

SWAGRUHA INFRASTRUCTURE LIMITED
Formerly Memory Polymers Limited

NOTICE TO THE SHAREHOLDERS

Notice is hereby given that the fourteenth Annual General Meeting of the members of M/s. **SWAGRUHA INFRASTRUCTURE LIMITED** will be held on Tuesday the 30th day of September, 2008 at 11.00 A.M at #203, Empress Court, 6-2-30/B, Khairatabad, Hyderabad – 500 004, to transact the following business: -

Ordinary Business:

1. To receive, consider and adopt the audited accounts for the year ended 31st March, 2008 together with the reports of the Directors and Auditors thereon.
2. To appoint a director in the place of Sri. G.Veerswamy, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration. M/s.S.Phani Kumar, Chartered Accountant, Hyderabad as Auditors.

"Resolved that M/s. S.Phani Kumar, Chartered Accountant, the retiring Auditor, be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General meeting to the conclusion of the next Annual General Meeting at such remuneration as may be determined by the Board of Directors of the Company."

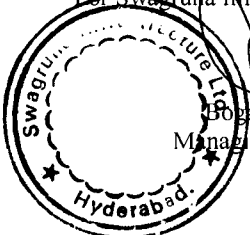
Special Business:

4. To consider and if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:

RESOLVED that pursuant to Section 257 of the Companies Act, 1956, KRISHANA KUMARI PUDEPET, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

Place: Hyderabad
Date: 01.09.2008.

By Order of the Board
For Swagruha Infrastructure Limited



Sd/-
Boga prabhakar
Managing Director

Notes:

1. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and such proxy need not be a member of the Company. Proxy forms to be valid shall be lodged at the registered office of the company not less than 48 hours before the meeting.
2. Members are requested to notify immediately changes if any, in their addresses to the company quoting their folio number
3. Members should bring the Attendance slip duly filled in for attending the meeting.
4. Shareholders seeking any information with regard to accounts are requested to write to the company at the earliest to keep the information ready.
5. Shareholders are requested to bring their copy of Annual Report to the Meeting.

6. The Register of members and share transfer books will remain closed from 10th day, of October 2008.
7. Explanatory Statement pursuant to section 173(2) of the Companies Act,1956 is annexed herewith.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

Item no:4 Appointment of Director:

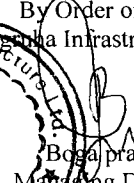
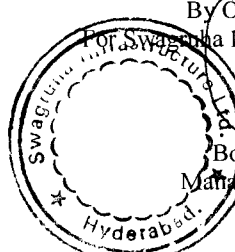
The Board of directors, on receipt of requisition from the shareholder, in their meeting considered the appointment.

In accordance with the provisions of Section 257 of the Companies Act, 1956, notice has been received from members of the Company proposing KRISHNA KUMARI PUDUPET as candidate for the office of Director liable to retire by rotation. The Company has also received deposit of Rs.500/- in respect of the above Director.

KRISHNA KUMARI PUDUPET has the necessary experience to conduct the business of the Company. Hence, the resolution in respect of the appointment as Director is being placed for your approval.

None of the Directors of the Company are interested or concerned in the proposed resolution.

Place: Hyderabad
Date: 01.09.2008.

By Order of the Board
For Swagatika Infrastructure Limited

Boga prabhakar
Managing Director


DIRECTORS REPORT

TO THE MEMBERS

Your Directors have pleasure in presenting the Fourteenth ANNUAL REPORT together with Audited Accounts for the year ended 31st March, 2008.

FINANCIAL RESULTS

(Rs.in Thousands)

| | Year ended 31.03.2008 | Year ended 31.03.2007 |
|--|--------------------------|--------------------------|
| Income | 2549.21 | 2333.08 |
| Expenditure | 2503.02 | 2306.12 |
| Net Profit/ (Loss) before Tax | 46.18 | 25.96 |
| Provision for Tax | Nil | Nil |
| Net Profit after Tax | 46.18 | 25.96 |
| Profit/(Loss) brought from last year | (9925.45) | (9951.41) |
| Profit/(Loss) carried to Balance Sheet | (9879.26) | (9925.45) |

OPERATIONS:

OUT LOOK & FUTURE PLANS

The outlook and future plans of the company are presented in Management Discussion and Analysis, forming part of this report.

DIVIDEND

Your directors have not recommended any dividend in view of the accumulated losses and need to build up long term working capital resources.

FIXED DEPOSITS:

Your Company has not invited any deposits falling within the meaning of Sec.58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, during the financial year under review.

DIRECTORS:

In accordance with the provisions of the Companies Act, 1956 read with the Articles of Association of the company Sri. G.Veerswamy, Director of the Company would retire by rotation at the ensuing Annual General Meeting, and is eligible for re-appointment and expressed their willingness for their re-appointment.

KRISHNA KUMARI PUDUPET is proposed to be appointed as Director at the ensuing Annual General Meeting. The Board recommends the appointment.

LISTING OF SHARES: The securities of the company are listed at BSE Limited, Mumbai.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- (i) In the preparation of the annual accounts for the financial year ended 31st March, 2008, the applicable accounting standards had been followed.
- (ii) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for the year under review.

- (iii) The directors have taken proper and sufficient care for the 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 fraud and other irregularities.
- (iv) The directors have prepared the annual accounts on a going concern basis.

CORPORATE GOVERNANCE:

Your Company believes in creating wealth for its Shareholders. In pursuit of this objective, the policies of the Company are designed to strengthen the ability of the Board of the Directors to supervise the management and to enhance long term shareholder value.

Pursuant to Clause 49 of the said Listing Agreement (a) Management Discussion and Analysis, (b) the Report of the Directors on the practices prevalent on Corporate Governance in the Company and (c) the Auditors' Certificate on compliance of mandatory requirements of Corporate Governance are given as an annexure to this report.

AUDITORS:

M/s. S.Phani Kumar, Chartered Accountant, Auditor of the company who retires at the conclusion of the Annual General Meeting has given his consent to be reappointed for the current year.

INFORMATION PURSUANT TO SECTION 217 OF THE COMPANIES ACT, 1956.

No employees are drawing salary more than Rs.2,00,000/-per month as specified in Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of employees) Rules, 1975 hence no details are required to be given.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUT GO:

The required information as per Sec.217 (1) (e) of the Companies Act 1956 is provided hereunder:

A: Conservation Of Energy:

As the Company is not in operations during the year under review, the disclosure on the conservation of energy does not arise.

B. Technology Absorption:

1. Research and Development (R&D) : NIL
2. Technology absorption, adoption and innovation : NIL

C. Foreign Exchange Earnings and Out Go:

- Foreign Exchange Earnings : NIL
Foreign Exchange Outgo : NIL

ACKNOWLEDGEMENTS:

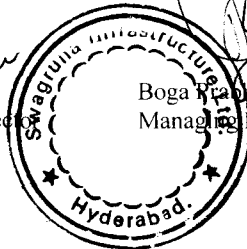
The Directors take this opportunity to thank the share holders, Financial institutions, Banks, Customers and regulatory and Government authorities for their continuous support to the Company. Further the Directors wish to place on record their appreciation of employees at all levels for their hard work, dedication and commitment.

FOR AND ON BEHALF OF THE BOARD

Place: Hyderabad
Date: 01.09.2008.

B. Srinivasulu
Director

Boga Prasadakar
Managing Director



REPORT ON CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY:

The Board of Directors of the company believes in and fully supports the principles of Corporate Governance. While striving to achieve the financial targets, the company seeks to follow the business principles and ethics and in all its dealings. The company has been regularly implementing the best practices of corporate governance in order to attain total transparency, accountability and integrity.

2. BOARD OF DIRECTORS

Composition of Board:

As on 31st March 2008, Swagruha Infrastructure Limited consist of 6 Directors The Chairman of the Board is a Non-executive chairman

Board Meetings

During the year 2007-08, the Board met 6 times on the following dates, viz., 28/04/2007, 27/06/2007, 31/07/2007, 01/09/2007, 31/10/2007 and 31/01/2008 The maximum gap between any two successive meetings was less than 4 months.

Directors attendance Record and Directorships

The following table gives details of Directors, their attendance at the Board Meetings during the year 2007-2008 and the last Annual General Meeting, their number of other directorships in the Board/Committees of various other companies:

| Name of the Director | Category of Directorship | No. of Board Meetings attended | Attendance at last AGM | Directorship | Committee Membership | Committee Chairmanship |
|----------------------|--------------------------|--------------------------------|------------------------|-------------------|----------------------|------------------------|
| Boga Prabhakar | Promoter | 6 | Yes | Managing Director | 1 | NIL |
| Boga Surender | Non Executive -Promoter | 6 | Yes | Director | NIL | NIL |
| Mittapally Sudarshan | Independent | 5 | Yes | Director | 3 | 1 |
| G.Veerawamy | Independent | 5 | Yes | Director | 1 | NIL |
| N.V.Satyanarayana | Non Executive -Promoter | 5 | Yes | Chairman | 2 | 1 |
| J.Vidyasagar | Independent | 5 | No | Director | 2 | 1 |

Board Committees:

The Company is committed to transparency in all its dealings and to provide efficient and effective service to the members/shareholders. The Board has constituted Committees of Directors to deal with matters that need quick and timely decisions and overall supervision and guidance.

3. AUDIT COMMITTEE

The terms of reference of the Audit Committee include the following:

- 1) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- 2) Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment for any other services.

- 3) Approval of Payment to statutory auditor for any other services rendered by the statutory auditors
- 4) Reviewing with management the annual financial statements before submission to the board, focusing primarily on:
 - a. Any changes in accounting policies and practices and reasons for the change
 - b. Major accounting entries based on exercise of judgment by management.
 - c. Qualifications in draft audit report
 - d. Significant adjustments arising out of audit
 - e. The going concern assumption
 - f. Compliance with accounting standards
 - g. Compliance with stock exchange and legal requirements concerning financial statements
 - h. Any related party transactions
- 5) Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
- 6) Reviewing with the management, external and internal auditors, the adequacy of internal control systems, and recommending improvements to the management.
- 7) Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- 8) Discussion with internal auditors any significant findings and follow up thereon.
- 9) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- 10) Discussion with Statutory auditors before the audit commences about nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- 11) Reviewing the company's financial and risk management policies.
- 12) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.

During the year 5 meetings were held, on 28/04/2007, 31/07/2007, 01/09/2007, 31/10/2007 and 31/01/2008

The following is the composition of Audit Committee comprising all Non Executive Independent Directors

| Name of the Director | Category of Membership | Attendance |
|----------------------|------------------------|------------|
| J.Vidyasagar | Chairman | 5 |
| Mittapally Sudarshan | Member | 5 |
| G.Veerawamy @ | Member | 5 |

4. SUBSIDIARY COMPANIES:

There are no Subsidiary companies

2) Financial Calendar (2008-2009)

The Financial year of the company is 1st April to 31st March. For the year ending 31st March, 2009 Quarterly Unaudited /Annual Audited results shall be announced as follows:

| Financial reporting for | Proposed Date |
|---|---|
| Unaudited Results for the Quarter ending : 30 th June, 2008 | On or before 31 st July, 2008 |
| 30 th September, 2008 | On or before 31 st October, 2008 |
| 31 st December, 2008 | On or before 31 st January, 2009 |
| Audited Results for the year ended 31 st March, 2009 | On or before 30 th June, 2009 |

- 3) Book Closure date : 10th October 2008
- 4) Registered Office : at #203, Empress Court, 6-2-30/B,
Khairatabad, Hyderabad – 500 004
- 5) Listing of Equity Shares : The Stock Exchange, Mumbai (BSE)
- 6) Listing Fees : Listing fee has not been paid.
- 7) Stock Code : 531909
- 8) ISIN No. : INE587J01019
- 9) CIN Number : L24134AP1994PTC017327

h) **Market Price Data** :

The monthly high and low quotations and volume of shares traded on BSE.

The shares of the are suspended from trading hence these details are not provided

i) Performance in comparison to broad-based indices such as BSE Sensex.

The shares of the are suspended from trading hence these details are not provided

j) Investors' Correspondence / Registrar & Share Transfer Agents:

Venture Capital & Corporate Investment pvt Ltd.,

H.No.12-10-167, BharatNagar, Hyderabad-500018.

Phone: 040-23818475/76

Email:info@vccilindia.com

Performance overview:

d) Share Transfer / Investors Grievance Committee

During the year 3 meetings were held on 30/06/2007, 31/07/2007 and 31/01/2008

The following is the composition of Shareholders / Investors' Grievances Committee

| Name of the Director | Category of Membership | Attendance |
|----------------------|------------------------|------------|
| N.V.Satyanarayana | Chairman | 3 |
| Boga Prabhakar | Member | 3 |
| Mittapally Sudarshan | Member | 3 |

The Committee looks into redressing of shareholders / investors Grievances. The status of complaints is also reported to the Board of Directors. During the year 2007-2008 NIL complaints were received which have been redressed and no complaint is pending as on 31.03.2008.

e) Details of Annual General Meetings:

Location and time of General meetings held in past 3 years

| YEAR | LOCATION | DATE | TIME |
|-----------|--|------------|------------|
| 2004-2005 | At 3-6-687, 10-B, Himayathnagar, St.No.10, Hyderabad - 29. | 26-09-2005 | 11.00 A.M. |
| 2005-2006 | Flat No.501 &502, Maheswari Mekins Mayank plaza, 6-3-866/A, Green lands,Hyderabad-16 | 11-08-2006 | 10.30 A.M |
| 2006-2007 | At #203, Empress Court, 6-2-30/B, Khairatabad, Hyderabad-500 004. | 28-09-2007 | 11.55 A.M |

The Company has not passed any Special Resolutions in the last AGM and also not proposed any special resolution at his AGM. No resolution was passed by way of postal ballot at the last AGM. No resolution is proposed to be passed by way of postal ballot at this AGM.

f) Means of Communication:

Financial results are published by the Company in the prescribed format in Business Standard and Andhra Prabha within 48 hours of approval by the Board.

g) General Shareholder Information

- 1) 14th Annual General Meeting
Date and Time : 30th September 2008 at 11.00 AM
Venue : at #203, Empress Court, 6-2-30/B, Khairatabad, Hyderabad - 500 004

5. DISCLOSURES:

a) Remuneration Committee:

The terms of reference to the Remuneration Committee would include review of Remuneration policy to the Managing Director, Executive Director, other whole time directors and also key managerial personnel.

During the year no remuneration committee meetings were held.

The following is the Composition of Remuneration Committee comprising Two Non Executive Independent Directors and one Promoter Non-Executive Director.

| Name of the Director | Category of Membership | Attendance |
|----------------------|------------------------|------------------|
| Mittapally Sudarshan | Chairman | No meeting held |
| N.V.Satyanarayana | Member | No meetings held |
| J.Vidyasagar | Member | No meetings held |

b) Remuneration Policy

The company pays remuneration to the Managing Director and Executive Director as per the individual agreements entered into with them. The company pays no remuneration to the Non-Executive Directors except sitting fees for the meetings attended by them.

The remuneration paid to whole time directors is given below

| Name of the Director | Designation | Salary (Rs.) | Other Allowance (Rs.) | Total (Rs.) |
|----------------------|-------------------|--------------|-----------------------|-------------|
| Boga Prabhakar | Managing Director | 1,08,000 | NIL | 1,08,000 |

c) Management:

Economic overview:

The Indian economy has been growing at an average rate of 7.3% over the last decade and despite a slowdown in economies across the globe on account of rising crude oil prices and sub-prime concern; India is expected to remain the second fastest growing economy in the world. The Reserve Bank of India while framing the monetary policy for the fiscal 2009 has projected the Gross Domestic Product to grow at around 7.00 percent.

Infrastructure, Real Estate and Construction segment:

Given the growth rates it is imperative that infrastructure be given high priority not only to support the growth rates but to fulfill the existing gap. Global organizations like World Bank and Asian Development Bank have expressed their concerns over the lack of infrastructure facilities in India and are playing an active role in funding the same. The Indian Government too has taken giant strides to augment the role of private players in this segment by formulating various agencies under the public private partnership flag.

Despite of the US Sub-prime crisis India could register a moderate growth in the real estate and construction segment and expected to grow impressively in the years to come. The Indian real estate and construction segments are growing with the Mantra of "Affordable Housing".

k) Share Holding pattern as on 31st March, 2008

| | Category | No.of Shares Held | Percentage of Share holding |
|----|--|-------------------|-----------------------------|
| A | Promoter's holding | | |
| 1 | Promoters | | |
| | - Indian Promoters | 1332400 | 19.44 |
| | - Foreign Promoters | | |
| 2 | Persons acting in concert | NIL | NIL |
| | Sub-Total | 1332400 | 19.44 |
| B | Non-promoters Holding | NIL | NIL |
| 3 | Institutional Investors | NIL | NIL |
| a | Mutual Funds and UTI | NIL | NIL |
| b. | Banks, Financial Institutions, Insurance Companies (Central/State Govt Institutions/non-government Institutions) | NIL | NIL |
| C | FII's | NIL | NIL |
| | Sub-Total | NIL | NIL |
| 4 | Others | | |
| a | Private Bodies Corporate | 22,50,000 | 32.82 |
| b | Indian Public | 33,72,400 | 47.74 |
| c | NRIs/OCBs | NIL | NIL |
| d | Any other (Please Specify) | NIL | NIL |
| | Sub-Total | 55,22,400 | 80.56 |
| | GRAND TOTAL (A+B) | 68,54,800 | 100.00 |

Note: All the shares of the promoters are free from any pledge, lien, encumbrance etc.

l) Distribution of shareholders as on 31st March 2008

| Slab of Share holding (Rs.) | No.of Shareholders | % to Total Holding | Amount in Rs. | % to Total |
|-----------------------------|--------------------|--------------------|-----------------|---------------|
| Upto - 5000 | 141 | 16.05 | 550000 | 0.80 |
| 5001 - 10000 | 169 | 19.24 | 1354000 | 1.97 |
| 10001 - 20000 | 252 | 28.70 | 3649000 | 5.32 |
| 20001 - 30000 | 92 | 10.47 | 2202000 | 3.21 |
| 30001 - 40000 | 20 | 2.27 | 715000 | 1.04 |
| 40001 - 50000 | 17 | 1.93 | 796000 | 1.16 |
| 50001 - 100000 | 139 | 15.83 | 10776000 | 15.72 |
| 100001 and above | 48 | 5.46 | 48506000 | 70.76 |
| TOTAL | | | 68548000 | 100.00 |

m) Share Transfer System:

Share transfers are registered and returned within a period of 30 days from the date of receipt, if the document is in order in all respects.

n) Dematerialization of Shares

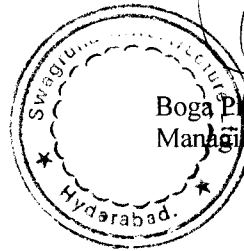
The company's trading of equity shares came under compulsory dematerialization form. As on 31.03.2008 the total shares are in physical form only.

ADR/GDR holding is Nil

Address for Correspondence

#203, Empress Court, 6-2-30/B,
Khairatabad, Hyderabad – 500 004

For and on behalf of the board



Boga Prabhakar
Managing Director

Place: Hyderabad
Date: 01/09/2008

AUDITORS' REPORT

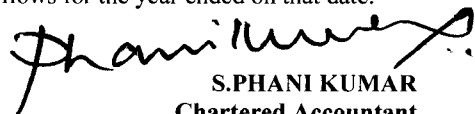
To
The Members,
SWAGRUHA INFRASTRUCTURE LIMITED, Hyderabad.

We have audited the attached Balance Sheet of M/s. **SWAGRUHA INFRASTRUCTURE LIMITED** (formerly Memory Polymers Limited) as at 31st March 2008 and the relative Profit & Loss Account and Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's Management. Our responsibility is to express an opinion on these Financial Statements based on our audit.

We conducted our audit in accordance with Auditing Standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order wherever applicable.
2. Subject to our comments in the annexure referred to in paragraph 1 above, we report that:
 - (a) We have obtained all the information and explanation which to the best of our knowledge and belief, were necessary for the purpose of our audit.
 - (d) In our opinion, and to the best of our information and according to the explanations given to us, the said accounts read with the notes thereon give the information required by the Companies Act, 1956, in manner so required.
 - (e) In our opinion, proper books of account as required by Law have been kept by the company so far as, appears from our examination of such books.
 - (d) The Company's Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the Books of Accounts.
 - (e) In our opinion, and to the best of our information and according to the explanations given to us the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in compliance with the accounting standards referred to in sub-section (3C) of the Section 211 of the Companies Act, 1956 to the extent applicable.
 - (f) On the basis of the written representation from the directors as on 31st March, 2008 and taken on record by the Board of Directors, we report that none of the Director is disqualified as on 31st March, 2008 from the appointment as a Director in terms of Clause(g) of sub-section (1) of Section 274 of the Companies Act, 1956.
 - (g) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet, Profit and Loss Account and Cash Flow Statement read together with the notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
 - i. In case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2008
 - ii. In the case of Profit and Loss Account, of the loss of the company for the year ended on that date and
 - iii. In the case of Cash Flow Statement, of cash flows for the year ended on that date.

Place : Hyderabad
Date : 28.06.2008


S.PHANI KUMAR
Chartered Accountant

S.PHANI KUMAR
Chartered Accountant
M.No.028646

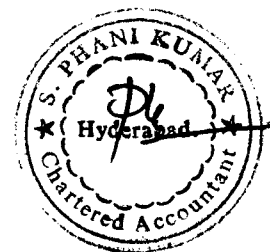
**ANNEXURE TO AUDITORS REPORT REFERRED TO IN PARAGRAPH I OF OUR REPORT OF
EVEN DATE**

With reference to the annexure referred to in the Auditor's report, we report that the provisions of sub-paragraphs 4(ii), 4(viii), 4(XIII) and 4(XIV) of the Companies (Auditor's Report) Order, 2003 are not applicable.

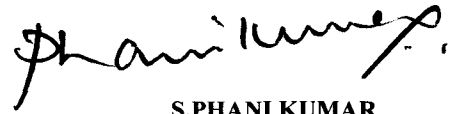
1. (a) The Company has maintained proper records to show full particulars including quantitative details and situation of fixed assets.

(b) As explained to us, the fixed assets have been physically verified by the management periodically, which in our opinion is reasonable, having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such physical verification.

(c) In our opinion the company has not disposed off substantial part of Fixed Assets during the year and the going concern status of the company is not affected.
2. In our opinion, the Company has neither granted nor taken any loans to / from companies, firms or other parties covered in the Registered, maintained under Section 301 of the Companies Act, 1956. Therefore, the provisions of clause 4(iii) (b), (c) & (d) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
3. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business for the purchase of fixed assets.
4. In our opinion, there are no transactions made in pursuance of contracts or arrangement that need to be entered into the register maintained under Section 301 of the Companies Act, 1956 and hence requirements of reporting regarding transactions of pursuance of such contracts aggregating during the year to Rs. NIL or more in respect of each part does not arise.
5. In our opinion and according to the information and explanations given to us, The company has not accepted any deposits from public with in the meaning of Rule 2(b) of the Companies (Acceptance of Deposits) Rule 1975, and the provisions of Sec.58 A of the Companies Act, 1956.
6. In our opinion, the Company has an adequate internal audit system commensurate with its size and nature of its business.
7. According to the information and explanations given to us, the following are the undisputed amounts payable in respect of such statutory dues which have remained outstanding as at 31st March, 2008 for a period exceeding six from the date they become payable:
8. In our opinion, the accumulated losses of the company are not more than fifty percent of its net worth.
9. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to Banks and Financial Institutions.
10. The Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or other securities.
11. According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from bank of financial institutions.
12. During the period under review the company has not raised any term loan.



13. In our opinion and according to the information and explanations given to us, the company has not raised short-term funds during the year and hence, the use of such funds for long-term investment does not arise.
14. During the period the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
15. No debentures have been issued by the Company and hence, the question of creating securities in respect there of does not arise.
16. The company has not raised any money by way of public issue during the year.
17. In our opinion, according to the information and explanations given to us no fraud on or by the company has been noticed or reported during the year under review that causes the financial statements to be materially misstated.



S.PHANI KUMAR
Chartered Accountant

Place : Hyderabad
Date : 28.06.2008

S.PHANI KUMAR
Chartered Accountant
M.No.028646

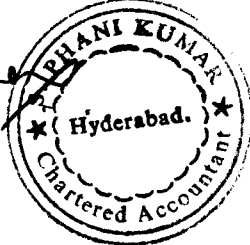
SWAGRUHA INFRASTRUCTURE LIMITED

(formerly Memory Polymers Limited)

BALANCE SHEET AS AT 31st MARCH, 2008

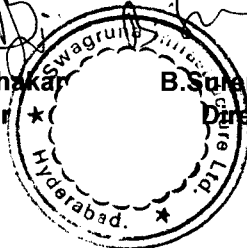
| Schedule | As at 31.03.08 Rs. | As at 31.03.07 Rs. |
|---|--------------------------|--------------------------|
| SOURCE OF FUNDS | | |
| Shareholders' Funds | | |
| Share Capital | I | 67616750 |
| TOTAL | | 67616750 |
| APPLICATION OF FUNDS | | |
| Fixed Assets | | |
| Gross Block | II | 69488 |
| Less Depreciation | | 10104 |
| Net Block | | 59384 |
| Current Assets Loans & Advances | | |
| Inventories | | 0 |
| Sundry Debtors | | 8666320 |
| Cash & Bank Balances | | 25835 |
| Loans & Advances | | 4742848 |
| | | 56120636 |
| Less: Current Liabilities & Provisions | IV | 112460 |
| Net Current Assets | | 56008176 |
| Miscellaneous Expenditure (To the extent not written off or adjusted) | V | 1669924 |
| Profit & Loss Account | | 9879266 |
| TOTAL | | 67616750 |
| Notes on Account | VI | 67616750 |

As per our report of even date attached

S Phani Kumar

S Phani Kumar
 Chartered Accountant

Place : Hyderabad
 Date : 28.06.2008

For and on behalf of the Board of Directors
 For Swagruha Infrastructure Limited

B. Prabhakar

B. Prabhakar
 Director

B. Sunder
B. Sunder
 Director

N.V. Satyanarayana
N.V. Satyanarayana
 Director

SWAGRUHA INFRASTRUCTURE LIMITED

(formerly Memory Polymers Limited)

SCHEDULES FORMING PART OF BALANCE SHEET

| Schedules | PARTICULARS | As at 31.03.08 Rs. | As at 31.03.07 Rs. |
|------------|--|--------------------------|--------------------------|
| I | Share Capital | | |
| | Authorised Share Capital (75,00,000 equity shares of Rs.10/- each) | <u>75000000</u> | <u>75000000</u> |
| | Issued, Subscribed and Paid up Capital : 68,54,800 equity shares of Rs.10/- each | <u>68548000</u> | <u>68548000</u> |
| | Paid Up Capital 68,54,800 Equity Shares of Rs.10/- each | 68548000 | 68548000 |
| | Less: Allotment Money receivable | 931250 | 931250 |
| | | <u>67616750</u> | <u>67616750</u> |
| III | Current Assets Loans & Advances | | |
| | Sundry Debtors | | |
| | Unsecured - Considered Good: | | |
| | Less than Six Months | 5437120 | 4028695 |
| | More than Six Months | 3229200 | 2872771 |
| | | <u>8666320</u> | <u>6901466</u> |
| | Cash & Bank Balances | | |
| | Cash on Hand | 16157 | 9856 |
| | Cash at Scheduled Banks | | |
| | In current Accounts | 9678 | 4287 |
| | | <u>25835</u> | <u>14143</u> |
| | Loans & Advances (Considered good, recoverable in cash or in kind of for value to received) | | |
| | Capital Advances | 17600400 | 17600400 |
| | Loans and Receivables | 25101550 | 25101550 |
| | Amount receivable on Joint Venture | 4536879 | 4536879 |
| | Other Advances and Deposits | 189652 | 189652 |
| | | <u>47428481</u> | <u>47428481</u> |
| IV | Current Liabilities & Provisions | | |
| | Creditors for Supplies | 36140 | 25542 |
| | Creditors for Expenses | 64535 | 32450 |
| | Other Liabilities | 11785 | 4128 |
| | | <u>112460</u> | <u>62120</u> |
| V | Miscellaneous Expenditure (To the extent not written off or adjusted) | | |
| | Preliminary Expenses | 3339845 | 5009766 |
| | Less : Written Off | 1669921 | 1669921 |
| | | <u>1669924</u> | <u>3339845</u> |



SWAGRUHA INFRASTRUCTURE LIMITED

(formerly Memory Polymers Limited)

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31/03/2008

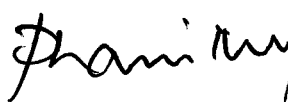
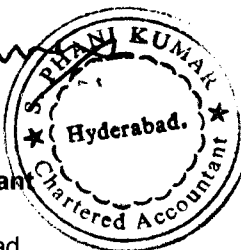
| <u>PARTICULARS</u> | <u>Schedule</u> | <u>As at</u> <u>31.03.08</u> <u>Rs.</u> | <u>As at</u> <u>31.03.07</u> <u>Rs.</u> |
|--|-----------------|---|---|
| <u>I. INCOME</u> | | | |
| Other Income - Joint Venture with M/s. Kautilya Homes Pvt. Ltd. | | 2170460 | 1932086 |
| Other Income | | 378750 | 400000 |
| TOTAL - A | | 2549210 | 2332086 |
| <u>II. EXPENDITURE</u> | | | |
| Director Remuneration | | 108000 | 0 |
| Administration Expenses | VII | 715004 | 624350 |
| Preliminary Expenses written off | V | 1669921 | 1669921 |
| Depreciation | II | 10104 | 11850 |
| TOTAL - B | | 2503029 | 2306121 |
| Net Profit before Tax (A-B) | | 46181 | 25965 |
| Provision for Taxation | | - | - |
| Profit After Tax | | 46181 | 25965 |
| Profit / Loss Brought forward from Last Year | | -9925447 | -9951412 |
| Profit / Loss Carried forward to Balance Sheet | | -9879266 | -9925447 |

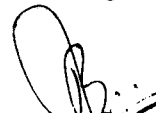
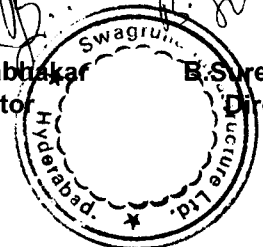
Notes on Accounts


VI

As per our report of even date attached

For and on behalf of the Board of Directors
For Swagruha Infrastructure Limited



S Phani Kumar
Chartered Accountant



B. Prabhakar
Director


B. Surender
Director

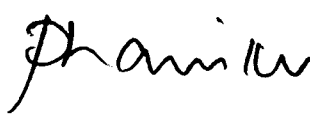

N.V. Satyanarayana
Director

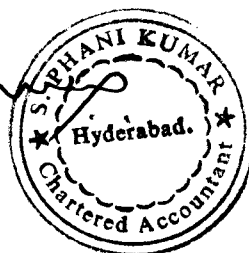
Place : Hyderabad
Date : 28.06.2008


| Schedules | PARTICULARS | As at 31.03.08 Rs. | As at 31.03.07 Rs. |
|------------|----------------------------------|--------------------------|--------------------------|
| VII | Administration Expenses | | |
| | Rent Rates & Taxes | 64175 | 56859 |
| | Office Maintenance Expenses | 28560 | 15470 |
| | Salaries | 196325 | 148967 |
| | Travelling & Conveyance Expenses | 38440 | 18562 |
| | Printing & Stationery | 54875 | 12652 |
| | Site Visit Expenses | 114600 | 104583 |
| | Brouchers & Posters | 68850 | 35648 |
| | Collection Incentives | 22180 | 49586 |
| | Discounts & Coupons | 16525 | 95242 |
| | Telephone & Fax | 54596 | 15480 |
| | Postage & Courier Charges | 10465 | 12452 |
| | Staff Welfare Expenses | 3652 | 10453 |
| | Bank Charges | 2886 | 1542 |
| | Other Expenditure | 8875 | 16854 |
| | Audit Fee | 30000 | 30000 |
| | | 715004 | 624350 |

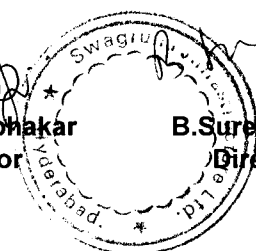
As per our report of even date attached


For and on behalf of the Board of Directors
For Swagruha Infrastructure Limited


S Phani Kumar
Chartered Accountant




B. Prabhakar
Director




B. Surender
Director


N.V. Satyanarayana
Director

Place : Hyderabad
Date : 28.06.2008

SWAGRUHA INFRASTRUCTURE LIMITED
(formerly Memory Polymers Limited)

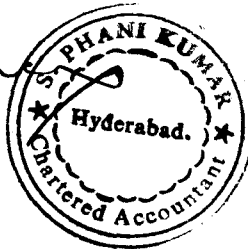
CASH FLOW STATEMENT
FOR THE YEAR ENDING 31.03.2008

| | <u>Rs.</u> |
|---|--------------|
| CASH FLOW FROM OPERATING ACTIVITIES : | |
| Net Profit before Tax & Extra ordinary items | 46181 |
| Adjusted for : | |
| Depreciation | 10104 |
| Amortisation of Misc. Expenditure | 1669921 |
| Operating Profit Before Working Capital Changes | 1726206 |
| Changes in Working Capital | |
| (Increase) / Decrease in Sundry Debtors | -1764854 |
| (Increase) / Decrease in Inventories | 0 |
| (Increase) / Decrease in Loans & Advances | 0 |
| Increase / (Decrease) in Current Liabilities | 50340 |
| Cash Generated From Operations | -1714514 |
| Dividend Paid | 0 |
| Cash Flow Before Extra Ordinary Items | 11692 |
| Extra ordinary items | 0 |
| NET CASH FLOW FROM OPERATING ACTIVITIES | 11692 |
| CASH FLOW FROM INVESTMENT ACTIVITIES : | |
| Sale / Purchase of Fixed Assets | 0 |
| Purchase of Investments | 0 |
| Capital Work in Progress | 0 |
| (Increase) / Decrease in Advance against Capital Goods / Deposits | 0 |
| (Increase) / Decrease in Debtors For | 0 |
| Sale of Capital goods / Non Operating Expenses | 0 |
| Net Cash Used in Investing Activities | 0 |
| CASH FLOW FROM FINANCING ACTIVITIES | |
| Long Term Borrowings | 0 |
| Capital Issue | 0 |
| NET CASH PROVIDED / (USED) FROM FINANCING ACTIVITIES | 0 |
| NET INCREASE IN CASH AND CASH EQUIALENTS | 11692 |
| CASH AND CASH EQUIALENTS AT THE COMMCEMENT OF THE YEAR | 14143 |
| CASH AND CASH EQUIALENTS AT CLOSE OF THE YEAR | 25835 |


As per our report of even date attached

For and on behalf of the Board of Directors
For Swagruha Infrastructure Limited

S. Phani Kumar
S. Phani Kumar
Chartered Accountant



B. Prabhakar
B. Prabhakar
Director



B. Surender
B. Surender
Director

N.V.S.
N.V. Satyanarayana
Director

Place : Hyderabad
Date : 28.06.2008

SWAGRUHA INFRASTRUCTURE LIMITED

(formerly Memory Polymers Limited)

SCHEDULE – VI

NOTES TO ACCOUNTS

SIGNIFICANT ACCOUNTING POLICIES :

It is corporate policy.

- i) **Fixed Assets :**
To state Fixed Assets at cost of acquisition inclusive of inward freight and incidental expenses related to acquisition.
- ii) **Depreciation :**
To calculate depreciation on Fixed Assets on written down value method as per rates under the Income Tax Act.
- iii) **Financial Accounting :**
To follow the accrual method of accounting so that the books of account and other records are designed to facilitate compliance of the relevant provision of the Companies Act.
- iv) **Miscellaneous Expenditure :**
Preliminary Expenditure is written-off over a period of Ten years.
- v) **Contingent Liabilities :**
Contingent Liabilities are not provided and are disclosed by way of Notes.

NOTES ON ACCOUNTS :

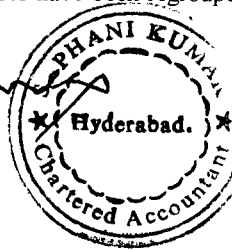
1. Balances of Loans & Advances, Debtors and creditors are subject to confirmation.
2. Provision for gratuity is not made in books of accounts as none of the employees has completed five years of continuous service.
3. **Segment Reporting:**
During the period under review the company is engaged in one segment only. Hence segment reporting as per Accounting Standard is not applicable for the period.
4. Related party disclosure under Accounting Standard (AS : 18) NIL
5. Managerial Remuneration paid or payable during the period –

| | | |
|--------------|----------|---------|
| | 2007-08 | 2006-07 |
| Remuneration | 1,08,000 | NIL |
6. Auditor's Remuneration includes for the period :

| | | |
|-----------|---------|---------|
| | 2007-08 | 2006-07 |
| Audit Fee | 30,000 | 30,000 |
7. Foreign Exchange earning : Rs. NIL (Previous Year Rs. NIL)
8. Expenditure in Foreign Current : NIL (Previous Year Rs. NIL)
9. CIF Value of Imports : NIL (Previous Year Rs. NIL)
10. Pending Capital commitments as on 31st March, Rs. NIL
11. Contingent Liabilities – NIL
12. All the amounts in paise have been rounded off to nearest rupee.
13. Previous year figures have been regrouped or reclassified wherever necessary to confirm with current year grouping.

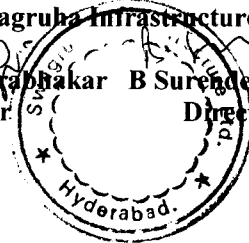

S. Phani Kumar
Chartered Accountant

Place : Hyderabad
Date : 28.06.2008



For and on behalf of the Board of Directors
Fof Swagruha Infrastructure Limited


Boga Prabhakar **B Surender N V Satyanarayana**
Director Director Director

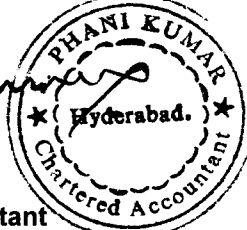


SWAGRUHA INFRASTRUCTURE LIMITED
(formerly Memory Polymers Limited)
SCHEDULE - II

FIXED ASSETS

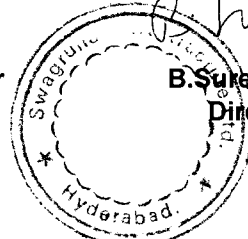
| DESCRIPTION | Dep. Rate % | GROSS BLOCK | | DEPRECIATION | | | NET BLOCK | | |
|----------------------|-------------------|-----------------|-------------------------|------------------|-----------------|-----------------|------------------|------------------|------------------|
| | | As on 1.4.07 | Additions/ Deletions | As on 31.3.08 | Up to 1.4.07 | For the Year | Up to 31.3.08 | As on 31.3.08 | As on 31.3.07 |
| Furniture & Fixtures | 18.10 | 105,294 | - | 105,294 | 94,818 | 1,896 | 96,714 | 8,580 | 10,476 |
| Office Equipment | 13.91 | 288,399 | - | 288,399 | 229,387 | 8,208 | 237,595 | 50,804 | 59,012 |
| TOTAL | | 393,693 | - | 393,693 | 324,205 | 10,104 | 334,309 | 59,384 | 69,488 |

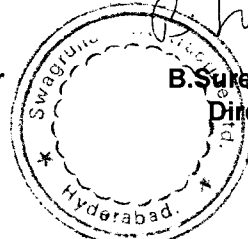
As per our report of even date attached

S. Phani Kumar

S. Phani Kumar
Chartered Accountant

Place : Hyderabad
Date : 28.06.2008

For and on behalf of the Board of Directors
For Swagruha Infrastructure Limited

B. Prabhakar

B. Prabhakar
Director

B. Surender

B. Surender
Director

N.V. Satyanarayana
N.V. Satyanarayana
Director