redressal system, "SCORES". Under this system, all complaints pertaining to companies are electronically sent through SCORES and the companies are required to view the complaints pending against them and submit Action Taken Report (ATRs) along with supporting documents electronically in SCORES.

All the requests and complaints under SCORES are passed directly to Registrars and Transfer Agents of the Company i.e. XL Softech Systems Limited, Sagar View Society, Road # 2, Banjara Hills, Hyderabad-34, Phones: 040-23545912, email: xlfield@gmail.com. For any clarification/complaint, the shareholders may contact:

GENERAL BODY MEETINGS:

Venue and Time of the Last Three Annual General Meetings (AGM's)

| Financial Year | Date | Venue | Time |
|----------------|------------|---|----------|
| 2013-14 | 30.09.2014 | Filmnagar Cultural Center, Dr. D. Ramanaidu Building, Jubilee Hills, Hyderabad 500033 | 11.00 AM |
| 2014-15 | 30.09.2015 | Filmnagar Cultural Center, Dr. D. Ramanaidu Building, Jubilee Hills, Hyderabad 500033 | 11.00 AM |
| 2015-16 | 30.09.2016 | H. No. 8-2-120/77/4, Opp. K.B.R. Park, Road No. 2, Banjara Hills, Hyderabad - 500034 | 11.00 AM |

The resolutions were passed with requisite majority. The venue of AGM has been chosen for its central location, prominence and capacity.

There were no resolutions required to be passed through postal ballot during the financial year.

COMPLIANCE OF INSIDER TRADING NORMS:

The Company has adopted the code of internal procedures and conduct for listed companies notified by Securities Exchange Board of India prohibiting Insider Trading. A Policy document on internal code of conduct is available at the registered office of the Company. Insiders are complying with the code of conduct adopted by the Company from time to time.

DISCLOSURE OF ACCOUNTING TREATMENT:

The Company in the preparation of financial statements has followed the treatment laid down in the Accounting standards prescribed by the Institute of Chartered Accountants of India. There are no audit qualifications in the Company's financial statements for the year under review.

DISCLOSURES:

- a) Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large: There are no materially significant transactions made by the Company with its promoters, directors or the management their subsidiaries or relatives etc. which have potential conflict with the interests of the Company at large.
- b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years. NONE

A Policy of the company in regard to Related Party Transactions is available at the registered office of the Company.

MEANS OF COMMUNICATION:

- The Quarterly / Half Yearly and Annual Financial results of the Company are forwarded to the Stock Exchanges and were published in Financial Express and Prajashakti & Nava Telangana
- The Company's results were also disseminated on the Company's website. (www.steadfastcorp.in).

GENERAL SHAREHOLDER INFORMATION:

- a) The Annual General Meeting of the Company will be held on Friday the 29th day of September, 2017 at 11.00 A.M. at H. No. 8-2-120/77/4, Opp. K.B.R. Park, Road No. 2, Banjara Hills, Hyderabad – 500034.
- b) The Financial Year of the Company is from 1st April to 31st March every year.
- c) Date of Book Closure: from 23rd September, 2017 to 29th September, 2017 (both days inclusive).
- d) The Shares of the Company are listed in Bangalore and Delhi Stock Exchanges, but those stock exchanges were deactivated.
- e) The listing fees for the financial year 2016-17 has not been paid to the respective stock exchanges as those stock exchanges were deactivated.
- f) Stock code: Bangalore: ITL, Hyderabad: IBT
- g) ISIN for the Company's Equity Shares: INE089B01013
- h) Depositories for Equity Shares: National Securities Depository (NSDL) Limited and Central Depository Services Limited (CDSL).
- i) Monthly high and Low Stock quotations during the financial year are as follows:

| Month & Year | PRICE (In Rs.) | |
|----------------------|----------------|--|
| | High | Low |
| Apr-2016 to Mar-2017 | Not quoted | Not quoted (on Any Stock Exchanges) |

- j) Shares received for physical transfers are generally registered within a period of 10 days from the date of receipt of the valid and duly filled up transfer deeds.
- k) In respect of transfer of physical shares, Shareholders are advised to contact our STA; XL Softech Systems Limited, Sagar View Society, Road # 2, Banjara Hills, Hyderabad-34, Phones: 040 23545912, email: xlfield@gmail.com, www.xlsoftech.com

SHAREHOLDING INFORMATION:

Distribution of Equity Shares as On 31st March, 2017:

| Shareholdings (No. of shares) | | No. of share Holders | % | No of Shares | % |
|----------------------------------|-------|-------------------------|---------------|-----------------|---------------|
| 1 | 500 | 5702 | 92.07 | 7134550 | 10.00 |
| 501 | 1000 | 175 | 2.83 | 1414150 | 1.98 |
| 1001 | 2000 | 125 | 2.02 | 1830700 | 2.57 |
| 2001 | 3000 | 48 | 0.78 | 1224540 | 1.72 |
| 3001 | 4000 | 28 | 0.45 | 997280 | 1.40 |
| 4001 | 5000 | 40 | 0.65 | 1823760 | 2.56 |
| 5001 | 10000 | 35 | 0.57 | 2655040 | 3.72 |
| 10001 And above | | 40 | 0.65 | 54229980 | 76.05 |
| Total | | 6193 | 100.00 | 7131000 | 100.00 |

Details of Shareholding in physical mode and electronic mode as on 31.03.2017:

| S.No | Description | No. of Holders | % of Shareholders | No. of Shares | % of Equity |
|------|-------------|----------------|----------------------|------------------|-------------|
| 1. | Physical | 1933 | 31.21 | 1101723 | 15.45 |
| 2. | CDSL | 1125 | 18.17 | 1873747 | 26.28 |
| 3. | NSDL | 3135 | 50.62 | 4155530 | 58.27 |

Statement Showing Shareholding Pattern as on 31.03.2017:

| Category | As on 31.03.2016 | | As on 31.03.2017 | |
|--------------------------------|------------------|-----------------------|------------------|-----------------------|
| | No. of Shares | % of Share Capital | No. of Shares | % of Share Capital |
| PROMOTERS | | | | |
| Indian (Individuals) | 50000 | 0.70 | 50000 | 0.70 |
| Indian (Body Corporates) | 450000 | 6.31 | 450000 | 6.31 |
| PUBLIC SHAREHOLDING | | | | |
| Indian (Body Corporates) | 7180271 | 0.07 | 563881 | 7.90 |
| Indian (Individuals) | 5912573 | 82.91 | 6067119 | 85.08 |
| Any other NRI's | 400 | 0.01 | 600 | 0.01 |
| TOTAL | 7131000 | 100 | 7131000 | 100 |

De-materialization of Shares:

The company has entered into a tripartite agreements with NSDL and CDSL to establish electronic connectivity through Company's Electronic Registrar i.e. XL Softech Systems Limited, Hyderabad and facilitate scrip less trading. Trading in the equity shares of the company is compulsory in dematerialized form for all investors. Investors are therefore advised to open a demat account with the Depository participant of their choice to trade in demat form. The lists of depository participants are available with NSDL and CDSL. The ISIN allotted company's scrip is INE089B01013

Location of our registered office and Address for correspondence:

STEADFAST CORPORATION LIMITED,
Plot No.8-2-120/77/4, Opp. K.B.R. Park, Road No.2,
Banjara Hills, Hyderabad -500034
Ph: 040-64444175
E-mail Id: steadfastcorp@gmail.com

Declaration On Code Of Conduct

It is confirmed that all directors and senior management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended on 31 March, 2017, as envisaged in regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Place :Hyderabad
Dated:14.08.2017

Sd/-
Keesara Vivek Reddy
Managing Director
DIN: 07907507

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. BACK GROUND

The Management Discussion and Analysis Report sets out the developments in the business environment and the company's performance since our last report. This analysis supplements the Director's Report and the Audited financial Statements forming part of this Annual Report.

2. INDUSTRY STRUCTURE AND DEVELOPMENTS

The year gone by has been tough for the world economy. The slowdown of the US economy and its ripple effect in Europe has led to uncertainty over growth prospects for the fiscal year 2016. The world now fears a slowdown in other economies as well. India managed quite well in the previous crisis and our economy looked insulated. Despite various risks pointed out by analysts, overall economic outlook of India in the long run is still quite positive.

3. OPERATIONS, OPPORTUNITIES & THREATS

The Company is forced to diversify its activities from the main activity due to the uncertainty over growth prospects. Hence the Company has started investments in different sectors including the growth potential housing and layouts. The company has extended loans to potential entrepreneurs with proper securities and having good recovery and income. Company is also concentrating on exploring new business opportunities.

4. OUTLOOK

The Company had already diversified its activities by investments in Power Sector, housing, irrigation projects and infrastructure Projects.

5. RISK & CONCERNS

Your Company has entered into new areas of technology which helps the corporate in cutting their expenses to a great extent. The marketing strategy has been changed and the Directors are personally involved in marketing activities to achieve better results and your company is exploring the Government promoted projects. At the moment, your Company's revenue flows are mainly from Indian Market. However your company is marketing very aggressively to capture the foreign market. Your Company is exploring the options of reviving its software development.

6. INTERNAL CONTROL SYSTEMS AND ADEQUACY

The Company has sound internal control system, which ensures that all the assets are protected against loss from unauthorized use and all the transactions are recorded and reported correctly.

The internal control system is supplemented by an extensive programme of internal audits and reviews by management. The internal control systems are designed to ensure that the financial and other records are reliable for preparing financial statements and other data and for maintaining accountability of assets.

Further the reliance of all the internal control functions and its entire gamut of activities are covered by independent audit conducted by separate internal auditors whose findings will be reviewed regularly by the Audit Committee and top management of the Company.

The internal audit is conducted as per the requirement of the Company and the report will be submitted to the Audit committee and to the management. It reviews the policies and procedures followed. The committee reviews the quarterly and half yearly financial results before they are submitted to the Board of Directors.

7. HUMAN RESOURCE DEVELOPMENT

Human capital is one of the key elements of your Company. The Company has employed the employees who are highly motivated and have been contributing for the growth of the company. The Company's human resources policies are aimed at motivating its employees to deliver high quality performance and reward talent with adequate compensation and accelerated career growth opportunities. The loyalty and faithfulness exhibited by employees at all levels, sustained and untiring efforts put by them show the motivation and commitment on their part.

**For and on behalf of the Board
M/s. Steadfast Corporation Limited**

**Place :Hyderabad
Dated:14.08.2017**

**Sd/-
Keesara Vivek Reddy
Managing Director
DIN: 07907507**

COMPLIANCE CERTIFICATE

CHAIRMAN & MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER CERTIFICATION

We, P. Satyanarayana, Chairman & Managing Director and S. Yedukondalu, Chief Financial Officer of M/s. Steadfast Corporation Limited certify that:

- a. We have reviewed the financial statements and the cash flow statements for the year 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 violative of Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls and we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of 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
 - i. Significant changes in internal controls over financial reporting during the year.
 - ii. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements.
 - iii. That there have been no instances of significant fraud of which we have become aware, involving the management or an employee having a significant role in the Company's internal control system.

Sd/-

Sd/-

Place: Hyderabad
Date: 29.05.2017

P. Satyanarayana
Managing Director
DIN: 02183914

S. Yedukondalu
Chief Financial Officer

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members
Steadfast Corporation Limited
Hyderabad - 500034

We have examined the relevant records of M/s. Steadfast Corporation Limited for the year ended March 31, 2017 relating to compliance with provisions of Corporate Governance pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and state that in our opinion and to the best of our knowledge and according to the information and explanations given to us, the Company has complied with the Mandatory requirements contained in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

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

For Ramasamy Koteswara Rao & Co.
Chartered Accountants
FRN: 010396S

Sd/-
C.V. Koteswara Rao
Partner
M.No:028353

Date:14.08.2017
Place: Hyderabad

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017**

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

To,
The Members,
Steadfast Corporation Limited
CIN: L74999TG1995PLC037139
H.No. 8-2-120/77/4, Road No. 2,
Banjara Hills,Hyderabad -500034

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Steadfast Corporation Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31.03.2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board- processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Steadfast Corporation Limited ("the Company") for the financial year ended on 31.03.2017, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) *The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) *Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder 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'):- viz
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015,
 - c. *The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - d. *The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - e. *The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - f. *The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - 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; and
 - i. *The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- *There is no occasion to comply the respective acts during the Audit period and hence question of compliance doesn't not arise.
- (vi) Other applicable Acts
- (a) Employees Provident Funds and Miscellaneous Provisions Act, 1952
We have also examined compliance with the applicable clauses of the following:
 - (i) Secretarial Standards issued by The Institute of Company Secretaries of India
 - (ii) The Listing Agreements entered into by the Company with Exchanges were de-recognized; thereby the company has been moved to Dissemination board of BSE Limited however the company has complied the norms of the Listing Agreement during the Audit period.

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

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the board of Directors and Key Managerial Personnel that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

The decisions at the board meetings are carried out unanimously and there were no members dissenting the resolutions during the year under review.

We further report that there are adequate systems and processes in the company Commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that During the period under review the Company has made an application for listing at NSE, but the company couldn't meet the listing norms and hence the application was rejected.

V. Bhaskara Rao and Co
Company Secretaries

Sd/-
V. Bhaskara Rao
Proprietor
FCS No.5939, CP No.4182

Place: Hyderabad
Date: 14.08.2017

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Steadfast Corporation Limited

Report on the Financial Statements

We have audited the accompanying financial statements of STEADFAST CORPORATION LIMITED (the "Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (together hereinafter referred to as "financial statements").

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the

purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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, 2017, its Profit and its cash flows 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" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our Knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure-B**" to this report;
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. The Company has provided requisite disclosures in its financial statement as to holdings as well as dealing in Specified Bank Notes during the period 8 November 2016 to 30 December 2016. Based on the audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management.

**For Ramasamy Koteswara Rao & Co,
Chartered Accountants
Firm Registration Number: 010396S**

**Place: Hyderabad
Date: 29-05-2017**

**Sd/-
(C V Koteswara Rao)
Partner
Membership No.028353**

Annexure A to the Auditors' Report (referred to in paragraph 1 of our Report of even date to the Members of "STEADFAST CORPORATION LIMITED" for the year ended March 31, 2017)

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that;

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets,
(b) All fixed assets have been physically verified by the management during the year in accordance with a phased program of verification which, in our opinion is reasonable having regard to the size of the company and the nature of its assets. According to the information furnished to us, no material discrepancies have been 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 company does not have any immovable properties so reporting under this clause is not applicable to the Company.
- ii. The Company has no inventory. Accordingly, the provision of clause 3 (ii) of the Order is not applicable to the Company and hence not commented upon.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- 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 Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- v. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- vii. (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2017 for a period of more than six months from the date on when they become payable.
(b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, and value added tax outstanding on account of any dispute.
- viii. The Company has not defaulted in any repayment of loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
- ix. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause

- 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- x. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or on the company by the officers and employees of the Company has been noticed or reported during the year.
 - xi. According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
 - xii. In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
 - xiii. According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
 - xiv. According to the information and explanation given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
 - xv. According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
 - xvi. According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company and hence not commented upon.

For Ramasamy Koteswara Rao & Co,
Chartered Accountants
Firm Registration Number: 010396S

Place: Hyderabad
Date: 29-05-2017

Sd/-
(C V Koteswara Rao)
Partner
Membership No.028353

**ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON
THE FINANCIAL STATEMENTS OF STEADFAST CORPORATION LIMITED**

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

To the Members of **STEADFAST CORPORATION LIMITED**

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

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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.

Auditor's 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 as specified under section 143(10) of the Companies Act, 2013, to the extent 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 internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For Ramasamy Koteswara Rao & Co,
Chartered Accountants
Firm Registration Number: 010396S

Place: Hyderabad
Date: 29-05-2017

Sd/-
(C V Koteswara Rao)
Partner
Membership No.028353

STEADFAST CORPORATION LIMITED

Plot No.8-2-120/77/4, Opp K.B.R.Park, Road No.2, Banjara Hills, Hyderabad

BALANCE SHEET AS AT 31 MARCH 2017

[Amount In Rs]

| Particulars | Note No. | As at 31 March, 2017 | As at 31 March, 2016 |
|---|----------|----------------------|----------------------|
| A EQUITY AND LIABILITIES | | | |
| 1 Shareholders' funds | | | |
| (a) Share capital | 1 | 71,310,000 | 71,310,000 |
| (b) Reserves and surplus | 2 | 35,177,165 | 34,496,939 |
| 2 Share application money pending allotment | | | |
| 3 Non-current liabilities | | | |
| (a) Long-term borrowings | | - | - |
| (b) Deferred tax liabilities (Net) | | - | - |
| (c) Other Long term liabilities | | - | - |
| (d) Long term provisions | | - | - |
| 4 Current liabilities | | | |
| (a) Short-term borrowings | | - | - |
| (b) Trade payables | 3 | 115,911 | - |
| (c) Other current liabilities | 4 | 8,515,387 | 393,227 |
| (d) Short-term provisions | 5 | 860,261 | 1,141,261 |
| Total | | 115,978,724 | 107,341,427 |
| B ASSETS | | | |
| 1 Non-current assets | | | |
| (a) Fixed assets | | | |
| Tangible assets | 6 | 4,015,346 | 1,905,565 |
| (b) Non-current investments | | - | - |
| (c) Deferred tax assets (net) | 7 | 248,239 | 90,220 |
| (d) Long term loans and advances | 8 | 53,614,282 | 53,614,282 |
| (e) Other non-current assets | 9 | 25,178,491 | 24,634,986 |
| 2 Current assets | | | |
| (a) Current investments | | - | - |
| (b) Inventories | | - | - |
| (c) Trade receivables | 10 | 8,581,888 | - |
| (d) Cash and cash equivalents | 11 | 23,180,424 | 25,605,498 |
| (e) Short-term loans and advances | 12 | 179,309 | 459,744 |
| (f) Other current assets | 13 | 980,745 | 1,031,132 |
| Total | | 115,978,724 | 107,341,427 |
| Accompanying notes to the financial statements | A | | |

As per our report of even date attached
For **RAMASAMY KOTESWARA RAO & CO.,**
Chartered Accountants
Firm Reg No.010396S

For and on behalf of the Board
Steadfast Corporation Limited

Sd/-
C.V.Koteswara Rao
Partner
Membership No: 28353

Sd/-
P. Satyanarayana
Managing Director
DIN : 02193914

Sd/-
K. Jayasurya
Director
DIN : 03600167

Place: Hyderabad
Date: 29-05-2017

Sd/-
M V S A Murali Krishna
Company Secretary

Sd/-
S. Yedukondalu
Chief Financial Officer

STEADFAST CORPORATION LIMITED

Plot No.8-2-120/77/4, Opp K.B.R.Park, Road No.2, Banjara Hills, Hyderabad

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

[Amount In Rs]

| Particulars | Note No. | As at 31 March, 2017 | As at 31 March, 2016 |
|---|----------|-------------------------|-------------------------|
| I. Revenue from operations | | | |
| Revenue from operations | 14 | 9,735,176 | 364,026 |
| II. Other Income | 15 | 6,828,923 | 7,457,669 |
| III. Total Revenue (I +II) | | 16,564,099 | 7,821,695 |
| IV. Expenses: | | | |
| Cost of Execution | 16 | 8,928,584 | - |
| Employee benefit expense | 17 | 2,149,040 | 2,265,083 |
| Finance costs | 18 | 1,101 | 4,156 |
| Depreciation | 6 | 1,390,219 | 614,373 |
| Other expenses | 19 | 2,051,893 | 1,663,190 |
| Total Expenses | | 14,520,837 | 4,546,802 |
| V. Profit before tax and Exceptional Items | | 2,043,262 | 3,274,893 |
| VI. Exceptional Items | | | |
| VII. Profit before Tax | | 2,043,262 | 3,274,893 |
| VIII. Tax expense: | | | |
| Current year tax | | 683,000 | 964,000 |
| Tax expense related to previous years | | 1,560 | 45,272 |
| Deferred Tax | | (158,019) | 78,136 |
| IX. Profit for the year | | 1,516,721 | 2,187,485 |
| EARNINGS PER EQUITY SHARE | | | |
| Equity shares of par value Rs.10/- each | | | |
| After Exceptional item | | | |
| Basic | | 0.21 | 0.31 |
| Diluted | | NA | NA |
| Number of shares used in computing earnings per share | | | |
| Basic | | 7,131,000 | 7,131,000 |
| Diluted | | NA | NA |
| Accompanying notes to the financial statements | A | | |

As per our report of even date attached
For **RAMASAMY KOTESWARA RAO & CO.,**
Chartered Accountants
Firm Reg No.010396S

For and on behalf of the Board
Steadfast Corporation Limited

Sd/-
C.V.Koteswara Rao
Partner
Membership No: 28353

Sd/-
P. Satyanarayana
Managing Director
DIN : 02193914

Sd/-
K. Jayasurya
Director
DIN : 03600167

Place: Hyderabad
Date: 29-05-2017

Sd/-
M V S A Murali Krishna
Company Secretary

Sd/-
S. Yedukondalu
Chief Financial Officer

STEADFAST CORPORATION LIMITED

Plot No.8-2-120/77/4, Opp K.B.R.Park, Road No.2, Banjara Hills, Hyderabad

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2017

[Amount In Rs]

| Particulars | Year ended 31 March, 2017 | Year ended 31 March, 2016 |
|---|------------------------------|------------------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Profit/(Loss) before tax | 2,043,262 | 3,274,893 |
| Add: Adjustment for Depreciation | 1,390,219 | 614,373 |
| Loss on sale of Assets/Investments | - | - |
| Interest expense on Car Loan | - | - |
| Less: Adjustment for Interest income | 6,828,923 | 7,457,669 |
| Operating loss before working capital changes | (3,395,442) | (3,568,403) |
| Changes in Working Capital | | |
| Decrease / (increase) in loans and advances | - | (19,742,328) |
| Increase / (decrease) in current liabilities and provisions | 7,274,071 | (1,784,736) |
| Decrease/(Increase) in Trade Receivables | (8,581,888) | - |
| Decrease/(Increase) in short term loans & advances | (2,397,200) | 18,537,260 |
| Cash used in Operating Activities | (7,100,459) | (6,558,206) |
| Advance Tax & TDS paid for 2014-15 | - | - |
| Advance Tax & TDS paid for 2015-16 | - | (1,002,840) |
| Self-Asst Tax paid for 2013-14 | - | - |
| Net Cash Used in Operating Activities (A) | (7,100,459) | (7,561,046) |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Interest income | 6,828,923 | 7,457,669 |
| Proceeds from Sale of fixed assets | - | - |
| Purchase of fixed assets | (3,500,000) | (1,945,802) |
| Investments made | - | - |
| Net cash from in Investing Activities (B) | 3,328,923 | 5,511,867 |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Dividend paid | (836,495) | - |
| Interest on Bank borrowings | - | - |
| Net cash from Financing Activities (C) | (836,495) | - |
| D. NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C) | (4,608,031) | (2,049,179) |
| E. CASH AND CASH EQUIVALENTS | | |
| - at the beginning of the year | 5,577,276 | 6,178,214 |
| - at the end of the year | 969,245 | 5,577,276 |

Note: The cash flow statement is prepared in accordance with the indirect method stated in Accounting Standard 3 on 'Cash Flow Statement' and presents the Cash Flows by Operating, Investing and Financing activities.

As per our report of even date attached
For **RAMASAMY KOTESWARA RAO & CO.,**
Chartered Accountants
Firm Reg No.010396S

For and on behalf of the Board
Steadfast Corporation Limited

Sd/-
C.V.Koteswara Rao
Partner
Membership No: 28353

Sd/-
P. Satyanarayana
Managing Director
DIN : 02193914

Sd/-
K. Jayasurya
Director
DIN : 03600167

Place: Hyderabad
Date: 29-05-2017

Sd/-
M V S A Murali Krishna
Company Secretary

Sd/-
S. Yedukondalu
Chief Financial Officer

Notes forming part of the Financial Statements

NOTES TO ACCOUNTS

Note: 1

SIGNIFICANT ACCOUNTING POLICES

a) BASIS OF ACCOUNTING

The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards issued by the Central Government of India and with the relevant provisions of The Companies Act 2013 and the guidelines issued by Securities and Exchange Board of India (SEBI).

b) USE OF ESTIMATES

The preparation of the financial statements are in conformity with the GAAP, which requires that the management make estimates and assumptions that affect the reported amounts of assets and liabilities including the disclosure of contingent liabilities as of the date of the financial statements, and reported amounts of the income and expenses during the reporting period. Management believes that the estimates used in preparation of the Financial Statements are Prudent and Reasonable. Actual results could vary from these estimates. Any revision of accounting estimates is recognized in the period in which the results are known /materialized.

c) FIXED ASSETS AND DEPRECIATION

Fixed assets are stated at actual cost less accumulated depreciation. The actual cost capitalized includes materials cost, freight, installation cost, duties and taxes, finance charges and other incidental expenses incurred during the construction / installation stage. Business and Commercial Rights and Software Products developed in house/ purchased are amortized over a period as considered appropriate by the management. Depreciation on fixed assets is provided on Written Down Value method over the useful life of the assets as fixed under Companies Act, 2013. Depreciation for assets purchased/sold during a period is proportionately charged.

d) INVESTMENTS

Long-term investments are carried at cost with provision for diminution being made to recognize a decline, other than temporary; in their value such diminution is determined for each investment individually on the basis of its expected benefits to the Company.

e) FOREIGN CURRENCY TRANSACTIONS

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currency are translated at the rates of exchange at the balance sheet date and resultant gain or loss is recognized in the profit and loss account.

f) REVENUE RECOGNITION

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. Rental Income is recognized on the accrual basis for the agreement period. Income from sale of plots is recognized on the basis of Transfer of ownership rights to the buyer.

g) EMPLOYEE BENEFITS

Contributions to defined Schemes such as Provident Fund is charged as incurred on accrual basis. The Company has not provided for Leave Encashment as no employee is having accumulated paid leaves. The Company also extends defined benefit plan in the form of gratuity to employees, however the company has not followed any actuarial valuation for provision.

h) SEGMENT REPORTING

During the year the Company has not operated in any segment. Hence the discloser's mentioned in the AS-17 are not applicable to the Company.

i) EARNINGS PER SHARE

The earnings considered in ascertaining Steadfast Corporation Limited's EPS comprises the net profit after tax/(Loss) (and includes the post tax effect of any extra ordinary items). The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the year.

j) ACCOUNTING FOR TAXES ON INCOME

Current Tax is determined on the income for the year chargeable to tax in accordance with the Income Tax Act, 1961. Deferred Tax is recognized on timing differences between the Accounting Income and the Taxable Income for the year, and quantified using the tax rates and laws enacted or substantially enacted as on the Balance Sheet Date. Deferred Tax Assets are recognized only to the extent there is a reasonable certainty that Assets can be realized in future, however where there is unabsorbed Depreciation or Carry Forward of losses, deferred tax assets are recognized only if there is a virtual certainty of realization of such Assets.

k) IMPAIRMENT OF ASSETS

Long-lived assets and certain intangible assets are reviewed for Impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future net discounted cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets.

STEADFAST CORPORATION LIMITED

Plot No.8-2-120/77/4, Opp K.B.R.Park, Road No.2, Banjara Hills, Hyderabad

Notes forming part of the Financial Statements for the year ended 31st March, 2017

Note 1: Share capital

[Amount In Rs]

| Particulars | As at 31 March, 2017 | | As at 31 March, 2016 | |
|--|-------------------------------|---------------------------------|-------------------------------|---------------------------------|
| | Number of shares | Amount | Number of shares | Amount |
| (a) Authorized Equity shares of Rs.10/- each | 9,000,000 9,000,000 | 90,000,000 90,000,000 | 9,000,000 9,000,000 | 90,000,000 90,000,000 |
| (b) Issued, Subscribed and fully paid Equity shares of Rs. 10/- each | 7,131,000 | 71,310,000 | 7,131,000 | 71,310,000 |
| Total | 7,131,000 | 71,310,000 | 7,131,000 | 71,310,000 |

(a) Reconciliation of number of shares and amount outstanding at the beginning and at the end of the reporting period:

| Particulars | Opening balance | Issued during the year | Bought back during the year | Closing balance |
|---------------------------|-----------------|------------------------|-----------------------------|-----------------|
| Equity shares | | | | |
| Year ended 31 March, 2017 | | | | |
| - Number of shares | 7,131,000 | - | - | 7,131,000 |
| - Amount | 71,310,000 | - | - | 71,310,000 |
| Year ended 31 March, 2016 | | | | |
| - Number of shares | 7,131,000 | - | - | 7,131,000 |
| - Amount | 71,310,000 | - | - | 71,310,000 |

(b) Rights, preferences and restrictions attached to shares

Equity Shares : The company has one class of equity shares having a face value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(c) Details of shares held by each shareholder holding more than 5% shares

| Name of the equity shareholder | As at 31 March, 2017 | | As at 31 March, 2016 | |
|--------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | Number of shares held | Percentage of holding | Number of shares held | Percentage of holding |
| NIL | - | - | - | - |

STEADFAST CORPORATION LIMITED

Plot No.8-2-120/77/4, Opp K.B.R.Park, Road No.2, Banjara Hills, Hyderabad

Notes forming part of the Financial Statements for the year ended
31st March, 2017 (contd.....)

Note 2: Reserves and surplus

[Amount In Rs]

| Particulars | As at 31 March, 2017 | As at 31 March, 2016 |
|--|-------------------------|-------------------------|
| Securities Premium | | |
| Opening Balance | 7,661,985 | 7,661,985 |
| Add : Receipts during the year | - | - |
| Closing Balance | 7,661,985 | 7,661,985 |
| Surplus in Statement of Profit and Loss | | |
| Opening balance | 26,834,954 | 24,647,468 |
| Add: Profit for the year | 1,516,721 | 2,187,485 |
| Less: Appropriations | | |
| Dividend paid | 713,100 | - |
| Dividend tax | 123,395 | - |
| Closing Balance | 27,515,180 | 26,834,954 |
| Total | 35,177,165 | 34,496,939 |

Note 3: Trade payables

[Amount In Rs]

| Particulars | As at 31 March, 2017 | As at 31 March, 2016 |
|------------------|-------------------------|-------------------------|
| Sundry Creditors | 115,911 | - |
| Total | 115,911 | - |

Note 4: Other current liabilities

[Amount In Rs]

| Particulars | As at 31 March, 2017 | As at 31 March, 2016 |
|--------------------------|-------------------------|-------------------------|
| Accrued expenses Payable | 8,342,597 | 384,373 |
| Statutory dues | 172,790 | 8,854 |
| Total | 8,515,387 | 393,227 |

Note 5: Short-term provisions

[Amount In Rs]

| Particulars | As at 31 March, 2017 | As at 31 March, 2016 |
|--------------------------|-------------------------|-------------------------|
| Provision for Employees | 177,261 | 177,261 |
| Provision for Income Tax | 683,000 | 964,000 |
| Total | 860,261 | 1,141,261 |

STEADFAST CORPORATION LIMITED
Plot No.8-2-120/77/4, Opp K.B.R.Park, Road No.2, Banjara Hills, Hyderabad

Notes forming part of the Financial Statements for the year ended 31st March, 2017 (Contd...)

Note 6: Tangible Assets

| Particulars | Gross Block - At Cost | | | | | | Depreciation | | | Net Block | |
|-------------------|-----------------------|------------------|-----------|----------------|----------------|-------------|------------------|-----------|------------------|------------------|------------------|
| | As at 31 | As at 31 | Disposals | As at 31 | As at 31 | As at 31 | For the | On | As at 31 | As at 31 | |
| | March, 2016 | March, 2017 | | March, 2016 | March, 2017 | March, 2016 | Year | Disposals | March, 2017 | March, 2016 | |
| Office Vehicles | 2,636,444 | 2,636,444 | - | 802,507 | 802,507 | - | 572,817 | - | 1,375,324 | 1,261,120 | 1,833,937 |
| Computers | 103,150 | 103,150 | - | 31,522 | 31,522 | - | 44,252 | - | 75,774 | 27,376 | 71,628 |
| Plant & Machinery | - | - | - | 773,150 | 773,150 | - | - | - | 773,150 | 2,726,850 | - |
| Total | 2,739,594 | 6,239,594 | - | 834,029 | 834,029 | - | 1,390,219 | - | 2,224,248 | 4,015,346 | 1,905,565 |

STEADFAST CORPORATION LIMITED

Plot No.8-2-120/77/4, Opp K.B.R.Park, Road No.2, Banjara Hills, Hyderabad

Notes forming part of the Financial Statements for the year ended
31st March, 2017 (contd.....)

Note 7: Deferred Tax Asset

[Amount In Rs]

| Particulars | As at 31 March, 2017 | As at 31 March, 2016 |
|--|-------------------------|-------------------------|
| Opening Deferred Tax Asset | 90,220 | 168,356 |
| Add/Less: Deferred Tax Asset / Liability on Depreciation | 158,019 | 78,136 |
| Total | 248,239 | 90,220 |

Note 8: Long-term loans & advances

[Amount In Rs]

| Particulars | As at 31 March, 2017 | As at 31 March, 2016 |
|--|-----------------------------------|-----------------------------------|
| Unsecured, considered good; ICD to Tracks & Towers Infratech Pvt. Ltd Via Corporation Deposi S.S Organics Limited | 48,600,000 14,282 5,000,000 | 48,600,000 14,282 5,000,000 |
| Total | 53,614,282 | 53,614,282 |

Note 9: Other non-current assets

[Amount In Rs]

| Particulars | As at 31 March, 2017 | As at 31 March, 2016 |
|--|--------------------------------|--------------------------------|
| Advances RAUS-SCL (JV) Income tax refund due FBT refund due | 25,094,074 67,627 16,790 | 24,550,569 67,627 16,790 |
| Total | 25,178,491 | 24,634,986 |

Note 10: Trade Receivables

[Amount In Rs]

| Particulars | As at 31 March, 2017 | As at 31 March, 2016 |
|----------------|-------------------------|-------------------------|
| Sundry Debtors | 8,581,888 | - |
| Total | 8,581,888 | - |

STEADFAST CORPORATION LIMITED

Plot No.8-2-120/77/4, Opp K.B.R.Park, Road No.2, Banjara Hills, Hyderabad

Notes forming part of the Financial Statements for the year ended
31st March, 2017 (contd.....)

Note 11: Cash and bank balances

[Amount In Rs]

| Particulars | As at 31 March, 2017 | As at 31 March, 2016 |
|---|-------------------------|-------------------------|
| Cash and cash equivalents | | |
| A. Cash and Cash Equivalents | | |
| a Cash on hand | 73,914 | 284,168 |
| b Balances with Banks | | |
| i. in Current Accounts | 893,772 | 5,293,109 |
| ii. In EEFC Accounts | | |
| Total Cash and Cash Equivalents | 967,685 | 5,577,276 |
| B. Other Bank Balances in Deposit Accounts | 22,212,739 | 20,028,222 |
| Total | 23,180,424 | 25,605,498 |

Note 12: Short-term loans & advances

[Amount In Rs]

| Particulars | As at 31 March, 2017 | As at 31 March, 2016 |
|---------------------------------------|-------------------------|-------------------------|
| Unsecured, considered good: | | |
| RAUS-SCL - Joint Venture | 179,309 | 183,860 |
| Earnest Money Deposit - RAUS-SCL (JV) | - | 275,884 |
| Total | 179,309 | 459,744 |

* Surplus funds of the company were given as loans to individuals and Corporate entities and the interest earned on the above advances is treated as other Income in Statement of Profit and Loss account.

Note 13: Other non-current assets

[Amount In Rs]

| Particulars | As at 31 March, 2017 | As at 31 March, 2016 |
|---|-------------------------|-------------------------|
| Prepaid Insurance | 24,649 | 23,232 |
| Interest Receivable - Tracks & Towers Infratech | 12,550 | - |
| Locker Rent receivables | 18,753 | 5,060 |
| Advance Tax - 2015-2016 | 50,000 | 300,000 |
| TDS Receivable | 874,793 | 702,840 |
| Total | 980,745 | 1,031,132 |

STEADFAST CORPORATION LIMITED

Plot No.8-2-120/77/4, Opp K.B.R.Park, Road No.2, Banjara Hills, Hyderabad

Notes forming part of the Financial Statements for the year ended
31st March, 2017 (contd.....)

Note 14: Revenue from Operations

[Amount In Rs]

| Particulars | For the year ended 31 March, 2017 | For the year ended 31 March, 2016 |
|------------------------------------|---|---|
| Contract Receipts | 8,500,000 | - |
| Income from Dozer - Hire charges | 954,564 | - |
| Share of Profit from Joint Venture | 280,612 | 364,026 |
| Total | 9,735,176 | 364,026 |

Note 15: Other income

[Amount In Rs]

| Particulars | For the year ended 31 March, 2017 | For the year ended 31 March, 2016 |
|---------------------------------------|---|---|
| Interest income on Loans | 5,103,000 | 5,102,999 |
| Interest income on deposits with bank | 1,725,923 | 1,922,956 |
| Interest received on IT Refund | - | 431,714 |
| Total | 6,828,923 | 7,457,669 |

Note 16: Cost of execution

[Amount In Rs]

| Particulars | For the year ended 31 March, 2017 | For the year ended 31 March, 2016 |
|-------------------|---|---|
| Cost of execution | 8,928,584 | - |
| Total | 8,928,584 | - |

Note 17: Employee benefit expenses

[Amount In Rs]

| Particulars | For the year ended 31 March, 2017 | For the year ended 31 March, 2016 |
|---|---|---|
| Salaries and wages | 1,466,956 | 1,581,351 |
| Directors Remuneration and allowances | 600,000 | 600,000 |
| Contribution to provident and other funds | 67,898 | 82,855 |
| Staff welfare expenses | 14,186 | 877 |
| Total | 2,149,040 | 2,265,083 |

** Provision for the Gratuity was not arrived based on the Actuary valuation in accordance with the AS-15.

STEADFAST CORPORATION LIMITED

Plot No.8-2-120/77/4, Opp K.B.R.Park, Road No.2, Banjara Hills, Hyderabad

Notes forming part of the Financial Statements for the year ended
31st March, 2017 (contd.....)

Note 18: Finance costs

[Amount In Rs]

| Particulars | For the year ended 31 March, 2017 | For the year ended 31 March, 2016 |
|--------------------------------|---|---|
| Bank and other finance charges | 1,101 | 4,156 |
| Total | 1,101 | 4,156 |

Note 19: Other expenses

[Amount In Rs]

| Particulars | For the year ended 31 March, 2017 | For the year ended 31 March, 2016 |
|---------------------------------|---|---|
| Advertisement expenses | 78,460 | 50,168 |
| AGM Expenses | 35,240 | 28,142 |
| Annual Fees Depository Services | 101,757 | 98,968 |
| Audit Fee | 36,000 | 30,000 |
| Computer Pherpherals | 200 | 250 |
| Conveyance | 9,588 | 23,929 |
| Retainer ship fees | 22,500 | 30,000 |
| Internet Charges | 21,532 | 11,564 |
| Office Maintenance | 109,631 | 39,624 |
| Office Rent | 144,000 | 134,000 |
| Postage & Courier Expenses | 156,989 | 130,782 |
| Printing & Stationery | 110,172 | 91,500 |
| Professional Fees | 245,334 | 300,391 |
| Rates and taxes | 61,656 | 18,600 |
| Interest on TDS | 322 | - |
| Web designing and maintenance | 20,000 | 19,500 |
| Security Charges | 151,000 | - |
| Telephone Charges | 2,688 | 3,379 |
| Travelling expenses | 291,950 | 282,201 |
| Vehicle Insurance | 40,975 | 66,286 |
| Vehicle Maintenance | 411,899 | 303,906 |
| Total | 2,051,893 | 1,663,190 |

STEADFAST CORPORATION LIMITED

Plot No.8-2-120/77/4, Opp K.B.R.Park, Road No.2, Banjara Hills, Hyderabad

Notes forming part of the Financial Statements for the year ended
31st March, 2017 (contd.....)

Note 20 : SBN Disclosure

| Particulars | SBNs | Other denomination notes | Total |
|--|---|--------------------------|---------|
| Closing cash in hand as on November 8, 2016 | 1000*12 = 12000 500*32 = 16000 TOTAL - <u>28000</u> | 127,367 | 155,367 |
| + Permitted receipts | - | - | - |
| - Permitted Payments | 28,000 | 4,464 | 32,464 |
| - Amount deposited in banks | - | - | |
| Closing cash in hand as on December 30, 2016 | - | 122,903 | 122,903 |

STEADFAST CORPORATION LIMITED

Plot No.8-2-120/77/4, Opp K.B.R.Park, Road No.2, Banjara Hills, Hyderabad

Notes forming part of the Financial Statements

Note 2.1: Related party disclosures

A) Names of the related parties and nature of relationship:

| Nature of Relation ship | Name of the Related Party |
|--|--|
| Key management personnel (KMP): Companies in which directors having control | Mr.P.Satyanarayana- Managing Director Nil |

B) Transactions with related parties:

[Amount In Rs]

| Particulars | As at 31 March, 2017 | As at 31 March, 2016 |
|--|-------------------------|-------------------------|
| Mr.P.Satyanarayana | | |
| Remuneration including allowances | 600,000 | 600,000 |

"Note 2.2: The principal amount remaining unpaid as at 31 March, 2017 in respect of enterprises covered Under ""Micro, Small and Medium Enterprises Development Act, 2006"" (MSMEDA) is Rs. Nil (31.03.2016 : Rs. Nil).

"In respect of transactions with ""Suppliers"" who constitute Micro, Small and Medium Enterprises under Micro, Small and Medium Enterprises Development Act, 2006 disclosures relating to interest paid/payable are not applicable.

Note 2.3: Other Information:

"a) Balances shown under advances, creditors are subject to confirmation / reconciliation and consequential adjustment, if any.

"b) In the opinion of management, the value of current assets, loans and advances on realization in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet.

c) The Company has granted loans to certain parties which are not fully covered by security; however the repayment including the interest component is satisfactory.

d) There are no earnings in foreign exchange during the period.

"e) In the opinion of the Board, current assets, loans and advances are realizable at a value, which is at least equal to the amount, at which these are stated, in the ordinary course of business. Independent confirmation of balances of sundry debtors, sundry creditors, loans and advances, and other parties are in progress on date of this report.

Note: Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For RAMASAMY KOTESWARA RAO & CO.,
Chartered Accountants
Firm Reg No.010396S

For and on behalf of the Board
Steadfast Corporation Limited

Sd/-
C.V.Koteswara Rao
Partner
Membership No: 28353

Sd/-
P. Satyanarayana
Managing Director
DIN : 02193914

Sd/-
K. Jayasurya
Director
DIN : 03600167

Place: Hyderabad
Date: 29-05-2017

Sd/-
M V S A Murali Krishna
Company Secretary

Sd/-
S. Yedukondalu
Chief Financial Officer

STEADFAST CORPORATION LIMITED

CIN: L74999TG1995PLC037139

Regd. Office: H. No. 8-2-120/77/4, Road No. 2, Banjara Hills, Telangana- 500034.

Tele Phone No.040- 64444175, Email: steadfastcorp@gmail.com.

Website: www.steadfastcorp.in

ATTENDANCE SLIP

22nd ANNUAL GENERAL MEETING

29th September, 2017

| | |
|-----------------------------------|--|
| DP ID – Client ID No. / Folio No. | |
| No. of shares held | |
| Name of the Member / Proxy | |
| Address of the Member | |

I/We, hereby record my/our presence at the 22nd Annual General Meeting of Steadfast Corporation Limited on Friday, the 29th September, 2017 at 11.00 A.M., at H. No. 8-2-120/77/4, Road No. 2, Banjara Hills, Telangana- 500034.

Signature of Member/Proxy

Note:

- 1) Please complete this attendance slip and hand it over at the entrance of the meeting hall.
- 2) Members are informed that no duplicate slips will be issued at the venue of the meeting and are requested to bring this slip.



PROXY FORM

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

CIN : L74999TG1995PLC037139
 Name of the Company : Steadfast Corporation Limited
 Registered Office : H. No. 8-2-120/77/4, Road No. 2,
 Banjara Hills, Hyderabad - 500 034

Name of the member(s) : _____
 Registered Address : _____
 Email ID : _____
 Folio No./Client ID : _____
 DPID : _____

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

- | | | |
|----|------------------|---------------------------------|
| 1. | Name : _____ | Address: _____ |
| | E-mail Id: _____ | Signature: _____ or falling him |
| 2. | Name : _____ | Address: _____ |
| | E-mail Id: _____ | Signature: _____ or falling him |
| 3. | Name : _____ | Address: _____ |
| | E-mail Id: _____ | Signature: _____ or falling him |

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 22nd Annual General Meeting of the Company, to be held on Friday, the 29th September, 2017 at 11.00 A.M., H. No. 8-2-120/77/4, Road No. 2, Banjara Hills, Hyderabad - 500 034, and at any adjournment thereof in respect of such resolutions, as indicated below:

Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2017 along with Statement of Profit & Loss as on that date and the report of the Directors and the Auditors thereon.
2. To Ratify interim dividend as final dividend for the year ended 31 March, 2017
3. Reappointment of Sri P. Satyanarayana, Director, who retires by rotation.
4. Ratification of M/s. Ramasamy Koteswara Rao & Co, Chartered Accountants as Statutory Auditors and fixing their remuneration.

Special Business

5. Adoption of new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013
6. Appointment of Dr. Keesara Vivek Reddy (DIN: 07907507), Additional Director as Director of the Company
7. Appointment of Dr. Keesara Vivek Reddy (DIN: 07907507) as Managing Director of the Company

Affix
Revenue
Stamp of
Re.1/-

Signature of shareholder

Signature of Proxy holder(s)

Signed this _____ day of _____ 2017.

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



BOOK-POST / REGISTERED

To

If undelivered please return to:

STEADFAST CORPORATION LIMITED
PLOT NO.8-2-120/77/4, OPP. K.B.R. PARK
ROAD NO.2, BANJARA HILLS
HYDERABAD – 500 034, T.G, INDIA

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